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Draft Shelf Prospectus
July 16, 2026

PAISALO
EASY LOAN आसान लोन

PAISALO DIGITAL LIMITED

Paisalo Digital Limited was originally incorporated in Uttar Pradesh as "*S. E. Investments Private Limited*" on March 5, 1992 under the provisions of Companies Act, 1956, Subsequently, our Company became a public limited company pursuant to a special resolution passed by the members of our Company on February 24, 1995 and fresh certificate of incorporation consequent to conversion to a public limited company was issued on March 1, 1995. Our Company has obtained a certificate of registration dated May 25, 1998, for carrying on the business of a non-banking finance company. At present company is registered with Reserve Bank of India, as a non-banking financial company in accordance with Section 45 IA of Reserve Bank of India Act, 1934 vide certificate of registration bearing number B-14.02997. The name of our Company was changed to "*Paisalo Digital Limited*" and a fresh certificate of incorporation was granted by the Registrar of Companies, Delhi - I, on January 12, 2018. For further details see "*General Information*" on page 46.

Registered and Corporate Office: CSC, Pocket 52, C R Park, Near Police Station, New Delhi – 110019, India;
Telephone: +91-11 4351 8888
Corporate Identity Number L65921DL1992PLC120483; **PAN**: AACCS1879G
Website: www.paisalo.in; **Email:** delhi@paisalo.in
Company Secretary and Compliance Officer: Manendra Singh; **Telephone:** +91 562 4028888; **Email:** cs@paisalo.in
Chief Financial Officer: Harish Singh; **Telephone**: +91 562 4028888; **Email**: harish@paisalo.in

PUBLIC ISSUE BY OUR COMPANY OF UPTO 9,000,000 SECURED, RATED, LISTED, REDEEMABLE, NON-CONVERTIBLE DEBENTURES OF FACE VALUE OF ₹ 1,000 EACH ("NCDs" OR "DEBENTURES") AMOUNTING TO ₹ 90,000 LAKHS ("SHELF LIMIT"), HEREINAFTER REFERRED TO AS THE "ISSUE". THE NCDs WILL BE ISSUED IN ONE OR MORE TRANCHES UP TO THE SHELF LIMIT, ON TERMS AND CONDITIONS INCLUDING TRANCHE ISSUE SIZE AS SET OUT IN THE RELEVANT TRANCHE PROSPECTUS FOR ANY TRANCHE ISSUE (EACH BEING A "TRANCHE ISSUE") WHICH SHOULD BE READ TOGETHER WITH THIS DRAFT SHELF PROSPECTUS AND THE SHELF PROSPECTUS (COLLECTIVELY, THE "ISSUE DOCUMENTS"). THE ISSUE IS BEING MADE PURSUANT TO THE PROVISIONS OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021, AS AMENDED (THE "SEBI NCS REGULATIONS"), THE COMPANIES ACT, 2013 AND RULES MADE THEREUNDER AS AMENDED TO THE EXTENT NOTIFIED AND THE SEBI MASTER CIRCULAR NO. SEBI/HO/DDHS/DDHS-PoD/P/CIR/2025/0000000137 DATED OCTOBER 15, 2025, AS AMENDED FROM TIME TO TIME ("SEBI NCS MASTER CIRCULAR"). THE ISSUE IS NOT UNDERWRITTEN.

OUR PROMOTER

Sunil Purushottanm Agarwal, **Email**: sunil@paisalo.in **Telephone**: +91 11 43518888. For details of our Promoter, see section titled "*Our Promoter*" on page 165.

GENERAL RISKS

Investment in non-convertible securities is risky, and investors should not invest any funds in such securities unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking an investment decision, investors must rely on their examination of the issue including the risks involved in it. Specific attention of the Investors is invited to the chapters *"Risk Factors"* and *"Material Developments"* on pages 16 and 188, respectively, before making an investment in this Issue. These risks are not and are not intended to be a complete list of all risks and considerations relevant to the non-convertible securities or the investors' decision to purchase such securities. This Draft Shelf Prospectus has not been and will not be approved by any regulatory authority in India, including the Securities and Exchange Board of India ("**SEBI**"), the Reserve Bank of India ("**RBI**"), the RoC, or any Stock Exchange in India or do they guarantee the accuracy or adequacy of this document.

ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Shelf Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Shelf Prospectus is true and correct in all material aspects and is not misleading, that the opinions and intentions expressed herein are honestly stated and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading

CREDIT RATING

The NCDs proposed to be issued under the Issue have been rated "BWR AA/ Stable" for an amount of ₹ ₹150,000.00 lakhs by Brickwork Ratings India Private Limited vide its rating letters dated April 20, 2026, and press release for rating rationale dated April 20, 2026 and "IVR AA/Stable" for an amount of ₹ 205,900.00 lakhs by Infomerics Valuation and Rating Limited vide its rating letter dated May 5, 2026, and press release for rating rationale dated May 13, 2026. The ratings given by Brickwork Ratings India Private Limited and Infomerics Valuation and Rating Limited remain valid as on the date of this Draft Shelf Prospectus and shall remain valid as on the date of issue, allotment and listing of the NCDs on BSE Limited. Securities with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such securities carry very low credit risk. The ratings are not a recommendation to buy, sell or hold securities and investors should take their own decision. The ratings may be subject to revision or withdrawal at any time by the assigning rating agencies and each rating should be evaluated independently of any other rating. The rating agencies have a right to suspend or withdraw the rating at any time on the basis of factors such as new information. Please see "*ANNEXURE I – CREDIT RATINGS, RATIONALE AND PRESS RELEASES"* on page 320 for the rating letters, rating rationale and press releases of the above ratings. There are no unaccepted ratings and any other ratings other than as specified in this Draft Shelf Prospectus.

PUBLIC COMMENTS

This Draft Shelf Prospectus dated July 16, 2026 has been filed with BSE, pursuant to the provisions of the SEBI NCS Regulations and will be open for public comments for a period of one day immediately after the date of filing of this Draft Shelf Prospectus with the Stock Exchange. All comments on this Draft Shelf Prospectus are to be forwarded to the attention of Manendra Singh, Company Secretary and Compliance Officer. Comments may be sent through post or email. However, please note that all comments by post must be received by our Company by 5:00 p.m. (Indian Standard Time) within one day from the date on which this Draft Shelf Prospectus is hosted on the website of the Stock Exchange. All comments received on this Draft Shelf Prospectus will be suitably addressed prior to filing of the Shelf Prospectus with the RoC.

LISTING

The NCDs offered through this Draft Shelf Prospectus, the Shelf Prospectus and the relevant Tranche Prospectus(es) are proposed to be listed on BSE Limited ("**BSE**" or "**Stock Exchange**"). Our Company has received an 'in-principle' approval from BSE vide their letter no. [●] dated [●]. BSE shall be the Designated Stock Exchange for the Issue.

COUPON RATE, COUPON PAYMENT FREQUENCY, REDEMPTION DATE, REDEMPTION AMOUNT AND ELIGIBLE INVESTORS

For details pertaining to Coupon Rate, Coupon Payment Frequency, Redemption Date and Redemption Amount of the NCDs, see "*Terms of the Issue*" beginning on page 248. For details relating to eligible investors, see "*Issue Structure*" beginning on page 243.

LEAD MANAGER TO THE ISSUE	DEBENTURE TRUSTEE TO THE ISSUE#	REGISTRAR TO THE ISSUE
Tip Sons Creating Value Since 1993	AXIS TRUSTEE	Alankit Health & Wealth, We Manage Both
Tipsons Consultancy Services Private Limited 1st Floor, Sheraton House, Opp. Ketav Petrol Pump, Polytechnic Road, Ambawadi, Ahmedabad 380 015 Gujarat, India **Telephone**: +91 79 66828126 **Email**: pdl.ncd@tipsons.com **Investor Grievance Email**: igr@tipsons.com **Website**: www.tipsons.com **Contact Person**: Digesh Shah **Compliance Officer**: Divyani Koshta **SEBI Registration No**.: INM000011849 **CIN**: U74140GJ2010PTC062799	**Axis Trustee Services Limited#** The Ruby, 2nd Floor SW 29, Senapati Bapat Marg, Dadar West, Mumbai – 400 028, Maharashtra, India, **Telephone**: 022-43253000 **Email**: debenturetrustee@axistrustee.in **Investor Grievance Email**: complaints@axistrustee.in **Website**: https://www.axistrustee.in/ **Contact Person**: Subhash Jha **Compliance Officer:** Anagha Darekar **SEBI Registration No**.: IND000000494 **CIN**: U74999MH2008PLC182264	**Alankit Assignments Limited** Alankit House, 4E/2 Jhandewalan Extension New Delhi-110 055 **Telephone:** 011 4254 1193 **Facsimile:** +91 11 4254 1202, +91 11 2355 2001 **Email**: rta@alankit.com **Investor Grievance ID**: paisalo@alankit.com **Website**: ipo.alankit.com **Contact Person**: Kamal Garg **Compliance Officer**: Harish Chanda Agarwal **SEBI Registration No.**: INR000002532 **CIN**: U74210DL1991PLC042569

CREDIT RATING AGENCIES		STATUTORY AUDITOR	PREVIOUS STATUTORY AUDITOR
BRICKWORK RATINGS	Infomerics Ratings SEBI REGISTERED / RBI ACCREDITED CREDIT RATING AGENCY	**Saket Jain & Co. Chartered Accountants** 192 Jaipur House, Agra-282002, Uttar Pradesh, India **Telephone:** +91 562 4307192 **Email:** ashish@casjco.com **Contact Person:** CA Ashish Jain **Peer Review Certificate Number:** 026108 **Firm Registration Number:** 014685N **Membership Number:** 400599	**Manish Goyal & Co., Chartered Accountants** F-6, First Floor, Friends Trade Centre, 66, Nehru Nagar, Agra - 282002 **Telephone:** (0562) 4032000 **Email:** manishgoyalfca@gmail.com **Contact Person:** CA Manish Goyal **Peer Review Certificate Number:** 023055 **Firm Registration Number:** 006066C **Membership Number:** 074778
Brickwork Ratings India Private Limited 3rd floor, 29/3 and 32/2, Raj Alkaa Park, Kalens Agrahara, Bannerghatta Road, Bengaluru – 560 076, Karnataka **Telephone**: +91-80 4040 9999 **Email**: abhinandan.s@brickworkratings.com **Website**: www.brickworkratings.com **Contact Person**: Abhinandan Sharda **Compliance Officer**: Santosh Shah **SEBI Registration No**.: IN/CRA/005/ 2008 **CIN**: U67190KA2007PTC043591	**Infomerics Valuation and Rating Limited** Flat No. 104/108, First Floor, Golf Apartments, Sujan Singh Park, New Delhi – 110 003, India **Telephone**: (022) – 6239 6023 **Email**: info@infomerics.com **Website**: www.infomerics.com **Contact Person**: Vineet Kumar **Compliance Officer**: Ms. Seema Sarda **SEBI Registration No**.: IN/CRA/007/2015 **CIN**: U32202DL1986PLC024575		

ISSUE PROGRAMME*

Issue opens on: As specified in the relevant tranche prospectus for each Tranche Issue	Issue closes on: As specified in the relevant tranche prospectus for each Tranche Issue

Axis Trustee Services Limited under regulation 8 of SEBI NCS Regulations has, by its letter dated July 10, 2026, given its consent for its appointment as Debenture Trustee to the Issue and for its name to be included in the Draft Shelf Prospectus, the Shelf Prospectus and relevant Tranche Prospectus and in all the subsequent periodical communications sent to the holders of the NCDs issued pursuant to this Issue.

* *The Issue shall remain open for subscription on Working Days from 10:00 a.m. to 5:00 p.m. (Indian Standard Time) during the period as indicated in the relevant Tranche Prospectus for each Tranche Issue. Our Company may, in consultation with the Lead Manager, consider closing the relevant Tranche Issue on such earlier date or extended date (subject to a minimum period of two working days and a maximum period of 10 working days from the date of opening of the Issue and subject to not exceeding thirty days from filing of the relevant Tranche Prospectus with RoC, including any extensions), as may be decided by the Board of Directors or the Operations and Finance Committee, subject to relevant approvals, in accordance with the Regulation 33A of the SEBI NCS Regulations. In the event of an early closure or extension of the Issue, our Company shall ensure that notice of the same is provided to the prospective investors through an advertisement in an English daily national newspaper with wide circulation and a regional daily with wide circulation where the registered office of our Company is located (in all the newspapers or electronic modes such as online newspapers or websites of the Issuer or the stock exchange in which pre-issue advertisement for opening of the Issue has been given on or before such earlier or initial date of Issue closure). On the Issue Closing Date, the Application Forms will be accepted only between 10:00 a.m. and 3:00 p.m. (Indian Standard Time) and uploaded until 5 p.m. (Indian Standard Time) or such extended time as may be permitted by the Stock Exchange. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5:00 p.m. (Indian Standard Time) on the Issue Closing Date. For further details please see "General Information" on page 46.*

A copy of the Shelf Prospectus and relevant Tranche Prospectus shall be filed with the RoC, in terms of Section 26 and Section 31 of the Companies Act, 2013, along with the requisite endorsed/certified copies of all requisite documents. For further details please see "Material Contracts and Documents for Inspection" on page 308.

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Shelf Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning ascribed to such definitions and abbreviations set forth herein. References to any legislation, act, regulation, rules, guidelines, clarifications or policies shall be to such legislation, act, regulation, rules, guidelines, clarifications or policies as amended, supplemented or re-enacted from time to time until the date of this Draft Shelf Prospectus, and any reference to a statutory provision shall include any subordinate legislation notified from time to time pursuant to such provision.

The words and expressions used in this Draft Shelf Prospectus but not defined herein shall have, to the extent applicable, the same meaning ascribed to such words and expressions under the SEBI NCS Regulations, the Companies Act, 2013, the SCRA, the Depositories Act and the rules and regulations notified thereunder.

Notwithstanding the foregoing, the terms defined as a part of "Risk Factors", "Statement of Possible Tax Benefits" "Industry Overview" "Our Business", "Regulations and Policies", and "Key Provisions of Articles of Association" beginning on pages 16, 68, 78, 122, 168 and 292 respectively, shall have the meaning ascribed to them as part of the aforementioned sections. Terms not defined as part of "Industry Overview" and "Regulations and Policies", beginning on pages 78 and 168 respectively, shall have the meaning ascribed to them hereunder.

General Terms

Term	Description
"our Company" or "the Company" or "the Issuer"	Paisalo Digital Limited, a public limited company incorporated under the Companies Act, 1956, having its Registered and Corporate Office at: CSC, Pocket 52, C R Park, Near Police Station, New Delhi – 110019, India
"we" or "us" or "our"	Unless the context otherwise indicates or implies, refers to our Company together with our Subsidiary, as applicable, to the extent required on a consolidated basis as on the date of this Draft Shelf Prospectus

Company Related Terms

Term	Description
2024 Consolidated Financial Statements	The annual consolidated balance sheet as at March 31, 2024, and the annual consolidated statement of profit and loss for the financial year ended 2024, and the annual consolidated statement of cash flows for the financial year ended 2024, and the annual consolidated statement of changes in equity for the financial year ended 2024, of our Company prepared in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The above consolidated financial statements have been approved by the Board of Directors at their meeting held on April 26, 2024. The consolidated financial statements for the financial year ended March 31, 2024, have been subject to statutory audit by Manish Goyal & Co., Chartered Accountants
2024 Standalone Financial Statements	The annual standalone balance sheet as at March 31, 2024, and the annual standalone statement of profit and loss for the financial year ended 2024, and the annual standalone statement of cash flows for the financial year ended 2024, and the annual standalone statement of changes in equity for the financial year ended 2024, of our Company prepared in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The above standalone financial statements have been approved by the Board of Directors at their meeting held on April 26, 2024. The standalone financial statements for the financial year ended March 31, 2024, have been subject to statutory audit by Manish Goyal & Co., Chartered Accountants
2025 Consolidated Financial Statements	The annual consolidated balance sheet as at March 31, 2025, and the annual consolidated statement of profit and loss for the financial year ended 2025, and the annual consolidated statement of cash flows for the financial year ended 2025, and the annual consolidated statement of changes in equity for the financial year ended 2025, of our Company prepared in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The above consolidated financial statements have been approved by the Board of Directors at their meeting held on May 9, 2025. The consolidated financial statements for the financial year ended March 31, 2025, have been subject to statutory audit by Saket Jain & Co., Chartered Accountants.
2025 Standalone Financial Statements	The annual standalone balance sheet as at March 31, 2025, and the annual standalone statement of profit and loss for the financial year ended 2025, and the annual standalone statement of cash flows for the financial year ended 2025, and the annual standalone statement of changes in equity for the

Term	Description
	financial year ended 2025, of our Company prepared in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The above standalone financial statements have been approved by the Board of Directors at their meeting held on May 9, 2025. The standalone financial statements for the financial year ended March 31, 2025, have been subject to statutory audit by Saket Jain & Co., Chartered Accountants.
2026 Consolidated Financial Statements	The annual consolidated balance sheet as at March 31, 2026, and the annual consolidated statement of profit and loss for the financial year ended 2026, and the annual consolidated statement of cash flows for the financial year ended 2026, and the annual consolidated statement of changes in equity for the financial year ended 2026, of our Company prepared in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The above consolidated financial statements have been approved by the Board of Directors at their meeting held on May 10, 2026. The consolidated financial statements for the financial year ended March 31, 2026, have been subject to statutory audit by Saket Jain & Co., Chartered Accountants.
2026 Standalone Financial Statements	The annual standalone balance sheet as at March 31, 2026, and the annual standalone statement of profit and loss for the financial year ended 2026, and the annual standalone statement of cash flows for the financial year ended 2026, and the annual standalone statement of changes in equity for the financial year ended 2026, of our Company prepared in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The above standalone financial statements have been approved by the Board of Directors at their meeting held on May 10, 2026. The standalone financial statements for the financial year ended March 31, 2026, have been subject to statutory audit by Saket Jain & Co., Chartered Accountants.
"Articles" or "Articles of Association" or "AOA"	Articles of Association of our Company, as amended from time to time
Audit Committee	The audit committee of the Board of Directors, as described in the section titled "*Our Management*" on page 153
"Auditors" or "Statutory Auditors" or "Current Statutory Auditor"	The current statutory auditor of our Company namely Saket Jain & Co., Chartered Accountants.
Audited Financial Statements	Together the Consolidated Financial Statements and Standalone Financial Statements
"Board" or "Board of Directors" or "our Board" or "our Board of Directors"	Board of Directors of our Company or any duly constituted committee thereof, as the context may require
Committee	A committee constituted by the Board, from time to time
Consolidated Financial Statements	Together the 2026 Consolidated Financial Statements, 2025 Consolidated Financial Statements and 2024 Consolidated Financial Statements
Corporate Social Responsibility Committee	The corporate social responsibility committee of the Board of Directors, as described in the section titled "*Our Management*" on page 153
Director(s)	Director(s) of our Company
Equity Shares	Equity shares of our Company of face value of ₹1.00 each
ESPS 2024	Paisalo Employee Share Purchase Scheme 2024
FCCBs	Foreign Currency Convertible Bond
Group Companies	Includes such companies, other than our Subsidiary, with which there were related party transactions, during the period for which financial information is disclosed in this Draft Shelf Prospectus, as covered under the applicable accounting standards and also other companies as considered material by our Operations and Finance Committee vide its resolution dated July 14, 2026
Independent Director(s)	The independent director(s) on our Board, in terms of Section 2(47) and Section 149(6) of the Companies Act, 2013 and SEBI Listing Regulations
"KMP" or "Key Managerial Personnel"	Key managerial personnel of our Company as disclosed in this Draft Shelf Prospectus appointed in accordance with the provisions of Section 2(51) of the Companies Act, 2013
"MoA" or "Memorandum" or "Memorandum of Association"	Memorandum of Association of our Company, as amended from time to time
Net Worth	As defined in Section 2(57) of the Companies Act, 2013, as follows: "*Net Worth means the aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet but does not include reserves created out of revaluation of assets, write back of depreciation and amalgamation.*"
"NRC" or "Nomination and Remuneration Committee"	The nomination and remuneration committee of the Board of Directors, as described in the section titled "*Our Management*" on page 153
NFPL	Nupur Finvest Private Limited

Term	Description
Operations and Finance Committee	The operations and finance committee of the Board of Directors, constituted in accordance with applicable laws and as reconstituted from time to time by Board of Directors of our Company
Previous Auditor	The previous statutory auditor of our Company namely Manish Goyal & Co., Chartered Accountants.
Promoter	The promoter of our Company is Sunil Purushottanm Agarwal
Promoter Group	Includes such persons and entities constituting the promoter group of our Company pursuant to Regulation 2(1)(pp) of the SEBI ICDR Regulations
Registered and Corporate Office	CSC, Pocket 52, C R Park, Near Police Station, New Delhi – 110019, India
Risk Management Committee	Risk Management Committee of the Board of Directors, as described in the section titled "*Our Management*" on page 153
"RoC" or "Registrar of Companies"	Registrar of Companies, National Capital Territory of Delhi- I, at South Delhi
Senior Management	The senior management of our Company as defined under Regulation 2(iia) of the SEBI NCS Regulations
Shareholders	The holders of the Equity Shares from time to time
Stakeholders' Relationship Committee	The stakeholders' relationship committee as constituted by the Board of Directors, as described in the section titled "*Our Management*" on page 153
Standalone Financial Statements	Together the 2026 Standalone Financial Statements, 2025 Standalone Financial Statements and 2024 Standalone Financial Statements
Subsidiary	The Subsidiary of our Company as at and for the relevant financial year/period, as applicable. For details of the Subsidiary as on the date of this Draft Shelf Prospectus, please see section titled "*History and Main Objects*" on page 146

Issue Related Terms

Term	Description
Abridged Prospectus	A memorandum accompanying the application form for a public issue containing such salient features of the Shelf Prospectus and the relevant Tranche Prospectus as specified by SEBI
"Acknowledgement Slip" or "Transaction Registration Slip" or "TRS"	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application Form
Allotment Advice	The communication sent to the Allottees conveying the details of NCDs allotted to the Allottees in accordance with the Basis of Allotment
"Allotment", "Allot" or "Allotted"	Unless the context otherwise requires, the allotment of NCDs to the successful Applicants pursuant to the Issue
Allottee(s)	The successful Applicant to whom the NCDs are Allotted either in full or part, pursuant to the Issue
Applicable Accounting Standards	Generally accepted accounting principles, standards and practices in India or any other prevailing accounting standard in India as may be applicable for the relevant fiscal period/year and includes the Indian Accounting Standards (IND-AS) and the generally accepted accounting principles in India (Indian GAAP)
"Applicant" or "Investor"	Any person who applies for issuance and Allotment of NCDs through ASBA process or through UPI Mechanism pursuant to the terms of the Shelf Prospectus, the relevant Tranche Prospectus, the Abridged Prospectus, and the Application Form for any relevant Tranche Issue
"Application" or "ASBA Application"	An application (whether physical or electronic) to subscribe to the NCDs offered pursuant to the Issue by submission of a valid Application Form and authorising an SCSB to block the Application Amount in the ASBA Account or to block the Application Amount using the UPI Mechanism, where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by retail individual and high net worth individual investors for an Application Amount of upto UPI application limit which will be considered as the application for Allotment in terms of the relevant Tranche Prospectus
Application Amount	The aggregate value of the NCDs applied for, as indicated in the Application Form for the Issue
"Application Form" or "ASBA Form"	Form in terms of which an Applicant shall make an offer to subscribe to NCDs through the ASBA process or through the UPI Mechanism and which will be considered as the Application for Allotment of NCDs in terms of the Shelf Prospectus and the relevant Tranche Prospectus
"ASBA" or 'Application Supported by Blocked Amount"	The Application (whether physical or electronic) used by an ASBA Applicant to make an Application by authorizing the SCSB to block the Application Amount in the specified bank account maintained with such SCSB
ASBA Account	A bank account maintained with an SCSB by an Applicant, as specified in the Application Form submitted by the Applicant for blocking the Application Amount mentioned in the relevant ASBA Form and includes a bank account maintained by a UPI investor linked to a UPI ID, which is blocked upon acceptance of a UPI mandate request made by the UPI investor using the UPI Mechanism
ASBA Applicant	Any Applicant who applies for NCDs through the ASBA process
Base Issue	As specified in the relevant Tranche Prospectus for each Tranche Issue
Bankers to the Issue	Collectively Public Issue Account Bank(s), Refund Bank and Sponsor Bank
Basis of Allotment	The basis on which NCDs will be allotted to the Applicants, as specified in the relevant Tranche Prospectus for each Tranche Issue

Term	Description
Bidding Centres	Centres at which the Designated Intermediaries shall accept the Application Forms, i.e., Designated Branches of SCSB, Specified Locations for Members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Brickwork Ratings	Brickwork Ratings India Private Limited
Broker Centres	Broker centres notified by the Stock Exchange, where Applicants can submit the Application Forms (including ASBA Forms under UPI in case of UPI Investors) to a Trading Member. The details of such broker centres, along with the names and contact details of the Trading Members are available on the website of the Stock Exchange at www.bseindia.com and updated from time to time
Category I (Institutional Investors)	• Public financial institutions, scheduled commercial banks, and Indian multilateral and bilateral development financial institutions which are authorised to invest in the NCDs; • Provident funds with minimum corpus of ₹2,500 lakh., and pension funds, provident funds, and gratuity funds with minimum corpus of ₹2,500 lakh. registered with the Pension Fund Regulatory and Development Authority, which are authorised to invest in the NCDs; • Alternative Investment Funds subject to investment conditions applicable to them under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended; • Resident Venture Capital Funds registered with SEBI; • Insurance companies registered with IRDAI; • State industrial development corporations; • Insurance funds set up and managed by the army, navy, or air force of the Union of India; • Insurance funds set up and managed by the Department of Posts, India; • Systemically important non-banking financial companies registered with RBI; • National Investment Fund set up by resolution no. F.No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India; and • Mutual funds registered with SEBI. • Or as specified under the relevant Tranche Prospectus
Category II (Non-Institutional Investors)	• Companies within the meaning of Section 2(20) of the Companies Act, 2013; statutory bodies/ corporations and societies registered under the applicable laws in India and authorised to invest in the NCDs; • Co-operative banks and regional rural banks; • Trusts including public/private charitable/religious trusts which are authorised to invest in the NCDs; • Educational institutions and associations of persons and/or bodies established pursuant to or registered under any central or state statutory enactment, which are authorised to invest in the NCDs; • Scientific and/or industrial research organisations, which are authorised to invest in the NCDs; • Partnership firms in the name of the partners; Limited liability partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008 (No. 6 of 2009); • Association of Persons; and • Any other incorporated and/ or unincorporated body of persons or as specified under the relevant Tranche Prospectus.
Category III (High Net Worth Individual Investors)	Resident Indian individuals or Hindu Undivided Families through the Karta applying for an amount aggregating to above ₹ 2,00,000 across all options of NCDs in the Issue and shall include Resident Indian individuals or Hindu Undivided Families through the Karta, who have submitted bid for an amount not more than ₹ 500,000 in any of the bidding options in the Issue (including HUFs applying through their Karta and does not include NRIs) though UPI Mechanism
Category IV (Retail Individual Investors)	Resident Indian individuals or Hindu Undivided Families through the Karta applying for an amount aggregating up to and including ₹ 2,00,000 across all options of NCDs in the Issue and shall include Retail Individual Investors, who have submitted bid for an amount not more than ₹ 2,00,000 in any of the bidding options in the Issue (including HUFs applying through their Karta and does not include NRIs) though UPI Mechanism
Client ID	Client identification number maintained with one of the Depositories in relation to the demat account
Collection Centres	Centres at which the Designated Intermediaries shall accept the Application Forms, being the Designated Branch for SCSBs, Specified Locations for the Syndicate, Broker Centres for registered brokers, Designated RTA Locations for CRTAs and Designated CDP Locations for CDPs
"Collecting Depository Participant" or "CDP"	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications in the Issue, at the Designated CDP Locations in terms of the SEBI NCS Master Circular
Collecting Registrar and Share Transfer Agents or CRTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications, at the Designated RTA Location
Consortium Member(s)	As specified in the relevant Tranche Prospectus for each Tranche Issue

Term	Description
Consortium Agreement	Consortium Agreement to be entered between our Company, Lead Manager and Consortium Members to the Issue
"Consortium" or "Members of the Consortium" or "Members of Syndicate" (each individually, a Member of the Consortium)	As specified in the relevant Tranche Prospectus for each Tranche Issue
Credit Rating Agencies	Brickwork Ratings India Private Limited and Infomerics Valuation and Rating Limited
"Debentures" or "NCDs"	Secured, rated, listed, redeemable, non-convertible debentures of face value of ₹ 1,000 each
"Debenture Holder(s)" or "NCD Holder(s)"	The holders of NCDs as also beneficial owners of NCDs where the NCDs are issued in electronic (dematerialized) form pursuant to the Issue, and whose names appear in the Register of Debenture Holders(s) or the list of beneficial owner(s)/register of beneficial owners(s) prepared, held and given by the Depository, from time to time and Debenture Holder means each such person, and includes their respective successors/ transferees and assigns
Debenture Trust Deed	The trust deed to be entered between the Debenture Trustee and our Company which shall be executed in relation to the NCDs within the time limit prescribed by applicable statutory and/or regulatory requirements, including creation of appropriate security, in favour of the Debenture Trustee for the NCD Holders. The contents of the Debenture Trust Deed shall be as prescribed by SEBI, or any other statutory/regulatory body from time to time
"Debenture Trustee" or "Trustee"	Trustees for the NCD holders in this case being Axis Trustee Services Limited.
Debenture Trustee Agreement	Agreement dated July 16, 2026, entered into between our Company and the Debenture Trustee
Deed of Hypothecation	Deed of Hypothecation shall mean the deed of hypothecation to be entered into between our Company and the Debenture Trustee
Deemed Date of Allotment	The date on which the Board of Directors/the Operation and Finance Committee approves the Allotment of the NCDs for this Issue or such date as may be determined by the Board of Directors / the Operation and Finance Committee and notified to the Designated Stock Exchange. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs shall be available to the Debenture Holders from the Deemed Date of Allotment.
Demographic Details	The demographic details of the Applicants such as their respective addresses, email, PAN, investor status, MICR Code and bank account details
Designated Branches	Such branches of the SCSBs which shall collect the Application Forms used by the ASBA Applicants and a list of which is available at https://www.sebi.gov.in or at such other web-link as may be prescribed by SEBI from time to time
Designated CDP Locations	Such centres of the Collecting Depository Participants where Applicants can submit the Application Forms. The details of such Designated CDP Locations, along with the names and contact details of the CDPs are available on the website of the Stock Exchange and updated from time to time
Designated Date	The date on which the Registrar to the Issue issues instructions for the transfer of funds blocked by the SCSBs from the ASBA Accounts to the Public Issue Account and/or the Refund Account, as appropriate, after finalisation of the Basis of Allotment, in terms of the Draft Shelf Prospectus, this Shelf Prospectus and the relevant Tranche Prospectus following which the NCDs will be Allotted in the relevant Tranche Issue.
Designated Intermediaries	The Members of the Syndicate, SCSBs, Registered Stock Brokers, Trading Members, RTAs and CDPs who are authorized to collect Application Forms from the Applicants, in relation to the Issue In relation to ASBA applicants authorising an SCSB to block the amount in the ASBA Account, Designated Intermediaries shall mean SCSBs In relation to ASBA applicants submitted by Retail Individual Investors and High Networth Individual Investors who have submitted bid for an amount not more than ₹ 500,000 in any of the bidding options in the Issue (including HUFs applying through their Karta and does not include NRIs) though UPI Mechanism, where the amount will be blocked upon acceptance of UPI Mandate Request using the UPI Mechanism, Designated Intermediaries shall mean the CDPs, RTAs, Lead Manager, Members of the Consortium, Trading Members and Stock Exchange where applications have been submitted through the app/web interface as provided in the UPI Mechanism Circular
Designated RTA Locations	Such centres of the RTAs where Applicants can submit the Application Forms (including Application Forms by UPI Investors under the UPI Mechanism). The details of such Designated RTA Locations, along with the names and contact details of the RTAs are available on the website of the Stock Exchange and updated from time to time
Designated Stock Exchange	The designated stock exchange for the Issue, being BSE
Direct Online Application	The application made using an online interface enabling direct application by Investors to a public issue of their debt securities with an online payment facility through a categorize stock exchange. This facility is available only for demat account holders who wish to hold the NCDs pursuant to the Issue in categorized form. Please note that the Applicants will not have the option to apply for NCDs under the Issue, through the direct online applications mechanism of the Stock Exchange

Term	Description
Draft Shelf Prospectus	This Draft Shelf Prospectus dated July 16, 2026, filed by our Company with the Stock Exchange for receiving public comments and with, SEBI for record purposes in accordance with the provisions of the Companies Act, 2013 and the SEBI NCS Regulations
Infomerics Ratings	Infomerics Valuation and Rating Limited
Infomerics Report	Report titled "*Consumer Lending Industry*" dated July 15, 2026, prepared by Infomerics Analytics & Research.
Issue	Public issue by our Company of up to 9,000,000 Secured, Rated, Listed, Redeemable, Non-Convertible Debentures of face value ₹1,000.00 each, amounting to ₹90,000.00 lakhs pursuant to this Draft Shelf Prospectus, the Shelf Prospectus and the relevant Tranche Prospectus. The NCDs will be issued in one or more tranches up to the Shelf Limit, on terms and conditions including Tranche issue size as set out in the relevant Tranche Prospectus for any tranche issue which should be read together with this Draft Shelf Prospectus and the Shelf Prospectus. The Issue is being made pursuant to the provisions of SEBI NCS Regulations, the Companies Act, 2013 and rules made thereunder as amended to the extent notified and the SEBI NCS Master Circular
Issue Agreement	The Issue agreement dated July 16, 2026 entered between our Company and the Lead Manager
"Interest" or "Coupon Payment Date"	Please refer to section titled "*Issue Related Information*" on page 243
"Interest Rate" or "Coupon Rate"	Please refer to section titled "*Issue Related Information*" on page 243
Issue Closing Date	As specified in the relevant Tranche Prospectus for each Tranche Issue.
Issue Opening Date	As specified in the relevant Tranche Prospectus for each Tranche Issue.
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both days, during which prospective Applicants can submit their Application Forms
Lead Manager	Tipsons Consultancy Services Private Limited
Market Lot	1 (one) NCD
Mobile App(s)	The mobile applications listed on the website of Stock Exchange at www.bseindia.com, as may be updated from time to time, which may be used by RIBs to submit Bids using the UPI Mechanism
"Maturity Date" or "Redemption Date"	Please see the section titled "*Issue Related Information*" on page 243
Tipsons	Tipsons Consultancy Services Private Limited
"OCB" or "Overseas Corporate Body"	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% (sixty percent) by NRIs including overseas trusts, in which not less than 60% (sixty percent) of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under the FEMA. OCBs are not permitted to invest in the Issue
"Offer Document" or "Issue Document" or "Transaction Document"	This Draft Shelf Prospectus, the Shelf Prospectus, the relevant Tranche Prospectus, the Abridged Prospectus read with any notices, corrigenda, addenda thereto, the Debenture Trust Deed and other documents, if applicable, and various other documents/ agreements/ undertakings, entered or to be entered by our Company with Lead Manager and/or other intermediaries for the purpose of the Issue including but not limited to the Issue Agreement, Debenture Trust Deed, the Debenture Trustee Agreement, the Deed of Hypothecation, the Tripartite Agreements, the Public Issue Account and Sponsor Bank Agreement, the Registrar Agreement and the Consortium Agreement. For further details, please see section titled "*Material Contracts and Documents for Inspection*" on page 308
Public Issue Account	Account(s) to be opened with the Bankers to the Issue to receive monies from the ASBA Accounts maintained with the SCSBs (including under the UPI mechanism) on the Designated Date, for each Tranche Issue
Public Issue Account and Sponsor Bank Agreement	Agreement to be entered into amongst our Company, the Registrar to the Issue, the Public Issue Account Bank, the Refund Bank and the Sponsor Bank and the Lead Manager for the appointment of the Sponsor Bank in accordance with the SEBI NCS Master Circular for collection of the Application Amounts from ASBA Accounts and where applicable, refunds from the amounts collected from the Applicants on the terms and conditions thereof
Public Issue Account Bank	Banks which are clearing members and registered with SEBI under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, with whom the Public Issue Account will be opened and as specified in the relevant Tranche Prospectus for each Tranche Issue. The Public Issue Account bank for this Issue being [●]
Record Date	The record date for payment of interest in connection with the NCDs or repayment of principal in connection therewith shall be 15 (fifteen) days prior to the date on which interest is due and payable, and/or the date of redemption or such other date as may be determined by the Board of Directors or the Operations and Finance Committee or such other Committee (as may be authorised by the Board in this regard from time to time) in accordance with the applicable law. Provided that trading in the NCDs shall remain suspended between the aforementioned Record Date in connection with redemption of NCDs and the date of redemption or as prescribed by the stock exchanges, as the case may be. In case Record Date falls on a day when stock exchanges are having a trading holiday, the immediate subsequent trading day or a date notified by our Company to the stock exchanges, will be deemed as the Record Date

Term	Description
Recovery Expense Fund	Our Company shall deposit cash or cash equivalents including bank guarantees towards the contribution to Recovery Expense Fund with the Designated Stock Exchange at the time of making the application of the listing of NCDs and submit relevant documents evidencing the same to the Debenture Trustee from time to time. Kindly note, any default committed by our Company in terms of the NCDs proposed to be issued shall be reckoned at each respective International Securities Identification Number level assigned to the respective Option(s)/Series of NCDs issued.
Redemption Amount	As specified in relevant Tranche Prospectus
Redemption/Maturity Date	The date on which our Company is liable to redeem the NCDs as specified in the relevant Tranche Prospectus
Refund Account	Account to be opened with the Refund Bank from which refunds, if any, of the whole or any part of the Application Amounts (excluding the successful ASBA Applicants), if any, shall be made and as specified in the relevant Tranche Prospectus for each Tranche Issue
Refund Bank	The Banker(s) to the Issue with whom the Refund Account will be opened and as specified in the relevant Tranche Prospectus for each Tranche Issue. The Refund bank for this Issue being [●]
Register of NCD holders	The statutory register in connection with any NCDs which are held in physical form on account of rematerialisation, containing name and prescribed details of the relevant NCD Holders, which will be prepared and maintained by our Company/Registrar in terms of the applicable provisions of the Companies Act
Registrar Agreement	Agreement dated July 16, 2026 entered into between the Issuer and the Registrar under the terms of which the Registrar has agreed to act as the Registrar to the Issue
Registered Brokers	Stockbrokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers) Regulations, 2026 and the stock exchange having nationwide terminals, other than the Members of the Syndicate and eligible to procure Applications from Applicants
"Registrar to the Issue" or "Registrar"	Alankit Assignments Limited
Resident Individual	An individual who is a person resident in India as defined in the FEMA
Securities	Includes equity, debt and unsecured perpetual securities issued by our Company
Security	The principal amount of the NCDs to be issued in terms of this Draft Shelf Prospectus, the Shelf Prospectus, and the relevant Tranche Prospectus together with all interest due on the NCDs, as well as all costs, charges, all fees, remuneration of Debenture Trustee and expenses payable in respect thereof shall be secured by way of an exclusive charge, by way of hypothecation created on loan receivables of our Company. The security shall be created upfront prior to making application for the listing of debentures and perfected within 30 days from the date of creation. Our Company shall maintain a security cover of at least 1.10 times the entire secured obligations throughout the tenure of the NCDs.
"Self-Certified Syndicate Banks" or "SCSBs"	The banks registered with SEBI under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 offering services in relation to ASBA, including blocking of an ASBA Account, and a list of which is available on https://www.sebi.gov.in or at such other web-link as may be prescribed by SEBI from time to time Additionally, the banks registered with SEBI, enabled for UPI Mechanism, list of which is available on https://www.sebi.gov.in or at such other web-link as may be prescribed by SEBI from time to time A list of the branches of the SCSBs where ASBA Applications submitted to the Lead Manager, Members of the Syndicate or the Trading Member(s) of the Stock Exchange, will be forwarded by such Lead Manager, Members of the Syndicate or the Trading Members of the Stock Exchange is available at https://www.sebi.gov.in or at such other web-link as may be prescribed by SEBI from time to time
"Series" or "Option"	Please see the section titled "*Issue Related Information*" on page 243
Shelf Limit	The aggregate limit of the Issue, being ₹ 90,000.00 lakhs to be issued under the Shelf Prospectus and relevant Tranche Prospectus(es) through one or more Tranche Issues
Shelf Prospectus	The Shelf Prospectus to be filed with the RoC in accordance with the SEBI NCS Regulations, containing inter alia the Coupon Rate for the NCDs and certain other information
"Specified Cities" or "Specified Locations"	Specified LocationsCollection centres where the Members of the Syndicate shall accept Application Forms, a list of which is included in the Application Form
Sponsor Bank	A Banker to the Issue, registered with SEBI, which is appointed by the Issuer to act as a conduit between the stock exchanges and NPCI in order to push the mandate collect requests and / or payment instructions of the retail individual investors into the UPI for retail individual investors applying through the app/web interface of the Stock Exchange(s) with a facility to block funds through UPI Mechanism for application value up to ₹5,00,000 and carry out any other responsibilities in terms of the UPI Mechanism Circular and as specified in the relevant Tranche Prospectus for each Tranche Issue. The Sponsor Bank for this Issue being [●]
Stock Exchange	BSE Limited
Syndicate ASBA	Applications through the Syndicate or the Designated Intermediaries
Syndicate ASBA Application Locations	Collection centers where the Designated Intermediaries shall accept Application Forms from Applicants, a list of which is available on the website of SEBI at https://www.sebi.gov.in and at such other websites as may be prescribed by SEBI from time to time

Term	Description
Syndicate Bidding Centres	Syndicate Bidding Centres established for acceptance of Application Forms
Syndicate SCSB Branches	In relation to ASBA Applications submitted to a Member of the Syndicate, such branches of the SCSBs at the Syndicate ASBA Application Locations named by the SCSBs to receive deposits of the Application Forms from the members of the Syndicate, and a list of which is available on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised Intermediaries or at such other website as may be prescribed by SEBI from time to time
Tenor	Tenor shall mean the tenor of the NCDs as specified in relevant Tranche Prospectus for each Option/Series under Tranche Issue
Trading Members	Individuals or companies registered with SEBI as "trading member(s)" under the Securities and Exchange Board of India (Stock Brokers) Regulations, 2026 and who hold the right to trade in stocks listed on stock exchanges, through which Investors can buy or sell securities listed on stock exchanges whose list is available on stock exchanges
Tranche Prospectus (es)	The Tranche Prospectus(es) containing the details of NCDs including interest, other terms and conditions, recent developments, general information, objects, procedure for application, statement of possible tax benefits, regulatory and statutory disclosures and material contracts and documents for inspection, in respect of the relevant Tranche Issue
Tripartite Agreements	Tripartite agreement dated November 14, 2000, entered into between our Company, the Registrar to the Issue and NSDL and tripartite agreement dated November 13, 2000, entered into between our Company, the Registrar to the Issue and CDSL
"UPI" or "UPI Mechanism"	The optional bidding mechanism that may be used by UPI Investors to make Applications in the Issue, in accordance with SEBI NCS Master Circular and any other circulars issued by SEBI or any other governmental authority in relation thereto from time to time
UPI ID	Identification created on the UPI for single-window mobile payment system developed by the National Payments Corporation of India
UPI Investor	An Applicant who applies with a UPI number whose Application Amount for NCDs in the Issue is up to ₹ 5,00,000 or as may be prescribed under SEBI NCS Master Circular
"UPI Mandate Request" or "Mandate Request"	A request (intimating the UPI Investors, by way of a notification on the UPI application and by way of an SMS directing the UPI Investors to such UPI application) to the UPI Investors using the UPI Mechanism initiated by the Sponsor Bank to authorise blocking of funds equivalent to the Application Amount in the relevant ASBA Account through the UPI, and the subsequent debit of funds in case of Allotment
Wilful Defaulter(s)	Wilful defaulter shall have the same meaning as under the SEBI ICDR Regulations
Working Days	Working days means all days on which commercial banks in Mumbai, are open for business. In respect of announcement or Issue Period, working day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business, (provided that for the Issue Period, any trading day of the Stock Exchange, even if commercial banks in Mumbai are closed, will still be considered as a Working Day). Further, in respect of the time period between the Issue Closing Date and the listing of the NCDs on the Stock Exchange, working day shall mean all trading days of the Stock Exchange for NCDs, excluding Saturdays, Sundays and bank holidays, as specified by SEBI

Conventional and General Terms or Abbreviations

Term/ Abbreviation	Description/Full Form
"₹", "Rupees", "INR" or "Indian Rupees"	The lawful currency of the Republic of India
"US$", "USD" and "U.S. Dollars"	The lawful currency of the United States of America
ACH	Automated Clearing House
AGM	Annual General Meeting
"AS" or "Accounting Standards"	Accounting standards as prescribed by Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 as amended from time to time
AIF	An alternative investment fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 as amended from time to time
ALM	Asset Liability Management
ASBA	Application supported by blocked amount
Asset Under Management / AUM	AUM represents aggregate value of outstanding loans before adjustment of provisions for NPA in accordance with Ind AS or Indian GAAP, as applicable
"Bankruptcy Code" or "IBC"	Insolvency and Bankruptcy Code, 2016
BSE	BSE Limited
BNS	Bharatiya Nyaya Sanhita, 2023
BNSS	Bharatiya Nagarik Suraksha Sanhita, 2023
CAGR	Compounded annual growth rate over a specified period of time of a given value (the year-over-year growth rate)
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identification Number
Companies Act, 1956	Companies Act, 1956 and the rules made thereunder, as amended from time to time

Term/ Abbreviation	Description/Full Form
"Companies Act" or "Companies Act, 2013"	Companies Act, 2013 and the rules made thereunder, as amended from time to time
CPC	Code of Civil Procedure, 1908
CrPC	Code of Criminal Procedure, 1973
CY	Calendar Year
Depositories Act	Depositories Act, 1996
Depository(ies)	NSDL and /or CDSL
DIN	Director Identification Number
"DP" or "Depository Participant"	Depository Participant as defined under the Depositories Act, 1996
DRR	Debenture Redemption Reserve
DSRA	Debt Service Reserve Account
EGM	Extraordinary General Meeting
EOW	Economic Offences Wing
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time
"FEMA Regulation" or "FEMA 2019"	FEMA (Non-debt Instruments) Rules, 2019, as amended from time to time
FII	Foreign Institutional Investor(s)
FPI	Foreign Portfolio Investor as defined and registered under the SEBI (Foreign Portfolio Investors) Regulations, 2019, as amended from time to time
"Financial Year" or "Fiscal" or "FY" or "for the Fiscal Year ended"	Period of 12 months ended March 31 of that particular year
GDP	Gross Domestic Product
Government	Government of India
G-Sec	Government Securities
GST	Goods and Services Tax
HNI	High Net worth Individual
HUF	Hindu Undivided Family
ICAI	Institute of Chartered Accountants of India
IEPF	Investor Education and Protection Fund
IFRS	International Financial Reporting Standards
Income Tax Act or IT Act	Income-tax Act, 2025, as amended from time to time
Ind AS	Indian Accounting Standards as prescribed by Section 133 of the Companies Act, 2013 and notified by the Ind AS Rules
Ind AS Rules	Indian Accounting standards as prescribed by Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2015 as amended from time to time
India	Republic of India
IPC	Indian Penal Code, 1860
IRDAI	Insurance Regulatory and Development Authority of India
IT	Information Technology
ITR	Income Tax Returns
KYC	Know Your Customer
LLP	Limited Liability Partnership
LLP Act	Limited Liability Partnership Act, 2008
MCA	Ministry of Corporate Affairs, Government of India
MeitY	Ministry of Electronics and Information Technology
MICR	Magnetic Ink Character Recognition
MLD	Market Linked Debentures
Mutual Funds	A mutual fund registered with Securities and Exchange Board of India (Mutual Funds) Regulations, 2026
NACH	National Automated Clearing House
NAV	Net Asset Value
NEFT	National Electronic Fund Transfer
NRI	Non-resident Indian
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
p.a.	Per annum
PAN	Permanent Account Number
PAT	Profit After Tax
PBG	Performance Bank Guarantee
PCR	Provisioning Coverage Ratio
PMLA	Prevention of Money Laundering Act, 2002
PP MLD	Principal Protected Market Linked Debentures
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934
RBI Regulations	RBI Act and any applicable rules, regulations, directions, notifications, circulars and orders issued by the RBI from time to time

Term/ Abbreviation	Description/Full Form
RIB	Retail Individual Bidders
RTGS	Real Time Gross Settlement
SARFAESI Act	Securitisation and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002
SCRA	Securities Contracts Regulation Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended from time to time
SEBI Debenture Trustees Regulations	SEBI (Debenture Trustees) Regulations, 1993, as amended from time to time
SEBI Delisting Regulations	Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021, as amended from time to time
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time
SEBI LODR IV Amendment	SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018
SEBI Merchant Banker Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 as amended from time to time
SEBI NCS Regulations	Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and circulars issued thereunder, as amended from time to time
SEBI NCS Master Circular	SEBI master circular no. SEBI/HO/DDHS/DDHS-PoD/P/CIR/2025/0000000137 dated October 15, 2025, as amended from time to time
SEBI Debenture Trustee Master Circular	SEBI master circular no. SEBI/HO/DDHS-PoD-1/P/CIR/2025/117 issued by SEBI on August 13, 2025, as amended from time to time
SEBI RTA Master Circular	SEBI master circular no. HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated February 6, 2026, as amended from time to time
TDS	Tax Deducted at Source
TRA	Trust and Retention Account
Trademarks Act	Trade Marks Act, 1999

Technical and Industry Related Terms

Term	Description
AI	Artificial intelligence
ATM	Automated teller machine
AUM	Assets under management
BRE	Business rules engine
Business Correspondent Agreements	Business correspondent agreements with three nationalised public sector banks for provision of correspondent banking services
CAGR	Compounded annual growth rate
Channel Partners	OEMs and their authorised dealers with whom our Company enters into agreements for empanelment of our personnel
CLM 1	RBI circular dated September 21, 2018, bearing reference no. FIDD.CO.Plan.BC.08/04.09.01/2018-19 relating to co-origination of loans by banks and NBFCs for priority sector lending
CLM 2	RBI circular dated November 5, 2020, bearing reference no. FIDD.CO.Plan.BC.No.8/04.09.01/2020-21 relating to co-lending by banks and NBFCs for priority sector lending
CRAR	capital to risk (weighted) assets ratio
CSP	Customer service points
ECB	External commercial borrowing
EWS	Early warning systems
FCCB	Foreign currency convertible bonds
“Gross NPA” or “GNPA”	Gross non-performing assets
“Net NPA” or “NNPA”	Net non-performing assets
ICE	Internal combustion engine
IT	Information technology
KYC	Know your customer
Micro Enterprise Loans	Micro enterprise loans such as Umeed and Pragati loans extended to livelihood-oriented borrower categories such as food/tea stall vendors, street vendors, tailors, poultry, etc.
ML	Machine learning
MSME	Micro, small and medium enterprises

Term	Description
MSME	Micro, small and medium enterprises
MSME/ Business Loans	Entrepreneurial loans to MSMEs and business loans such as Udaan loans extended to retailers, small traders and manufacturers
NBFC-ML	Non-banking financial company classified under the middle layer pursuant to Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025
OCR	Optical character recognition
OEMs	Original Equipment Manufactures
PBL	Partnership-based lending
QR code	Quick response code
RBI's CLM Framework	CLM 1 and CLM 2
RM	Relationship managers
SME	Small and medium enterprises
UPI	Unified payment interface
ZM	Zonal managers

CERTAIN CONVENTIONS, USE OF FINANCIAL, INDUSTRY AND MARKET DATA AND CURRENCY OF PRESENTATION

Certain Conventions

In this Draft Shelf Prospectus, unless otherwise specified or the context otherwise indicates or implies, references to "you", "offeree", "purchaser", "subscriber", "recipient", "investors" and "potential investor" are to the prospective investors in this Issue, all references to "Paisalo Digital Limited", or "our Company" or "the Issuer" are to Paisalo Digital Limited on a standalone basis, while all references to "we" or "us" or "our" or "Group" are to Paisalo Digital Limited and our Subsidiary on a consolidated basis. Unless stated otherwise, all references to page numbers in this Draft Shelf Prospectus are to the page numbers of this Draft Shelf Prospectus.

All references in this Draft Shelf Prospectus to "India" are to the Republic of India and its territories and possessions. All references to the "Government", "Indian Government", "GoI", "Central Government" or "State Government" are to the Government of India, central or state, as applicable. Unless otherwise specified, any time mentioned in this Draft Shelf Prospectus is in Indian Standard Time ("**IST**"). Unless indicated otherwise, all references to a 'year' in this Draft Shelf Prospectus are to a calendar year.

Presentation of Financial Information

Our Company's financial year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year, so all references to a particular financial year or fiscal are to the 12-month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year. Unless the context requires otherwise, all references to a year in this Draft Shelf Prospectus are to a calendar year and references to a Fiscal/Fiscal Year are to the fiscal year ended on March 31 of that calendar year.

In accordance with the road map for Ind AS implementation, issued by MCA, the Issuer is required to prepare its financial statements in accordance with Ind AS for periods beginning on or after April 1, 2018.

The Audited Financial Statements comprising of the 2024 Consolidated Financial Statements, the 2024 Standalone Financial Statements, were audited by the previous statutory auditors of our Company, Manish Goyal & Co., Chartered Accountants on which they have issued the audit reports dated April 26, 2024.

The Audited Financial Statements comprising of the 2026 Consolidated Financial Statements, the 2026 Standalone Financial Statements, 2025 Consolidated Financial Statements and the 2025 Standalone Financial Statements were audited by, Saket Jain & Co., Chartered Accountants on which they have issued the audit reports dated May 10, 2026 and May 9, 2025, respectively.

The audit reports on the Audited Financial Statements are included in this Draft Shelf Prospectus in the chapter titled "*Financial Information*" on page 187. Unless stated otherwise or unless the context requires otherwise, the financial data on standalone and consolidated basis as at and for the year ended March 31, 2026, March 31, 2025, and March 31, 2024 used in this Draft Shelf Prospectus is derived from our Audited Financial Statements.

Unless stated otherwise and unless the context requires otherwise, the financial data used in this Draft Shelf Prospectus is on a consolidated basis. Any discrepancies in the tables included herein between the amounts listed and the totals thereof are due to rounding off.

Unless stated otherwise, macroeconomic and industry data used throughout this Draft Shelf Prospectus has been obtained from Infomerics Report prepared by Infomerics Analytics & Research for us. Such publications generally state that the information contained therein has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed, and their reliability cannot be assured. Although our Company believes that industry data used in this Draft Shelf Prospectus is reliable, it has not been independently verified. Further, the extent to which the market and industry data presented in this Draft Shelf Prospectus is meaningful depends on the readers' familiarity with and understanding of methodologies used in compiling such data.

Currency and Unit of Presentation

In this Draft Shelf Prospectus, all references to 'Rupees'/ '₹'/ 'INR'/'Rs.' are to Indian Rupees, the official currency of the Republic of India.

Except as stated expressly, for the purposes of this Draft Shelf Prospectus, data will be given in ₹ in lakhs.

Certain figures contained in this Draft Shelf Prospectus, including financial information, have been subject to rounding adjustments. Unless set out otherwise, all figures in decimals, including percentage figures, have been rounded off to two decimal points. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total

figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Further, any figures sourced from third party industry sources may be rounded off to other than two decimal points to conform to their respective sources.

Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance have been included in this Draft Shelf Prospectus. We compute and disclose such non-GAAP financial measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance. These non-GAAP financial measures and other statistical and other information relating to our operations and financial performance are supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Ind AS or Indian GAAP.

Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS or US GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or US GAAP.

In addition, such Non-GAAP measures are not standardised terms, hence a direct comparison of these Non-GAAP measures between companies may not be possible. Other companies may calculate these Non-GAAP Measures differently from us, limiting their usefulness as a comparative measure. These non-GAAP financial measures may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies.

Industry and Market Data

Any industry and market data used in this Draft Shelf Prospectus consists of estimates based on data reports compiled by Government bodies, professional organizations and analysts, data from other external sources, available in the public domain and knowledge of the markets in which we compete. The report dated July 15, 2026, titled "*Consumer Lending Industry*" is prepared for our Company. Although we believe that the industry and market data used in this Draft Shelf Prospectus is reliable, such third party and industry data compiled by Infomerics Analytics and Research has not been independently verified by us. The extent to which the industry and market data presented in this Draft Shelf Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business and methodologies, and assumptions may vary widely among different market and industry sources.

Exchange Rates

The exchange rates Rupees (₹) vis-a-vis currency, as of March 31, 2026, March 31, 2025, and March 31, 2024, are provided below:

Currency	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
1 USD	94.79	85.55	83.38

(Source: fedai.org.in)
Note: In the event that March 31 of any of the respective years is a public holiday, the previous calendar day not being a public holiday has been considered. The rates presented are not a guarantee that any person could have on the relevant date converted any amounts at such rates or at all.

General Risk

Investment in non-convertible securities is risky, and investors should not invest any funds in such securities unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking an investment decision, investors must rely on their examination of the issue including the risks involved in it.

Specific attention of investors is invited to statement of risk factors contained under section "*Risk Factors*" on page 16. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the NCDs or Investor's decision to purchase such securities.

FORWARD LOOKING STATEMENTS

Certain statements contained in this Draft Shelf Prospectus that are not statements of historical fact constitute "forward-looking statements". Investors can generally identify forward-looking statements by terminology such as "aim", "anticipate", "believe", "continue", "could", "estimate", "expect", "intend", "may", "objective", "plan", "potential", "project", "pursue", "shall", "seek", "should", "will", "would", or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All statements regarding our expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, revenue and profitability, new business and other matters discussed in this Draft Shelf Prospectus that are not historical facts. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results, including our financial conditions and results of operations to differ from our expectations include, but are not limited to, the following:

1. We operate in a highly regulated industry and changes in the laws, rules and regulations applicable to us may adversely affect our business, financial condition, results of operations and cash flows.

2. We are exposed to operational and credit risks which may result in non-performing assets ("**NPAs**"), and we may be unable to control or reduce the level of NPAs in our portfolio. If we are unable to manage the level of NPAs or provisioning requirement as per regulatory requirements, our cash flows, financial position and results of operations may suffer.

3. Our business has substantial and continuous capital requirements and any disruption in accessing funds would adversely impact our business, liquidity, financial conditions and results of operations.

4. We have geographic concentration in certain states and therefore are dependent on the general and regional economic, geopolitical and natural conditions and activities in such states and regions.

5. We are subject to risks arising from interest rate fluctuations, which could adversely affect our business, results of operations and financial condition.

6. We rely heavily on our information technology platform for our business operations. Any security breaches or disruption to our systems and our inability to successfully develop or upgrade our technological systems could materially and adversely affect our business.

7. We depend on the accuracy and completeness of information provided by our customers and certain third-party service providers and our reliance on any erroneous or misleading information may affect our judgement of their creditworthiness, as well as the value of and title to the collateral.

8. We are dependent on our Board, members of our Key Managerial Personnel and our members of Senior Management, and the loss of, or our inability to hire, retain, train, and motivate qualified personnel could adversely affect our business, results of operations, cash flows and financial condition.

9. SEBI has issued summons to certain of our Directors and our Company Secretary and Compliance Officer under provisions of the Securities and Exchange Board of India Act, 1992. Any adverse outcome in relation to such summons may impact our reputation and ability to raise funds from capital markets transactions.

10. Non-payment or default owing to the profile of borrowers in the NBFC industry, whom we service, may adversely affect our business, results of operations, cash flows and financial condition.

For further discussion of factors that could cause our actual results to differ, see section titled "*Risk Factors*" on page 16.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under the sections titled "*Industry Overview*", "*Our Business*" and "*Legal and Other Information*" on pages 78, 122 and 217, respectively. The forward-looking statements contained in this Draft Shelf Prospectus are based on the beliefs of management, as well as the assumptions made by and information currently available to management.

Although our Company believes that the expectations reflected in such forward-looking statements are reasonable at this time, it cannot assure investors that such expectations will prove to be correct or will hold good at all times.

Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. If any of these risks and uncertainties materialize, or if any of our Company's underlying assumptions prove to be incorrect, our Company's actual results of operations or financial condition could differ materially from that described herein as anticipated,

believed, estimated or expected. All subsequent forward-looking statements attributable to our Company are expressly qualified in their entirety by reference to these cautionary statements.

Neither our Company, our Directors, Key Managerial Personnel, Senior Management and officers, nor any of their respective affiliates or associates or the Lead Manager have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with SEBI NCS Regulations, our Company and the Lead Manager will ensure that investors in India are informed of material developments between the date of the filing the relevant Tranche Prospectus with the RoC and the date of commencement of listing and trading of the securities offered through the Issue.

SECTION II – RISK FACTORS

This Draft Shelf Prospectus contains certain forward-looking statements that involve risks and uncertainties. Our results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Shelf Prospectus. For further information, see "Forward-Looking Statements" on page 14.

An investment in NCDs involves a certain degree of risk. You should carefully consider the following risk factors as well as all the information contained in this Draft Shelf Prospectus, including the risks and uncertainties described below, before making an investment decision in relation to Issue.

The risks described below are those that we consider to be most significant to our business, results of operations and financial conditions as of the date of this Draft Shelf Prospectus. However, they are not the only risks relevant to us or the NCDs or the industry in which we currently operate. The risk factors set forth below do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the NCDs. Unless otherwise stated in the relevant risk factors set forth below, financial or other implications of the risk factors mentioned below are not quantifiable. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may also impair our business prospects, results of operations, cash flows and financial condition. As a result, the trading price of the NCDs could decline and investors may lose part or all of your interest and/or redemption amounts. In order to obtain a complete understanding about us, you should read this section in conjunction with "Our Business" and "Industry Overview", on pages 122 and 78, respectively, as well as the other financial and statistical information contained in this Draft Shelf Prospectus. In making an investment decision, prospective investors must rely on their own examination of us on a standalone and consolidated basis and the terms of the Issue, including the merits and risks involved. Investors should consult their respective tax, financial and legal advisors about the particular consequences of an investment in this Issue.

In this section, unless the context otherwise requires, "we", "us" and "our", including in the context of any financial information, includes our subsidiary, and to the extent is accompanied by financial information, such information in included on a consolidated basis. See "Our Business — Overview" on page 122. Unless otherwise stated, all financial numbers are presented in lakhs. To the extent applicable, financial information to the extent included for Fiscals 2026, 2025 and 2024 are from our financial statements and specifically indicated, has been included from the Audited Financial Statements. For further information, see "Financial Information" on page 187.

The ordering of the risk factors is intended to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another.

*Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled "Consumer Lending Industry" dated July 15, 2026 ("**Infomerics Report**") prepared and issued by Infomerics Analytics and Research, appointed by us and exclusively commissioned and paid for by us for the purposes of confirming our understanding of the industry in connection with the Issue for industry related data in this Draft Shelf Prospectus, including in the sections titled "Industry Overview" and "Our Business" on pages 78 and 122, respectively.*

RISKS RELATING TO OUR BUSINESS

1. ***We operate in a highly regulated industry and changes in the laws, rules and regulations applicable to us may adversely affect our business, financial condition, results of operations and cash flows.***

   We operate in a highly regulated industry and we have to adhere to various laws, rules and regulations. NBFCs in India are subject to strict regulation and supervision by the RBI. We require various approvals, licenses, registrations and permissions for operating our business, including registration with the RBI as a NBFC. NBFCs are required to maintain prudential norms for income recognition, accounting standards, asset classification, provision for bad and doubtful assets, capital adequacy and concentration of credit/investment to be observed. Accordingly, legal and regulatory risks are inherent and substantial in our business.

   As we operate under licenses or registrations obtained from RBI, we are subject to actions that may be taken by RBI in the event of any non-compliance of any applicable policies, guidelines, circulars, notifications and regulations issued by the relevant regulators, penalties, revocation of licenses and reputational impact.

   For instance, the Reserve Bank of India (Non-Banking Financial Companies – Prudential Norms on Capital Adequacy) Directions, 2025, require middle layer NBFCs such as our Company to maintain a minimum capital to risk-weighted assets ratio ("**CRAR**"), comprising tier I capital and tier II capital, as prescribed by the RBI from time to time. Pursuant to the applicable regulatory framework, we are required to maintain a minimum CRAR of 15.00% of our aggregate risk-weighted assets and risk-adjusted value of off-balance sheet exposures, with minimum tier I capital of 10.00%.

As of March 31, 2026, our CRAR was 35.84%, comprising tier I capital of 28.89% and tier II capital of 6.95%. As we continue to grow our loan portfolio and asset base, we will be required to raise additional capital from time to time to ensure continued compliance with applicable capital adequacy requirements. We cannot assure you that we will be able to raise such capital on commercially acceptable terms, or at all.

Our tier I capital ratio decreased from 39.16% as of March 31, 2025, to 35.84% as of March 31, 2026, primarily due to growth in our risk-weighted assets outpacing the increase in regulatory capital during the period. Further, any increase in RBI-prescribed capital adequacy requirements, or any inability on our part to raise additional capital in a timely manner, may adversely affect our business growth, financial condition, results of operations and ability to comply with applicable regulatory requirements.

Our failure to comply with applicable capital adequacy requirements, minimum regulatory capital requirements and other prudential norms prescribed by the RBI under current or future regulations may result in adverse regulatory actions, including the imposition of penalties, restrictions on business operations, enhanced supervisory measures or other enforcement actions, and may adversely affect our business, financial condition and results of operations. Any changes in the laws, rules and regulations applicable to us may also adversely affect our business, financial condition and results of operations. Any operational, technological or system-related lapses in complying with such requirements, including incorrect asset classification, delayed recognition of non-performing assets or inadequate provisioning, may expose us to regulatory scrutiny, penalties, supervisory actions and reputational risks, which could adversely affect our business, financial condition and results of operations

2. ***We are exposed to operational and credit risks which may result in non-performing assets ("NPAs"), and we may be unable to control or reduce the level of NPAs in our portfolio. If we are unable to manage the level of NPAs or provisioning requirement as per regulatory requirements, our cash flows, financial position and results of operations may suffer.***

Our ability to manage the credit quality of our portfolio is a key driver of our results of operations. We make contingent provisions against standard assets and NPAs, which are recognized under impairment of financial instruments in our financial statements, in accordance with guidelines issued by the RBI. We also create provisions as prescribed under IND AS 109 following ECL (Expected Credit Loss). In addition to making provisions on loan assets, the RBI also requires us to classify and make provisions towards NPAs and standard assets. As of March 31, 2026, our gross non-performing assets ("**NPA**") were ₹ 4,408.00 lakhs and our stage-3 provision coverage ratio, i.e. provision coverage ratio for loan assets that are due for more than 90 days, stood at 20.90%. If the number of our loans that become NPAs increase, the credit quality of our loan portfolio will decrease, and the provisioning requirement will also increase.

Set forth below are details of our asset quality ratios, as well as provisions made, as of each of the corresponding periods:

in ₹ lakhs, unless otherwise specified

Asset Classification	As at March 31,		
	2026	2025	2024
On-book loan portfolio (gross carrying amount as per annual report)			
Stage 1 (I)	5,75,701.00	4,74,091.00	3,76,499.00
Stage 2 (II)	4,403.00	5,237.00	1,588.00
Stage 3 (III)	4,408.00	4,700.00	765.00
Total on-book loan portfolio (IV)	5,84,512.00	4,84,028.00	3,78,852.00
ECL allowance- loans			
Stage 1 (V)	3,321.00	2,648.00	2,643.00
Stage 2 (VI)	22.00	157.00	151.00
Stage 3 (VII)	1,331.00	1,573.00	712.00
Total ECL allowance loans (VIII)	4,674.00	4,378.00	3,506.00
Net loan portfolio			
Stage 1 (IX- I-V)	5,72,380.00	4,71,443.00	3,73,856.00
Stage 2 (X=II-VI)	4,381.00	5,080.00	1,438.00
Stage 3 (XI=III-VII)	3,077.00	3,127.00	53.00
Total net loan portfolio (XII=IV- VIII)	5,79,838.00	4,79,650.00	3,75,347.00

**As per new definition of RBI for NPA notes:*

(1) Stage 1 (1-30 days) includes loan assets that have not had a significant increase in credit risk since initial recognition or that have low credit risk at the reporting date.

(2) Stage 2 (31-90 days) includes loan assets that have had a significant increase in credit risk since initial recognition but that do not have objective evidence of impairment.

(3) Stage 3 (more than 90 days) includes loan assets that have objective evidence of impairment at the reporting date.

There can be no assurance that we will be able to maintain our NPA ratios in proportion with the credit performance of our borrowers, or at which our credit and our underwriting analysis, servicing and collection systems and controls will be

adequate. Any incorrect estimation of risks may result in our provisions not being adequate to cover any further increase in the amount of NPAs or any further deterioration in our NPA portfolio. For instance, our GNPA ratio increased from 0.21% as of March 31, 2024 to 0.98% as of March 31, 2025, primarily on account of portfolio seasoning and the scale-up of our lending operations, reflected by an increase in our disbursements from ₹ 3,59,020.00 lakhs in Fiscal 2024 to ₹ 3,71,985.51 lakhs in Fiscal 2025. However, it improved to 0.76% as of March 31, 2026, reflecting improvement in collection efficiency and portfolio performance.

Further, our peers may have better asset quality, which may in turn lead to our peers having high profitability and low provisioning requirements. Any incorrect estimation of risks, including those relating to collection efficiency, may result in our provisions not being adequate to cover further increase in the amount of NPAs or deterioration in our NPA portfolio. Factors outside our control may lead to increased NPAs, such as developments in the Indian and global economy, political factors, changes in borrower behaviour and demographic patterns, natural calamities, geopolitical and tensions, diseases and changes in regulations, including requirements on us to lend to stipulated sectors. In the event of any deterioration in our NPA portfolio, or if our provisioning coverage is insufficient to cover our NPAs, our ability to raise additional capital and debt funds, as well as our business prospects, financial condition, results of operations and cash flows could be adversely affected.

3. ***Our business has substantial and continuous capital requirements and any disruption in accessing funds would adversely impact our business, liquidity, financial conditions and results of operations.***

The liquidity and profitability of our business depends, largely, on our timely access to, and the costs associated with, raising funds and getting loans and advances. Our funding requirements historically have been met from various sources, including cash credit/term loans from banks, non-convertible debentures, commercial papers, inter corporate loans, foreign currency convertible bonds and external commercial borrowings. Our ability to raise debt funding and equity capital on acceptable terms and in a timely manner depends on various factors, including our current and future results of operations, risk management policies, brand equity and our Promoter's shareholding in our Company, developments in the domestic markets and international markets affecting the Indian economy as well as regulatory environment and policy initiatives in India. In addition, the cost and availability of our debt capital also depends on our short-term and long-term credit ratings.

The break-up of our sources of capital for Fiscal 2026, Fiscal 2025 and Fiscal 2024 is as follows:

₹ in lakhs

Particulars	As of March 31, 2026	As of March 31, 2025	As of March 31, 2024
Debt securities	1,21,167.20	1,08,173.43	60,462.76
Borrowings (Other than debt securities)	3,14,700.24	2,46,967.32	1,96,176.93
Subordinated liabilities	100.00	800.00	8,900.00
Total	**4,35,967.44**	**3,55,940.75**	**2,65,539.69**

Any downgrade in our credit ratings could also increase borrowing costs and adversely affect our access to capital and debt markets, as well as increase the probability that our lenders may impose additional terms and conditions to any financing or refinancing arrangements we enter into in the future. Any downgrade in our credit ratings may also adversely impact our current or future borrowings.

Our ability to raise foreign funds through debt is also governed by RBI regulations and is subject to restrictions, including raising loans only from recognized lenders and with minimum average maturity period of not less than three years, except in specified cases. Any changes to the regulations on priority sector lending may also disrupt our sources of funding. As of the date of this Draft Shelf Prospectus, the RBI mandates domestic scheduled commercial banks (excluding regional rural banks and SFBs) and foreign banks operating certain threshold of branches in India, to maintain an aggregate 40.00% of adjusted net bank credit or credit equivalent amount of off-balance sheet exposure, whichever is higher, as 'priority sector lending'. In the event that the laws relating to priority sector lending to banks undergo a change, or if any part of our loan portfolio is no longer classified as priority sector lending by the RBI, or if we are no longer able to satisfy the prescribed conditions to be eligible for such classification, our ability to raise resources based on priority sector advances, and consequently our credit ratings, would be hindered.

Set forth below are details of our debt funding, including the average cost thereof:

in ₹lakhs, unless otherwise specified

Particulars	As of and for the year ended March 31,		
	2026	2025	2024
Total Borrowings(1)	4,35,967.44	3,55,940.75	2,65,539.69
Average Cost of Borrowings (%)(2)	10.15	10.57	11.32

Notes:

(1) Total Borrowings represents the aggregate of debt securities, borrowings (other than debt securities) and subordinated liabilities as of the last day of the relevant period.

(2) Average Cost of Borrowings represents finance cost for the relevant period as a percentage of average borrowings (including interest accrued) in such period.

Our ability to borrow from various banks may be restricted on account of circulars issued by the RBI imposing restrictions on banks in relation to their exposure to NBFCs. Under the RBI's Master Circular "Bank Finance to Non-Banking Financial Companies ("**NBFCs**") issued on April 1, 2025 ("**Master Circular**"), the banks' exposures to a single NBFC (excluding gold loan companies) shall be restricted to 20% of their eligible capital base (Tier I capital). The Master Circular also recommends banks to consider fixing internal limits for their aggregate exposure to all NBFCs, which limits their exposure. While we have not faced any instances of default in the last three Fiscals, any limitation on our ability to borrow from banks may increase our cost of funds, which could adversely affect our business, financial condition, ability to meet working capital needs, results of operations and cash flows.

Our margins are affected by our ability to continue to secure low-cost funding at rates lower than the interest rates at which we lend to our borrowers. For further details, see "- *We are subject to risks arising from interest rate fluctuations, which could adversely affect our business, results of operations and financial condition.*" on page 19 below. If we are unable to obtain adequate financing in a timely manner or on acceptable terms, our business, results of operations, cash flows and financial condition may be adversely affected.

4. ***We have geographic concentration in certain states and therefore are dependent on the general and regional economic, geopolitical and natural conditions and activities in such states and regions.***

We derive a significant portion of our revenues from certain states, where a majority of our branches are located, and a majority of our AUM originates from. As on March 31, 2026, we had presence in 22 states and union territories in India through 5,299 touchpoints, comprising of 422 branches, 3381 distribution points, and 1,496 CSPs, with Delhi, Maharashtra, Uttar Pradesh, and Haryana being our key states by AUM contribution. These key states collectively account for approximately 58.05% of our branch network as of March 31, 2026.

The table below sets forth details of our AUM distribution as of March 31, 2026, in our top five states:

S. No.	Particulars	AUM as of March 31, 2026 (in Rs lakhs)	% of total AUM
1.	Delhi	1,78,632.71	29.28
2.	Maharashtra	1,28,194.63	21.01
3.	Uttar Pradesh	88,955.12	14.58
4.	Haryana	86,962.70	14.25
5.	Rajasthan	76,601.31	12.56
Total		**5,59,346.47**	**91.68**

Our concentration in certain states indicated above where our operations are focused, exposes us to adverse geological, ecological, economic and/or political circumstances in those respective regions. If there is a sustained downturn in the economy of those regions or a sustained change in financial patterns, adverse political developments or regional calamities, our business, financial position and results of operations may be adversely affected.

5. ***We are subject to risks arising from interest rate fluctuations, which could adversely affect our business, results of operations and financial condition.***

We borrow funds in the domestic and international markets from various banks and financial institutions to meet the long-term and short-term funding requirements for our operations and funding our growth initiatives. The financing products we currently offer to our clients are at a fixed rate of interest, however, our funding arrangements include both fixed and floating rate borrowings.

Interest rates on our borrowings could be affected by a variety of factors, including access to capital based on our business performance, the volume of loans we make to our customers, competition and regulatory requirements, as well as those beyond our control, including the monetary policies of the RBI, deregulation of the financial sector in India, domestic and international economic and political conditions and other factors, which have historically resulted in changes in interest rates in India. Such interest rates may also be affected by a change over time in the mix of the types of loans we provide to our customers, the mix of new and renewal loans and a shift among our channels of customer acquisition.

In the event the interest rate on our borrowings increases and we are unable to increase the interest rate charged by us on our future loan disbursements, simultaneously and in the same proportion, or, in a declining interest rate environment, if our cost of funds does not decline simultaneously or to the same extent as the yield on our interest-earning assets, our net interest income and net interest margin would be adversely impacted. Set forth below are details of our net interest income, and net interest margin, for each of the corresponding periods:

in ₹ lakhs, unless otherwise specified

Particulars	As of and for the financial year ended March 31,		
	2026	2025	2024
Net interest income	53,038.59	37,138.63	32,528.95
Net interest margin (%)	6.86	6.32	6.33

Notes:

1. *Net interest income represents the total income reduced by the finance costs in such period*
2. *Net interest margin represents the difference between the gross yield and the financial cost ratio. Gross yield represents the ratio of total income in the relevant period to the Average AUM. Financial cost ratio represents the ratio of financial cost in the relevant period to the Average AUM (average of opening and closing AUM of the relevant period).*

Interest rates are highly sensitive and fluctuations thereof are dependent upon many factors which are beyond our control, including the monetary policies of the RBI, de-regulation of the financial services sector in India, domestic as well as international economic and political conditions, inflation and other factors. Changes in market interest rates affect the interest rates we charge on our loans differently from the interest rates we pay on our interest-bearing liabilities. An increase in interest rates could result in an increase in interest expense relative to interest income if we are not able to increase the rates charged on our portfolio loans and advances, or if the volume of our interest-bearing liabilities is larger or growing faster than the volume of our loans disbursed. For instance, our interest rates decreased from 10.57% in Fiscal 2026 to 10.15% in Fiscal 2025. Such increase or decrease in interest rates could affect our ability to raise low-cost funds as compared to some of our competitors who may have access to lower cost deposits. Our cost of funds and operating expenses may increase to a level where it is difficult to comply with the master directions prescribed by RBI. If this occurs, we may experience pressure on our operating margins, our business, financial condition, results of operations and cash flows may be adversely affected. We attempt to ensure that the interest rates we charge are in line with the market and similar to those charged by our competitors. In a declining interest rate environment, if our cost of funds does not decline simultaneously or to the same extent as the yield on our loans, it could lead to a reduction in our net interest income and net interest margin.

To the extent our borrowings are linked to market interest rates, we may have to pay interest at a higher rate than our competitors that may borrow only at fixed interest rates. Of the loans extended to us as of March 31, 2026, 67.74% were based on a floating rate of interest and 32.26% were based on a fixed rate of interest. While the floating interest rate offered by us is linked to market parameters and can account for market circumstances to an extent, our fixed interest rate loans may have lower interest yield compared to our interest expenses on our floating interest-bearing liabilities, which could lead to a reduction in our net interest income and net interest margin, resulting in lack of profitability. An increase in general interest rates in the economy could also reduce the overall demand for retail loans and impact our growth. Further, changes in interest rates could affect our treasury income. If we are unable to effectively manage our interest rate risks, it could have an adverse effect on our net interest income and net interest margin, thereby affecting our business, financial condition, results of operations and cash flows.

Increasing interest rates may also result in additional risks, including increases in the rates of interest charged by us resulting in higher monthly instalments due from borrowers which could, in turn, result in higher rates of default and delayed repayments and limited access to low-cost funds or deposits as compared to some of our competitors. Our inability to manage our interest rate effectively may have an adverse effect on our net interest margin, thereby adversely affecting our business and future financial performance.

6. ***We rely heavily on our information technology platform for our business operations. Any security breaches or disruption to our systems and our inability to successfully develop or upgrade our technological systems could materially and adversely affect our business.***

We rely on our information technology platform for operational aspects of our business as well as for the scalability and growth of our business. Our operations are dependent on the secure processing, storage, and transmission of confidential and other information in our computer systems and networks. Though no breach of customer data has been observed in the past, our computer systems, software and networks are vulnerable to unauthorized access, computer viruses or other malicious code and other events that could compromise data integrity and security. However, we cannot assure you that attacks that could compromise data integrity and security, will not take place in the future.

In addition, we are dependent on third-party vendors and independent contractors for certain elements of our operations, such as digital collection through UPI and KYC verification. We are exposed to several risks, including but not limited to, (i) external vendors or service providers being unable to fulfil their contractual obligations to us (or being subject to the risk of operational errors by their respective employees); (ii) the vendors or their employees being involved in any fraud or wilful default and (iii) the risk that our (or our vendors') business continuity and data security systems prove to be inadequate. While we have not experienced any material failure by third party service providers with respect to performance of their obligations under agreements, in the past three Fiscals, and, and there are currently no material pending disputes regarding such services, there can be no assurance that such failure to perform will not take place in future. If there is a disruption in the third-party services, or if the third-party service providers discontinue their service agreements with us, our business, financial condition, cash flows and results of operations will be adversely affected. In case of any dispute, we cannot assure you that the terms of such agreements will not be breached, and this may result in litigation or other costs.

Further, if we fail to adapt to technological advances such as artificial intelligence, business analytics, digital lending solutions, mobile banking and access to lender aggregators quickly and effectively, it could affect the performance and features of our product offerings and services and reduce our attractiveness to existing and potential borrowers, thereby adversely affecting our business, financial condition, results of operations, and cash flow.

7. ***We depend on the accuracy and completeness of information provided by our customers and certain third-party service providers and our reliance on any erroneous or misleading information may affect our judgement of their creditworthiness, as well as the value of and title to the collateral.***

While deciding whether to extend credit to customers or not, we rely, to a significant extent, on the information furnished to us by the customers for certain key elements of the credit assessment process, including their income, assets, financial transactions and credit history. We follow know your customer ("**KYC**") guidelines prescribed by RBI for potential customers, verify their place of employment and residence, as applicable. We may also rely on certain representations from customers as to the accuracy and completeness of that information. For ascertaining creditworthiness of customers, we rely on information and data available with credit information companies or credit bureaus, customer financials, observations from our front-end teams, feedback from our credit and underwriting teams, and other sources of income and value of collateral. If the components or analytics are either unstable, biased, or missing key pieces of information, the wrong decisions will be made which will negatively affect our financial results. Our reliance on erroneous or misleading information may affect our judgement of credit worthiness of potential customers. If we are unable to properly assess the creditworthiness of our customers, including a failure to predict a customer's true credit risk profile and/or ability to repay their loan, we may need to record additional provision expense and/or experience higher than forecasted losses. Additionally, if any portion of the information pertaining to the prospective customer is false, inaccurate or incomplete, and we did not detect such falsities, inaccuracies or incompleteness, or any or all of the other components of our credit decision process fails, we may experience higher than forecasted losses. Furthermore, if we are unable to access the third-party data used in our decision structure, or our access to such data is limited, our ability to accurately evaluate potential customers will be compromised, and we may be unable to effectively predict probable credit losses inherent in our loan portfolio, which would negatively impact our results of operations, which could be material. Further, since we cater to customers from urban and rural areas and from the predominantly unorganized sector, with partially documented formal sources of income, many of whom are first time borrowers, we may have customers who are unable to document their entire income comprehensively. Accordingly, we may not be able to assess their income or ability to repay our loans accurately.

As of March 31, 2026, March 31, 2025, and March 31, 2024, our gross NPA ratios stood at 0.76%, 0.98% and 0.21%, respectively. While we have established credit appraisal, underwriting and verification procedures designed to mitigate risks arising from inaccurate, incomplete or misleading information, there can be no assurance that such procedures will identify all inaccuracies or prevent future deterioration in asset quality. Any failure to accurately assess the creditworthiness of our customers may result in increased delinquencies, higher credit losses, additional provisioning requirements and an adverse effect on our business, financial condition, results of operations and cash flows.

Our risk management measures may not be adequate to prevent or deter such activities in all cases, which may adversely affect our business, results of operations and financial condition. We may not receive updated information regarding any change in the financial condition of our customers or may receive inaccurate or incomplete information as a result of any fraudulent misrepresentation by our customers or employees. Moreover, the availability of accurate and comprehensive credit information on retail customers in India is more limited than for larger corporate customers, which reduces our ability to accurately assess the credit risk associated with such lending. Although as part of our credit policy, we use a combination of field investigation, geo-spatial mapping, account aggregator inputs, internal rating tools, alternate data, business rule engines and AI/machine learning-based models to assess prospective borrowers, we cannot assure you that such credit information will always be available, accurate or comprehensive.

While we have not faced any material losses on account of inaccurate or incomplete information as a result of any fraudulent misrepresentation by our customers or employees, we cannot assure you that such instances may not occur in the future that may have material impact on our business operations. Difficulties in assessing credit risks associated with our day-to-day lending operations may lead to an increase in the level of our NPAs, which could adversely affect our business and results of operations.

8. ***We are dependent on our Board, members of our Key Managerial Personnel and our members of Senior Management, and the loss of, or our inability to hire, retain, train, and motivate qualified personnel could adversely affect our business, results of operations, cash flows and financial condition.***

We are dependent on our Board, Key Managerial Personnel and members of Senior Management for our operations. The RBI also mandates NBFCs to have in place supervisory standards to ensure that directors have appropriate qualifications, technical expertise and a sound track record, and such requirements may make it more difficult for us to identify suitable replacement for our directors. To that effect, we maintain a directors and officers liability insurance policy on a claims-made basis, which includes a right-to-defend provision.

We also face a continuing challenge to hire, assimilate, train, and retain skilled personnel. Competition for management and other skilled personnel is intense, and we may not be able to attract and retain the managerial and other personnel we need in the future.

Set forth below are the attrition rates of our Company's employees for the financial years ended March 31, 2026, March 31, 2025 and March 31, 2024, on a standalone basis:

Particulars	As of and for the financial year ended March 31,		
	2026	2025	2024
Attrition rate of our employees* (%)	31.00%	36.00%	28.00%

Note: This also includes field and frontline employees.

Large scale attrition can make it difficult for us to manage and grow our business. The loss of key managerial personnel or our inability to replace key managerial personnel may restrict our ability to grow, to execute our strategy, to raise the profile of our brand, to raise funding, to make strategic decisions and to manage the overall running of our operations, which would have an adverse effect on our results of operations and financial position.

As of March 31, 2026, we employed 3,076 personnel across our operations. Although we have not experienced any material employee unrest in the past three financial years, we cannot assure you that we will not experience disruptions in work due to disputes or other problems with our work force, which may adversely affect our ability to continue our business operations. Any employee unrest directed against us, could directly or indirectly prevent or hinder our normal operating activities, and, if not resolved in a timely manner, could lead to disruptions in our operations. Such employee actions are difficult or impossible for us to predict or control and any such event could adversely affect our business, results of operations and financial condition. None of our workforce is currently unionized. However, there is a risk that our employees may choose to unionize in the future labour unions for banking employees organize strikes, and we may in the future be affected by strikes, work stoppages or other labour disputes if any portion of our workforce were to become part of a union in the future. In the event of a labour dispute, protracted negotiations and strike action may impair our ability to carry on our day-to-day operations and, if not resolved in a timely manner, could adversely affect our business, financial condition, results of operations, cash flows and prospects.

9. ***SEBI has issued summons to certain of our Directors and our Company Secretary and Compliance Officer under provisions of the Securities and Exchange Board of India Act, 1992. Any adverse outcome in relation to such summons may impact our reputation and ability to raise funds from capital markets transactions.***

SEBI had issued summons dated December 22, 2025 to certain of our Directors, including, Sunil Purushottanm Agarwal (Managing Director), Harish Singh (Executive Director), and Santanu Agarwal (Deputy Managing Director) and our Chief Secretary and Compliance Officer i.e. Manendra Singh (collectively, "**Involved Stakeholders**"), under the provisions of Sections 11C(3) and 11C(5) of the Securities and Exchange Board of India Act, 1992, as amended, directing their personal appearance before the investigating authority in relation to the trading activities of our Company ("**Summon Orders**"). Pursuant to such Summon Orders, the Involved Stakeholders appeared before SEBI. While, subsequent to their appearance, there has been no order or other correspondence received from SEBI, any unfavorable outcome in relation to the matter could result in our Company or the Involved Stakeholders being subjected to action by SEBI and could adversely impact our reputation or ability to undertake capital market transactions. Further, we cannot assure that our Company, Directors and/ or Promoter, will not be subject to regulatory actions in the future in case of any non-compliance with applicable laws.

10. ***Non-payment or default owing to the profile of borrowers in the NBFC industry, whom we service, may adversely affect our business, results of operations, cash flows and financial condition.***

Our target clients for micro enterprise loans comprise women who are economically active and have limited access to mainstream financial credit products. While we have developed an operations methodology pursuant to which we follow specific client selection criteria and ensure adherence to our internally developed risk policy framework, our clients generally have limited sources of income and credit histories, and may not have tax returns, bank or credit card statements, statements of previous loan exposures, or other documents through which we can accurately assess their credit worthiness. We may not, therefore, in certain instances, receive information regarding any change in the financial condition of our customers or in certain cases, our customers may provide inaccurate or incomplete information to us. The lack of availability of information or incomplete or inaccurate information, in connection with our customers may make it difficult for us to take an informed decision with regards to providing financial facilities to such persons. As a result, such clients may pose a higher risk of default than borrowers with greater financial resources and more established credit histories, or those with better access to education, employment opportunities and social services.

Set forth below is the amount of our AUM from our customers, who typically belong to the low-income group, unorganized sector and usually do not form part of the mainstream banking finance:

Particulars	For the financial year ended March 31,					
	2026		2025		2024	
	AUM (₹lakh)	% of total AUM	AUM (₹lakh)	% of total AUM	AUM (₹lakh)	% of total AUM
Micro enterprise loans	57,429.74	9.41	89,305.55	17.07	1,01,571.91	22.15
MSME/ business loans	5,52,660.00	90.59	4,33,979.18	82.93	3,57,031.05	77.85
Total	**6,10,089.74**	**100.00**	**5,23,284.73**	**100.00**	**4,58,602.96**	**100.00**

A significant portion of our customer base is typically not economically stable, and as a result, is usually adversely affected by declining economic conditions. Earning capacity of customers in these segments depends on various macro and micro economic factors that affect them from time to time. Our customers may default on their repayment obligations due to various reasons including business failure, insolvency, lack of liquidity, loss of employment or personal emergencies such as the death of an income-generating family member, including on account of unforeseen events. In addition, our customers may have limited credit histories thus impacting our ability to assess their creditworthiness. It may therefore be difficult for us to carry out the necessary credit risk analysis on all of our customers.

Our micro enterprise loan customers typically are women from low-income households in rural India, with limited sources of income, savings and credit histories supported by tax returns and statements of previous loan exposures which are generally unsecured or any secured through hypothecation of primary collateral. Further, low-income borrowers generally are less financially resilient than borrowers with better financial resources, more established credit histories, access to better education, employment opportunities, and social services, who may be disproportionately affected by economic conditions or socio-political unrest. Such customers may have a high risk of non- payment or default due to a number of reasons such as not having the experience of payment of interest and repayment of principal, as well as other reasons applicable to our other customers. To the extent we are unable to successfully manage the risks associated with lending to customers new to credit, it may become difficult for us to recover outstanding loan amounts (including interest) provided to such customers.

A portion of our loan portfolio comprises loans extended to self-employed customers. Such borrowers are generally dependent on income generated from their business activities and may be more vulnerable to fluctuations in cash flows arising from adverse economic conditions, changes in consumer demand, business disruptions or other external factors. Any inability of such customers to service their loan obligations may adversely affect our asset quality, collections, profitability and financial condition.

The following table sets forth our bad debts written off for major products by number of accounts and total amount for the years/ period indicated:

Write-offs	As of March 31, 2026		As of March 31, 2025		As of March 31, 2024	
	Number of accounts	Amount (₹ lakh)	Number of accounts	Amount (₹ lakh)	Number of accounts	Amount (₹ lakh)
MSME/ business loans	105	(474.35)	61	(2,935.51)	95	(608.55)
Micro enterprise loans	85,788	3,681.94	63,475	4,355.64	8,220	740.63
Total	**85,893**	**3,207.59**	**63,536**	**1,420.13**	**8,315**	**132.08**

The following table sets forth our bad debts written off as a percentage of loans advanced for the years/period indicated:

Write- offs	As of March 31, 2026		As of March 31, 2025		As of March 31, 2024	
	Write-offs for credit (₹lakh)	Percentage of AUM for the year (%)	Write-offs for credit (₹lakh)	Percentage of AUM for the year (%)	Write-offs for credit (₹lakh)	Percentage of AUM for the year (%)
MSME/ business loans	(474.35)	(0.08)	(2,935.51)	(0.56)	(608.55)	(0.17)
Micro enterprise loans	3,681.94	6.41	4,355.64	0.83	740.63	0.73
Total	**3,207.59**	**6.33**	**1,420.13**	**0.27**	**132.08**	**0.03**

We adopt a proactive approach to risk management - by foreseeing potential stress areas and employing proactive measures, we safeguard against adverse impacts. However, we cannot assure you that our risk management controls will be adequate to prevent future losses on account of customer defaults, which may adversely affect our business, results of operations and financial condition. Although we have adopted risk management policies and procedures, we cannot assure you that these policies and procedures will be adequate. For further details see "- *We may not be able to identify, monitor and manage risks or effectively implement our risk management policies, which could adversely affect our business, financial*

condition and results of operations." on page 33. Failure to maintain sufficient credit assessment policies, particularly for individual borrowers, may adversely affect our credit portfolio.

The details in relation to our collection efficiency in the past three financial years is set forth in the table below:

Particulars	As of and for the financial year ended March 31		
	2026	2025	2024
Collection efficiency (%)	98.50%	98.80	98.37

Owing to the nature of borrowers in our loan portfolio, we may experience higher levels of NPAs and write-offs in the future, which may adversely affect our business, results of operations and financial condition. For further information, see, "- *We are exposed to operational and credit risks which may result in non-performing assets ("NPAs"), and we may be unable to control or reduce the level of NPAs in our portfolio. If we are unable to manage the level of NPAs or provisioning requirement as per regulatory requirements, our cash flows, financial position and results of operations may suffer."* on page 17.

11. ***Our growth may be materially and adversely affected by inability to respond promptly and effectively to new technological innovations***.

Our ability to respond to technological advances on a cost-effective and timely basis may have an impact on our growth. Technological innovation such as digital wallets, mobile operator banking, advancements in blockchain technology could disrupt the financial services industry and increase competition as a whole. If we fail to adapt to such technological advances quickly and effectively it could affect the performance and features of our products and services and reduce our attractiveness to existing and potential customers hereby adversely affecting our business, financial condition, results of operations, and cash flows. If we fail to adopt the automated lending platform before our competition, it could significantly impact our operations.

Our competitors may also make more significant and effective investments in innovation, growth of their businesses and enhancing their customer reach and engagement and may outcompete us in any of these areas. Increased investments made or innovative services offered by our competitors may require us to divert significant managerial, financial and human resources in order to remain competitive, and ultimately may reduce our market share and negatively impact the revenue growth and profitability of our business.

Our Company relies heavily on traditional physical methods for its lending operations. Even though our Company has made significant efforts and attempted to meet the credit needs from untapped segments by entering into various business correspondent agreements with three nationalised public sector banks facilitating the lending services to the rural areas, our inability to pivot to and embrace digital lending in the future may have an adverse effect on our business, reputation, results of operations, cash flows and financial condition with competitors who are able to optimize digital lending operations potentially reducing our market share.

12. ***We have in the past been subject to fines imposed by the BSE for non-compliance with certain provisions of the SEBI Listing Regulations. Any future non-compliance may subject us to penal actions and adversely affect our business, reputation, financial condition and results of operations.***

Our Company has issued non-convertible debentures ("**NCDs**") of different series through private placement, which are listed on the debt segment of BSE. We are required to comply with various applicable rules and regulations in terms of our listed NCDs, including the SEBI Listing Regulations, which requires us to inter alia disclose our quarterly financial results, subject to a limited review, within a stipulated period from the end of the quarter.

Set forth are the details of communications received from BSE, imposing fines on our Company due to certain instances of non-compliance in the last three fiscals, and the consequent action taken by our Company. Our Company has, in the past three fiscals and up to as on date, paid a total of ₹ 15,000 (excluding tax) in fines to BSE for various non-compliances.

Date of relevant communication	Particulars of the non-compliance	Relevant regulation of the SEBI Listing Regulations	Fine imposed (in ₹)*	Action taken
July 1, 2024	Non/ delayed compliance	Regulation 60(2) of SEBI (LODR) Regulations, 2015 - delayed submission of record date for payment of interest on non-convertible debentures	10,000	Fine paid on July 2, 2024
October 30, 2023	Non-submission of Intimation of Board meeting for raising	Regulation 50(1)(d) of SEBI (LODR) Regulations, 20215-	5,000	Fine paid on October 31, 2023

Date of relevant communication	Particulars of the non-compliance	Relevant regulation of the SEBI Listing Regulations	Fine imposed (in ₹)*	Action taken
	funds through Issuance of non convertible debentures.	prior Intimation to Stock Exchange about Board meeting.		

In relation to the communications issued in the last three fiscals and up to as on date, BSE did not take any further action against our Company, other than imposition of fines, and our Company was able to successfully obtain waiver for certain non-compliances as well as ensure withdrawal of fines imposed under the SEBI Listing Regulations- Condonation of delay in creation of Recovery Expenses Fund pursuant to SEBI Circular dated October 22, 2020 vide SEBI letter SEBI/HO/MIRSD/CRADT/RGA//NK//P/OW/2021/14132/1 dated July 1, 2021. However, there can be no assurance that our Company will be able to receive such waivers/withdrawal of fines for any non-compliance in future. Any such non-compliance or any failure to comply with such rules and regulations in the future, may also result in certain penal actions being initiated against us, which may have an adverse effect on our business, reputation, results of operations, cash flows and financial condition.

13. ***We are subject to periodic inspections by the RBI. Non-compliance with observations made by the RBI during these inspections could expose our Company and our Subsidiary to penalties and restrictions, which may have an adverse effect on our business, results of operations, cash flows and financial condition.***

Our Company and our Subsidiary are subject to periodic on-site and off-site inspections by RBI as NBFCs. RBI as a part of its supervisory processes, conducts periodic on-site and off-site inspections pursuant to which it issues observations, directions and monitorable action plans, on issues related to, amongst other things, our operations, risk management systems, internal controls, regulatory compliance and credit monitoring systems. During the course of finalizing inspections, the RBI inspection team shares its findings and recommendations with us and provides us with an opportunity to provide clarifications, additional information and, where necessary, justification for a different position, if any, than that observed by the RBI. The RBI incorporates such findings in its final inspection report and, upon final determination by the RBI of the inspection results, we are required to take actions specified in the inspection report issued by the RBI to its satisfaction, including, without limitation, requiring us to make provisions, implement credit rating and scoring models for loans, and tighten controls and compliance measures. Any significant deficiencies identified by the RBI that we are unable to rectify to the RBI's satisfaction could lead to sanctions and penalties imposed by the RBI against us and our management, as well as expose us to increased risks.

There were no material adverse observations and no subsequent letters were issued to our Company by RBI formally recording its observations pursuant to its inspections during the last three financial years.

In the event we are unable to resolve deficiencies and other matters to RBI's satisfaction, we may be restricted in our ability to conduct our business as we currently do. Further, while we attempt to comply with all regulatory provisions, directions or observations applicable to us, including in connection with RBI's inspection reports described immediately above, we could be subject to penalties and restrictions which may be imposed by the RBI. Imposition of any penalty or adverse findings by the RBI during the ongoing or any future inspections may have an adverse impact on our reputation, business prospects, financial condition, cash flows and results of operations. In the event that we fail to comply with the RBI observations as committed, or in case we seek waivers or extensions for complying with the observations, the RBI may take adverse action against us, including placing stringent restrictions on our operations or even revoking our registration/ licence.

14. ***Certain statutory and regulatory licenses and approvals are required for conducting our business and any failure or omission to obtain, maintain or renew these licenses and approvals in a timely manner, or at all, could adversely affect our business, cash flows and results of operations.***

We require several approvals, licenses, registrations and permissions to operate our business, including a registration for our Company with the RBI as an NBFC as well as various other corporate actions, such as certificates of incorporation and registrations under the various tax and labour legislations. In the future, we will be required to maintain such permits and approvals and obtain new permits and approvals for any proposed expansion strategy or diversification into additional business lines or new financial products. We cannot assure you that the relevant authorities will issue any such permits or approvals in a timely manner, or at all, or on favourable terms and conditions. Our failure to comply with the terms and conditions of such permits or approvals or to maintain or obtain the required permits or approvals may result in an interruption of our business operations and may have an adverse effect on our operations.

In addition, as per applicability, we require registrations to operate our branches in the ordinary course of business. These registrations include those required to be obtained or maintained under applicable legislations governing shops and establishments, professional tax and GST registrations of the particular state in which we operate, and expire from time to

time. Accordingly, we have either made an application to the competent authorities for new/renewal of certain branch-specific approvals or are in the process of making such applications.

Any failure to renew the approvals that have expired, or to apply for and obtain the required approvals, licenses, registrations or consents, or any suspension or revocation of any of the approvals, licenses, registrations or consents that have been or may be issued to us, may materially and adversely affect our business or results of operations.

15. ***Our Company, Promoter, Directors and Subsidiary are involved in certain legal and other proceedings and there can be no assurance that our Company, Promoter, Directors and/or Subsidiary will be successful in any of these legal actions. In the event our Company, Directors, Promoter and/or Subsidiary are unsuccessful in any of the disputes, our business and results of operations may be adversely affected.***

There are outstanding legal and regulatory proceedings involving our Company, Directors, Promoter and Subsidiary which are pending at different levels of adjudication before various courts, tribunals and other authorities. Our Group Companies are not a party to any pending litigations that would have a material impact on our Company. Such proceedings involving our Company, Directors, Promoter and Subsidiary could divert the management's time and attention and consume financial resources in their defence or prosecution. The amounts claimed in these proceedings have been disclosed to the extent that such amounts are ascertainable and quantifiable and include amounts claimed jointly and severally, as applicable. Any unfavourable decision in connection with such proceedings, individually or in the aggregate, could adversely affect our reputation, business, financial conditions, and results of operations. The summary of such outstanding legal and regulatory proceedings as on the date of this Draft Shelf Prospectus is set out below:

Name of entity/ individual	Criminal proceedings	Tax proceedings	Statutory or regulatory proceedings	Disciplinary action by SEBI or Stock Exchanges	Material civil litigation	Aggregate amount involved* (₹ in lakhs, unless otherwise stated)
Company						
By our Company	454	Nil	Nil	Nil	7	20,80,731.95
Against our Company	1	16	Nil	Nil	Nil	844.38
Subsidiary						
By our Subsidiary	7	Nil	1	Nil	Nil	259.61
Against our Subsidiary	Nil	2	Nil	Nil	Nil	8.13
Directors[&]						
By the Directors	Nil	Nil	Nil	Nil	Nil	Nil
Against the Directors	Nil	Nil	1	Nil	Nil	Nil
Promoter						
By the Promoter	Nil	Nil	Nil	Nil	Nil	Nil
Against the Promoter	1	2	Nil	Nil	Nil	-^

** To the extent quantifiable.*
& Other than Sunil Purushottanm Agarwal, who is also the Promoter of our Company.
^ The amount is not specified.

We cannot assure you that any of these on-going matters will be settled in favour of our Company or Subsidiary, or that no additional liability will arise out of these proceedings. Further, we cannot assure you that there will be no new legal and regulatory proceedings involving our Company, our Subsidiary or our Promoter or Directors in the future. For further information, see "*Outstanding Litigation*" on page 217. An adverse outcome in any such proceedings may have an adverse effect on our business, financial position, prospects, results of operations and our reputation.

16. ***Regulatory or legislative developments regarding privacy and data security matters could adversely affect our ability to conduct our business.***

Numerous domestic and international laws and regulations address privacy and the collection, storing, sharing, use, disclosure, and protection of certain types of data. These laws, rules, and regulations evolve frequently and their scope may continually change, through new legislation, amendments to existing legislation, and changes in enforcement. Additionally, many laws and regulations relating to privacy and the collection, storing, sharing, use, disclosure, and protection of certain types of data are subject to varying degrees of enforcement and new and changing interpretations by courts or regulators. Changes in laws or regulations relating to privacy, data protection, and information security, particularly any new or

modified laws or regulations, or changes to the interpretation or enforcement of such laws or regulations, that require enhanced protection of certain types of data or new obligations with regard to data retention, transfer, or disclosure, could require changes to our operations, or even prevent us from providing our platforms in the future.

As part of our operations, we are required to comply with the IT Act and the rules thereof, which provides for civil and criminal liability and the Digital Personal Data Protection Act, 2023, and the rules thereof ("**DPDP Act**") which regulates the lawful processing, storage, and protection of personal and sensitive personal data, including medical records and history, and imposes penalties for non-compliance, which as and when made effective stipulate a monetary penalty in case of breach of the provisions of the DPDP. Act. The Ministry of Electronics and Information Technology has also recently notified the Digital Personal Data Protection Rules, 2025 ("**DPDP Rules**"), along with a timeline for effectiveness of its various provisions. The DPDP Rules regulate, among other things, the processing of personal data in India, ensuring individuals privacy rights are protected and provide an actionable framework. The DPDP Rules apply to all entities that process digital personal data, both within India and abroad. The DPDP Rules, inter alia, mandate the conduct of data protection impact assessments for high-risk processing activities and require the notification of data breaches within a stipulated timeframe. Additionally, the DPDP Rules also introduce broader thresholds for the retention of data by certain intermediaries and specify illustrative minimum safeguards such as encryption, access controls, monitoring and backups. While the substantive obligations under the DPDP Rules will take effect 18 months from the date of notification, in a phased manner, a limited set of governance and institutional provisions have been brought into effect immediately. For details, see "*Regulations and Policies*" on page 168. The implementation of such laws, and any operational changes required to be undertaken by our Company as a result, can increase our employee costs and data security and compliance related costs. Our obligations under the DPDP Act and the DPDP Rules may evolve with changes in our business, changes in interpretation of various provisions of the DPDP Act or DPDP Rules or as new rules or regulations under the DPDP Act are introduced. Our failure, or the failure by third parties, to comply with applicable laws relating to privacy, data protection or cybersecurity could damage our reputation and brand, discourage new and existing platform participants from using our platform or result in fines, investigations or proceedings by governmental agencies and private claims and litigation, any of which could adversely affect our business, financial condition, cash flows and results of operations.

17. Our operations involve handling cash in high volumes through a dispersed network of branches which makes us susceptible to operational risks including, misappropriation, embezzlement or fraud by our employees, which may adversely affect our business, operations and ability to recruit and retain employees.

Our operations, including lending and collection, involve handling significant amounts of cash, thereby exposing us to the risks of loss, fraud, misappropriation, or unauthorized transactions by our employees responsible for dealing with such cash collections. The following table sets forth the fraud detected and reported for the periods indicated:

Particulars	For the financial year ended March 31,					
	2026		2025		2024	
	Number of cases	Aggregate amount (in ₹lakhs)	Number of cases	Aggregate amount (in ₹lakhs)	Number of cases	Aggregate amount (in ₹lakhs)
Frauds detected and reported	-	-	-	-	1	2,195

Our Company is pursuing litigation against persons, including certain of its employees, on the grounds of, inter alia, criminal breach of trust, forgery and fraud. For further details, see "*Outstanding Litigation*".

We are actively engaged in migrating to a cashless environment to mitigate the risk of cash handling. We have enabled contactless repayments via popular digital payment applications and introduced a QR Code for each borrower on loan application cards to facilitate efficient repayment and minimize fraud. However, the majority of our current operations, in terms of volume of customers, are still carried out in cash. While we have and intend to continue to invest in our technology-enabled operating procedures to improve our operational and risk management efficiencies, given the high volume of transactions involving cash handling by us currently, there may be future instances of fraud and misconduct by our representatives or employees, some of which may go unnoticed before actions are taken by us. Further, we prefer hiring our field staff locally and any regulatory or other proceedings initiated against us in connection with any such unauthorized transaction, fraud or misappropriation by our employees, could adversely affect our goodwill, business prospects, future financial performance and our ability to recruit or retain employees.

18. Our failure to comply with financial and other negative covenants under our loan agreements may materially and adversely affect our financial condition, results of operations, cash flows and business.

As on the date of this Draft Shelf Prospectus, we have 18 lenders on a standalone basis. Our ability to meet our debt service obligations and repay our outstanding borrowings will depend primarily on the cash generated by our business, which depends on the timely repayment by our borrowers. Our financing agreements contain certain restrictive covenants that limit our ability to undertake certain types of transactions, any of which could adversely affect our business and financial

condition. We are required to obtain prior approval from certain of our lenders, as well as send prior intimation to certain of our lenders for, among other things:

- effecting any changes in the management (including key managerial personnel) of our Company, including changes in the practice with regard to remuneration of directors opening new bank accounts with respect to the Issue

Any failure, in the future, to comply with the restrictive negative conditions and covenants in our financing agreements that is not waived off or consented to by our lenders could lead to an event of default and the consequent termination of our credit facilities could adversely affect our business, results of operations, financial condition, and cash flows.

A failure to observe the financial and restrictive negative covenants under our financing arrangements or to obtain necessary waivers may lead to the termination of our credit facilities, acceleration of amounts due under such facilities and the enforcement of any security provided. Pursuant to clauses in certain financing agreements, any defaults under such facilities may also trigger cross default or cross acceleration provisions under our other financing agreements. If the obligations under any of our financing documents are accelerated or any security created under such agreements enforced, we may have to dedicate a substantial portion of our cash flows towards payments under such financing documents, thereby reducing the amounts available for working capital, capital expenditure and general corporate purposes. Additionally, during any period in which we are in default, we may be unable to raise, or may face difficulties raising, further financing. In addition, we cannot assure you that our business will generate sufficient cash to enable us to service our debt or to fund our other liquidity needs. We may also need to refinance all or a portion of our debt on or before maturity. We cannot assure you that we will be able to refinance any of our debt on commercially reasonable terms or at all.

19. Fluctuations in the market values of our investments could adversely affect our results of operations and financial condition.

We maintain an internal investment policy to manage our treasury operations. While our investments have historically been limited to quoted and unquoted equity shares, our Operations and Finance Committee has been authorized by our Board of Directors to invest our Company's funds in a prudent manner into a broader range of instruments, subject to overall board-approved limits. These authorized instruments include SEBI-registered mutual funds (including liquid and liquid-plus funds), government securities, treasury bills, market-linked and non-convertible debentures, bonds, other fixed-return instruments, and fixed deposits with banks and small finance banks.

The valuation and performance of these financial instruments are subject to inherent market risks and depend on several external factors beyond our control. These factors include domestic and global macroeconomic conditions, geopolitical dynamics, inflationary trends, interest rate volatility, and shifts in monetary policies.

The table below sets forth details of our investments and our mark-to-market gains / (losses) on these investments as at the dates indicated:

Particulars	As of March 31,		
	2026	2025	2024
	(₹ lakhs)		
Investments	14,105.77	6,574.53	6,506.95
Mark-to-market gains / (losses)	Nil	Nil	Nil

Although we have not historically experienced any material diminution in the value of our investment portfolio, we cannot assure you that our treasury management strategies will be successful or that the value of our investments will not decline in the future. Any such depreciation, mark-to-market losses, or defaults on these instruments could have a material adverse effect on our business, financial condition, cash flows, and results of operations.

20. We have experienced negative cash flows in the past. Negative cash flows in the future could adversely affect our cash flow requirements, our ability to operate our business and implement our growth plans, thereby affecting our financial performance.

We have in the past, and may in the future, experience negative operating cash flows. The following table sets forth certain information relating to our cash flows on a consolidated basis for the periods/ years indicated under Ind AS:

(in ₹ lakhs, unless otherwise specified)

Particulars	As of and for the financial year ended March 31,		
	2026	2025	2024
Net cash flow generated from/(used) in operating activities	(78,276.16)	(84,153.07)	(56,975.07)
Net cash flow generated from/(used) in operating activities excluding 'change in working capital'	75,567.64	63,031.92	52,704.50

As demonstrated above, we experienced negative cash flows due to growth in our lending business, resulting in higher disbursements and deployment of funds towards loans and advances, as well as changes in working capital associated with the expansion of our operations. Negative cash flows over extended periods, or significant negative cash flows in the short term, could materially impact our ability to operate our business and implement our growth plans. We may face a shortfall of capital in future as a result of negative cash flows and there can be no assurance that we will be able to raise adequate capital in future. As a result, our cash flows, business, future financial performance and results of operations could be materially and adversely affected.

21. ***We have contingent liabilities, and our financial condition could be adversely affected if any of these contingent liabilities materialize***

The following table sets forth certain information relating to our contingent liabilities as of March 31, 2026, on a standalone basis, which have been prepared in accordance with the recognition and measurement principles laid down in Ind AS 37 on "*Provisions, Contingent liabilities and Contingent assets*":

(₹ in lakhs, unless otherwise stated)

Particulars	As of March 31, 2026
Corporate guarantees issued on behalf of wholly owned subsidiary*	1,125.60
Income tax matters under dispute	575.47
Goods and Services Tax matters under dispute	268.91
Total	**1,969.98**

**The corporate guarantee has been issued on behalf of our wholly owned subsidiary, Nupur Finvest Private Limited, in favour of certain banks and financial institutions.*

While the aggregate amount of the contingent liabilities disclosed above is not material in the context of our overall financial position, there can be no assurance regarding the ultimate outcome of such matters. Any material liability arising therefrom could adversely affect our business, financial condition, results of operations and cash flows. For more details of contingent liability as at March 31, 2026 as per Ind AS 37, see "*Financial Information*" on page 187.

22. ***We face asset-liability mismatches which could affect our liquidity and consequently may adversely affect our operations, profitability and/ or cash flows.***

Asset and liability mismatch, which represents a situation when the financial terms of an institution's assets and liabilities do not match, is a key financial parameter for us. We face potential liquidity risks because our assets and liabilities mature over different periods. While we believe that our cash flow from operations, available cash and borrowings will be adequate to meet our future liquidity needs, we cannot assure you that our businesses will generate sufficient cash flow from operations such that our anticipated revenue growth will be realized or that future borrowings will be available to us under credit facilities in amounts sufficient to enable us to repay our existing indebtedness, fund our expansion efforts or fund our other liquidity needs. We carefully monitor the contractual maturity periods of our assets and liabilities and categorize them on the basis of number of years in which they mature.

The table sets forth below the maturity period of our assets and liabilities as of March 31, 2026:

Particulars	Up to 14 days	Over 14 days to 1 month	Over 1 month & up to 2 months	Over 2 months & up to 3 months	Over 3 months & up to 6 months	Over 6 month & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Deposits	-	-	-	-	-	-	-	-	-	-
Advances	9,129	14,109	22,611	22,944	64,785	1,37,794	2,35,319	64,527	9,949	**5,81,167**
Investments (Bank FDR)	7,601	-	-	-	-	-	300	-	-	**7,901**
Borrowings from Banks/FI	-	4,896	4,403	9,701	17,707	39,781	1,03,956	10,143	2,909	**1,93,496**
Market Borrowing	-	-	2,916	-	16,900	1,000	45,609	40,631	16,051	**1,23,107**
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-
Foreign Currency Liabilities	-	1,230	1,293	1,293	4,295	10,256	46,655	45,822	-	**1,10,844**

Mismatches between our assets and liabilities may result in liquidity shortfalls or surpluses. Depending on interest rate fluctuations, such imbalances could materially and adversely affect our liquidity position, net interest margins, and profitability. Pursuant to the Reserve Bank of India (Non-Banking Financial Companies – Asset Liability Management) Directions, 2025, as amended from time to time, we are required to monitor and manage liquidity mismatches across various maturity buckets and maintain appropriate asset liability management and liquidity risk management systems. As of March 31, 2026, we were in compliance with the applicable regulatory requirements relating to asset liability management and liquidity risk monitoring. However, there can be no assurance that we will be able to maintain such position in the future. Our inability to obtain and/or maintain additional credit facilities, refinance existing borrowings, or renew our existing credit facilities in a timely and cost-effective manner, or at all, may lead to mismatches between our assets and liabilities, which in turn may adversely affect our liquidity position, operations, cash flows and financial performance.

23. ***We may enter into related party transactions in the ordinary course of our business and may continue to do so in future. There may be conflicts of interest associated with such transactions and there can be no assurance that such transactions will not have an adverse effect on our results of operation and financial conditions.***

We have entered into related party transactions, within the meaning of Ind-AS 24, as applicable, in the three preceding Fiscals, each of which have been undertaken on an arms' length basis and in the ordinary course of business, in accordance with our related party transactions policy, have been approved by our Audit Committee, Board, Shareholders, or as and when required by law. We may also, from time to time, enter into related party transactions in the future. To the extent we may extend loans or advances to related parties, provide guarantees or security, enter into contracts envisaging delivery of services, we may face risks in relation to default by such related parties or potential non-recovery or non-performance of contractual obligations.

Such related party transactions in the future or any other future transactions may potentially involve conflicts of interest which may be detrimental to the interest of our Company and we cannot assure you that such transactions, individually or in the aggregate, will always be in the best interests of our minority shareholders and will not have an adverse effect on our business, financial condition, results of operations, cash flows and prospects.

24. ***We have availed unsecured loans which can be recalled by lenders at any time.***

We have availed unsecured loans, the outstanding amount of which is ₹ 50,337.38 lakhs, or 11.55% of our total borrowings as of March 31, 2026, which may be recalled by our lenders on demand. We have availed external commercial borrowings amounting to ₹ 51,871.32 lakhs and commercial paper amounting to ₹ 29,16.38 lakhs in the financial year ended March 31, 2026. In such cases, the lenders may require repayment of the facility at any point in time during the loan tenure. While no loans have been recalled in the three preceding Fiscals, in case any such unsecured loans are recalled on demand by our lenders and we are unable to repay the outstanding amounts under the facilities at that point, it would constitute an event of default under the respective loan agreements. For further information, see "*Financial Indebtedness"* on page 189.

25. ***Any deterioration in the performance of any pool of receivables securitized to banks and other institutions may adversely impact our results of operations.***

We securitize a portion of our receivables from our loan portfolio to banks and other financial institutions to obtain funding and diversify our portfolio risk. Such securitization is undertaken by us on the basis of our internal estimates of funding requirements and availability of other sources of funds, and may vary from time to time. Set forth below are details of our book value of loans securitized and our direct assignment portfolio without any recourse with banks and financial institutions, as of the corresponding periods, on a standalone basis:

Particulars	As of and for the financial year ended March 31,		
	2026	2025	2024
Book value of loans securitized (₹lakhs)	-	-	-
Book value of loans securitized as a percentage of total assets	-	-	-
Direct assignment portfolio (₹lakhs)	3,897.99	-	-
Direct assignment portfolio as a percentage of total assets (%)	0.62	-	-

Any change in regulations framed by RBI or other regulators in relation to securitizations by NBFCs could have an adverse impact on our securitization program. In the event the bank or financial institution with whom we have securitized our receivables does not realize the receivables due under loans that have been securitized, the relevant bank or financial institution could enforce the underlying credit enhancements provided by our Company. Should such banks or financial institutions seek to enforce the underlying credit enhancements, it could have an adverse effect on our results of operations.

Further, any deterioration in the performance of any batch of receivables assigned to banks could adversely affect our credibility and hence our ability to conduct further securitizations. We may also be named as a co-plaintiff in legal proceedings initiated by an assignee in relation to the securitized assets. While there have been no material instances in the

three preceding Fiscals, if a substantial portion of our securitized or assigned loans suffer a deterioration in their performance, it could have an adverse effect on our financial condition and results of operations.

26. ***Negative publicity or failure to maintain our image could damage our reputation and have a material adverse effect on our business, financial condition and results of operations.***

We believe that the reputation of our brand among our customers has contributed significantly to the growth and success of our business. Maintaining and enhancing the recognition and reputation of our products is, therefore, critical to our business and competitiveness.

We provide loans to women, belonging to low-income groups primarily in rural areas. As a result of our business model of providing financial services at the villages of our borrowers, our operating expenses, particularly, finance, employee, travel and rent costs are quite high. High operating costs along with provisions for higher credit cost as well as our cost of financing, may result in higher interest rates being charged to our borrowers, in comparison to the interest rates generally charged by lenders on loans extended to banked borrowers. This, along with our co-lending business model, therefore, continue to be the subject of evaluation, comparison and analysis. Perception of our business and business model, including, among others, by social and political workers or disgruntled former stakeholders, could harm our reputation.

While there have been no instances in the three preceding Fiscals, large negative incidents or adverse publicity could rapidly erode borrower trust and confidence in us, particularly if such incidents attract regulatory investigations. Negative publicity can result from our own or our third-party service providers' actual or alleged conduct, and actions taken by government regulators in response to that conduct. If any disagreements among members of our Board become public knowledge, it may lead to adverse publicity. The dissemination of inaccurate information online could harm our business, reputation, prospects, financial condition, and operating results, regardless of the information's accuracy. Such unverifiable or false information regarding us may be published online or on social media by third parties, or any other such damage to our brand or our reputation may result in withdrawal of business by our existing customers and loss of new business from potential customers, could increase our costs, lead to litigation or result in negative publicity that could damage our reputation and adversely affect our business, results of operations and financial conditions.

27. ***An inability to manage our growth or our proposed expansion activities, including new financial products or businesses, could disrupt our business and reduce our profitability.***

We intend to expand our reach and operations in the states where we are currently present, both by increasing our business transacted through existing branches/touchpoints and opening new branches/touchpoints. As of March 31, 2026, we had 5,299 touchpoints, comprising of 422 branches, 3,381 distribution points, and 1,496 customer service points.

Set forth below are details of our branches, borrowers, and AUM, reflecting our recent growth:

Particulars	As of the financial year ended March 31,			CAGR (in %)
	2026	2025	2024	
Number of branches	422	351	274	24.08%
-Exclusive micro enterprise loan branches	57,429.74	89,306.55	1,01,571.91	24.80%
-Exclusive MSME/Business loan branches	5,52,660.00	4,33,979.18	3,57,031.05	24.42%
Number of Customers (in lakhs)	1,54,669	3,39,481	5,44,403	46.70%
AUM (in ₹lakhs)	**6,10,089.74**	**5,23,284.73**	**4,58,602.96**	**15.32%**

While we have not faced any issue in our growth strategy in the past, due to our comprehensive operational methodology which includes a detailed standard operating procedure for branch selection, we cannot assure you that our growth strategy will continue to be successful or that we will be able to continue to grow further, at the same rate, or at all. We may need to change the composition of our AUM, which may impact our profitability, our asset-liability maturity profile and NPA levels. Further, we may introduce products that may have lower net interest margins or profitability.

As we grow our business in newer geographies, including rural and more remote areas, we may face difficulties such as lack of infrastructure in terms of connectivity, increased competition, different culture, regulatory and taxation regimes, business practices, customs, behaviour and preferences, and our current experience may not be applicable to new markets. In addition, we will need to enhance and upgrade our financial, accounting, information technology, administrative, supervisory mechanisms, risk management and operational infrastructure and internal capabilities to manage such growth of our business, which involves significant capital investment.

As of March 31, 2026 and March 31, 2025, we opened 1,734 and 769 new touch points, respectively taking our total touch point count to 5,299 as of March 31, 2026. Due to the increase in our footprint, disbursements increased by a CAGR of 8.06% from ₹ 3,59,020.00 lakhs in Fiscal 2024 to ₹ 4,28,451.15 lakhs in Fiscal 2026. Similarly, our AUM increased by

15.34% from ₹ 4,58,602.96 lakhs in Fiscal 2024 from ₹ 6,10,089.74 lakhs in Fiscal 2026. Collection efficiency was in at 98.50% during Fiscal 2026. Failure to perform or the sub-optimal performance of our new branches may adversely affect our business, financial condition, results of operations and cash flows.

We may also face heightened security risks, and other instances such as fraud and theft. We may not be able to maintain our historical growth rates, the level of our NPAs or the quality of our portfolio. Further, external factors beyond our control could also affect our ability to grow our business and loan portfolio, such as demand for our loans, domestic economic growth, the RBI's monetary and regulatory policies, inflation, competition and availability of cost-effective debt capital. Our inability to expand our current operations or the sub-optimal performance of our existing/ new branches may adversely affect our business, financial condition, results of operations and cash flows.

28. ***Our Promoter, certain of our Directors, and Key Managerial Personnel may be interested in us other than in terms of remuneration and reimbursement of expenses, and this may result in conflict of interest with us.***

Our Promoter, certain of our Directors, and Key Managerial Personnel are interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses, to the extent of their shareholding, direct and indirect, and our stock options and benefits arising therefrom. We cannot assure you that our Promoter, certain of our Directors, and Key Managerial Personnel will exercise their rights as shareholders to our benefit and best interests. Further our Promoter and Promoter Group hold Equity Shares in our Company and are therefore interested in our Company's performance in addition to their remuneration and reimbursement of expenses which also allows them to exercise significant influence over us. For further details, see "*Our Management*" on page 153.

29. ***We are exposed to risks that may arise if our customers opt for foreclosure of loans and seek borrowing from other banks or financial institutions.***

We offer our customers certain fixed interest rate loans the rate for which is determined primarily on the basis of our cost of borrowings, tenor of the loan sought, current market conditions and the risk factors involved. It is possible that interest rates on loans for some of our customers may be higher than the interest rates on loans being offered to these customers by our competitors. Some such customers may seek borrowing from other banks and financial institutions. As competition in the small business finance sector intensifies, some of our customers may be able to find borrowing options at comparably lower interest rates or other financing alternatives which could have an adverse effect on our business, results of operations and financial condition.

30. ***We operate in a highly competitive market and face competition from the organized and unorganized sector across as well as from state-sponsored social programs, which could adversely affect our business prospects and financial performance.***

The financial services market for our products is being served by a range of financial entities selectively or across all products, including by traditional national banking institutions, captive finance affiliates of players in various industries, NBFCs and small finance banks approved by RBI to enhance credit penetration. Many of these competitors may have greater financial resources, may be larger in terms of business volume and may have lower cost of funds compared to us. Many of them may also have greater geographical reach, longstanding partnerships and may offer their borrowers multiple forms of financing with differential interest rates or higher ticket sizes that we may not be able to provide, or have better brand recognition and larger borrower bases. In addition, we compete with informal sources of lending for our micro enterprise loan segment, including with moneylenders, landlords, local shopkeepers and traders.

Our ability to compete effectively will depend, to an extent, on our ability to raise low-cost funding in the future as well as our ability to maintain or decrease our operating expenses by increasing operational efficiencies and managing credit costs. There can be no assurance that we will be able to effectively address these industry trends or compete effectively with new and existing NBFCs and other financial intermediaries that operate in similar segments. An inability to effectively address such competition may adversely affect our market share, goodwill, business prospects, results of operations and financial condition.

Due to extensive awareness and implementation activities undertaken by the government and more economical financing products of the government, our target clients may have better access and may prefer participation in such schemes over our financial products which may negatively impact our business and result of operations. Further, the ability of financial institutions participating in government schemes to provide lower cost financial assistance under these schemes as a result of funding provided by the government may adversely affect our business, results of operations and financial condition.

Additionally, we are subject to the potential increase in competition brought about by changes in the laws and regulations governing our business and those adjacent to ours. We cannot assure you that changes in the relevant laws and regulations in the future may not result in an increase in competition from other players and impact the way we conduct our business in respect of, among others, branch opening licensing requirements, prudential norms for various loan products and monthly interest servicing.

Liberalization of the Indian financial services sector could also lead to a greater presence or new entries of Indian and foreign banks, NBFCs, and other entities operating in the financial services sector offering a wider range of products and services. This could adversely affect our competitive environment. There can be no assurance that we will be able to react effectively to these or other market developments or compete effectively with new and existing players in the sector in which we operate. Increasing competition may also result in slower growth and a reduction in our net interest margin and market share, and consequently may have an adverse effect on our results of operations and financial condition. Our inability to compete effectively in the increasingly competitive market may adversely affect our net interest margins, income and market share.

31. Any failure or significant weakness of our internal processes or systems could cause operational errors or incidents of fraud, which would adversely affect our business, profitability and reputation.

Our internal audit functions make an evaluation of the adequacy and effectiveness of our internal risk management, control and governance processes. Our Company has a team of 25 internal auditors, as of March 31, 2026, on a standalone basis, who work at the field level and functionally report to our Chief Operating Officer, and operationally to our Executive Director, who subsequently reports to our Managing Director.

Our Company's branches are broadly audited at least once every three months with the reports being sent to the managers who have a direct responsibility for the unit/function being audited. Our Audit Committee is informed of the significant audit findings on a quarterly basis. While we periodically test and update our internal processes and systems, we are exposed to operational risks arising from the potential inadequacy or failure of internal processes or systems and our actions may not be sufficient to ensure effective internal checks and balances in all circumstances.

Our internal audit system and internal control procedures may not identify every instance of non-compliance or every suspicious transaction. Further, if any other internal system or process weaknesses are identified in the future, our actions may not be sufficient to identify the root cause and correct such weakness. Owing to our volume of transactions and wide geographic presence, there may be lapses in timely completion of internal audit as per the schedule. It is possible that errors may repeat or compound before they are discovered and rectified. Failures or material errors in our internal systems may lead to events such as inaccurate financial reporting, fraud and failure of critical systems and infrastructure.

32. Our insurance coverage may not be sufficient or may not adequately protect us against all material hazards, which may adversely affect our business, results of operations, cash flows and financial condition.

Our operations are subject to various risks inherent to the finance industry, as well as fraud, theft, robbery, acts of terrorism and other force majeure events. Our insurance policies may not provide adequate coverage in certain circumstances, such as credit loss, loss of profit and are subject to certain deductibles, exclusions and limits on coverage. The table below sets forth our total insurance coverage on a consolidated basis as of the dates indicated:

Particulars	As of March 31,		
	2026	2025	2024
Insured assets (₹ lakhs)	72.40	32.63	18.97
Percentage of total insurable assets (%)	0.86%	0.44%	0.29%

We cannot assure you that the terms of our insurance policies will be adequate to cover any damage or loss suffered by us or that such coverage will continue to be available on reasonable terms or will be available in sufficient amounts to cover one or more large claims, or that the insurer will not disclaim coverage as to any future claim. While we have not faced such an instance in the past, a successful assertion of one or more large claims against us that exceeds our available insurance coverage or changes in our insurance policies, including premium increases or the imposition of a larger deductible or coinsurance requirement, could adversely affect our business, financial condition, results of operations and cash flows.

33. We may not be able to identify, monitor and manage risks or effectively implement our risk management policies, which could adversely affect our business, financial condition and results of operations.

The effectiveness of our risk management is affected by the quality and timeliness of available data. We have devoted significant resources to develop and implement our risk management policies and procedures based on checks and balances required to manage various risks and intend to continue doing so in the future. However, there may be human errors in assessing the right data at the right time in order to develop or modify appropriate risk management policies and procedures. We have policies and procedures in place to measure, manage and control the various risks to which we are exposed, which include our asset management policy, credit assessment mechanism, whistle blower and vigilance mechanism, grievance redressal mechanism, internal guidelines on corporate governance, investment policy, risk management policy, IT workflows and procedures. Our Board of Directors and various Board Committees, including the Risk Management Committee, review our internal policies and procedures, including our risk management policies from time to time. We

also depend on our information technology systems to assist us with our risk management functions and carry out periodic audits on our security system to identify risk areas.

In addition, our policies and procedures to identify, monitor and manage risks may not be fully effective. Some of our risk management processes may not be automated and subject to human error, such as the process required to assess an applicant's income, expenses and other payment obligations. Some of our methods of managing risks are based on the use of observed historical market behaviour and may not accurately predict future risk exposures, which could be significantly greater than those indicated by the historical measures.

In addition, as we seek to expand the scope of our operations, we also face the risk of inability to develop commensurate risk management policies and procedures. Other risk management methods depend upon an evaluation of information regarding the markets we operate in, the borrowers we service and certain other matters, which may not be accurate, complete, up-to-date or properly evaluated in all cases. Our earnings are dependent upon the effectiveness of our management of changes in asset quality and risk concentrations, the accuracy of our underwriting, evaluation models and our critical accounting estimates and the adequacy of our allowances for loan losses. To the extent our assessments, assumptions or estimates prove inaccurate or not predictive of actual results, we could suffer higher than anticipated losses.

34. Any downgrade in our Company's credit ratings could increase our borrowing costs, affect our ability to obtain financing, and adversely affect our business, results of operations, cash flows and financial condition.

The cost and availability of capital depends in part on our short-term and long-term credit ratings. Set forth below are details of our Company's credit ratings in the three preceding Fiscals with Infomerics Valuation and Rating Limited assigning the following rating to our Company's instruments:

Instrument	Rating		
	As of March 31,		
	2026	2025	2024
Long term bank facilities	IVR AA/Stable Outlook	IVR AA/Stable Outlook	IVR AA/Stable Outlook
Non-convertible debentures	IVR AA/Stable Outlook	IVR AA/Stable Outlook	IVR AA/Stable Outlook
Commercial paper	IVR A1+	IVR A1+	IVR A1+

Any further downgrade in our Company's credit ratings in the future could also increase borrowing costs or even result in an event of default under certain of our financing arrangements and adversely affect our access to both domestic and international capital and debt markets, which could in turn adversely affect our interest margins, cash flows and our business. In addition, any downgrade in our credit ratings could result in a recall of existing facilities, increase the probability that our lenders impose additional terms and conditions to any financing or refinancing arrangements we enter into in the future and impair our ability to raise new capital on a competitive basis, which may adversely affect our business, results of operations, cash flows and financial condition.

35. Industry information included in this Draft Shelf Prospectus has been derived from an industry report prepared by Infomerics Analysis and Research and exclusively commissioned and paid for by us for such purpose.

Certain information regarding the industry and the market in which our Company operates, included in this Draft Shelf Prospectus has been derived from the report titled "*Consumer Lending Industry*" dated July 15, 2026, prepared by Infomerics Analytics and Research appointed and exclusively commissioned by our Company at an agreed fees to be paid by our Company.

This Draft Shelf Prospectus includes information that is derived from the report titled "*Consumer Lending Industry*" dated July 15, 2026, prepared by Infomerics Analytics and Research. Infomerics Analytics and Research is not in any manner related to us, Subsidiary, our Directors or our Promoter or the Lead Manager. The Infomerics Report is subject to various limitations and based upon certain assumptions that are subjective in nature. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced for other economies and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. Statements from third parties that involve estimates are subject to change, and actual amount may differ materially from those included in this Draft Shelf Prospectus.

Industry sources and publications are also prepared based on information as of specific dates. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced for other economies and should not be unduly relied upon. Further, we cannot assure you that they are stated or compiled

on the same basis or with the same degree of accuracy as may be the case elsewhere. Statements from third parties that involve estimates are subject to change, and actual amounts may differ significantly from those included in this Draft Shelf Prospectus. Accordingly, investors should not place undue reliance on, or base their investment decision solely on this information. For further details, please refer to "*Industry Overview*" on page 78.

36. Certain of our Directors are on the board of directors of companies engaged in a line of business similar to that of ours. Any conflict of interest that may occur as a result could adversely affect our business, financial condition, results of operations and cash flows.

Certain of our Directors are on the board of directors of companies engaged in a line of business similar to ours. These entities may provide comparable services, expand their presence, solicit our employees or acquire interests in competing ventures in the locations or segments in which we operate. A conflict of interest may occur between our business and the business of such entities, which could have an adverse effect on our business, financial condition, results of operations and cash flows.

37. As of the date of this Draft Shelf Prospectus, our application for trademark of our name and logo remains pending. We may be unable to adequately protect our intellectual property and may be subject to risks of infringement claims.

As of the date of this Draft Shelf Prospectus, we have applied for registration of trademark for our logo with the Trade Marks Registry of India which has been objected to and remains pending for hearing. We cannot assure you that such registration will be granted in a timely manner or at all. Our applications may be challenged and we may have no recourse against parties who use our name and logo till such time as these trademarks are registered. There can be no assurance that third parties will not infringe upon our intellectual property, causing damage to our business prospects, reputation, and goodwill.

While we take care to ensure that we comply with the intellectual property rights of third parties, we cannot determine with certainty whether we are infringing upon any existing third-party intellectual property rights. We cannot assure you that we will not be involved in intellectual property disputes in the future, including disputes relating to our pending trademark applications. Any intellectual property claims, with or without merit, could be very time-consuming, could be expensive to settle or litigate and could divert our management's attention and other resources. These claims could also subject us to significant liability for damages, potentially including enhanced statutory damages if we are found to have wilfully infringed intellectual property rights. While such claims by third parties have not been made to us historically, the occurrence of any of the foregoing would adversely affect our business operations and financial results.

38. We may not be able to detect money-laundering and other illegal or improper activities fully or on a timely basis, which could expose us to additional liability.

We are required to comply with applicable anti-money-laundering ("**AML**") and anti-terrorism laws and other regulations in India. In the ordinary course of our operations, we run the risk of failing to comply with the prescribed KYC procedures and the consequent risk of fraud and money laundering by dishonest customers and assessment of penalties or imposition of sanctions against us for such compliance failures despite having implemented systems and controls designed to prevent the occurrence of these risks. Although we believe that we have adequate internal policies, processes and controls in place to prevent and detect any AML activity and ensure KYC compliance, such as biometric based customer identification process, QR based Aadhaar KYC authentication, there can be no assurance that we will be able to fully control instances of any potential or attempted violation by other parties and may accordingly be subject to regulatory actions including imposition of fines and other penalties by the RBI and other relevant governmental authorities to whom we report. There can be no assurance that any action will not be taken by the regulatory authorities in the future in case of any incidence of money laundering or fraud. If any party uses or attempts to use us for money-laundering or any other illegal or improper purposes and such attempts are not detected or reported to the appropriate authorities in compliance with applicable legal requirements, our reputation could suffer and could result in a material adverse effect on our business, financial condition and results of operations.

39. All of our branches, except one, are located on leased premises. The termination of any of these leases or our inability to exercise our rights under the lease agreements may cause disruption in our operations.

As of March 31, 2026, all our branch offices (except for our Registered and Corporate Office which also serves as a branch, owned by us) are located on leased premises. Although we have renewed the majority of our leases in the past, our business, financial condition, and operating results could be adversely affected if we are unable to negotiate favourable lease renewal terms for our existing branches. Some of the lease deeds have expired in the ordinary course of business and we are currently involved in negotiations for the renewal of these lease and license agreements.

In case of non-renewal of our leases for our existing branches, we will be forced to procure alternative space for our existing branches. Although we procure a space that satisfies the safety, operational and financial criteria for our branches, we cannot assure you that we will be able to identify such space at commercially reasonable terms or at all. Failure to identify

such space can adversely affect our financial condition and results of operation. Further, any breach of the terms and conditions of these lease agreements could result in the termination of the lease agreements and force us to establish operations at another location, which may disrupt our operations temporarily. Additionally, we cannot assure you that all the lease agreements for our branches are adequately stamped and registered as per the requirements of applicable laws. Unless such documents are adequately stamped or duly registered, such documents may be rendered inadmissible as evidence in a court in India or may not be authenticated by any public officer and the same may attract penalty as prescribed under applicable law or may impact our ability to enforce these agreements legally, which may result in an adverse effect on the continuance of our operations and business.

40. Our branches and our employees operating in remote areas are exposed to antisocial elements which may adversely affect our business, operations and ability to recruit and retain employees.

Since our operations are spread to remote areas, our employees involved in cash collection and transportation may be susceptible to criminal elements in such areas. While we have not faced any material instance in the past, an adverse incidence may happen in the future affecting our ability to continue our operations in such areas and may negatively impact employee recruitment and retention efforts, thereby affecting our expansion plans. In addition, if we determine that certain areas pose a significantly higher risk of crime or political strife and instability, our ability to operate in such areas may be adversely affected. We have in the past, consciously avoided setting up operations in certain remote areas as a result of high crime rate in these areas.

41. Our business is subject to seasonal volatility, which may contribute to fluctuations in our results of operations and financial condition.

Our business operations and the industry may be affected by seasonal trends in the economy. We generally see higher borrowings and drawdowns by our borrowers during the third and fourth quarter of each Fiscal due to increased economic activity towards the end of the Fiscal owing to the harvest season in rural areas in India. Any significant event such as unforeseen floods, earthquakes, political instabilities, epidemics or economic slowdowns during this peak season would materially and adversely affect our results of operations and growth. During these periods, we may continue to incur operating expenses, but our income from operations may be delayed or reduced.

42. Our Company may not be able to pay dividends in the future. Our ability to pay dividends in the future will depend upon regulatory stipulations, our future earnings, financial condition, cash flows, and capital expenditures and the terms of our financing arrangements.

The Reserve Bank of India (Non-Banking Financial Companies – Prudential Norms on Declaration of Dividends) Directions, 2025, as amended from time to time, prescribe conditions and prudential requirements for declaration of dividends by NBFCs, including eligibility criteria relating to regulatory compliance, capital adequacy and other financial parameters. Any dividends to be declared and paid in the future are required to be recommended by our Company's Board of Directors and approved by our Shareholders, at their discretion, subject to the provisions of the Articles of Association, our dividend distribution policy and applicable law, including the Companies Act. Our Company has adopted a dividend distribution policy that set out the principles and criteria for the declaration and payment of dividend to equity shareholders, in compliance with the applicable requirements of the SEBI, RBI, Companies Act, and other applicable regulations. Our Company's ability to pay dividends in the future will depend upon regulatory restrictions on dividend distribution, our future results of operations, financial condition, cash flows, sufficient profitability, working capital requirements and capital expenditure requirements. While we have historically declared dividend in the past, we cannot assure you that we will generate sufficient revenues to cover our operating expenses and, as such, pay dividends to our Company's shareholders in future. For further details, see "*Other Regulatory and Statutory Disclosures – Dividend*" on page 236.

43. We may have difficulties in managing our operating expenses structure in the case of a decline in volume of disbursement and the size of our AUM.

In cases of significant reduction in new disbursements and any significant reduction in our business, we may not be able to adjust our employee numbers commensurately and reduce our employee benefits expenses in a relatively shorter period. Our employee benefits expenses derived from our Audited Financial Statements amounted to ₹ 7,641.55 lakhs, ₹ 6,286.14 lakhs and ₹ 4,902.77 lakhs accounting for 8.09%, 8.15% and 7.44% of our total income for the Fiscals 2026, 2025 and 2024 respectively. Other large components of our operating expenses include advertisement and business promotion expenses, travelling expenses and legal expenses and professional fees, which may be difficult to reduce quickly.

Further, our existing borrowers may prefer to obtain credit from our competitors over us, or we may incur additional costs on training new employees if our skilled employees decide to leave us. It may take us a longer period of time than is optimal in order to adjust our employee numbers or reduce the associated personnel costs, in the event of any significant reduction in our business. Our inability to retain sufficient flexibility in our cost structure and adjust to changing business circumstances may adversely affect our business and results of operations.

44. ***We have in this Draft Shelf Prospectus included certain non-GAAP financial measures and certain other industry measures related to our operations and financial performance. These non-GAAP measures and industry measures may vary from any standard methodology that is applicable across the financial services industry, and therefore may not be comparable with financial or industry related statistical information of similar nomenclature computed and presented by other companies.***

Certain non-GAAP financial measures and certain other industry measures relating to our operations and financial performance have been included in this Draft Shelf Prospectus. We compute and disclose such non-GAAP financial measures and such other industry related statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of players in the Indian financial services industry, many of which provide such non-GAAP financial measures and other industry related statistical and operational information. Such non-GAAP financial measures may be different from financial measures and statistical information disclosed or followed by other NBFCs. Such supplemental financial and operational information is therefore of limited utility as an analytical tool, and investors are cautioned against considering such information either in isolation or as a substitute for an analysis of our audited financial statements as reported under applicable accounting standards disclosed elsewhere in this Draft Shelf Prospectus.

These non-GAAP financial measures and such other industry related statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and industry related statistical information of similar nomenclature that may be computed and presented by other companies.

45. ***Significant differences exist between Ind AS used to prepare our financial information and other accounting principles, such as U.S. GAAP and IFRS, which investors may be more familiar with and may consider material to their assessment of our financial condition.***

The Audited Financial Statements included in this Draft Shelf Prospectus have been prepared and presented in conformity with Ind AS, which differs in certain significant respects from IFRS, U.S. GAAP and other accounting principles with which prospective investors may be familiar in other countries. We have not attempted to quantify the impact of U.S. GAAP or IFRS on the financial data included in this Draft Shelf Prospectus, nor do we provide a reconciliation of our financial statements to those of U.S. GAAP or IFRS. U.S. GAAP and IFRS differ in significant respects from Ind AS. Accordingly, the degree to which the Ind AS financial statements, included in this Draft Shelf Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. If our financial statements were to be prepared in accordance with such other accounting principles, our results of operations, cash flows and financial position may be substantially different. Prospective investors should review the accounting policies applied in the preparation of our financial statements and consult their own professional advisers for an understanding of the differences between these accounting principles and those with which they may be more familiar. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Shelf Prospectus should be limited accordingly.

46. ***The objects of the Issue have not been appraised by any bank or financial institution. Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and may be subject to change based on various factors, some of which are beyond our control.***

We intend to use the Net Proceeds of the Issue for the purpose as described in "*Objects of the Issue*" on page 65. Our funding requirements and deployment of the Net Proceeds are based on internal management estimates and current market conditions and have not been appraised by any bank or financial institution or other independent agency. It is subject to amendment due to changes in external circumstances, costs, other financial condition or business strategies. We operate in a highly competitive and dynamic industry and may need to revise our estimates from time to time based on changes in external circumstances or costs, or changes in other financial conditions, business or strategy. This may entail rescheduling, revising or cancelling planned expenditure and funding requirements at our discretion. In case of increase in actual expenses or shortfall in requisite funds, additional funds for a particular activity will be met by any means available to us, including internal accruals and additional equity and/or debt arrangements, and may have an adverse impact on our business, financial condition, results of operations and cash flows.

RISKS RELATED TO THE ISSUE AND DEBT SECURITIES

47. ***Our credit ratings may not reflect all risks accurately. Further, any downgrade in our credit ratings may increase interest rates for raising new and existing debt, refinancing our outstanding debt, which would increase our financing costs, and adversely affect our future issuances of debt and our ability to borrow on a competitive basis.***

Credit ratings reflect the opinions of ratings agencies on our financial strength, operating performance, strategic position and ability to meet our obligations.

Set out below are the details of our current credit ratings:

Name of Credit Rating Agency	Facility	Rating/ Outlook
Infomerics Valuation and Rating Limited	Long term bank facilities	IVR AA/Stable Outlook
	Non-convertible debentures	IVR AA/Stable Outlook
	Commercial paper	IVR A1+
Brickwork Ratings India Private Limited	Fund-based bank loans	BWR AA/ Stable
	Non-convertible debentures	BWR AA/ Stable
	Commercial paper	BWR A1+

Any downgrade in our credit ratings may increase interest rates for refinancing our outstanding debt, which would increase our financing costs, and adversely affect our future issuances of debt and our ability to borrow on a competitive basis, which may adversely affect our business, financial condition, results of operations and cash flows.

Further, any downgrade in our credit ratings may lead to an increase in borrowing rates and/or acceleration of some of our borrowings and may also lead to lenders imposing additional terms and conditions to any financing or refinancing arrangements that we may enter into in the future thus, adversely affecting our business, results of operations, cash flows and financial condition.

The NCDs proposed to be issued under the Issue have been rated "BWR AA/ Stable" for an amount of ₹ 150,000.00 lakhs by Brickwork Ratings India Private Limited vide its rating letter dated April 20, 2026, and press release for rating rationale dated May 13, 2026, and "IVR AA/Stable" for an amount of ₹205,900.00 lakhs by Infomerics Valuation and Rating Limited vide its rating letter dated May 5, 2026, and press release for rating rationale dated May 13, 2026. Securities with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such securities carry very low credit risk. Credit rating may not reflect the potential impact of all risks related to structure, market, additional factors discussed here, and other factors that may affect the value of the NCDs.

The rating provided by Brickwork Ratings India Private Limited and Infomerics Valuation and Rating Limited may be suspended, withdrawn or revised at any time by the assigning rating agency and should be evaluated independently of any other rating. These ratings are not a recommendation to buy, sell or hold securities and investors should take their own decision. For details in relation to rating letters and rationale for the above rating, please see "*ANNEXURE I – CREDIT RATINGS, RATIONALE AND PRESS RELEASES"* on page 320.

48. The NCD Holders may not be able to recover, on a timely basis or at all, the full value of the outstanding amounts and/or the interest accrued thereon in connection with the NCDs. Failure or delay in recovering the expected value from a sale or disposition of the assets charged as security in connection with the NCDs could expose the holders to a potential loss.

Our ability to pay interest accrued on the NCDs and/or the principal amount outstanding from time to time in connection therewith, would be subject to various factors, inter alia, including our financial condition, cash flows, profitability and the general economic conditions in India and in the global financial markets. We cannot assure the NCD Holders that we would be able to repay the principal amount outstanding from time to time on the NCDs and/or the interest accrued thereon in a timely manner or at all. Although our Company will create appropriate security in favour of the Debenture Trustee for the NCD Holders to ensure 110.00% security cover for the NCDs at all times and it will be the duty of the Debenture Trustee to monitor that the security is maintained, however, the realizable value of the security, when liquidated, may be lower than the outstanding principal and/or interest accrued thereon in connection with the NCDs and the possibility of recovery of 100% of the amount shall depend on the market scenario prevalent at the time of the enforcement of the security. A failure or delay in recovering the expected value from a sale or disposition of the security in connection with the NCDs could expose the NCD Holders to a potential loss.

49. The fund requirement and deployment mentioned in the Objects of the Issue have not been appraised by any bank or financial institution.

We intend to use the proceeds of the Issue, after meeting the expenditures of and related to the Issue, for the purpose of onward lending and general corporate purposes. For further details, see "*Objects of the Issue*" on page 65. The fund requirement and deployment are based on internal management estimates and has not been appraised by any bank or financial institution and is subject to applicable laws and necessary approvals and consents, as applicable. The management will have significant flexibility in applying the proceeds received by us from the Issue. The utilization details of the proceeds of the Issue shall be adequately disclosed as per applicable law. Further, as per the provisions of the SEBI NCS Regulations, we are not required to appoint a monitoring agency and therefore no monitoring agency has been appointed for the Issue.

50. The rights over the security provided will not be granted directly to holders of the NCDs.

The rights over the security securing the obligations of our Company under the NCDs and the Trust Deed will not be granted directly to the NCD holders but will be granted only in favour of the Debenture Trustee. As a consequence, NCD holders will not have direct security and will not be entitled to take enforcement action in respect of the security for the NCDs, except through the Debenture Trustee.

51. Failure to create and/or perfect the security.

If our Company fails to create and/or perfect the security for the NCD issuance within the stipulated time period, it will result into an occurrence of an event of default under the financing agreements being executed for the NCD issuance and the Debenture Trustee could (but is not obliged to) to exercise its enforcement rights. In such circumstances, our Company may not have sufficient resources to redeem the NCDs in full or at all. Moreover, any claim of the Debenture Trustee in a bankruptcy or similar proceeding would be unsecured to the extent that our Company has failed to create, perfect and register any security, which could limit any amount recovered by the holders of the NCDs in any such proceeding. Creation of upfront security for the NCD issuance and perfection of such security interest (with a deferred timeline in line with the time period prescribed under applicable law) is subject to various approvals and authorizations from the governmental authorities and existing lenders that may not be forthcoming.

52. NCD Holders may be subject to taxes arising on the sale of the NCDs.

Sale of NCDs by any holder may give rise to tax liability, under Indian taxation laws. Investors and or subscribers are advised to consult their own tax consultant with respect to the specific tax implications arising out of sale of the NCDs. Further, tax deductible at source is applicable on interest. For details, see "*Statement of Possible Tax Benefits"* on page 68.

53. There may be no active market for the NCDs on the platform of the Stock Exchanges. As a result, the liquidity and market prices of the NCDs may fail to develop and may accordingly be adversely affected.

There can be no assurance that an active market for the NCDs will develop. If an active market for the NCDs fails to develop or sustain, the liquidity and market prices of the NCDs may be adversely affected. The market price of the NCDs would depend on various factors, *inter alia*, (i) the interest rate on similar securities available in the market and the general interest rate scenario in the country, (ii) our credit rating, (iii) demand for our debt securities, (iv) general economic conditions, (v) our financial performance, growth prospects and results of operations; and (vi) the market for listed debt securities.

The Issue will be a public issue of NCDs of our Company. The market for NCDs is very illiquid, and no secondary market has developed in respect thereof, Even if there is a secondary market for the NCDs, it is not likely to provide significant liquidity. Potential investors may have to hold the NCDs until redemption to realize any value. The aforementioned factors may adversely affect the liquidity and market price of the NCDs, which may trade at a discount to the price at which the NCD Holders purchase the NCDs and/or be relatively illiquid.

54. Changes in interest rate may affect the price of our NCDs. Any increase in the rate of interest which frequently accompany inflation and/or a growing economy, is likely to have a negative effect on the price of our NCDs.

All securities where a fixed rate of interest is offered, such as our NCDs, are subject to price risk and the price of such securities will vary inversely with changes in prevailing interest rates, i.e. when interest rates rise, prices of fixed income securities fall and when interest rates drop, the prices increase. The extent of fall or rise in the prices is a function of the existing coupon, days to maturity and the increase or decrease in the level of prevailing interest rates. Increased rates of interest, which generally accompany high inflation, are likely to have a negative effect on the price of our NCDs.

55. There may be a delay in making refund/ unblocking/ lien removal of funds to Applicants.

We cannot assure that the monies refundable to the NCD Holders / to be unblocked, on account of (i) withdrawal of Applications, (ii) our failure to receive minimum subscription in connection with the Base Issue, (iii) withdrawal of the Issue, or (iv) failure to obtain the final approval from the Stock Exchanges for listing of the NCDs, will be refunded to the NCD Holders/ unblocked in a timely manner. We shall, however, refund / remove lien / unblock such monies, with the interest due and payable thereon (in case of any delays) as prescribed under applicable statutory and/or regulatory provisions.

56. Payments to be made on the NCDs will be subordinated to certain tax and other liabilities preferred by law. In the event of bankruptcy, liquidation or winding-up, there may not be sufficient assets remaining to pay amounts due on the NCDs.

The NCDs will be subordinate to certain liabilities preferred by law such as the claims of the Government of India on account of taxes, and certain liabilities incurred in the ordinary course of our business. In particular in the event of bankruptcy, liquidation or winding-up, our Company's assets will be available to pay obligations on the NCDs only after

all of those liabilities that rank senior to these NCDs have been paid as per Section 327 of the Companies Act, 2013 or Section 53 of the Insolvency and Bankruptcy Code, 2016, as the case may be. In the event of bankruptcy, liquidation or winding-up, there may not be sufficient assets remaining to pay amounts due on the NCDs.

57. There is no assurance that the NCDs issued pursuant to the Issue will be listed on Stock Exchanges in a timely manner, or at all.

In accordance with Indian law and practice, permissions for listing and trading of the NCDs issued pursuant to the Issue will not be granted until after the NCDs have been issued and allotted. Approval for listing and trading will require all relevant documents to be submitted and carrying out of necessary procedures with the Stock Exchange. There could be a failure or delay in listing the NCDs on the Stock Exchanges for reasons unforeseen. If permission to deal in and for an official quotation of the NCDs is not granted by the stock exchange, our Company will forthwith repay, with interest, all monies received from the Applicants in accordance with prevailing law in this context, and pursuant to this Draft Shelf Prospectus. While there has been no refusal of listing of our Company's NCDs during the current Fiscal and Fiscals 2026, 2025 and 2024, there is no assurance that the NCDs issued pursuant to the Issue will be listed on the Stock Exchanges in a timely manner, or at all.

58. The Security may be insufficient to redeem the NCDs.

The NCDs to be issued pursuant to the Issue will be secured by creating an exclusive charge, by way of hypothecation created on loan receivables of our Company. The security shall be created upfront prior to making application for the listing of debentures and perfected within 30 days from the date of creation. Our Company shall maintain a security cover of at least 1.10 times the entire secured obligations throughout the tenure of the NCDs. In the event that our Company is unable to meet its payment and other obligations towards investors under the terms of the NCDs, the Debenture Trustee may enforce the Security in respect of the NCDs as per the terms of security documents, and other related documents. The Debenture Holder(s)' recovery in relation to the NCDs will be subject to (i) the market value of the security, (ii) finding willing buyers for the security at a price sufficient to repay the amount payable to Debenture Holder(s)' under the NCDs. The value realized from the enforcement of the transaction security may be insufficient to redeem the NCDs.

There may be fluctuations in the market values of the assets over which security has been provided by our Company, which could affect our Company's liquidity and reduce our Company's ability to enforce the security in terms of Security Documents, and consequently affect our Company's result of operations and financial condition. Our Company may not accurately identify changes in the value of assets over which security has been provided caused by changes in market prices, and our Company's assessments, assumptions or estimates may prove inaccurate.

59. The NCDs are subject to the risk of change in law.

The terms and conditions of the NCDs are based on Indian law in effect as of the date of issue of the relevant NCDs. No assurance can be given as to the impact of any possible judicial decision or change to Indian law or administrative practice after the date of issue of the relevant NCDs and any such change could materially and adversely impact the value of any NCDs affected by it.

60. Trading of the NCDs may be limited by temporary exchange closures, broker defaults, settlement delays, strikes by brokerage firm employees and disputes.

The Stock Exchanges have experienced temporary exchange closures, broker defaults, settlement delays and strikes by brokerage firm employees. In addition, the governing bodies of the Stock Exchanges have from time to time-imposed restrictions on trading in certain securities, limitations on price movements and margin requirements. Furthermore, from time to time, disputes have occurred between listed companies and Stock Exchanges and other regulatory bodies, which in some cases may have had a negative effect on market sentiment.

61. Legal investment considerations may restrict certain investments.

The investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its own legal adviser to determine whether and to what extent (i) the NCDs are legal investments for it, (ii) the NCDs can be used as collateral for various types of borrowings; and (iii) other restrictions apply to its purchase or pledge of the NCDs.

62. Repayment is subject to the credit risk of our Company.

Potential investors should be aware that receipt of the principal amount, (i.e., the redemption amount), interest thereon and any other amounts that may be due in respect of the NCDs is subject to the credit risk of our Company whereby the Investors may or may not recover all or part of the funds in case of default by our Company. Potential investors assume the risk that our Company will not be able to satisfy their obligations under the NCDs. In the event that bankruptcy proceedings or

compositions, scheme of arrangement or similar proceedings to avert bankruptcy are instituted by or against our Company, the payment of sums due on the NCDs may not be made or may be substantially reduced or delayed.

63. Our Company, being a listed company is not required to maintain a debenture redemption reserve ("DRR").

Our Equity Shares are listed on BSE Limited and National Stock Exchange of India Limited. Pursuant to a Ministry of Corporate Affairs notification dated August 16, 2019 amending Section 71 of the Companies Act and Rule 18 (7) of the Companies (Share Capital and Debentures) Rules, 2014, a listed company is not required to maintain DRR for debentures issued through a public issue. Hence, investors shall not have the benefit of reserve funds to cover the re-payment of the principal and interest on the NCDs.

64. Failure to adequately maintain the Debenture Redemption Fund ("DRF") as required under applicable laws may adversely impact our creditworthiness and ability to raise future debt.

As per applicable provisions of the Companies Act and the rules made thereunder, including the Companies (Share Capital and Debentures) Rules, 2014, companies issuing listed debentures may be required to invest or deposit a specified portion of the amount of debentures maturing during the year into a DRF by the prescribed timelines.

Any failure or delay in maintaining the DRF in accordance with applicable regulatory requirements may lead to non-compliance with debt covenants, trigger penalties, increase scrutiny by credit rating agencies and regulators, and adversely affect our ability to raise debt in the future. In addition, such non-compliance may impact investor confidence, affect our credit ratings, and constrain our financial flexibility.

65. The NCDs may not be a suitable investment for all subscribers.

Investment in NCDs involves a significant degree of risk and is intended for sale only to those investors capable of understanding the risks involved in such instruments. Potential investors should ensure that they understand the nature of the NCDs and the extent of their exposure to risk, that they have sufficient knowledge, experience and access to professional advisers to make their own legal, tax, accounting and financial evaluation of the merits and risks of investment in the NCDs and that they consider the suitability of the NCDs as an investment in the light of their own circumstances and financial condition.

EXTERNAL RISKS AND RISK RELATING TO INDIA

66. Changing laws, rules and regulations in India could lead to new compliance requirements that are uncertain.

Our business, financial performance, cash flow and results of operations could be adversely affected by unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations applicable to us and our business. Our business, cash flows, results of operations and prospects may be adversely impacted, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. The regulatory and policy environment in which we operate are evolving and are subject to change. The GoI may implement new laws or other regulations and policies that could affect our business in general, which could lead to new compliance requirements, including requiring us to obtain approvals and licenses from the Government and other regulatory bodies, or impose onerous requirements.

For instance, the GoI has enacted the Digital Personal Data Protection Act, 2023 ("**Data Protection Act**") on personal data protection for implementing organizational and technical measures in processing personal data and lays down norms for cross-border transfer of personal data including ensuring the accountability of entities processing personal data. The Data Protection Act requires companies that collect and deal with high volumes of personal data to fulfil certain additional obligations such as appointment of a data protection officer for grievance redressal and a data auditor to evaluate compliance with the Data Protection Act. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. In addition, the GoI has introduced the Code on Social Security (Amendment) Bill, 2024 ("**Social Security Code**"); the Occupational Safety, Health and Working Conditions Code, 2020; the Industrial Relations Code, 2020 and the Code on Wages, 2019, which consolidate, subsume and replace numerous existing central labour legislations (collectively, the "**Labour Codes**") and the Bharatiya Nyaya (Second) Sanhita, 2023, Bharatiya Nyaya Sakshya Sanhita, 2023 and Bhartiya Sakshya Sanhita, 2023 have replaced the Indian Penal Code, 1860, Code of Criminal Procedure, 1973 and the Indian Evidence Act, 1872, respectively. The GoI has deferred the effective date of implementation of the respective Labour Codes, and they shall come into force from such dates as may be notified. Different dates may also be appointed for the coming into force of different provisions of the Labour Codes. While the rules for implementation under these codes have not been notified, we are yet to determine the impact of all or some such laws on our business and operations which may restrict our ability to grow our business in the future and increase our expenses. For instance, under the Social Security Code, a new concept of deemed remuneration has been introduced, such that where an employee receives more than half (or such other percentage as may be notified by the Central Government) of their total remuneration in the form of allowances and other amounts that are not included within

the definition of wages under the Social Security Code, the excess amount received shall be deemed as remuneration and accordingly be added to wages for the purposes of the Social Security Code and the compulsory contribution to be made towards the employees' provident fund. In another example, the GoI has made it mandatory for business establishments with turnover above a certain size to offer digital modes of payment from November 2019, with no charges being levied on the consumers or the merchants by banks and payment service providers. Such measures could adversely impact our income streams in the future and adversely affect its financial performance.

Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy in the jurisdictions in which we operate, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations, cash flows, financial condition and prospects. For instance, the Supreme Court of India has in a decision clarified the components of basic wages which need to be considered by companies while making provident fund payments, which resulted in an increase in the provident fund payments to be made by companies. Any such decisions in future or any further changes in interpretation of laws may have an impact on our financial conditions, cash flows and results of operations.

67. Natural disasters, fires, epidemics, pandemics, acts of war, terrorist attacks, civil unrest and other events could materially and adversely affect our business.

Natural disasters (such flooding and earthquakes), epidemics, pandemics and man-made disasters, including acts of war, terrorist attacks, religious or communal tensions and other acts of violence or war such as ongoing Ukraine-Russia, Israel-Hamas conflict or India's ongoing geopolitical tensions with its neighbouring state, Pakistan, many of which are beyond our control, may lead to economic instability, including in India or globally, which may in turn materially and adversely affect our business, financial condition, cash flows and results of operations.

Our operations may be adversely affected by fires, natural disasters and / or severe weather, which can result in damage to our property or inventory and generally reduce our productivity and may require us to evacuate personnel and suspend operations. Any terrorist attacks or civil unrest as well as other adverse social, economic and political events in India could have a negative effect on us. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and trading price of the NCDs.

In addition, any deterioration in international relations, especially between India and its neighboring countries, may result in investor concern regarding regional stability which could adversely affect the investor's sentiments and availability of capital. In addition, India has witnessed local civil disturbances in recent years, and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse effect on our business. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and trading price of the NCDs.

A number of countries in Asia, including India, as well as countries in other parts of the world, are susceptible to contagious diseases and, have had confirmed cases of diseases such as the highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine and the COVID-19 virus. Certain countries in Southeast Asia have reported cases of bird-to-human transmission of avian and swine influenza, resulting in numerous human deaths. A worsening of the future outbreaks of COVID-19 virus, avian or swine influenza or a similar contagious disease could adversely affect the Indian economy and economic activity in the region and in turn have a material adverse effect on our business and trading price of the NCDs.

68. Financial difficulty and other problems relating to financial institutions in India could have a material adverse effect on our business, results of operations, cash flows and financial condition.

We are exposed to the risks of the Indian financial system which may be affected by the financial difficulties faced by certain Indian financial institutions whose commercial soundness may be closely related as a result of credit, trading, clearing or other relationships. This risk, which is sometimes referred to as a "systemic risk", may adversely affect financial intermediaries, such as credit rating agencies, banks, security trustees, and stock exchanges with which we interact on a daily basis with. The systemic risk may also lead to the increase in interest rates may adversely affect our access to capital and increase our borrowing costs, which may constrain our ability to grow our business and operate profitably. Any such difficulties or instability of the Indian financial system in general could create an adverse market perception about Indian financial institutions and banks and adversely affect our business. For instance, the non-banking financial company crisis in 2018 affected financial market sentiments. Similar developments in the future could negatively impact confidence in the financial sector and could have a material adverse effect on our business, results of operations, cash flows and financial condition. In addition, we deal with various financial institutions in our business. Any one of them could be negatively affected by financial difficulty as a result of occurrences over which we have no control. If one or more of our financial

institutional counterparties or intermediaries suffers economic difficulty, this could have a material adverse effect on our business, results of operations, cash flows and financial condition.

69. ***We may be affected by competition laws in India, the adverse application or interpretation of which could adversely affect our business.***

The Competition Act, 2002, of India, as amended ("**Competition Act**"), was enacted for the purpose of preventing practices that have or are likely to have an adverse effect on competition in India and has mandated the Competition Commission of India ("**CCI**") to prevent such practices. Under the Competition Act, any formal or informal arrangement, understanding or action in concert, which causes or is likely to cause an appreciable adverse effect on competition ("**AAEC**") is considered void and may result in the imposition of substantial penalties. Further, any agreement among competitors which directly or indirectly involves the determination of purchase or sale prices, limits or controls production, supply, markets, technical development, investment or the provision of services or shares the market or source of production or provision of services in any manner, including by way of allocation of geographical area or number of consumers in the relevant market or directly or indirectly results in bid-rigging or collusive bidding is presumed to have an AAEC and is considered void. The Competition Act also prohibits abuse of a dominant position by any enterprise. If it is proved that the contravention committed by a company took place with the consent or connivance or is attributable to any neglect on the part of, any director, manager, secretary or other officer of such company, that person shall be also guilty of the contravention and may be punished.

Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination has an AAEC in India. However, the impact of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage. In the event we pursue an acquisition in the future, we may be affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any enforcement proceedings initiated by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, it would adversely affect our business, results of operations, cash flows and prospects. The manner in which the Competition Act and the CCI affect the business environment in India may also adversely affect our business, financial condition, cash flows and results of operations.

The Competition (Amendment) Act, 2023 ("**Competition Amendment Act**") was notified on April 11, 2023, which amends the Competition Act and give the CCI additional powers to prevent practices that harm competition and the interests of consumers. The Competition Amendment Act, *inter alia*, modifies the scope of certain factors used to determine AAEC, reduces the overall time limit for the assessment of combinations by the CCI from 210 days to 150 days and empowers the CCI to impose penalties based on the global turnover of entities, for anti-competitive agreements and abuse of dominant position. The Competition Amendment Act also enumerates the categories of combinations that, upon satisfying the specified criteria, are exempted from the notice requirements under the Competition Act. The CCI has introduced the Competition Commission of India (General) Regulations, 2024, which will replace the previous General Regulations, 2009. These new regulations follow the passage of the Competition Amendment Act last year. We have not experienced any instances wherein we were subject to any penalty or received any notice from the CCI in the last three Fiscals and nine-months ended December 31, 2024, we cannot assure you such instances will not arise in the future.

70. ***Financial instability in other countries may cause increased volatility in Indian financial markets.***

The Indian market and economy are influenced by economic and market conditions in other countries, including conditions in the U.S., Europe and particularly in emerging market countries located in Asia. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our business and our future financial performance.

Further, economic developments globally can have a significant impact on India. Concerns related to a trade war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy.

The global credit and equity markets have experienced substantial dislocations, liquidity disruptions and market corrections in recent years. Liquidity and credit concerns and volatility in the global credit and financial markets have increased significantly with the bankruptcy or acquisition of, and government assistance extended to, several major U.S. and European financial institutions. These and other related events have had a significant impact on the global credit and financial markets as a whole, including reduced liquidity, greater volatility, widening of credit spreads and a lack of price transparency in global credit and financial markets. In response to such developments, legislators and financial regulators in the U.S. and other jurisdictions, including India, have implemented a number of policy measures designed to add stability to the financial markets. However, the overall impact of these and other legislative and regulatory efforts on the global

financial markets is uncertain, and they may not have the intended stabilizing effects. In the event that the current difficult conditions in the global credit markets continue or if there is any significant financial disruption, such conditions could have an adverse effect on our business, future financial performance and trading price of the NCDs.

In addition, China is one of India's major trading partners and there are rising concerns of a possible slowdown in the Chinese economy as well as a strained relationship with India, which could have an adverse impact on the trade relations between the two countries. These developments, or the perception that any related developments could occur, have and may continue to have a material adverse effect on global economic conditions and financial markets, and may significantly reduce global market liquidity, restrict the ability of key market participants to operate in certain financial markets or restrict our access to capital. This could have a material adverse effect on our business, financial condition and results of operation and reduce the trading price of the NCDs.

71. ***Any adverse change in India's sovereign credit rating by an international rating agency could adversely affect our business and results of operations.***

Our borrowing costs and our access to the debt capital markets depend significantly on the sovereign credit ratings of India. India's sovereign debt rating could be downgraded due to various factors, including changes in tax or fiscal policy or a decline in India's foreign exchange reserves, which are outside our control.

Any further adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing and the interest rates and other commercial terms at which such financing is available, including raising any overseas additional financing. A downgrading of India's credit ratings may occur, for example, upon a change of government tax or fiscal policy, which are outside our control. This could have an adverse effect on our ability to fund our growth on favourable terms or at all, and consequently adversely affect our business, cash flows and financial performance and trading price of the NCDs.

72. ***If inflation were to rise in India, we might not be able to increase the prices of our services at a proportional rate in order to pass costs on to our customers and our profits might decline.***

Inflation rates could be volatile, and we may face high inflation in the future as India had witnessed in the past. Increased inflation can contribute to an increase in interest rates and increased costs of borrowings resulting in increased cost to our business, including increased costs of transportation, salaries, and other expenses relevant to our business. Further, high inflation leading to higher interest rates may also lead to a slowdown in the economy and adversely impact credit growth. Consequently, we may also be affected and fall short of business growth and profitability. High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our operating expenses, which, we may not be able to pass on to our customers, whether entirely or in part, and the same may adversely affect our business, cash flows and financial condition. While the Government of India through the RBI continuously take economic measures to combat high inflation rates, it is unclear whether these measures will remain in effect, and there can be no assurance that Indian inflation levels will not rise in the future.

73. ***Our business, financial condition and results of operations could be adversely affected by any change in the extensive central and state tax regime in globally applicable to us and our business.***

Tax and other levies imposed by the central and state governments in India that affect our tax liability include central and state taxes and other levies, income tax, goods and service tax, stamp duty and other special taxes and surcharges which are introduced on a temporary or permanent basis from time to time. Moreover, the central and state tax scheme in India is extensive and subject to change from time to time. Taxes and duties, including those taxes and duties on certain types of trade transactions and industries affecting the movement and transportation of goods in India, may affect our business, financial condition and results of operations. There can be no assurance that the current levels of taxes, tariffs and duties will not increase in the future, or that State Governments will not introduce additional levies, each of which may result in increased operating costs and lower income. To the extent additional levies are imposed, there can be no assurance that we will be able to pass such cost increases on to our customers.

74. ***We are subject to anti-bribery and anti-corruption laws, violation of which may subject our Company and/or our Promoter to governmental inquiries and/or investigations, which if material and adverse in nature, could adversely affect our business, results of operations and financial condition in future periods and our reputation.***

We have operations and projects, in India. Those operations and projects often involve interactions with governmental authorities and officials at the Indian federal, state and local level. We are subject to anti-corruption and anti-bribery laws in India that prohibit improper payments or offers of improper payments to governments and their officials and political parties for the purpose of obtaining or retaining business or securing an improper advantage and require the maintenance of internal controls to prevent such payments. Although, we maintain an anti-bribery compliance program and train our employees in respect of such matters, our employees might take actions that could expose us to liability under anti-bribery laws. In certain circumstances, we may be held liable for actions taken by our partners and agents, even though they are

not always subject to our control. Any adverse outcome of such proceedings could result in action or penalties, both financial and non-financial. This could consequently have a material adverse effect on our reputation and our business. Any violation of anti-corruption laws against us or our Promoter could result in action or penalties, both financial and non-financial, that could have a material adverse effect on our business, results of operations and financial condition in future periods and reputation.

75. Impact of the trade and tariff policies on our business and the Indian economy.

Our business and results of operations may be adversely affected by changes in the tariff policies and trade measures of the United States of America ("**U.S.**"). In 2025, the U.S. imposed tariffs of up to 50% (fifty per cent) on a wide range of Indian exports. These measures are estimated to affect India's export volumes to the U.S. and could impact India's financial growth. Although the Indian government has introduced relief measures such as GST reductions and export support packages to partially mitigate these effects, continuing trade uncertainty remains a risk to economic stability and our operations. Adverse developments in these sectors could impair the repayment capacity of borrowers, resulting in increased delinquencies, higher provisioning requirements and deterioration in asset quality. Prolonged tariff uncertainty may also weaken investor sentiment, restrict foreign capital inflows and slow overall economic growth, which could in turn reduce demand for financial services.

Our insurance operations may also be impacted. In the life insurance segment, pressure on household income and employment in export-linked industries may reduce demand for savings and protection products. In the general insurance segment, slower corporate growth and reduced trade volumes may weaken demand for commercial and marine insurance products.

In addition, our alternatives, asset management and asset reconstruction businesses may be indirectly affected. Lower economic activity and tighter liquidity could result in reduced investor inflows into alternatives, compression of management fees in asset management, and higher acquisition costs together with lower recovery margins in stressed asset portfolios. There can be no assurance that future changes in U.S. tariff policies or trade relations between India and the U.S. will not materially and adversely affect the Indian economy, and by extension, our financial services, insurance, asset management, alternatives and asset reconstruction businesses.

SECTION III – INTRODUCTION

GENERAL INFORMATION

Paisalo Digital Limited was originally incorporated in Uttar Pradesh as "*S. E. Investments Private Limited*" on March 5, 1992 under the provisions of Companies Act, 1956, Subsequently, our Company became a public limited company pursuant to a special resolution passed by the members of our Company on February 24, 1995 and fresh Certificate of Incorporation consequent to conversion to a public limited company was issued on March 1, 1995. Our Company has obtained a certificate of registration dated May 25, 1998, for carrying on the business of a non-banking finance company. At present company is registered with Reserve Bank of India, as a non-banking financial company by RBI in accordance with Section 45 IA of Reserve Bank of India Act, 1934 vide certificate of registration bearing number B-14.02997. The name of our Company was changed to "*Paisalo Digital Limited*" and a fresh certificate of incorporation was granted by the Registrar of Companies, New Delhi, on January 12, 2018.

For details of the business of our Company, see "*Our Business*" beginning on page 122.

Registration:

CIN: L65921DL1992PLC120483
Permanent Account Number: AACCS1879G
Legal Entity Identifier: 335800UC6VKZ2E9JVH69
RBI Registration Number: B-14.02997

Registered and Corporate Office:

Paisalo Digital Limited
CSC, Pocket 52, C R Park, Near Police Station,
New Delhi – 110019, India
Telephone: +91-11 4351 8888
Website: www.paisalo.in
Email: delhi@paisalo.in

For further details regarding changes to our Registered Office, see "*History and Main Objects*" on page 146.

Liability of the members of our Company

Limited by shares

Registrar of Companies Delhi I
4th Floor, IFCI Tower
61, Nehru Place
New Delhi – 110019

Chief Financial Officer:

Harish Singh
Paisalo House,
74, Gandhi Nagar, NH-2, Agra -282003 India
Telephone: +91 562 4028888
Email: harish@paisalo.in

Company Secretary and Compliance Officer:

Manendra Singh
CSC, Pocket 52, Near Police Station,
CR Park, New Delhi – 110 019, India.
Telephone: +91 11 44351888
Email: cs@paisalo.in

All comments on this Draft Shelf Prospectus are to be forwarded to the attention of Manendra Singh, Company Secretary and Compliance Officer at the aforementioned address. Comments may be sent through post or email. However, please note that all comments by post or email must be received by our Company by 5:00 P.M. (Indian Standard Time) within one day immediately after the date on which this Draft Shelf Prospectus is hosted on the website of the Stock Exchange. All comments received on this Draft Shelf Prospectus will be suitably addressed prior to filing the Shelf Prospectus with the RoC.

Lead Manager

Tipsons Consultancy Services Private Limited
1st Floor, Sheraton House,
Opp. Ketav Petrol Pump, Polytechnic Road,
Ambawadi, Ahmedabad 380 015
Gujarat, India
Telephone: +91 79 66828126
Email: pdl.ncd@tipsons.com
Investor Grievance Email: igr@tipsons.com
Website: www.tipsons.com
Contact Person: Digesh Shah
Compliance Officer: Divyani Koshta
SEBI Registration No.: INM000011849
CIN: U74140GJ2010PTC062799

Debenture Trustee

Axis Trustee Services Limited
The Ruby, 2nd Floor SW 29, Senapati Bapat Marg,
Dadar West, Mumbai, Maharashtra, India,
400028
Telephone: 022-43253000
Email: debenturetrustee@axistrustee.in
Investor Grievance Email: complaints@axistrustee.in
Website: https://www.axistrustee.in/
Contact Person: Subhash Jha
Compliance Officer: Anagha Darekar
SEBI Registration No.: IND000000494
CIN: U74999MH2008PLC182264

Axis Trustee Services Limited has, pursuant to regulation 8 of the SEBI NCS Regulations, by its letter dated July 10, 2026 given its consent for its appointment as Debenture Trustee to the Issue (hereinafter referred to as "**Trustee**"). A copy of letter from Axis Trustee Services Limited conveying their consent to act as Trustees for the Debenture holders is annexed as "*ANNEXURE II – DEBENTURE TRUSTEE CONSENT LETTER*" on page 370 of this Draft Shelf Prospectus and the Debenture Trustee Agreement dated July 16, 2026 is available at https://paisalo.in/pdf/ncdIssue/Debenture%20Trustee%20Agreement/Debenture%20Trustee%20Agreement.pdf.

All the rights and remedies of the Debenture Holders under the Issue shall vest in and shall be exercised by the appointed Debenture Trustee for the Issue without having it referred to the Debenture Holders. All investors under the Issue are deemed to have irrevocably given their authority and consent to the Debenture Trustee so appointed by our Company for the Issue to act as their trustee and for doing such acts and signing such documents to carry out their duty in such capacity.

Any payment by our Company to the Debenture Holders/Debenture Trustee, as the case maybe, shall, from the time of making such payment, completely and irrevocably discharge our Company from any liability to the Debenture Holders to that extent.

For details on the terms of the Debenture Trust Deed see, "*Issue Related Information*" beginning on page 243.

Registrar to the Issue

Alankit Assignments Limited
Alankit House, 4E/2
Jhandewalan Extension
New Delhi-110 055
Telephone: 011 4254 1193

Fax: +91 11 4254 1202, +91 11 2355 2001
Email: rta@alankit.com
Investor Grievance ID: paisalo@alankit.com
Website: ipo.alankit.com
Contact Person: Kamal Garg
Compliance Officer: Harish Chanda Agarwal
SEBI Registration No.: INR000002532
CIN: U74210DL1991PLC042569

Alankit Assignments Limited, has by its letter dated June 2, 2026 given its consent for its appointment as Registrar to the Issue and for its name to be included in this Draft Shelf Prospectus, the Shelf Prospectus and the relevant Tranche Prospectuses, abridged prospectus and in all the subsequent periodical communications to be sent to the holders of the Debentures pursuant to the Issue.

Investors may contact the Registrar to the Issue or our Company Secretary and Compliance Officer in case of any pre-Issue or post Issue related issues such as non-receipt of Allotment Advice, demat credit, refund orders, transfers etc.

Applicants or prospective investors may contact the Registrar to the Issue or our Company Secretary & Compliance Officer in case of any pre-Issue or post-Issue related problems, such as non-receipt of Allotment Advice, demat credit, refunds or transfers, etc. All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, Application Form number, address of the Applicant, number of NCDs applied for, amount paid on application, Depository Participant ("**DP**") and the collection center of the relevant members of the Designated Intermediaries appointed in relation to the Issue ("**Syndicate**") where the Application was submitted. Further, the Applicants shall enclose the Acknowledgement Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to either (a) the relevant Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant, or (b) the concerned Designated Intermediary and the relevant Designated Branch of the SCSB in the event of an Application submitted by an Applicant at any of the Syndicate ASBA Centers, giving full details such as name, address of Applicant, Application Form number, number of NCDs applied for and amount blocked on Application.

All grievances related to the UPI process may be addressed to the stock exchanges, which shall be responsible for addressing investor grievances arising from the applications submitted online through the application based / web interface platform of stock exchanges or through their Trading Members. The intermediaries shall be responsible for addressing any investor grievances arising from the applications uploaded by them in respect of quantity, price or any other data entry or other errors made by them.

All grievances arising out of Applications for the NCDs made through the online stock exchanges mechanism or through Designated Intermediaries of the stock exchanges may be addressed directly to the relevant Stock Exchange.

Consortium Members to the Issue

As will be specified in the relevant Tranche Prospectus for each Tranche Issue.

Public Issue Account Bank, Sponsor Bank and Refund Bank:

As will be specified in the relevant Tranche Prospectus for each Tranche Issue.

Statutory Auditor

Saket Jain & Co. Chartered Accountants
192 Jaipur House, Agra-282002, Uttar Pradesh, India
Telephone: +91 562 4307192
Email: ashish@casjco.com
Contact Person: CA Ashish Jain
Peer Review Certificate Number: 026108
Firm Registration Number: 014685N
Membership number: 400599

Previous Statutory Auditor

Manish Goyal & Co., Chartered Accountants
F-6, First Floor, Friends Trade Centre, 66, Nehru Nagar,
Agra - 282002
Telephone: (0562) 4032000
Email: manishgoyalfca@gmail.com
Contact Person: CA Manish Goyal
Peer Review Certificate Number: 023055
Firm Registration Number: 006066C
Membership number: 074778

Appointment of Saket Jain & Co. Chartered Accountants has been approved by the Board of Directors of our Company on August 9, 2024, and by the members of our Company at the Annual General Meeting held on September 23, 2024. Saket Jain & Co. Chartered Accountants has been the statutory auditor of our Company since September 23, 2024. Further, appointment of Manish Goyal & Co., Chartered Accountants had been approved by the Board of Directors of our Company on August 14, 2021, and by the members of our Company at the Annual General Meeting held on September 25, 2021.

Saket Jain & Co. Chartered Accountants is the Current Statutory Auditor of our Company and Manish Goyal & Co., Chartered Accountants was the Previous Statutory Auditor of our Company.

Credit Rating Agencies

Brickwork Ratings India Private Limited
3rd floor, 29/3 and 32/2, Raj Alkaa Park, Kalens Agrahara,
Bannerghatta Road, Bengaluru – 560 076, Karnataka
Telephone: +91-80 4040 9999
Email: abhinandan.s@brickworkratings.com
Website: www.brickworkratings.com
Contact Person: Abhinandan Sharda
Compliance Officer: Santosh Shah
SEBI Registration No.: IN/CRA/005/2008
CIN: U67190KA2007PTC043591

Infomerics Valuation and Rating Limited
Flat No. 104/108, First Floor, Golf Apartments,
Sujan Singh Park, New Delhi – 110 003, India
Tel: (022) – 6239 6023
Email: info@infomerics.com
Website: www.infomerics.com
Contact Person: Vineet Kumar
Compliance Officer: Ms. Seema Sarda
SEBI Registration No.: IN/CRA/007/2015
CIN: U32202DL1986PLC024575

Credit Rating and Rationale

The NCDs proposed to be issued under the Issue have been rated "BWR AA/ Stable" for an amount of ₹ 1,50,000.00 lakhs by Brickwork Ratings India Private Limited vide its rating letters dated April 20, 2026, and press release for rating rationale dated April 20, 2026 and "IVR AA/Stable" for an amount of ₹ 205,900.00 lakhs by Infomerics Valuation and Rating Limited vide its rating letter dated May 5, 2026, and press release for rating rationale dated May 13, 2026. The ratings given by Brickwork Ratings India Private Limited and Infomerics Valuation and Rating Limited remain valid as on the date of this Draft Shelf Prospectus and shall remain valid as on the date of issue, allotment and listing of the NCDs on BSE Limited. Securities with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such securities carry very low credit risk. The ratings are not a recommendation to buy, sell or hold securities and investors should take their own decision. The ratings may be subject to revision or withdrawal at any time by the assigning rating agencies and each rating should be evaluated independently of any other rating. The rating agencies have a right to suspend or withdraw the ratings at any time on the basis of factors such as new information. Please refer to "*ANNEXURE I – CREDIT RATINGS, RATIONALE AND PRESS RELEASES*" on page 320 of this Draft Shelf Prospectus for the rating letters, rating rationale and press releases of the above ratings. There are no unaccepted ratings and any other ratings other than as specified in this Draft Shelf Prospectus.

Banker to our Company

State Bank of India
State Bank of India
Commercial Branch, Nehru Place, 61, IFCI Tower
6th Floor, Nehru Place, India, 110019
Tel: +91 8727043111
Email: rm5.cbnp@sbi.co.in

Website: https://sbi.bank.in/
Contact Person: Amit Kumar Banga
SEBI Registration Number: INBI00000038

Stock Exchange

The NCDs offered through this Draft Shelf Prospectus, the Shelf Prospectus and the relevant Tranche Prospectus are proposed to be listed on the BSE. Our Company has obtained an 'in-principle' approval for the Issue from the BSE vide their letter [●] dated [●].

Legal Counsel to the Issue

TRILEGAL

Trilegal
One World Centre
10th Floor, Tower 2A and 2B,
Senapati Bapat Marg,
Lower Parel (West)
Mumbai 400 013
Maharashtra, India
Tel: +91 22 4079 1000
Website: www.trilegal.com
Contact person: Richa Choudhary

Impersonation

As a matter of abundant precaution, attention of the investors is specifically drawn to the provisions of sub-Section (1) of Section 38 of the Companies Act, 2013, relating to punishment for fictitious applications. Section 38(1) of the Companies Act, 2013 provides that:

"Any person who —

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

shall be liable for action under Section 447."

Explanation — For the purposes of this section —

(i) "fraud" in relation to affairs of a company or any body-corporate, includes any act, omission, concealment of any fact or abuse of position committed by any person or any other person with the connivance in any manner, with intent to deceive, to gain undue advantage from, or to injure the interests of, the company or its shareholders or its creditors or any other person, whether or not there is any wrongful gain or wrongful loss;

(ii) "wrongful gain" means the gain by unlawful means of property to which the person gaining is not legally entitled;

(iii) "wrongful loss" means the loss by unlawful means of property to which the person losing is legally entitled."

The liability prescribed under Section 447 of the Companies Act 2013 for fraud involving an amount of at least ₹10 lakh or 1.00% of the turnover of our Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount. In case the fraud involves (i) an amount which is less than ₹10 lakh or 1.00% of the turnover of our Company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to ₹50 lakh or with both.

Recovery Expense Fund

Our Company shall deposit cash or cash equivalents including bank guarantees towards the contribution to Recovery Expense Fund with the Designated Stock Exchange at the time of making the application of the listing of NCDs and submit relevant documents evidencing the same to the Debenture Trustee from time to time. Our Company shall ensure that the bank guarantees remain valid for a period of six months post the Redemption Date of the NCDs. Our Company shall keep the bank guarantees in force and renew the bank guarantees at least seven working days before its expiry, failing which the Designated Stock Exchange shall invoke such bank guarantee. For further details, please refer to the chapter titled "*Other Regulatory and Statutory Disclosures –Recovery Expense Fund*" on page 230.

Kindly note, any default committed by our Company in terms of the NCDs proposed to be issued shall be reckoned at each respective International Securities Identification Number level assigned to the respective Option(s)/Series of NCDs issued

Underwriting

The Issue is not underwritten**.**

Arrangers to the Issue

There are no arrangers to the Issue.

Guarantor to the Issue

There are no guarantors to the Issue.

Minimum subscription

In terms of the SEBI NCS Regulations, for an issuer undertaking a public issue of non-convertible securities the minimum subscription for such public issue of non-convertible securities shall be 75% of the Base Issue Size as specified in the relevant Tranche Prospectus. If our Company does not receive the minimum subscription of 75% of the Base Issue Size as specified in the relevant Tranche Prospectus, prior to the Issue Closing Date the entire Application Amount shall be unblocked in the relevant ASBA Account(s) of the Applicants within eight Working Days from the Issue Closing Date or such time as may be specified by SEBI failing which our Company will become liable to refund the Application Amount along with interest at the rate 15% per annum for the delayed period.

Under Section 39(3) of the Companies Act, 2013 and Rule 11(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 if the stated minimum subscription amount is not received within the specified period, the application money received is to be credited only to the bank account from which the subscription was remitted. To the extent possible, where the required information for making such refunds is available with our Company and/or the Registrar, refunds will be made to the account prescribed. However, where our Company and/or the Registrar does not have the necessary information for making such refunds, our Company and/or the Registrar will follow the guidelines prescribed by SEBI in this regard included in the SEBI NCS Master Circular.

Designated Intermediaries

Self-Certified Syndicate Bank

The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA process and UPI Mechanism process is provided on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=44 as amended and https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 respectively as updated from time to time. For a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms and UPI Mechanism through app/web interface from the Designated Intermediaries, refer to the above-mentioned link.

In relation to Bids submitted under the ASBA process to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of the ASBA Forms from the Members of the Syndicate is available on the website of SEBI https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=44 and updated from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes.

Syndicate SCSB Branches

The list of banks that have been notified by SEBI to act as the SCSBs for the Syndicate ASBA process and UPI Mechanism process is provided on the website of SEBI at: https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=45.

In relation to Applications submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Application Forms from the Members of the Syndicate is available on the website of the SEBI (http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes) and updated from time to time or any such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Application Forms from the Syndicate at Specified Locations, see the website of the SEBI (http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes as updated from time to time or any such other website as may be prescribed by SEBI from time to time.

In relation to Applications submitted under the ASBA process to a Member of the Consortium, the list of branches of the SCSBs at the Specified Cities (Mumbai, Chennai, Kolkata, Delhi, Ahmedabad, Rajkot, Jaipur, Bengaluru, Hyderabad, Pune, Vadodara and Surat, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of the ASBA Forms and Application Forms where investors have opted for payment via the UPI Mechanism, from the Members of the Consortium is available on the website of SEBI http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time. For more information on such branches collecting Bid cum Application Forms from the Consortium at Specified Locations, see the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes

Broker Centres / Designated CDP Locations/ Designated RTA Locations

In accordance with SEBI NCS Master Circular and SEBI RTA Master Circular, Applicants can submit the Application Forms with the Registered Brokers at the Broker Centres, CDPs at the Designated CDP Locations or the RTAs at the Designated RTA Locations, respective lists of which, including details such as address and telephone number, are available at the websites of the Stock Exchange at www.bseindia.com. The list of branches of the SCSBs at the Broker Centres, named by the respective SCSBs to receive deposits of the Application Forms from the Registered Brokers will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

CRTAs / CDPs

The list of the CRTAs and CDPs, eligible to accept Applications in the Issue, including details such as postal address, telephone number and email address, are provided on the website of BSE for CRTAs and CDPs, as updated from time to time.

Utilisation of Issue proceeds

For details on utilisation of Issue proceeds see sections titled "*Objects of the Issue*" and "*Terms of the Issue*" beginning on pages 65 and 248, respectively.

Inter-se Allocation of Responsibilities among the Lead Manager:

Tipsons is the sole Lead Manager to the Issue and all the responsibilities relating to co-ordination and other activities in relation to the Issue as mentioned in the below table shall be performed by them:

S. No.	Activities	Responsibility	Coordinator
1.	• Due diligence of Issuer's operations/ management/ business plans/ legal etc. • Drafting and design of the Issue Documents. (The Lead Manager shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchange, RoC and SEBI including finalization of Issue Documents and RoC filing). • Coordination with the Stock Exchange for in-principle approval.	Tipsons Consultancy Services Private Limited	Tipsons Consultancy Services Private Limited
2.	Co-ordination with Auditors. Co-ordination with lawyer for legal opinion.		
3.	Structuring of various issuance options with relative components and formalities etc.		
4.	Preparation and finalisation of Application form		
5.	Drafting and design of the statutory advertisement		
6.	Drafting and approval of all publicity material other than statutory advertisement as mentioned in (5) above including corporate advertisement, brochure, etc.		
7.	Appointment of other intermediaries viz., Registrar(s), printers, Debenture Trustee, Consortium Members, advertising agency and Bankers to the Issue		
8.	Preparation of road show presentation, FAQs		
9.	Individual / HUF marketing strategy which will cover, inter alia: • Finalize collection centers • Follow-up on distribution of publicity and Issue material including form, Prospectus and deciding on the quantum of the Issue material		

S. No.	Activities	Responsibility	Coordinator
10.	Institutional and Non-institutional marketing strategy which will cover, *inter alia*: • Finalize media, marketing and public relation strategy and publicity budget • Finalize the list and division of investors for one on one meetings • Finalize centers for holding conferences for brokers, etc.		
11.	Coordination with the Stock Exchange for the bidding software		
12.	Coordination for security creation by way of execution of Debenture Trust Deed		
13.	Post-issue activities including - • Co-ordination with Bankers to the Issue for management of Escrow account(s) and timely submission of application forms to RTA and daily collection figures under different categories. • Co-ordination with the Registrars and the Bankers to the Issue for timely submission of certificate, finalization of basis of allotment and allotment of bonds.		
14.	Co-ordination with the Registrar for dispatch of allotment and refund advices, dispatch of debenture certificates and credit of bonds.		
15.	Finalization of draft of other stationery items like refund order, allotment & refund advice, bond certificate, LoA etc		
16.	Coordination with Registrar & Stock Exchange for completion of listing and trading.		
17.	Redressal of investor grievances in relation to post issue activities		

Issue Programme*

ISSUE OPENS ON	As specified in the relevant Tranche Prospectus for each Tranche Issue*
ISSUE CLOSES ON	As specified in the relevant Tranche Prospectus for each Tranche Issue*
PAY IN DATE	Application Date. The entire Application Amount is payable on Application.
DEEMED DATE OF ALLOTMENT	The date on which the Board of Directors/the Operation and Finance Committee approves the Allotment of the NCDs for this Issue or such date as may be determined by the Board of Directors / the Operation and Finance Committee and notified to the Designated Stock Exchange. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs shall be available to the Debenture Holders from the Deemed Date of Allotment.

** The Issue shall remain open for subscription on Working Days from 10:00 a.m. to 5:00 p.m. (Indian Standard Time) during the period as indicated in the relevant Tranche Prospectus for each Tranche Issue. Our Company may, in consultation with the Lead Manager, consider closing the relevant Tranche Issue on such earlier date or extended date (subject to a minimum period of 2 (two) working days and a maximum period of 10 (ten) working days from the date of opening of the Issue and subject to not exceeding thirty days from filing of the relevant Tranche Prospectus with RoC, including any extensions), as may be decided by the Board of Directors or the Operations and Finance Committee, subject to relevant approvals, in accordance with the Regulation 33A of the SEBI NCS Regulations. In the event of an early closure or extension of the Issue, our Company shall ensure that notice of the same is provided to the prospective investors through an advertisement in an English daily national newspaper with wide circulation and a regional daily with wide circulation where the registered office of our Company is located (in all the newspapers or electronic modes such as online newspapers or websites of the Issuer or the stock exchange in which pre-issue advertisement for opening of the Issue has been given on or before such earlier or initial date of Issue closure). On the Issue Closing Date, the Application Forms will be accepted only between 10:00 a.m. and 3:00 p.m. (Indian Standard Time) and uploaded until 5 p.m. (Indian Standard Time) or such extended time as may be permitted by the Stock Exchange. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5:00 p.m. (Indian Standard Time) on the Issue Closing Date. For further details please see "General Information" on page 46.*

Application (including Application under the UPI Mechanism) and any further changes to the Applications shall be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time, "IST") during the Issue Period as mentioned above by the Members of the Syndicate, Trading Members and Designated Branches of SCSBs, except that on the Issue Closing Date when the Applications and any further changes in details in Applications, if any, shall be accepted only between 10.00 a.m. and 3.00 p.m. (IST) and shall be uploaded until 5.00 p.m. (IST) or such extended time as permitted by the Stock Exchange. Additionally, an Investor may also submit the Application Form through the app or web interface of the Stock Exchange. It is clarified that the Applications not uploaded in the Stock Exchange platform would be rejected.

Due to limitation of time available for uploading the Applications on the Issue Closing Date, the Applicants are advised to submit their Applications one day prior to the Issue Closing Date and, in any case, no later than 3.00 p.m. (IST) on the Issue Closing Date. All times mentioned in this Draft Shelf Prospectus are Indian Standard Time. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, as is typically experienced in public offerings, some Applications may not get uploaded due to lack of sufficient time. Such Applications that cannot be uploaded will not be considered for Allocation under the Issue. Applications will be accepted only on Business Days, i.e., Monday to Friday (excluding any public holiday). Neither our Company, nor the Lead Manager, nor any Member of the Syndicate, Trading Members or Designated Branches of SCSBs is liable for any failure in uploading the Applications due to faults in any software/hardware system or otherwise. Please note that, within each category of Investors, the Basis of Allotment under the Issue will be on date priority basis, however, from the date of oversubscription and thereafter, the allotments will be made to the applicants on proportionate basis.

CAPITAL STRUCTURE

Details of share capital and securities premium account

The share capital of our Company as on June 30, 2026 is as set forth below:

	Particulars	Amount (in ₹)
A	**AUTHORISED SHARE CAPITAL**	
	Equity Shares comprising:	
	1,750,000,000 Equity Shares of face value of ₹1 each	1,750,000,000.00
	Preference Shares comprising:	
	5,000,000 Preference Shares of face value of ₹10 each	50,000,000.00
	Total Authorised Share Capital	**1,800,000,000.00**
B	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL**	
	I. ISSUED AND SUBSCRIBED CAPITAL	
	909,646,874 Equity Shares of face value of ₹1 each	909,646,874.00
	Total issued and subscribed capital	**909,646,874.00**
	II. PAID UP CAPITAL	
	9,09,521,874 Equity Shares of face value of ₹1 each	909,521,874.00
	1,25,000 Equity Shares of face value of ₹1 each*	62,500.00
	Total paid-up capital	**9,09,584,374.00**
C	**SECURITIES PREMIUM AMOUNT**	
	Securities Premium Reserve	398,732,000

**The paid-up capital of 9,09,521,874 Equity Shares excludes 1,25,000 Equity Shares forfeited in Fiscal 2006 for non-payment of allotment of money.*

Details of change in authorised share capital of our Company for the last three financial years and current financial year as on the date of this Draft Shelf Prospectus:

Except as stated below, there have been no changes to the authorised share capital of our Company in the last three financial years and current financial year as on the date of this Draft Shelf Prospectus:

Date of annual general meeting/ extraordinary general meeting	Particulars
August 30, 2024	Pursuant to a shareholders' resolution passed through postal ballot on August 30, 2024, our Company increased its authorised share capital from ₹125,00,00,000, comprising 1,20,00,00,000 Equity Shares of ₹1 each and 50,00,000 Preference Shares of ₹10 each, to ₹180,00,00,000, comprising 1,75,00,00,000 Equity Shares of ₹1 each and 50,00,000 Preference Shares of ₹10 each.

Details of Equity Share Capital History of our Company for the preceding three financial years and current financial year:

The history of the paid-up Equity Share capital of our Company for the preceding three financial years and current financial year is set forth below:

Date of allotment	Number of Equity Shares allotted	Face Value (₹)	Issue Price per Equity Share (₹)	Nature of consideration	Nature of allotment	Cumulative No. of Shares	Cumulative Equity Share Capital (₹)	Cumulative Equity Share Premium (₹)	Remarks
March 21, 2024	449,021,990	1	-	Capitalisation of reserve	Bonus Issue	898,043,980	898,043,980	3,809,150,021	Bonus Issue in ratio of 1:1
January 15, 2025	3,701,792	1	45.74	Cash	Conversion of FCCBs	901,745,772	901,745,772	3,974,768,195	Conversion of 2,000 FCCBs
February 28, 2025	372,517	1	34.69	Cash	Shares issued under Share based Employee benefit Scheme	902,118,289	902,118,289	3,987,318,293	Shares issued under PDL ESPS
September 17, 2025	7,403,585	1	45.74	Cash	Conversion of FCCBs	909,521,874	909,521,874	4,318,585,717	Conversion of 4,000 FCCBs

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Shareholding pattern of our Company, as on June 30, 2026 is set forth below.

The following table sets forth the details regarding the equity shareholding pattern of our Company as on June 30, 2026:

Category of shareholder	No. of shareholders	No. of fully paid up equity shares held	Total no. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	No. of Shares Underlying convertible Outstanding , No. of Warrants and ESOP etc.	Total No. of shares on fully diluted basis (including warrants, ESOP, Convertible Securities etc.)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) as a % of (A+B+C2)	Number of locked in shares		Number of Shares pledges		No. of equity shares held in dematerialized form	Sub-categorization of shares (XV)		
															Shareholding (No. of shares) under		
										No.	As a % of total shares held	No.	As a % of total shares held		Sub Category - I	Sub Category - II	Sub Category -III
(A) Promoter & Promoter Group	7	42,48,87,300	42,48,87,300	46.72	42,48,87,300	46.72	-	42,48,87,300	42.88	-	-	9,30,87,000	21.91	42,48,87,300	-	-	-
(B) Public	90,325	48,46,34,574	48,46,34,574	53.28	48,46,34,574	53.28	8,14,39,440	56,60,74,014	57.12	3,72,517	0.08			48,46,34,564	-	-	-
Grand Total	**90,332**	**90,95,21,874**	**90,95,21,874**	**100.00**	**90,95,21,874**	**100.00**	**8,14,39,440**	**99,09,61,314**	**100.00**	3,72,517	0.08	9,30,87,000	21.91	**90,95,21,864**	**-**	**-**	**-**

The following table sets forth the details regarding the equity shareholding pattern of our Promoter and Promoter Group as on June 30, 2026:

Category of shareholder	Entity type	No. of shareholders	No. of fully paid- up equity shares held	Total no. of shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) as a % of (A + B + C2)	Number of Voting Rights held in each class of securities		No. of Shares Underlying convertible Outstanding , No. of Warrants and ESOP etc.	Total No. of shares on fully diluted basis (including warrants, ESOP, Convertible Securities etc.)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) As a % of (A+B+C2)	Number of locked in shares		Number of Shares pledged or otherwise encumbered		No. of equity shares held in dematerialised form
						No.(a)	As a % of total Shares held(b)				No.	As a % of total shares held	No.(a)	As a % of total Shares held(b)	
A1) Indian															
Individuals/Hindu undivided Family		**2**	**15,85,69,800**	**15,85,69,800**	**17.43**	**15,85,69,800**	**17.43**	**-**	**15,85,69,800**	**16.00**	**-**	**-**	**1,91,83,000**	**30.49**	**15,85,69,800**
Sunil Purushottanm Agarwal	Promoter	1	11,52,73,800	11,52,73,800	12.67	11,52,73,800	12.67	-	11,52,73,800	11.63	-	-	95,81,000	8.31	11,52,73,800

Category of shareholder	Entity type	No. of shareholders	No. of fully paid- up equity shares held	Total no. of shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) as a % of (A + B + C2)	Number of Voting Rights held in each class of securities		No. of Shares Underlying convertible Outstanding , No. of Warrants and ESOP etc.	Total No. of shares on fully diluted basis (including warrants, ESOP, Convertible Securities etc.)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) As a % of (A+B+C2)	Number of locked in shares		Number of Shares pledged or otherwise encumbered		No. of equity shares held in dematerialised form
						No.(a)	As a % of total Shares held(b)				No.	As a % of total shares held	No.(a)	As a % of total Shares held(b)	
Santanu Agarwal	Promoter Group	1	4,32,96,000	4,32,96,000	4.76	4,32,96,000	4.76	-	4,32,96,000	4.37	-	-	96,02,000	22.18	4,32,96,000
Any Other (specify)		**5**	**266317500**	**266317500**	**29.28**	**266317500**	**29.28**	**-**	**266317500**	**26.87**	**-**	**-**	**73904000**	**175.45**	**266317500**
Pro Fitcch Private Limited	Promoter Group	1	2,95,17,220	2,95,17,220	3.25	2,95,17,220	3.25	-	2,95,17,220	2.98	-	-	71,96,000	24.38	2,95,17,220
Equilibrated Venture Cflow Private Limited	Promoter Group	1	19,39,89,880	19,39,89,880	21.33	19,39,89,880	21.33	-	19,39,89,880	19.58	-	-	5,51,32,000	28.42	19,39,89,880
Pri Caf Private Limited	Promoter Group	1	3,12,74,400	3,12,74,400	3.44	3,12,74,400	3.44	-	3,12,74,400	3.16	-	-	72,26,000	23.11	3,12,74,400
Sulabhya Paramita Private Trust (Trustee- Sunil Purushottanm Agarwal)	Promoter Group	1	43,70,000	43,70,000	0.48	43,70,000	0.48	-	43,70,000	0.44	-	-	43,50,000	99.54	43,70,000
Suneeti Dolla Private Trust (Trustee- Sunil Purushottanm Agarwal)	Promoter Group	1	71,66,000	71,66,000	0.79	71,66,000	0.79	-	71,66,000	0.72	-	-	0	0.00	71,66,000
Sub Total A1		7	42,48,87,300	42,48,87,300	46.7	42,48,87,300	46.7	-	42,48,87,300	42.9	-	-	9,30,87,000	21.91	42,48,87,300
A2) Foreign		-	-	-	-	-	-	-	-	-	-	-	-	-	-
A= A1+A2		**7**	**42,48,87,300**	**42,48,87,300**	**46.72**	**42,48,87,300**	**46.72**	**-**	**42,48,87,300**	**42.88**	**-**	**-**	**9,30,87,000**	**21.91**	**42,48,87,300**

The following table sets forth the details regarding the equity shareholding of the members of the public as on June 30, 2026:

Category & Name of the Shareholders	No. of shareholder	No. of fully paid up equity shares held	Total no. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	No. of Shares Underlying convertible Outstanding , No. of Warrants and ESOP etc.	Total No. of shares on fully diluted basis (including warrants, ESPS, Convertible Securities etc.)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) As a % of	Number of locked in shares	locked in sharesAs a % of total shares held	No. of equity shares held in dematerialized form
Institutions (Domestic)												
Mutual Fund	1	1,591	1,591	0.00	1,591	0.00	-	1,591	0.00	-	-	1,591
Venture Capital Funds	-	-	-	-	-	-	-	-	-	-	-	-
Alternate Investment Funds	1	7,838	7,838	0.00	7,838	0.00	-	7,838	0.00	-	-	7,838
Banks	-	-	-	-	-	-	-	-	-	-	-	-
Insurance Companies	1	6,21,14,267	6,21,14,267	6.83	6,21,14,267	6.83	-	6,21,14,267	6.27	-	-	6,21,14,267
SBI Life Insurance Co. Ltd.	1	6,21,14,267	6,21,14,267	6.83	6,21,14,267	6.83	-	6,21,14,267	6.27	-	-	6,21,14,267
Provident Funds/ Pension Funds	-	-	-	-	-	-	-	-	-	-	-	-
Asset Reconstruction Companies	-	-	-	-	-	-	-	-	-	-	-	-
Sovereign Wealth Funds	-	-	-	-	-	-	-	-	-	-	-	-
NBFCs registered with RBI	-	-	-	-	-	-	-	-	-	-	-	-
Other Financial Institutions	-	-	-	-	-	-	-	-	-	-	-	-
Any Other (Specify)	-	-	-	-	-	-	-	-	-	-	-	-
Sub Total (B)(1)	**3**	**6,21,23,696**	**6,21,23,696**	**6.83**	**6,21,23,696**	**6.83**	**-**	**6,21,23,696**	**6.27**	**-**	**-**	**6,21,23,696**
Institutions (Foreign)												
Foreign Direct Investment	-	-	-	-	-	-	-	-	-	-	-	-
Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-	-	-	-
Sovereign Wealth Funds	-	-	-	-	-	-	-	-	-	-	-	-
Foreign Portfolio Investors Category I	57	5,05,42,287	5,05,42,287	5.56	5,05,42,287	5.56	-	5,05,42,287	5.10	-	-	5,05,42,287
Foreign Portfolio Investors Category II	3	1,12,04,261	1,12,04,261	1.23	1,12,04,261	1.23	-	1,12,04,261	1.13	-	-	1,12,04,261
Overseas Depositories(holding DRs) (balancing figure)	-	-	-	-	-	-	-	-	-	-	-	-
Any Other (Specify)	-	-	-	-	-	-	-	-	-	-	-	-
Sub Total (B)(2)	**60**	**6,17,46,548**	**6,17,46,548**	**6.79**	**6,17,46,548**	**6.79**	**-**	**6,17,46,548**	**6.23**	**-**	**-**	**6,17,46,548**
Central Government/ State Government(s)	-	-	-	-	-	-	-	-	-	-	-	-
Central Government / President of India	-	-	-	-	-	-	-	-	-	-	-	-

Category & Name of the Shareholders	No. of shareholder	No. of fully paid up equity shares held	Total no. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	No. of Shares Underlying convertible Outstanding , No. of Warrants and ESOP etc.	Total No. of shares on fully diluted basis (including warrants, ESPS, Convertible Securities etc.)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) As a % of	Number of locked in shares	locked in sharesAs a % of total shares held	No. of equity shares held in dematerialized form
State Government / Governor	-	-	-	-	-	-	-	-	-	-	-	-
Shareholding by Companies or Bodies Corporate where Central / State Government is a promoter	-	-	-	-	-	-	-	-	-	-	-	-
Sub Total (B)(3)	-	-	-	-	-	-	-	-	-	-	-	-
Non-Institutions												
Associate companies / Subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-
Directors and their relatives (excluding Independent Directors and nominee Directors)	1	20,000	20,000	0.00	20,000	0.00	-	20,000	0.00	20,000	0.00	20,000
Key Managerial Personnel	1	5,400	5,400	0.00	5,400	0.00	-	5,400	0.00	5,400	0.00	5,400
Relatives of promoters (other than 'immediate relatives' of promoters disclosed under 'Promoter and Promoter Group' category)	-	-	-	-	-	-	-	-	-	-	-	-
Trusts where any person belonging to 'Promoter and Promoter Group' category is 'trustee ', ' beneficiary ', or 'author of the trust''	-	-	-	-	-	-	-	-	-	-	-	-
Investor Education and Protection Fund (IEPF)	1	11,740	11,740	0.00	11,740	0.00	-	11,740	0.00	-	-	11,740
i. Resident Individual holding nominal share capital up to Rs. 2 lakhs.	87,763	8,00,34,953	8,00,34,953	8.80	8,00,34,953	8.80	-	8,00,34,953	8.08	-	-	8,00,34,943
ii. Resident individual holding nominal share capital in excess of Rs. 2 lakhs.	81	5,37,75,838	5,37,75,838	5.91	5,37,75,838	5.91	-	5,37,75,838	5.43	-	-	5,37,75,838
Non Resident Indians (NRIs)	852	28,70,716	28,70,716	0.32	28,70,716	0.32	-	28,70,716	0.29	-	-	28,70,716
Foreign Nationals	-	-	-	-	-	-	-	-	-	-	-	-

Category & Name of the Shareholders	No. of shareholder	No. of fully paid up equity shares held	Total no. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	No. of Shares Underlying convertible Outstanding , No. of Warrants and ESOP etc.	Total No. of shares on fully diluted basis (including warrants, ESPS, Convertible Securities etc.)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) As a % of	Number of locked in shares	locked in sharesAs a % of total shares held	No. of equity shares held in dematerialized form
Foreign Companies	-	-	-	-	-	-	-	-	-	-	-	-
Bodies Corporate	271	16,83,88,541	16,83,88,541	18.51	16,83,88,541	18.51	-	16,83,88,541	16.99	-	-	16,83,88,541
CLIFF TREXIM PRIVATE LIMITED	1	97,00,000	97,00,000	1.07	97,00,000	1.07	-	97,00,000	0.98	-	-	97,00,000
OCTASPACE REALCON PRIVATE LIMITED	1	2,11,72,439	2,11,72,439	2.33	2,11,72,439	2.33	-	2,11,72,439	2.14	-	-	2,11,72,439
PSL LIMITED	1	1,49,85,914	1,49,85,914	1.65	1,49,85,914	1.65	-	1,49,85,914	1.51	-	-	1,49,85,914
ZEAL PROFESSIONAL SERVICES PRIVATE LIMITED	1	2,10,78,520	2,10,78,520	2.32	2,10,78,520	2.32	-	2,10,78,520	2.13	-	-	2,10,78,520
Any Other (Specify)	1,292	5,56,57,142	5,56,57,142	6.12	5,56,57,142	6.12	8,14,39,440	13,70,96,582	13.83	-	-	5,56,57,142
Trusts	1	10,000	10,000	0.00	10,000	0.00	-	10,000	0.00	-	-	10,000
Unclaimed or suspense or Escrow Account	1	20,010	20,010	0.00	20,010	0.00	-	20,010	0.00	-	-	20,010
Body Corp-Ltd Liability Partnership	49	2,53,53,215	2,53,53,215	2.79	2,53,53,215	2.79	-	2,53,53,215	2.56	-	-	2,53,53,215
Hindu Undivided Family	1,206	90,50,850	90,50,850	1.00	90,50,850	1.00	-	90,50,850	0.91	-	-	90,50,850
Clearing Member	33	2,12,05,251	2,12,05,251	2.33	2,12,05,251	2.33	-	2,12,05,251	2.14	-	-	2,12,05,251
Independent Director or his relatives	1	5,000	5,000	0.00	5,000	0.00	-	5,000	0.00	-	-	5,000
FCCBs	-	-	-	-	-	-	8,14,39,440	8,14,39,440	8.22	-	-	-
Sub Total (B)(4)	90,262	36,07,64,330	36,07,64,330	39.67	36,07,64,330	39.67	8,14,39,440	44,22,03,770	44.62	-	-	36,07,64,330
Total Public Shareholding (B)= (B)(1)+(B)(2)+(B)(3)+b(4)	**90,325**	**48,46,34,574**	**48,46,34,574**	**53.28**	**48,46,34,574**	**53.28**	**8,14,39,440**	**56,60,74,014**	57.12	-	-	**48,46,34,574**

The following table sets forth the details of our non-promoter, non-public shareholders as on June 30, 2026:

Category & Name of the Shareholders(I)	No. of shareholder(III)	No. of fully paid up equity shares held(IV)	Total no. shares held(VII = IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)(VIII)	Number of equity shares held in dematerialized form(XIV) (Not Applicable)
C1) Custodian/DR Holder	-	-	-	-	-
C2) Employee Benefit Trust	-	-	-	-	-

The following table sets forth the details of disclosure made by the trading members holding 1% or more of the total number of shares of our Company as on June 30, 2026:

Sl. No.	Name of the Trading Member	Name of the Beneficial Owner	No. of shares held	% of total no. of shares	Date of reporting by the Trading Member
-	Nil	Nil	Nil	Nil	Nil

The following table sets forth the details of significant beneficial owners of our Company as on June 30, 2026:

Sr.No	Details of the SBO (I)		Details of the registered owner (II)		Details of holding/ exercise of right of the SBO in the reporting company, whether direct or indirect*: (III)					Date of creation / acquisition of significant beneficial interest# (IV)
					Whether by virtue of:					
	Name	Nationality	Name	Nationality	Shares	Voting rights	Rights on distributable dividend or any other distribution	Exercise of control	Exercise of significant influence	
1	Santanu Agarwal	Indian	Santanu Agarwal	Indian	5	5	-	-	-	September 12, 2022
2	Santanu Agarwal	Indian	Equilibrated Venture Cflow Private Limited	Indian	10.76	10.76	-	-	-	September 12, 2022
3	Santanu Agarwal	Indian	Pri Caf Private Limited	Indian	1.82	1.82	-	-	-	September 12, 2022
4	Santanu Agarwal	Indian	Pro Fitcch Private Limited	Indian	1.71	1.71	-	-	-	September 12, 2022

Notes:
** In case the nature of the holding/ exercise of the right of a SBO falls under multiple categories specified under (a) to (e) under Column III, multiple rows for the same SBO shall be inserted accordingly for each of the categories.*
 # This column shall have the details as specified by the listed entity under Form No. BEN-2 as submitted to the Registrar.

The following table sets forth the details of foreign ownership limits of our Company:

	Approved Limits %	Limits Utilized %
As on shareholding date	100.00	6.42
As on the end of previous 1st quarter	100.00	17.04
As on the end of previous 2nd quarter	100.00	19.39
As on the end of previous 3rd quarter	100.00	20.99
As on the end of previous 4th quarter	100.00	29.45

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List of top 10 holders of Equity Shares of our Company as on June 30, 2026:

Sr. No.	Name of the shareholders	Category of shareholder	Total number of equity shares	Total shareholding as % of total number of equity shares (in %)
1.	Equilibrated Venture Cflow Private Limited	Promoter Group	193,989,880	21.33
2.	Sunil Purushottanm Agarwal	Promoter	115,273,800	12.67
3.	SBI Life Insurance Co. Ltd	Public	62,114,267	6.83
4.	Santanu Agarwal	Promoter Group	43,296,000	4.76
5.	Pri Caf Private Limited	Promoter Group	31,274,400	3.44
6.	Pro Fitcch Private Limited	Promoter Group	29,517,220	3.25
7.	Octaspace Realcon Private Limited	Public	21,172,439	2.33
8.	Zeal Professional Services Private Limited	Public	21,078,520	2.32
9.	PSL Limited	Public	14,985,914	1.65
10.	Cliff Trexim Private Limited	Public	9,700,000	1.07
Total			**557,397,457**	**61.27**

List of top 10 holders of Debenture Holders of our Company as on June 30, 2026:

(₹ in lakhs, unless otherwise stated)

Sr. No.	Name of the holder	Category of holder	Face Value (in ₹)	Holding as a % of total outstanding non-convertible securities of the issuer
1	Kangra Central Co-op Bank Limited	Bank	6,000	11.84
2	Karur Vysya Bank Limited	Bank	5,000	9.87
3	Punjab State Cooperative Bank Limited	Bank	5,000	9.87
4	Ludhiana Central Co-operative Bank Limited	Bank	4,500	8.88
5	Nawanshahr Central Co-operative Bank Limited	Bank	2,000	3.95
6	S K Finance Limited	Body Corporate	1,500	2.96
7	Mangalam Worldwide Limited	Body Corporate	1,260	2.49
8	B N Agritech Limited	Body Corporate	1,008	1.99
9	Anand Kumar	Individual	1,000	1.97
10	Aerotech Aviation Services Private Limited	Body Corporate	917	1.81
Total			**28,185**	**55.62**

Statement of the aggregate number of securities of our Company and our Subsidiary purchased or sold by our Promoter, Promoter Group, our Directors, and/or their relatives within six months immediately preceding the date of filing of this Draft Shelf Prospectus.

Except as disclosed below, no securities of our Company and our Subsidiary have been purchased or sold by our Promoter, Promoter Group, our Directors, and/or their relatives within six months immediately preceding the date of filing of this Draft Shelf Prospectus.

Date	Name of Promoter Group entity/ Director	Promoter Group/Director	Acquisition/Dispose	Number of securities	Mode of Purchase/ Sale
March 25, 2026	Dharmendra Singh Gangwar	Independent Director	Acquisition	2,000	Market purchase
May 14, 2026	Pri Caf Private Limited	Promoter Group	Acquisition	1,000,000	Market purchase
May 14, 2026	Pro Fitcch Private Limited	Promoter Group	Acquisition	1,000,000	Market purchase
May 14, 2026	Equilibrated Venture Cflow Private Limited	Promoter Group	Acquisition	1,000,000	Market purchase
May 14, 2026	Sunil Purushottanm Agarwal	Promoter	Acquisition	1,000,000	Market purchase
May 14, 2026	Santanu Agarwal	Promoter Group	Acquisition	1,000,000	Market purchase
May 14, 2026	Sulabhya Paramita Private Trust	Promoter Group	Acquisition	20,000	Gift*
May 14, 2026	Suneeti Dolaa Private Trust	Promoter Group	Acquisition	7,166,000	Gift*

Date	Name of Promoter Group entity/ Director	Promoter Group/Director	Acquisition/Dispose	Number of securities	Mode of Purchase/ Sale
May 14, 2026	Suneeti Agarwal	Promoter Group	Transfer by way of gift	7,166,000	Gift*
May 14, 2026	Sunil Purushottanm Agarwal	Promoter	Transfer by way of gift	10,000	Gift*
May 14, 2026	Santanu Agarwal	Promoter Group	Transfer by way of gift	10,000	Gift*
May 15, 2026	Pri Caf Private Limited	Promoter Group	Acquisition	400,000	Market purchase
May 15, 2026	Pro Fitcch Private Limited	Promoter Group	Acquisition	450,000	Market purchase
May 15, 2026	Equilibrated Venture Cflow Private Limited	Promoter Group	Acquisition	400,000	Market purchase
May 15, 2026	Sunil Purushottanm Agarwal	Promoter	Acquisition	450,000	Market purchase
May 15, 2026	Santanu Agarwal	Promoter Group	Acquisition	450,000	Market purchase
May 18, 2026	Pri Caf Private Limited	Promoter Group	Acquisition	275,000	Market purchase
May 18, 2026	Pro Fitcch Private Limited	Promoter Group	Acquisition	275,000	Market purchase
May 18, 2026	Equilibrated Venture Cflow Private Limited	Promoter Group	Acquisition	275,000	Market purchase
May 18, 2026	Sunil Purushottanm Agarwal	Promoter	Acquisition	275,000	Market purchase
May 18, 2026	Santanu Agarwal	Promoter Group	Acquisition	275,000	Market purchase
May 19, 2026	Pri Caf Private Limited	Promoter Group	Acquisition	1,050,000	Market purchase
May 19, 2026	Equilibrated Venture Cflow Private Limited	Promoter Group	Acquisition	1,050,000	Market purchase
May 20, 2026	Pri Caf Private Limited	Promoter Group	Acquisition	1,071,000	Market purchase
May 20, 2026	Pro Fitcch Private Limited	Promoter Group	Acquisition	1,050,000	Market purchase
May 20, 2026	Equilibrated Venture Cflow Private Limited	Promoter Group	Acquisition	1,071,000	Market purchase
May 20, 2026	Sunil Purushottanm Agarwal	Promoter	Acquisition	1,275,000	Market purchase
May 20, 2026	Santanu Agarwal	Promoter Group	Acquisition	1,296,000	Market purchase
May 21, 2026	Sunil Purushottanm Agarwal	Promoter	Acquisition	20,00,000	Market purchase
May 21, 2026	Santanu Agarwal	Promoter Group	Acquisition	20,00,000	Market purchase
May 26, 2026	Sunil Purushottanm Agarwal	Promoter	Acquisition	15,00,000	Market purchase
May 26, 2026	Santanu Agarwal	Promoter Group	Acquisition	15,00,000	Market purchase
May 26, 2026	Pro Fitcch Private Limited	Promoter Group	Acquisition	9,81,000	Market purchase
May 27, 2026	Sunil Purushottanm Agarwal	Promoter	Acquisition	12,81,000	Market purchase
May 27, 2026	Santanu Agarwal	Promoter Group	Acquisition	12,81,000	Market purchase
May 29, 2026	Equilibrated Venture Cflow Private Limited	Promoter Group	Acquisition	15,00,000	Market purchase
May 29, 2026	Pro Fitcch Private Limited	Promoter Group	Acquisition	15,00,000	Market purchase
May 29, 2026	Pri Caf Private Limited	Promoter Group	Acquisition	15,00,000	Market purchase
June 01, 2026	Sulabhya Paramita Private Trust	Promoter Group	Acquisition	28,00,000	Market purchase
June 01, 2026	Sunil Purushottanm Agarwal	Promoter	Acquisition	18,00,000	Market purchase
June 01, 2026	Santanu Agarwal	Promoter Group	Acquisition	18,00,000	Market purchase
June 02, 2026	Equilibrated Venture Cflow Private Limited	Promoter Group	Acquisition	6,30,000	Market purchase
June 02, 2026	Pro Fitcch Private Limited	Promoter Group	Acquisition	6,30,000	Market purchase
June 02, 2026	Pri Caf Private Limited	Promoter Group	Acquisition	6,30,000	Market purchase
June 03, 2026	Sulabhya Paramita Private Trust	Promoter Group	Acquisition	15,50,000	Market purchase
June 03, 2026	Equilibrated Venture Cflow Private Limited	Promoter Group	Acquisition	9,00,000	Market purchase
June 03, 2026	Pri Caf Private Limited	Promoter Group	Acquisition	9,00,000	Market purchase
June 04, 2026	Equilibrated Venture Cflow Private Limited	Promoter Group	Acquisition	4,00,000	Market purchase
June 04, 2026	Pri Caf Private Limited	Promoter Group	Acquisition	4,00,000	Market purchase
June 04, 2026	Pro Fitcch Private Limited	Promoter Group	Acquisition	13,10,000	Market purchase

**Transaction have been undertaken pursuant to the exemption granted by the Securities and Exchange Board of India vide Order No. WTM/KCV/CFD/13/2025-26 dated November 07, 2025 passed under sub-regulation (5) of Regulation 11 of the SAST Regulations*

Statement of capitalization (Debt/ Equity Ratio) of our Company, on standalone and consolidated basis, as on March 31, 2026:

(₹ in lakhs, unless otherwise stated)

Particulars#	Standalone Basis		Consolidated Basis	
	Pre-Issue (as at March 31, 2026)	Post-Issue as adjusted(1)	Pre-Issue (as at March 31, 2026)	Post-Issue as adjusted(1)
Current borrowing:				
Secured	5,779.98	5,779.98	6,613.28	6,613.28
Unsecured	2,916.38	2,916.38	2,916.38	2,916.38
Non-current borrowing (including current maturities of long-term debt):				
Secured	3,78,891.18	4,68,891.18	3,79,016.78	4,69,016.78
Unsecured	39,859.92	39,859.92	47,421.00	47,421.00
Total borrowing (a)	**4,27,447.46**	**5,17,447.46**	**4,35,967.44**	**5,25,967.44**
Shareholders' funds:				
Share capital	9,095.84	9,095.84	9,095.84	9,095.84
Securities premium	43,185.56	43,185.56	43,185.56	43,185.56
Reserves and surplus (excluding securities premium)	1,25,010.63	1,25,010.63	1,27,016.25	1,27,016.25
Instruments entirely Equity in nature	-	-	-	-
Non-controlling Interest	-	-	-	-
Shareholders' funds (excluding borrowings) (b)	1,77,292.03	1,77,292.03	1,79,297.65	1,79,297.65
Total capitalization (a + b)	6,04,739.49	6,94,739.49	6,15,265.09	7,05,265.09
Current Borrowing / Shareholders Funds	0.05	0.05	0.05	0.05
Total Borrowing / Shareholders Funds	2.41	2.92	2.43	2.93

Note:

1. Adjustments made assuming inflow of ₹ 90,000.00 lakhs from the proposed Issue and do not include Issue related expenses.

 # The debt-equity ratio post Issue is indicated on account of the assumed inflow of ₹ 90,000.00 lakhs from the proposed Issue. The actual debt equity ratio post the Issue would depend on the actual position of debt and equity on the Deemed Date of Allotment.

Shareholding of Directors in our Company, our Subsidiary and our Associates as on the date of this Draft Shelf Prospectus

Except as stated below, none of the Directors of our Company hold any Equity Shares in our Company or in our Subsidiary, as on the date of this Draft Shelf Prospectus:

Sr. No.	Name of the Company	Nature of Security	No. of equity shares held	% of Holding
Sunil Purushottanm Agarwal				
1	Paisalo Digital Limited	Equity Shares	115,273,800	12.67
2	Nupur Finvest Private Limited	Equity Shares	1,000	Negligible
Harish Singh				
1	Paisalo Digital Limited	Equity Shares	20,000	Negligible
Santanu Agarwal				
1	Paisalo Digital Limited	Equity Shares	43,296,000	4.76
Vijuy Ronjan				
1	Paisalo Digital Limited	Equity Shares	5,000	Negligible
D S Gangwar				
1	Paisalo Digital Limited	Equity Shares	2,000	Negligible

Details of Promoter's shareholding in our Company's Subsidiary as on the date of this Draft Shelf Prospectus

Except as stated below, our Promoter do not hold any equity shares in our Subsidiary:

Sr. No.	Name of the shareholder	Name of Company	Number of equity shares of face value of Rs. 10 each	Percentage of total equity shares holding (%)
1.	Sunil Purushottanm Agarwal as nominee of Paisalo Digital Limited	Nupur Finvest Private Limited	1,000	0.02

Details of pledge or encumbrance of Equity Shares held by the Promoter and Promoter Group in our Company as the date of this Draft Shelf Prospectus

Except as disclosed above, none of the Equity Shares held by our Promoter and Promoter Group in our Company are pledged or otherwise encumbered as of the date of this Draft Shelf Prospectus.

Details of debt securities that were issued at a premium or a discount by our Company, if any, as the date of this Draft Shelf Prospectus

As of the date of this Draft Shelf Prospectus, our Company has not issued any debt securities at a premium or a discount.

Details of Employee Share Purchase Scheme of our Company as on the date of this Draft Shelf Prospectus

Pursuant to a shareholders' special resolution dated September 23, 2024, our Company instituted the Paisalo Employee Share Purchase Scheme 2024 ("**ESPS 2024**"). The primary objective of the scheme is as follows:

To reward employees for their association, dedication and contribution to the goals of our Company and to attract and retain key talent working with our Company and its subsidiary companies by way of rewarding performance and motivating them to contribute to the overall corporate growth and profitability.

ESPS 2024:

Sr. No.	Particulars	No. of Stock Options
1	Total number of shares reserved	8,980,439
2	Total number of shares entitled under the grant / offer	8,980,439
3	Shares allotted under the scheme	3,72,517
4	Balance shares remaining available under the scheme	86,07,922

Details of any change in promoter holding in our Company during the last financial year beyond 26% (as prescribed by RBI)

There has been no change in promoter holding in our Company during the last financial year beyond 26% (as prescribed by RBI).

OBJECTS OF THE ISSUE

Issue proceeds

Our Company has filed this Draft Shelf Prospectus for a public issue of 9,000,000 secured, rated, listed, redeemable, non-convertible debentures of face value ₹ 1,000 each, amounting to ₹ 90,000.00 lakhs (the "**Shelf Limit**"). The NCDs will be issued in one or more tranches up to the Shelf Limit, on the terms and conditions as set out in the relevant Tranche Prospectus for any Tranche Issue, which should be read together with this Draft Shelf Prospectus and the Shelf Prospectus.

The Issue is being made pursuant to the provisions of the SEBI NCS Regulations and the Companies Act and the rules made there under. Our Company proposes to utilize the proceeds raised through the Issue, after deducting the Issue related expenses to the extent payable by our Company ("**Net Proceeds**") towards funding the objects listed under this section.

The details of the proceeds of the Issue are summarized below:

Particulars	Estimated amount (₹ in millions, unless otherwise stated)
Gross proceeds of the Issue	As specified in the relevant Tranche Prospectus for each Tranche Issue
Less: Issue related expenses*	As specified in the relevant Tranche Prospectus for each Tranche Issue
Net proceeds* (i.e. Gross proceeds *less* Issue related expenses)	As specified in the relevant Tranche Prospectus for each Tranche Issue

** The above Issue related expenses are indicative and are subject to change depending on the actual level of subscription to the Issue, the number of allottees, market conditions and other relevant factors.*

Requirement of Funds and Utilization of Net Proceeds

The following table details the objects of the Issue (collectively, referred to herein as the "**Objects**") and the amount proposed to be financed from the Net Proceeds:

Sr. No.	Objects of the Issue	Percentage of amount proposed to be financed from Net Proceeds
1.	For the purpose of onward lending, financing, and for repayment of interest and principal of existing borrowings of our Company*	At least 75%
2.	General corporate purposes**	Maximum up to 25%
Total		**100%**

**Our Company shall not utilize the proceeds of this Issue towards payment of prepayment penalty, if any.*
***The Net Proceeds will be first utilized towards the Object mentioned above. The balance is proposed to be utilized for general corporate purposes, subject to such utilization not exceeding 25% of the amount raised and allotted in the Issue, in compliance with the SEBI NCS Regulations.*

The main objects clause of the Memorandum of Association of our Company permits our Company to undertake its existing activities as well as the activities for which the funds are being raised through this Issue.

Issue related expenses

The expenses for this Issue include, *inter alia*, lead management fees and selling commission to the Lead Manager, Consortium Members and intermediaries as provided for in the SEBI NCS Master Circular, fees payable to debenture trustees, the Registrar to the Issue, SCSBs' commission/ fees, fees payable to sponsor bank, printing and distribution expenses, legal fees, advertisement expenses, listing fees and any other expense directly related to the Issue. The Issue expenses and listing fees will be paid by our Company. The payment to intermediaries will be made on the basis of valid invoices within such timelines mutually agreed to/prescribed by our Company with the Designated Intermediaries/Sponsor Bank.

The estimated breakdown of the total expenses for this Issue and the timeline for such payment for this Issue shall be as specified in the relevant Tranche Prospectus.

Our Company shall pay processing fees to the SCSBs for ASBA forms procured by Lead Manager/ Consortium Members/ Trading Members and submitted to the SCSBs for blocking the Application Amount of the Applicant, at the rate of ₹ [●] per Application Form procured, as finalized by our Company. However, it is clarified that in case of ASBA Application Forms procured directly by the SCSBs, the relevant SCSBs shall not be entitled to any ASBA Processing Fee. Further, our Company shall pay the Sponsor Bank ₹ [●] for every valid Application that is blocked.

Purpose for which there is a requirement of funds

As specified in the relevant Tranche Prospectus for each Tranche Issue.

Funding plan

Our Company confirms that for the purpose of this Issue, funding plan will not be applicable.

Project details, gestation period of the project, extent of progress made in the project, and deadlines for completion of the project

Our Company confirms that for the purpose of this Issue, project details, gestation period of the project, extent of progress made in the project, and deadlines for completion of the project will not be applicable.

Summary of the project appraisal report

Our Company confirms that for the purpose of this Issue, summary of the project appraisal report will not be applicable.

Schedule of implementation of the project

Our Company confirms that for the purpose of this Issue, schedule of implementation of the project will not be applicable.

Break-up of the cost of the project

Our Company confirms that for the purpose of this Issue, break up cost of the project will not be applicable.

Means of financing for the project

Our Company confirms that for the purpose of this Issue, means of financing for the project will not be applicable.

Proposed deployment status of the proceeds at each stage of the project

Our Company confirms that for the purpose of this Issue, deployment status for the project will not be applicable.

Monitoring and reporting of utilisation of funds

There is no requirement for appointment of a monitoring agency in terms of the SEBI NCS Regulations. The Audit Committee of our Company shall monitor the utilisation of the proceeds of the Issue. Our Company will disclose in its financial statements for the relevant Financial Year commencing from Fiscal 2026, the utilisation of the proceeds of the Issue under a separate head along with details, if any, in relation to all such proceeds of the Issue that have not been utilised thereby also indicating investments, if any, of such unutilized proceeds of the Issue. Our Company shall utilize the proceeds of the Issue only upon receipt of minimum subscription, i.e. 75% of the Base Issue Size as specified in the relevant Tranche Prospectus, the execution of the documents for creation of security and the Debenture Trust Deed and receipt of final listing and trading approval from the Stock Exchange. Our Company shall at the end of every quarter submit to the Stock Exchange, a statement indicating the utilization of Issue Proceeds of non-convertible securities, which shall be continued to be given till such time the issue proceeds have been utilised or the purpose for which these proceeds were raised has been achieved. Our Company shall utilise the proceeds of the Issue only upon execution of the documents for creation of Security and the Debenture Trust Deed and receipt of listing and trading approval from the Stock Exchange as stated in the section titled "*Terms of the Issue*" on page 248 of this Draft Shelf Prospectus.

Interim use of proceeds

The management of our Company, in accordance with the policies formulated by it from time to time, will have the flexibility in deploying the proceeds received from the Issue. Pending utilisation of the proceeds out of the Issue for the purposes described above, our Company intends to temporarily invest funds as may be approved by our Board of Directors or a committee thereof, in accordance with applicable law. Such investment would be in accordance with the investment policy of our Company approved by our Board of Directors or any committee thereof from time to time and applicable law.

General Corporate Purposes

Our Company intends to deploy up to 25% of the amount raised and allotted in the Issue for general corporate purposes, including but not restricted to routine capital expenditure, renovations, strategic initiatives, meeting any expenditure in relation to our Company as well as meeting exigencies which our Company may face in the ordinary course of business, or any other purposes as may be approved by our Board of Directors or duly authorized committee thereof.

Variation in terms of contract or objects in this Draft Shelf Prospectus

Our Company shall not, in terms of Section 27 of the Companies Act, at any time, vary the terms of the objects for which this Draft Shelf Prospectus is issued, except as may be prescribed under the applicable laws and specifically under Section 27 of the Companies Act. Further, in accordance with the SEBI Listing Regulations, in case of any material deviation in the use of proceeds as compared to the objects of the issue, the same shall be indicated in the format as specified by SEBI from time to time.

Other confirmations

In accordance with the SEBI NCS Regulations, our Company will not utilize the proceeds of the Issue for providing loans to or acquisition of shares of any person or company who is a part of the Promoter Group or Group Companies.

Proceeds from the Issue shall not be utilised towards full or part consideration for the purchase or any other acquisition, inter alia by way of a lease, of any immovable property. No part of the proceeds from the Issue will be paid by us as consideration to our Promoter, the Directors, Key Managerial Personnel or companies promoted by our Promoter except in ordinary course of business.

No part of the proceeds from the Issue will be utilized for buying, trading or otherwise dealing in equity shares of any listed company. Further our Company undertakes that Issue proceeds from NCDs allotted to banks shall not be used for any purpose, which may be in contravention of the RBI guidelines including those relating to classification as capital market exposure or any other sectors that are prohibited under the RBI Regulations.

Our Company confirms that it will not use the proceeds from the Issue, directly or indirectly, for the purchase of any business or in the purchase of any interest in any business whereby our Company shall become entitled to an interest in either the capital or profit or losses or both in such business exceeding 50% thereof, the purchase or acquisition of any immovable property (direct or indirect) or acquisition of securities of any other body corporate.

The fund requirement as above is based on our current business plan and is subject to change in light of variations in external circumstances or costs, or in our financial condition, business or strategy. Our management, in response to the competitive and dynamic nature of the industry, will have the discretion to revise its business plan from time to time and consequently our funding requirements and deployment of funds may also change.

There is no contribution being made or intended to be made by the Directors as part of the Issue or separately in furtherance of the Objects of the Issue.

Benefit / interest accruing to our Promoter/Directors out of the object of the Issue

Neither our Promoter nor our Directors are interested in the Objects of this Issue.

STATEMENT OF POSSIBLE TAX BENEFITS

To,
The Board of Directors
Paisalo Digital Limited
CSC Pocket-52,
CR Park Near Police Station, South Delhi,
New Delhi, Delhi, India, 110019

Tipsons Consultancy Services Private Limited
1st Floor, Sheraton House, Opp. Ketav Petrol Pump,
Polytechnic Road, Ambawadi,
Ahmedabad – 380015

(***Tipsons Consultancy Services Private Limited*** *is hereinafter referred to as the "**Lead Manager**"*)

Dear Sirs / Madams,

Sub: Proposed public issuance by Paisalo Digital Limited ("Company") of secured, rated, listed, redeemable, non-convertible debentures of face value Rs. 1,000 each aggregating up to Rs. 90,000 lakhs ("NCDs") in one or more tranches ("Issue")

We hereby confirm that the enclosed **Annexure A**, states the possible tax benefits available to the Company and its debenture holders under the Income Tax Act, 2025 ('**the Act'**) as amended by The Finance Act, 2026 read with the Income Tax Rules, 2026, i.e. applicable for the financial year 2026-27 relevant to the assessment year 2027-28 (referred to as '**the Direct Tax Law'**). Several of these benefits are dependent on the Company and its debenture holders fulfilling the conditions prescribed under the relevant provisions of the Direct Tax Law. Hence, the ability of the Company and / or the debenture holders to derive the tax benefits is dependent upon their fulfilling such conditions, which based on the business imperatives the Company faces in the future, the Company or its debenture holders may or may not choose to fulfil.

The benefits discussed in the enclosed **Annexure A** are not exhaustive. We are informed that this statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing Direct Tax Laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed issue of non-convertible debentures ("**NCDs**") by the Company on in accordance with the provisions of Securities and Exchange Board of India (Issue and Listing of Non-convertible Debentures) Regulations, 2021, as amended and the guidelines and circulars issued thereunder. We are neither suggesting nor advising the investors to invest in the Issue relying on this statement.

We are informed that the debentures of the Company will be listed on BSE Limited ("**BSE**" or "**Stock Exchange**"). **Annexure A** has been prepared on that basis.

We do not express any opinion or provide any assurance as to whether:
i. the Company or its debenture holders will obtain/continue to obtain these tax benefits in future;
ii. the conditions prescribed for availing the tax benefits have been/would be met with; and
iii. the revenue authorities/courts will concur with the views expressed herein

This certificate has been prepared in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016), issued by the Institute of Chartered Accountants of India ("**ICAI**") and Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable. The Guidance Note requires that we comply with the ethical requirement of the Code of Ethics issued by ICAI, as revised from time to time.

We have complied with the relevant applicable requirement of the Standard of Quality Control (SQC) 1, Quality Control for Firms that performs Audits and Reviews of Historical Financial Information, and Other Assurances and Related Service Engagements, issued by ICAI, as revised from time to time.

The contents of the enclosed **Annexure A** are based on information, explanations and representations obtained from

the Company and on the basis of our understanding of the business activities and operations of the Company and the same can be included in the draft shelf prospectus, shelf prospectus, tranche prospectus(es) and any other document prepared in relation to the Issue. ("**Issue Documents"**).

We confirm that the information in this certificate is true and correct and there is no untrue statement or omission which would render the contents of this certificate misleading in its form or context. This certificate has been issued at the request of the Company for use in connection with the Issue and the contents of this certificate, in full or in part, can be disclosed in the Issue Documents and other documents or materials in relation to the Issue and may accordingly be relied upon by the Lead Manager, intermediaries and legal counsel appointed in relation to the Issue and may be furnished as required to the Stock Exchange, SEBI, ROC or any other government / regulatory authorities as required by law and shared with and relied on as necessary by the advisors and intermediaries duly appointed in this regard.

We confirm that we will immediately inform the company and the Lead Manager to the Issue of any change, additions or deletions in respect of the matters covered in this certificate till the date when the NCDs commence trading on Stock Exchange. In absence of any such communication from us, the above information should be taken as updated information until commencement of trading of NCDs on the Stock Exchange.

We also agree to keep strictly confidential until such time as the proposed transaction is publicly announced by the Company in the form of press release, (i) the nature and scope of this transaction and (ii) our knowledge of the proposed transaction of the Company.

All capitalized terms used herein and not specifically defined shall have the same meaning as ascribed to them in the Issue Documents.

For **Saket Jain & Co.**
Chartered Accountants
Firm Registration No. 014685N

CA Ashish Jain
Partner
Membership No. 400599
UDIN – 26400599RFFWXU8140

Place: Agra
Date: July 16, 2026

Cc:

Legal Counsel to the Issue

Trilegal
One World Centre
10th Floor, Tower 2A & 2B,
Senapati Bapat Marg,
Lower Parel,
Mumbai - 400 013

Annexure A

(i) STATEMENT OF POSSIBLE TAX BENEFITS UNDER THE INCOME TAX ACT, 2025 AVAILABLE TO THE DEBENTURE HOLDER(S)

This Statement of Tax Benefits is prepared under the framework of the Income Tax Act, 2025, read with the Income Tax Rules, 2026 ("IT Rules 2026") and all applicable amendments introduced by the Finance Act, 2026, and is applicable for the Tax Year 2026-27 (corresponding to the period 1st April 2026 to 31st March 2027), relevant to the Assessment Year 2027-28 as per old legislation. The Income Tax Act, 2025 is a new legislation operative from 1st April 2026. Several provisions of the Act and the IT Rules, 2026 are subject to evolving judicial interpretation, and CBDT circulars/notifications clarifying the new provisions may be issued from time to time. This Statement is based on the provisions of the Act as they exist on the date of issue of Draft Prospectus .

The following tax benefits will be available to the debenture holders of the Company ("Debenture Holders") as per the existing provisions of law. The tax benefits are given as per the prevailing tax laws under the provisions of the IT Act 2025, as on date, taking into account the amendments made by the Finance Act, 2026, and may vary from time to time in accordance with amendments to the law or enactments thereto. The Debenture Holders are advised to consider the tax implications in respect of subscription to the Debentures after consulting his tax advisor as alternate views are possible.

The Income Tax Act, 2025 (the "IT Act") consolidates and replaces the Income-tax Act, 1961 with effect from 1st April 2026 (Tax Year 2026–27). The Act does not introduce new taxes or fresh levies but restructures, simplifies, and codifies the existing tax framework. Key structural changes relevant to this Statement include:

Feature	**Income Tax Act, 1961**	**Income Tax Act, 2025**
Operative period	Previous Year	Tax Year
TDS framework	Sec. 190–206CCA	Sections 390–397 read with Section 393 (Master TDS Table)
Deductions	Chapter VI-A (Sec. 80C–80U)	Chapter VIII(Section 123-154), Schedule XV
Exemptions	Section 10 (clauses 1–48)	Schedule V
Capital Gains — MLDs	Section 50AA	Section 76
Return of Income	Section 139	Section 263
Compliance/Reporting	Section 206A	Section 397
Non-residents — Special Rates	Sections 115AC, 115ACA, 196B	Sections 193, 209,393(2)

(ii) IMPLICATIONS UNDER THE INCOME TAX ACT, 2025:

I. RELEVANT ASPECTS APPLICABLE TO THE RESIDENT INDIVIDUALS

A. <u>Interest on Debentures (NCDs)</u>

1. Interest on NCD received by Debenture Holders would be subject to income tax at the normal rates of tax in accordance with and subject to the provisions of the IT Act. Interest will be assessed to Income tax on receipt basis or mercantile basis (accrual basis) depending on the method of accounting regularly employed by the NCD holders under Section 276 of the IT Act.

2. Rates of Tax on Interest Income

Interest income from NCDs shall be included in the total income of the debenture holder and taxed at the applicable slab rates as prescribed in the First Schedule to the Finance Act, 2026, as follows:

Default Tax Regime (Applicable for Tax Year 2026–27):

The IT Act, 2025, through Section 202 read with the Finance Act, 2026, provides for a rationalized default tax regime. All individual/HUF taxpayers are subject to this regime unless they opt out in accordance with the prescribed procedure. All individual/HUF taxpayers are subject to this regime unless they opt out in accordance with the prescribed procedure

Note on Tax Rebate: Under Section 156 of the IT Act, 2025 (corresponding to Section 87A of the repealed Act), as amended by the Finance Act, 2026, a resident individual with total income not exceeding ₹12,00,000 is entitled to a

full rebate of tax payable (making the effective tax liability NIL up to ₹12,00,000 under the default regime). This rebate is not available on income subject to special rates (such as capital gains under specific sections of the Act).

3. Under the IT Act, 2025, Tax Deduction at Source is governed by Chapter XIX — Collection and Recovery of Tax, comprising Sections 390 to 397, read with Section 393 (the Master TDS Table). Section 390 of the Act (corresponding to Section 190 of the repealed Act) stipulates the general framework for TDS and advance tax:

4. Income Tax is deductible at source at the rate of 10% on interest on debentures held by resident Indians as per the provisions of Section 393(1))[Table: Sl.No.5(i)] of the IT Act (in case where interest is paid to Individual or HUF, no TDS will be deducted where interest is paid is less than 10,000 and is paid by way of account payee cheque).

Further, Tax will be deducted at source at reduced rate, or no tax will be deducted at source in the following cases:

a) When the Assessing Officer issues a certificate on an application by a Debenture Holder on satisfaction that the total income of the Debenture holder justifies no/lower deduction of tax at source as per the provisions of Section 395 of the IT Act; and that a valid certificate is filed with the Company before the prescribed date of closure of books for payment of debenture interest;

b) When the resident Debenture Holder with Permanent Account Number ('PAN') (not being a company or a firm) submits a declaration as per the provisions of section 393(6) of the IT Act in the prescribed Form 121 verified in the prescribed manner to the effect that the tax on his estimated total income of the tax year in which such income is to be included in computing his total income will be NIL. However, under section 393(6) of the IT Act, Form 121 cannot be submitted nor considered for exemption from tax deduction at source if income in the nature referred to in sections , 393(1) (Table: Sl. No. 7), 393(3) (Table: Sl. No. 6), 392(7), Section 393(1)[Table: Sl.No.5(i)], Section 393(1)[Table: Sl.No.5(ii.D(a))], Section 393(1)[Table: Sl.No.5(ii.D(b))], Section 393(1)[Table: Sl.No.1(i)], Section 393(1)[Table: Sl.No.8(i)], Section 393(1)[Table: Sl.No.2(ii.D(a))], Section 393(1)[Table: Sl.No.2(ii.D(b))] or Section 393(1)[Table: Sl.No.4(i)] as the case may be or the aggregate of the amounts of such incomes credited or paid or likely to be credited or paid during the tax year in which such income is to be included exceeds the maximum amount which is not chargeable to income tax;

c) Senior citizens, who are 60 or more years of age at any time during the financial year, enjoy the special privilege to submit a self-declaration in the prescribed Form 121 for non-deduction of tax at source in accordance with the provisions of section 393(6) of the Act even if the aggregate income credited or paid or likely to be credited or paid exceeds the maximum amount not chargeable to tax, provided that the tax due on the estimated total income of the year concerned will be NIL; and

d) In all other situations, tax would be deducted at source as per prevailing provisions of the IT Act. Please find below the list of relevant class of resident investors and respective documents that would be required for granting TDS exemption:

SL No.	Class of Investors	Relevant Section which grants TDS exemption	Documents to be taken on record from Investors
1	Resident Individual or resident HUF	Claiming non-deduction or lower deduction of tax at source under Section 393(1)[Table: Sl.No.5(i)] of the IT Act, 2025	Form No.121 with PAN Certificate issued u/s 395 has to be filed with the Company. However, in case of NCD Holders claiming non-deduction or lower deduction of tax at source, as the case may be, the NCD Holder should furnish either (a) a declaration (in duplicate) in the prescribed form i.e. (i) Form 121

SL No.	Class of Investors	Relevant Section which grants TDS exemption	Documents to be taken on record from Investors

			(ii) a certificate, from the Assessing Officer which can be obtained by all applicants (including companies and firms) by making an application in the prescribed form i.e. Form No.128
2	Life insurance Corporation of India	Section 393(4)[Table: Sl.No.6(b)(i)]	Copy of Registration certificate
3	General Insurance Corporation of India, 4 companies formed under section 16(1) of General Insurance Business Act, 1972 and any company in which GIC and aforesaid 4 companies have full beneficial interest (100% shareholding)	Section 393(4)[Table: Sl.No.6(b)(ii)]	. Copy of Registration certificate . Copy of Registration certificate . Copy of shareholding pattern
4	Any other Insurer	Section 393(4) [Table: Sl.No.6(b)(iii)]	Copy of Registration certificate issued by IRDA
5	Mutual Funds	Section 393(5)(d) read with Section 11 and Schedule VII (Table Sl.No.20 & 21)	Copy of Registration certificate issued by SEBI / RBI and notification issued by Central Government
6	Government, RBI and corporation established under Central / State Act whose income is exempt from tax	Section 393(5)(a), (b) & (c)	In case of Corporation, Declaration that their income is exempt from tax with applicable provisions
7	Recognized Provident Funds, Recognized Gratuity Funds, Approved Superannuation Funds, Employees' State Insurance Fund etc.	Section 11 read with Schedule VII (Table Sl.No.22,23,24,26,27) & CBDT Circular - 18/2017	Copy of Registration and Recognition certificate issued by relevant statutory authorities and income-tax authorities and Declaration from the funds that their income is exempt u/s 11 read with Schedule VII.(Table Sl.No.22,23,24,26,27)
8	New Pension System Trust	Section 11 read with Schedule VII (Table Sl.No.41) read with Section 393(5)(c) and CBDT Circular – 18/2017	Relevant Registration certificate issued to NPS Trust under section Indian Trusts Act, 1882
9	Other entities like Local authority, Regimental Funds, IRDA etc.	Section 11 read with Schedule III (Table Sl.No.22) etc. read with CBDT Circular - 18/2017	Declaration that they fall within the relevant income-tax section and eligible for income-tax exemption on their income
10	Alternative Investment Funds (Category I and II)	Section 393(4)[Table: Sl.No.6(a)(ii)]	Copy of Registration certificate issued by SEBI

B. <u>In respect of Capital Gains</u>

Long Term Capital Gain

Under 2(67) read with section 2(101) of the IT Act, listed Debentures held as Capital Asset as defined under section 2(22) of the IT Act is treated as long term capital asset if it is held for more than 12 Months. Debentures held as capital asset for a period of 12 Months or less will be treated as short term capital asset.

Long Term Capital Gain for listed debentures will be chargeable to tax under Section 197 of the IT Act at the rate of 12.50% (plus applicable surcharge and education cess). No indexation benefit is available for debentures.

In case of an individual or HUF, being a resident, where the total income as reduced by such long-term capital gains is below the maximum amount which is not chargeable to income-tax, then, such long-term capital gains shall be reduced by the amount by which the total income as so reduced falls short of the maximum amount which is not chargeable to income-tax and the tax on the balance of such long-term capital gains shall be computed at the rate mentioned above.

1. **Short Term Capital Gains**

Listed Debentures held as capital asset under Section 2(22) of the IT Act for a period of not more than 12 months would be treated as Short term capital asset under Section 2(101) of the IT Act. Short Term Capital Gains on transfer of NCD will be taxed at the normal rates of tax in accordance with the provisions of the IT Act. The benefit of maximum amount not chargeable to tax shall also be available in relation to such short term capital gains.

2. **Capital Loss on transfer of Debentures.**

As per Section 111 of the IT Act, short-term capital loss on transfer of debentures suffered during the year is allowed to be set-off against short-term as well as long-term capital gains of the same year. Balance loss, if any could be carried forward for eight years for claiming set-off against subsequent years' short term as well as long-term capital gains.
Long-term capital loss on debentures suffered during the year is allowed to be set-off only against long-term capital gains of the same year. Balance loss, if any, could be carried forward for eight years solely for claiming set-off against subsequent year's long-term capital gains.

3. **Exemption available for Individuals and HUF for Long Term Capital gains u/s 86 of the IT Act.**

As per the provisions of Section 86 of the IT Act, any long-term capital gains on transfer of a long term capital asset(not being a residential house) arising to a Debenture Holder who is an individual or Hindu Undivided Family, is exempt from tax if the entire net sales consideration is utilized, within a period of one year before, or two years after the date of transfer, in purchase of a residential house in India, or for construction of residential house in India within three years from the date of transfer subject to conditions. If part of such net sales consideration is invested within the prescribed period in a residential house, then such gains would be chargeable to tax on a proportionate basis. This exemption is available, subject to the conditions specified in Section 86 of the Act.

C. <u>Provisions relating to Business Income</u>

In case the Debentures are held as stock in trade by the debenture holder, the income/loss from transfer of debentures would be taxed as Income from Business. Such income is to be computed in accordance with the Income Computation and Disclosure Standard VIII, which is notified by the Ministry of Finance, Government of India under Section 276(2) of the IT Act. Where debentures are held as stock in trade and unpaid interest has accrued before acquisition of Debentures and is included in the price paid for the Debentures, subsequent receipt of interest is to be allocated between pre-acquisition and post-acquisition periods, the pre-acquisition portion of the interest is reduced from the actual cost and is to be treated as interest. In the case of Debentures held by Scheduled Bank and Public Financial Institutions, income is to be recognized in accordance with the guidelines issued by the Reserve Bank of India in this regard.

D. <u>Transfer of Debentures without consideration or inadequate consideration.</u>

As per section 92(2)(m) of the IT Act, except in cases which are specifically exempted under this clause (such as gift received from relative as defined under the section), where the debentures are received without consideration where the aggregate market value of all gifts received exceeds ₹50,000/- the aggregate market value of the debentures shall be taxable as income in the hands of the recipient. Similarly, if debentures are received for inadequate consideration, the shortfall in the consideration will

be treated as income of the recipient subject to the provisions contained in section 92(2)(m) of the IT Act. There is no gift tax for the Donor of the Debentures.

II. PROVISIONS APPLICABLE TO THE NON-RESIDENT DEBENTURE HOLDER.

A Non – Resident Indian has an option to be governed by Chapter XIII – E of the IT Act, subject to the provisions contained therein which are given in brief as under:

a) As per Section 214 of the IT Act, interest income from debentures acquired or purchased or subscribed to, in convertible foreign exchange will be taxable at 20% (plus applicable surcharge and cess), whereas long term capital gains on transfer of such Debentures will be taxable at 12.5% (plus applicable surcharge and cess of such capital gains without indexation of cost of acquisition. Short-term capital gains will be taxable at the normal rates of tax in accordance with and subject to the provisions contained in Section 214 of the Act.

b) As per Section 216 of the IT Act, it shall not be necessary for a non-resident Indian to file a return of income under Section 263(1)(a) of the IT Act, if his total income consists only of investment income as defined under Section 212 and/or long term capital gains earned on transfer of such investment acquired out of convertible foreign exchange, and the tax has been deducted at source from such income under the provisions of Chapter XIX-B of the IT Act in accordance with and subject to the provisions contained therein.

c) As per Section 213 of the IT Act no deduction in respect of any expenditure or allowance shall be allowed under any provisions of the IT Act in the computation of income of a non-resident Indian under Chapter XIII – E of the IT Act.

d) In accordance with and subject to the provisions of Section 218 of the IT Act, a Non-Resident Indian may opt not to be governed by the provisions of Chapter XIII – Eof the IT Act. In such a case, long term capital gains on transfer of listed debentures would be subject to tax at the rate of 12.5% computed without indexation of cost of acquisition.

e) Interest income and Short-term capital gains on the transfer of listed debentures, where debentures are held for a period of not more than 12 months preceding the date of transfer, would be taxed at the normal rates of tax in accordance with and subject to the provisions of the IT Act.

f) Where debentures are held as stock in trade, the income on transfer of debentures would be taxed as business income or loss in accordance with and subject to the provisions of the IT Act.

g) Under Section 393(2) (Table: Sl. No. 17) of the IT Act, the applicable rate of tax deduction at source is 10% on investment income and 12.5% on any long-term capital gains as per Section 214, and 30% for Short Term Capital Gains if the payee debenture Holder is a Non-Resident Indian.

h) The income tax deducted shall be increased by applicable surcharge and health and education cess. As per Section 111 of the IT Act, short-term capital loss on transfer of debentures suffered during the year is allowed to be set-off against short-term as well as long-term capital gains of the said year. Balance loss, if any could be carried forward for eight years for claiming set-off against subsequent years' short-term as well as long-term capital gains. Long-term capital loss on debentures suffered during the year is allowed to be set-off only against long-term capital gains. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent year's long-term capital gains.

i) As per Section 159(4) of the IT Act read with the Circular No. 728 dated October 30, 1995 issued by the Central Board of Direct Taxes, in the case of a remittance to a country with which a Double Tax Avoidance Agreement (DTAA) is in force, the tax should be deducted at the rate provided in the Finance Act of the relevant year or at the rate provided in the DTAA, whichever is more beneficial to the assessee. However, submission of tax residency certificate (TRC), is a mandatory condition for availing benefits under any DTAA. If the tax residency certificate does not contain the prescribed particulars as per CBDT Notification 57/2013 dated August 1, 2013, a self-declaration in Form 41 would need to be provided by the assessee along with TRC.

j) Alternatively, to avail non deduction or lower deduction of tax at source, as the case may be, the

Debenture Holder should furnish a certificate under Section 393(2) and 395(2) of the IT Act, from the Assessing Officer before the prescribed date of closure of books for payment of debenture interest.

k) In case the Debentures are held as stock in trade by the debenture holder, the income/loss from transfer of debentures would be taxed as Income from Business. Such income is to be computed in accordance with the Income Computation and Disclosure Standard VIII which is notified by the Ministry of Finance, Government of India under Section 276(2) of the IT Act. Where debentures are held as stock in trade and unpaid interest has accrued before acquisition of Debentures and is included in the price paid for the Debentures, subsequent receipt of interest is to be allocated between pre-acquisition and post-acquisition periods, the pre-acquisition portion of the interest is reduced from the actual cost and is to be treated as interest. In the case of Debentures held by Scheduled Bank, income is to be recognized in accordance with the guidelines issued by the Reserve Bank of India in this regard.

l) As per section 92(2)(m) of the IT Act, except in cases which are specifically exempted under this clause (such as gift received from relative as defined under the section), where the debentures are received without consideration where the aggregate market value of all gifts received exceeds Rs. 50,000/- the aggregate market value of the debentures shall be taxable as income in the hands of the recipient. Similarly, if debentures are received for inadequate consideration, the shortfall in the consideration will be treated as income of the recipient subject to the provisions contained in section 92(2)(m) of the IT Act. There is no gift tax for the Donor of the Debentures.

m) As per the provisions of Section 86 of the IT Act, any long-term capital gains on transfer of a long term capital asset(not being a residential house) arising to a Debenture Holder who is an individual or Hindu Undivided Family, is exempt from tax if the entire net sales consideration is utilized, within a period of one year before, or two years after the date of transfer, in purchase of a new residential house in India, or for construction of residential house in India within three years from the date of transfer subject to conditions. If part of such net sales consideration is invested within the prescribed period in a residential house, then such gains would be chargeable to tax on a proportionate basis. This exemption is available, subject to the conditions stated therein

III. PROVISIONS APPLICABLE TO THE FOREIGN INSTITUTIONAL INVESTORS/ FOREIGN PORTFOLIO INVESTORS (FIIs/ FPIs)

1. As per Section 2(22)(b) of the IT Act, any securities held by FIIs which has invested in such securities in accordance with the regulations made under the Securities and Exchange Board of India Act, 1992, shall be treated as capital assets. Accordingly, any gains arising from transfer of such securities shall be chargeable to tax in the hands of FIIs as capital gains.

2. In accordance with and subject to the provisions of Section 210 of the IT Act, long term capital gains on transfer of debentures by FIIs are taxable at 12.5% (plus applicable surcharge and cess) and short -term capital gains are taxable at 30% (plus applicable surcharge and cess). The benefit of cost indexation will not be available. Further, benefit of provisions of the first proviso of Section 72 of the IT Act will not apply.

3. Further, in case where section 393(2) is not applicable, the interest income earned by FIIs/FPIs should be chargeable to tax at the rate of 20% under section 210 of the IT Act. Tax shall be deducted u/s. 393(2) Table: Sl. No. 15) of the IT Act on such income at 20%. Where DTAA is applicable to the payee, the rate of tax deduction shall be lower of rate as per DTAA or 20%, subject to the conditions prescribed therein.

4. Section 393(2) (Table: Sl. No. 16) in the IT Act provides for a withholding tax at the rate of 10% on payment by way of interest paid by an Indian Company to FIIs and Qualified Foreign Investor. Interest paid shall be subject to tax at the rate of 20% (excluding applicable surcharge and cess) subject to availability of DTAA benefits.

5. The income tax deducted shall be increased by applicable surcharge and health and education cess.

6. The CBDT has issued a Notification No. 9 dated 22 January 2014 which provides that Foreign Portfolio Investors (FPI) registered under SEBI (Foreign Portfolio Investors) Regulations, 2014 shall be treated as FII for the purpose of Section 210 of the IT Act.

IV. MUTUAL FUNDS

All mutual funds registered under Securities and Exchange Board of India or set up by public sector banks or public financial institutions or authorized by the Reserve Bank of India are exempt from tax on all their income, including income from investment in Debentures with the provisions of Schedule VII of the IT Act and the contained therein. Further, as per the provisions of section 393(5) of the IT Act, no tax shall be deducted at source by any person from any sums payable to mutual funds specified under Schedule VII of the IT Act, where such sum is payable to it by way of interest or dividend in respect of any securities or shares owned by it or in which it has full beneficial interest, or any other income accruing or arising to it.

V. TO SPECIFIED FUNDS ("SPECIFIED FUND" AS DEFINED UNDER SCHEDULE VI OF THE IT ACT)

The income of Specified Funds is taxable for the year beginning April 1, 2020, to the extent attributable to units held by non-resident (not being a permanent establishment of a non-resident in India), and in accordance with and subject to the provisions of Section 210 of the IT Act, as under:

a) The interest income earned are chargeable to tax at the rate of 10%;

b) long term capital gains on transfer of debentures to the specified extent are taxable at 10% (benefit of provisions of the first proviso of section 72 of the IT Act will not apply); and

c) Short-term capital gains are taxable at 30%.

Further, where any income in respect of NCD is payable to Specified Funds, tax shall be deducted at the rate of 10% on the income other than exempt under Schedule VI as per Section 393(2) (Table: Sl. No. 16) of the IT Act.

The income tax deducted shall be increased by applicable surcharge and health and education cess.

VI. REQUIREMENTS TO FURNISH PAN/FILING OF RETURNS UNDER THE IT ACT

1. SEC. 397(2)(a):

Section 397(2)(a) requires every person from whom income tax has been deducted at source under chapter XIX – B of the IT Act to furnish his PAN to the person responsible for deduction of tax at source.

2. SEC. 262(6):

Section 262(6) of the Income Tax Act provides that every individual who has been allotted a permanent account number (PAN) as on the 1st day of July, 2017, and who is eligible to obtain an Aadhaar number, shall intimate his Aadhaar number in the prescribed form and manner. In case of failure to link Aadhaar with PAN, the permanent account number allotted to the person shall be made inoperative after the prescribed date.

3. SEC. 397(2)(b):

a) Section 397(2)(b) of the IT Act requires every person entitled to receive any sum, on which tax is deductible under Chapter XVIIB ('deductee') to furnish his PAN to the deductor, failing which tax shall be deducted at the higher of the following rates:

(i) at the rate specified in the relevant provision of the IT Act; or
(ii)at the rate or rates in force; or
(iii) at the rate of twenty per cent.

b) A declaration under Section 393(6) shall not be valid unless the person furnishes his PAN in such declaration and the deductor is required to deduct tax as per Para (a) above in such a case.

c) Where a wrong PAN is provided, it will be regarded as non-furnishing of PAN and Para (a) above will apply.

d) As per Rule 217, higher rate under section 397(2)(b) shall not apply to a non resident, not being a company, or to a foreign company, in respect of payment of interest, if the non-resident deductee furnishes the prescribed details inter alia TRC and Tax Identification Number (TIN).

(iii) NOTES FORMING PART OF STATEMENT OF TAX BENEFITS

1. The above Statement sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of debenture/bonds.

2. The above statement covers only certain relevant benefits under the IT Act and does not cover benefits under any other law.

3. The above statement of possible tax benefits is as per the current direct tax laws relevant for the Tax Year 2026-2027 and taking into account the amendments made by the Finance Act, 2026. The IT Act, 2025 is a new legislation operative from 1st April 2026. CBDT is expected to issue further circulars, notifications, and FAQs clarifying various provisions of the new Act. This Statement should be reviewed for continuing accuracy in light of any such further guidance.

4. This statement is intended only to provide general information to the Debenture Holders and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each debenture Holder is advised to consult his/her/its own tax advisor with respect to specific consequences of his/her/its holding in the debentures of the Company.

5. Several of the above tax benefits are dependent on the debenture holders fulfilling the conditions prescribed under the relevant tax laws and subject to Chapter X of the IT Act. Further, the issuer company may decide on practices to be followed with respect to TDS exemptions, thresholds for accepting documents for lower / nil deduction of tax at source or with respect to such other matters, based on Income Tax law and practice.

6. The stated benefits will be available only to the sole/ first named holder in case the debenture is held by joint holders.

7. In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the relevant tax treaty, if any, between India and the country in which the non-resident has fiscal domicile. In respect of non-residents, taxes paid in India could be claimed as a credit in accordance with the provisions of the relevant tax treaty and applicable domestic tax law. Non-resident investors claiming DTAA benefits must comply with the Principal Purpose Test (PPT) and other anti-avoidance provisions under Chapter XI of the IT Act, 2025. The availability of DTAA benefits is subject to specific facts of each non-resident investor.

8. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

SECTION IV – ABOUT OUR COMPANY

INDUSTRY OVERVIEW

The information under this section has been derived and extracted from the report titled "Consumer Lending Industry" dated July 15, 2026, prepared by Infomerics Analytics and Research in an "as is where is basis" and the industry and third-party related information in this section has not been independently verified by us, the Lead Manager, or any of our or their respective affiliates or advisors. The information may not be consistent with other information compiled by third parties within or outside India. Industry sources and publications generally state that the information contained therein has been obtained from sources it believes to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured. Industry and Government publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry and Government sources and publications may also base their information on estimates, forecasts and assumptions which may prove to be incorrect. Accordingly, investment decisions should not be based on such information. Figures used in this section are presented as in the original sources and have not been adjusted, restated or rounded off for presentation in this Draft Shelf Prospectus. The recipient should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction. The information in this section must be read in conjunction with "*Risk Factors*" and "*Our Business*" on pages 16 and 122, respectively.

1. Global Macroeconomic Scenario

1.1. Global GDP Growth Scenario

As per the IMF's World Economic Outlook (WEO) published in April 2026, the global economy is projected to experience a deceleration in growth, with global GDP expanding by 3.4% in CY 2025 and moderating to 3.1% in CY 2026. This slowdown is attributed to heightened geopolitical disruptions, particularly the outbreak of war in the Middle East and associated disruptions to energy production and transit through the Strait of Hormuz, alongside persistent trade-related frictions and elevated uncertainty. While global growth in CY 2025 was supported by technology-led investment, accommodative financial conditions, and reduced tariff pressures, these tailwinds are expected to be partly offset in CY 2026 by higher commodity prices, tighter financial conditions, and weakening external demand.

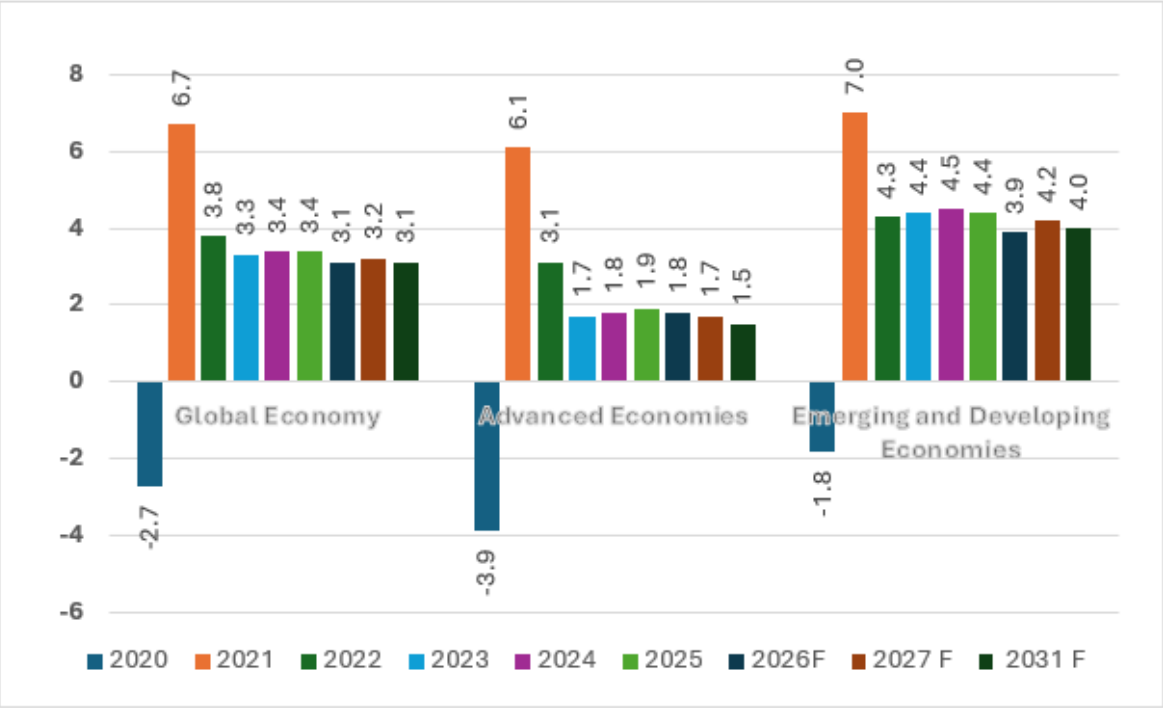
Global headline inflation stood at 4.1% in CY 2025 and is projected to rise to 4.4% in CY 2026, reflecting the inflationary effects of the energy shock, second-round pricing pressures, and renewed risks of inflation expectations becoming less anchored. Rising oil and natural gas prices, coupled with supply-side disruptions, are expected to place upward pressure on energy-intensive goods, transportation, and food costs. At the same time, global trade growth is expected to remain subdued amid trade fragmentation, geopolitical tensions and supply chain realignments, despite continued resilience in technology-related trade flows.

In China, economic prospects remain constrained, with GDP growth at around 5.0% in CY 2025 and projected to remain subdued in CY 2026 at 4.4%, reflecting continued weakness in the property sector, fragile domestic demand and pressures from shifting trade dynamics, although export performance and technology-linked sectors have provided some support. In Europe, growth conditions remain weak, with Germany facing stagnation amid industrial weakness, fiscal constraints, and trade disruptions while broader European growth remains vulnerable to energy-related shocks and geopolitical spillovers.

Meanwhile, India continues to demonstrate resilience, with real GDP growth at 7.6% in CY 2025 and the IMF projecting growth of 6.5% in CY 2026, supported by strong domestic demand, resilient rural consumption, sustained public infrastructure spending and continued investment momentum. Consumer price inflation is expected to remain broadly contained within the Reserve Bank of India's target range, supporting macroeconomic stability and household purchasing power.

Overall, while growth in CY 2025 remained supported by resilience across major economies, the outlook for CY 2026 has weakened amid rising geopolitical risks, energy market disruptions, and persistent global uncertainty. India's relative macroeconomic stability, strong domestic growth drivers, and ongoing investment cycle position it favourably amid global headwinds.

1.2. Historical GDP Growth Trends



F – Forecast, Source – IMF World Economic Outlook April 2026
Note: Advanced Economies and Emerging & Developing Economies are as per the classification of the World Economic Outlook (WEO). This classification is not based on strict criteria, economic or otherwise, and it has evolved over time. It comprises of 40 countries under the Advanced Economies including the G7 (the United States, Japan, Germany, France, Italy, the United Kingdom, and Canada) and selected countries from the Euro Zone (Germany, Italy, France etc.). The group of emerging market and developing economies (156) includes all those that are not classified as Advanced Economies (India, China, Brazil, Malaysia etc.)

The global economy began recovering from its lowest levels following the easing of pandemic-related lockdowns in CY 2020 and CY 2021. The pandemic-induced disruption severely affected economic activity, resulting in a contraction of -2.7% in global GDP in CY 2020, with advanced economies contracting more sharply by -3.9%, while emerging and developing economies declined by -1.8%.

In CY 2021, global growth rebounded strongly to 6.7%, driven by reopening-led recovery, fiscal stimulus, and pent-up demand. Advanced economies grew by 6.1%, supported by policy stimulus and vaccination progress, while emerging and developing economies recorded stronger growth of 7.0%.

Global economic activity moderated in CY 2022, with growth slowing to 3.8%, as elevated inflation and monetary tightening weighed on demand. Advanced economies expanded by 3.1%, while emerging and developing economies grew by 4.3%.

Growth softened further to 3.3% in CY 2023, reflecting the lagged impact of tighter financial conditions and weaker trade momentum. Advanced economies recorded slower growth of 1.7%, while emerging and developing economies remained relatively resilient at 4.4%.

In CY 2024, global growth remained stable at 3.4%, supported by easing inflation and improved supply chain conditions. However, advanced economies slowed to 1.8%, while emerging and developing economies grew by 4.5%, highlighting continued divergence.

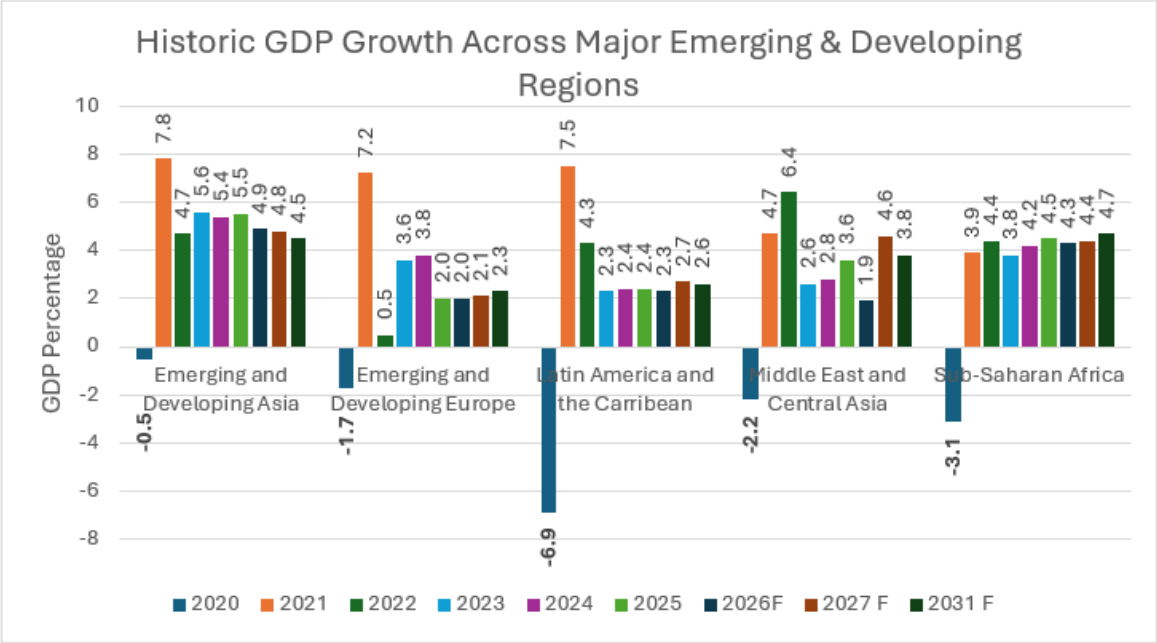
In CY 2025, global GDP growth stood at 3.4%, indicating relative stability compared to the previous year despite ongoing geopolitical tensions and structural challenges. Advanced economies expanded by 1.9%, while emerging and developing economies maintained stronger growth at 4.4%.

Global growth is projected to remain steady at 3.1% in CY 2026, supported by resilient demand and investment trends, although risks from geopolitical disruptions and commodity price volatility persist. Advanced economies are expected to grow at 1.8%, while emerging and developing economies are projected at 3.9%.

Over the medium term, global growth is expected to moderate slightly to 3.2% in CY 2027 and 3.1% by CY 2031. Advanced economies are forecast to grow at 1.7% in CY 2027 and 1.5% by CY 2031, while emerging and developing economies are projected at 4.2% and 4.0%, respectively, reflecting structural constraints alongside continued resilience in developing markets.

1.3. GDP Growth Across Major Regions

GDP growth across major global regions—including Europe, Latin America & the Caribbean, Middle East & Central Asia, and Sub-Saharan Africa—continues to display varied trajectories. While some regions are stabilizing post-pandemic, others remain challenged by structural and cyclical issues. The global outlook presents a mixed scenario, with emerging economies continuing to outperform advanced economies.



Source-IMF World Economic Outlook April 2026 update.

In Emerging and Developing Asia, growth stood at 5.5% in CY 2025 and is projected to moderate to 4.9% in CY 2026 and 4.8% in CY 2027, before easing further to 4.5% by CY 2031. The moderation reflects weaker external demand, trade-related uncertainty, and spillovers from slower growth in China, partly offset by resilience in domestic demand across major economies, with India continuing to act as a key growth driver.

Emerging and Developing Europe recorded growth of 2.0% in CY 2025 and CY 2026, improving marginally to 2.1% in CY 2027 and 2.3% by CY 2031. The region continues to face structural manufacturing weakness, geopolitical spillovers and subdued external demand, although gradual stabilization in trade and domestic demand is expected to support recovery.

For Latin America and the Caribbean, growth stood at 2.4% in CY 2025, moderating to 2.3% in CY 2026 and improving to 2.7% in CY 2027, before easing to 2.6% by CY 2031. The modest outlook reflects weak productivity trends, fiscal constraints, and subdued external demand, partially supported by improving macroeconomic stability and policy credibility.

In the Middle East and Central Asia, growth stood at 3.6% in CY 2025, declining sharply to 1.9% in CY 2026 before recovering to 4.6% in CY 2027 and moderating to 3.8% by CY 2031. This volatility reflects geopolitical disruptions, particularly conflicts affecting energy markets, alongside fluctuations in commodity prices and regional uncertainty.

Sub-Saharan Africa recorded growth at 4.5% in CY 2025 and is projected to moderate slightly to 4.3% in CY 2026 and improving to 4.4% in CY 2027, with further strengthening to 4.7% by CY 2031. Growth is supported by improving domestic demand and supply conditions, although structural constraints, high debt levels and commodity price volatility continue to pose risks.

Overall, while regional growth trajectories remain uneven, emerging and developing economies are expected to continue outperforming advanced economies, supported by relatively stronger domestic demand and favourable demographics. However, disparities persist due to structural challenges, geopolitical tensions, and commodity market volatility.

1.4. Global Economic Outlook

At the current juncture in CY 2026, the global economy continues to exhibit mixed performance, with divergence in outcomes across regions driven by differences in growth dynamics, inflation trends, geopolitical exposure, and policy responses. While the global economy had shown resilience through technology-led investment, accommodative financial conditions, and reduced tariff pressures, the broader outlook has weakened due to the outbreak of conflict in the Middle East, disruptions in energy markets, and elevated geopolitical risks. Structural headwinds, including tighter financial conditions, geoeconomic fragmentation, and subdued productivity growth, continue to keep global growth below historical averages.

The United States continues to demonstrate relative resilience among advanced economies, though growth is moderating as the economy absorbs the lagged effects of prior policy tightening and softer labour market conditions. Across advanced economies, growth is projected at 1.8% in CY 2026, constrained by weak industrial activity, lower productivity growth, and cautious business investment. In Europe, growth conditions remain subdued, with persistent manufacturing weakness, energy-related uncertainties, and weak external demand weighing on activity, although gradual monetary easing and fiscal support may provide some stabilization.

In China, growth prospects remain constrained by continued property sector stress, weak domestic demand, and changing trade dynamics, although export-oriented sectors and technology-linked investment continue to provide support. In contrast, India remains among the strongest-performing major economies, with GDP growth projected at 6.5% in CY 2026, supported by resilient domestic demand, sustained infrastructure investment, digitalisation, and structural reforms. Broader Emerging and Developing Asia continues to outperform other regions, although growth is moderating amid weaker global trade momentum.

In Latin America and the Caribbean, growth remains modest amid fiscal constraints, weak productivity trends, and subdued external demand, although improving macroeconomic management in some economies provides support. Sub-Saharan Africa is expected to see gradual strengthening supported by improving supply conditions and domestic demand recovery, while the Middle East and Central Asia face a more volatile outlook due to direct spillovers from conflict-related disruptions and uncertainty in commodity markets. The impact of energy supply risks, including disruptions related to the Strait of Hormuz, has increased downside risks for commodity-importing economies and vulnerable emerging markets.

Globally, inflation dynamics have become more challenging. Global headline inflation is projected to rise to 4.4% in CY 2026 from 4.1% in CY 2025, reflecting the inflationary effects of higher energy prices, supply-side disruptions, and second-round pressures. Central banks

are therefore expected to remain vigilant, with policy responses remaining cautious and data dependent. While monetary easing had been expected to support demand, renewed inflation risks may delay or moderate the pace of policy normalization in several economies.

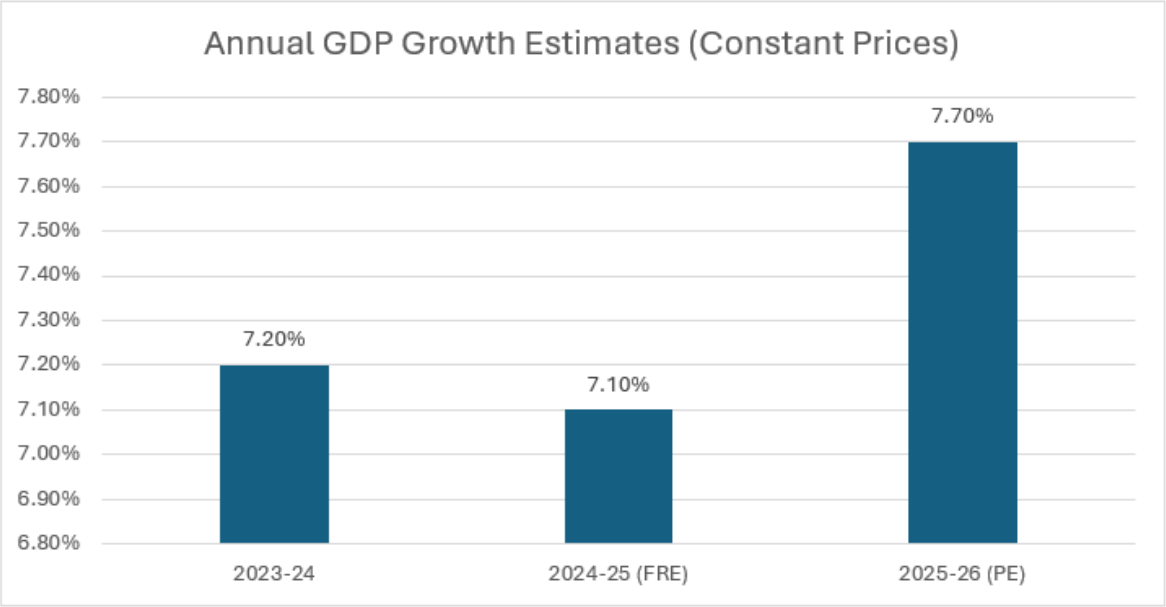
Looking ahead, the medium-term outlook remains one of slower but stable growth, with global GDP projected at 3.2% in CY 2027 and 3.1% by CY 2031, below the long-term historical average. Advanced economies are expected to remain on a structurally lower growth path, while emerging and developing economies continue to provide the primary engine of global growth. Future prospects will depend significantly on the evolution of geopolitical tensions, the normalization of energy markets, progress in restoring trade stability, and the extent to which productivity gains from technological innovation, including artificial intelligence, translate into broader economic growth. The IMF also highlights that structural reforms, multilateral coordination, and strengthened macroeconomic resilience will be critical to sustaining growth momentum over the medium term.

Overall, while the global economy remains resilient, the outlook has become more fragile amid elevated downside risks. Growth in CY 2026 and beyond is expected to remain below historical averages, shaped by geopolitical uncertainty, tighter financial conditions, and structural constraints, although emerging economies—particularly India and broader Asia—continue to provide relative support to global growth.

2. *India's Macroeconomic Scenario*

2.1. Gross Domestic Product (GDP)

According to the latest Provisional Estimates by MOSPI, GOI (05 June 26), Real GDP has been estimated to grow by 7.7% in FY 2025-26. Nominal GDP has witnessed a growth of 8.9%. Real GDP or GDP at Constant Prices is estimated to attain a level of INR 323.12 lakh crore in the FY 2025-26, against the First Revised Estimate (FRE) of GDP for the year 2024-25 of INR 299.89 lakh crore.



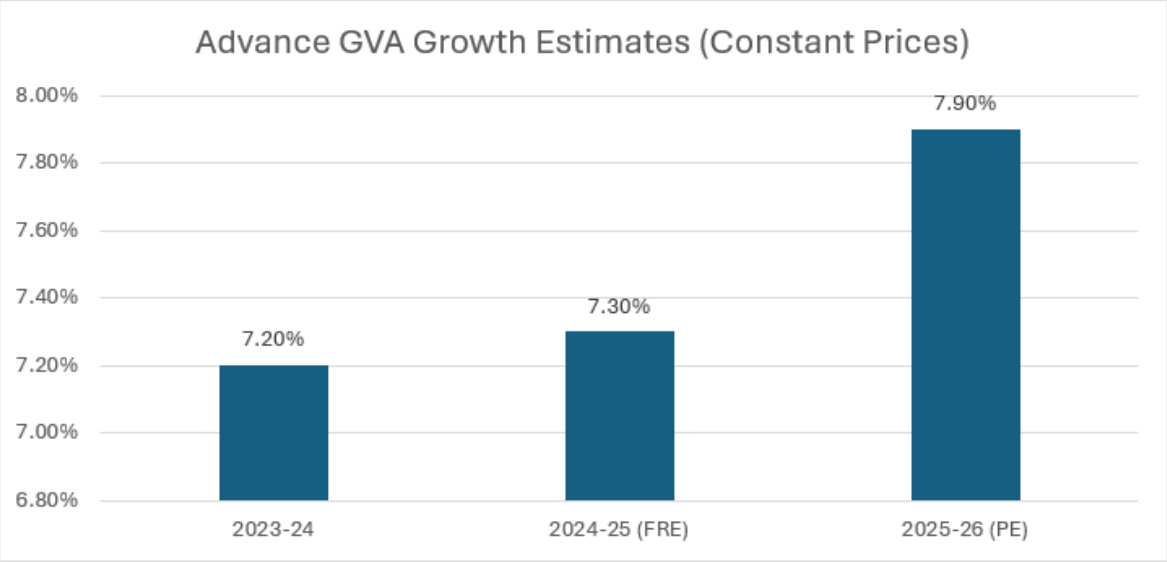
Note: FRE - First Revised Estimates; PE – Provisional Estimate
Source: New Series of Gross Domestic Product (GDP) Estimates with Base Year 2022-23 by MOSPI, PIB Press Release dated 05 June 2026).

According to the International Monetary Fund (IMF) World Economic Outlook Database (April 2026), India is estimated to be the sixth-largest economy in the world in 2026, with a Gross Domestic Product (GDP) of approximately USD 4.15 trillion at current prices. India's ranking reflects the latest national accounts data, including the revised GDP series released by the Government of India, which changed the base year from FY 2011-12 to FY 2022-23. India's position in the global ranking is influenced by the revised GDP estimates and the depreciation of the Indian Rupee against the U.S. Dollar.

The economies ranked ahead of India are the United States (USD 32.38 trillion), China (USD 20.85 trillion), Germany (USD 5.45 trillion), Japan (USD 4.38 trillion), and the United Kingdom (USD 4.26 trillion).

2.2. Gross Value Added (GVA)

According to the Provisional Estimate of GDP for 2025-26 by MOSPI, Govt. of India (GoI), Real GVA is estimated at INR 294.91 lakh crore in the year 2025-26, against INR 273.36 lakh crore in FY 2024-25, registering a growth rate of 7.9% as compared to 7.3% growth rate in 2024-25. Nominal GVA is estimated to attain a level of INR 314.87 lakh crore during FY 2025-26, against INR 288.54 lakh crore in 2024-25, showing a growth rate of 9.1%.



Note: FRE - First Revised Estimates; PE – Provisional Estimate
Source: New Series of Gross Domestic Product (GDP) Estimates with Base Year 2022-23 by MOSPI, PIB Press Release dated 05 June,2026)

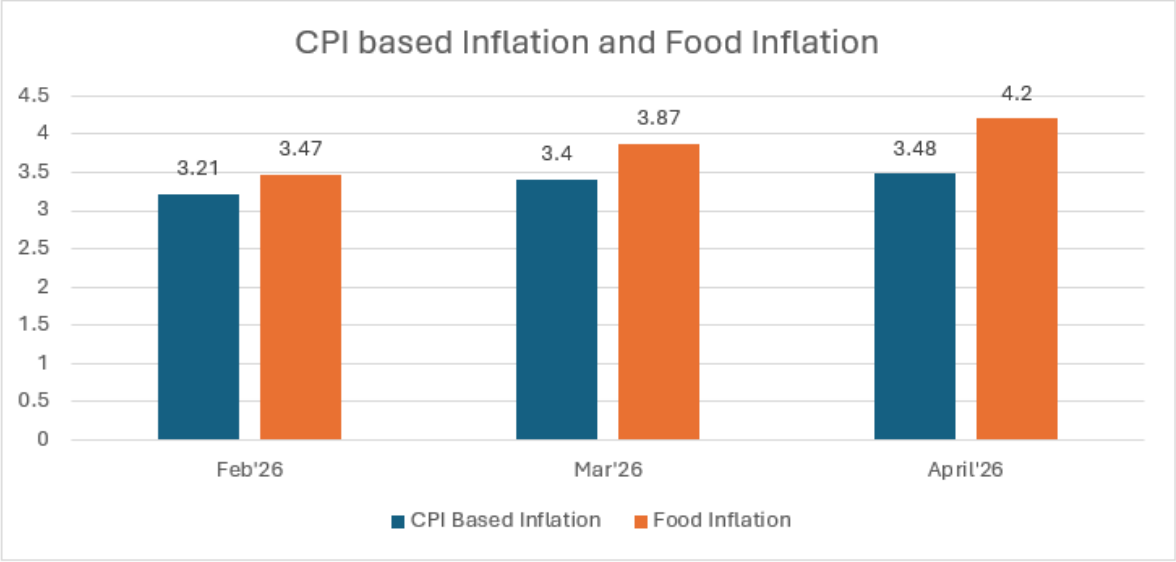
Major Highlights:

- Real GDP has been estimated to grow by 7.7% in FY 2025-26. Nominal GDP has witnessed a growth of 8.9%.
- Real and Nominal GVA has been assessed to grow by 7.9% and 9.1% respectively in FY 2025-26.
- Secondary and Tertiary sector have boosted the performance of the economy by registering growths of 8.8% and 9.3% respectively at Constant prices.
- The Primary sector has observed 3.2% growth rate mainly driven by the performance of Agriculture and Fishery sectors.
- Manufacturing', 'Trade, Repair, Hotels, Transport, Communication & Services related to Broadcasting, Storage' and 'Financial, Real Estate & Professional Services' sectors have attained double-digit growth at both Constant and Current Prices in FY 2025-26.
- On the Expenditure- side, both the Private Final Consumption Expenditure (PFCE) and Gross Fixed Capital Formation (GFCF) have exhibited more than 7.5% growth rate in FY 2025-26.
- In the Q4 of FY 2025-26, Real GDP has been estimated to grow by 7.8% in FY 2025-26. Nominal GDP has observed a growth of 9.1%.
- Real and Nominal GVA has been assessed to grow by 7.9% and 9.9% respectively in Q4 of FY 2025-26.
- Secondary and Tertiary sector have been the major driver for the Real and Nominal GVA growths of 7.9% and 9.9% respectively in Q4 of FY 2025-26.
- GFCF has recorded 10.8% growth rate and PFCE has witnessed 7.1% growth at Constant prices in the Fourth quarter of FY 2025-26.

Source: MOSPI, Press Release, 05 June 2026, Govt. of India (GoI).

2.3. Consumer Price Index (CPI)

Year-on-year inflation rate based on All India Consumer Price Index (CPI) with base year 2024 for the month of April 2026 over April 2025 is 3.48%(Provisional). Corresponding inflation rates for rural and urban are 3.74% and 3.16%, respectively.



Source: MOSPI, GOI, 12 May 2026

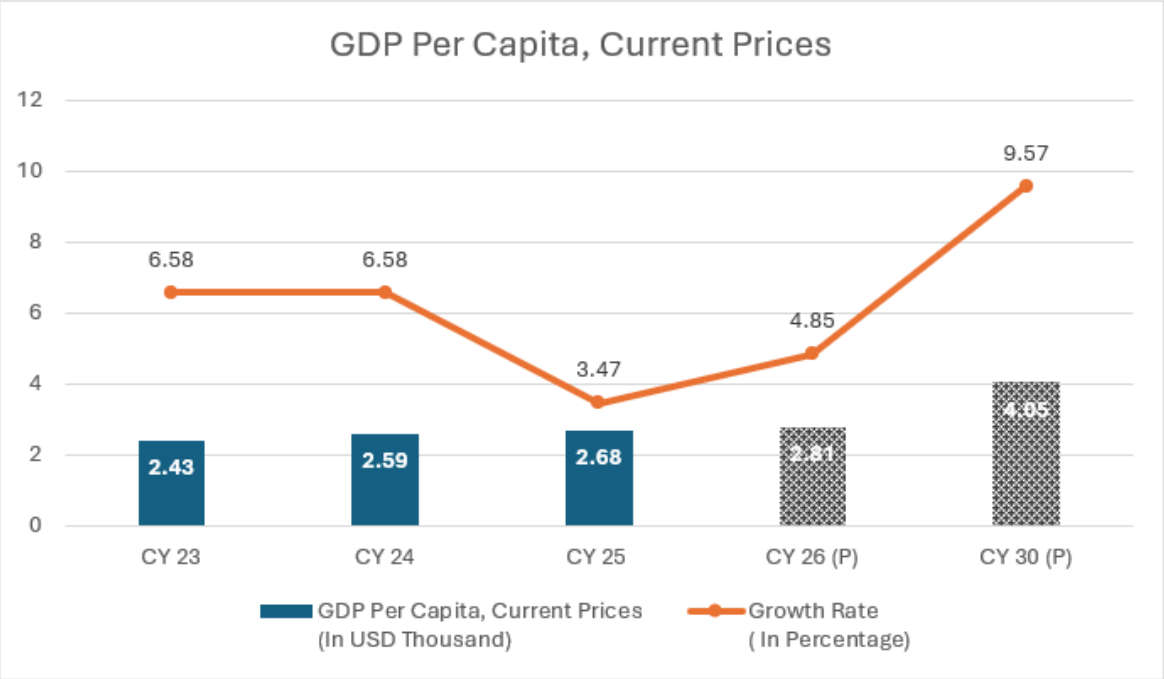
Top 5 key items with low inflation at All India combined level in May 2026 are given in table below:

S.No.	Item	Weight	Inflation (%) February, 2026	Inflation (%) January, 2026
1	Silver Jewellery	0.3127	160.84	160.12
2	Gold/Diamond/Platinum Jewellery	0.6230	48.16	46.80
3	Coconut: copra	0.0854	46.16	47.17
4	Tomato	0.4961	45.29	64.58
5	Cauliflower	0.2330	43.77	37.83

Source: "Press Release of Consumer Price Index on Base 2024=100, MOSPI, GOI.

2.4. India Per Capita GDP Forecast

Per capita GDP growth for India is estimated at 9.57 % CAGR between FY 2026-FY 2030. Increased individual incomes are expected to create additional discretionary spending, which may be beneficial for the sector.



Note: E = Estimated, P = Projected
Source: IMF Data Mapper, World Economic Outlook April 2026, India, GDP Per Capita

2.5. Private Final Consumption Expenditure (PFCE)

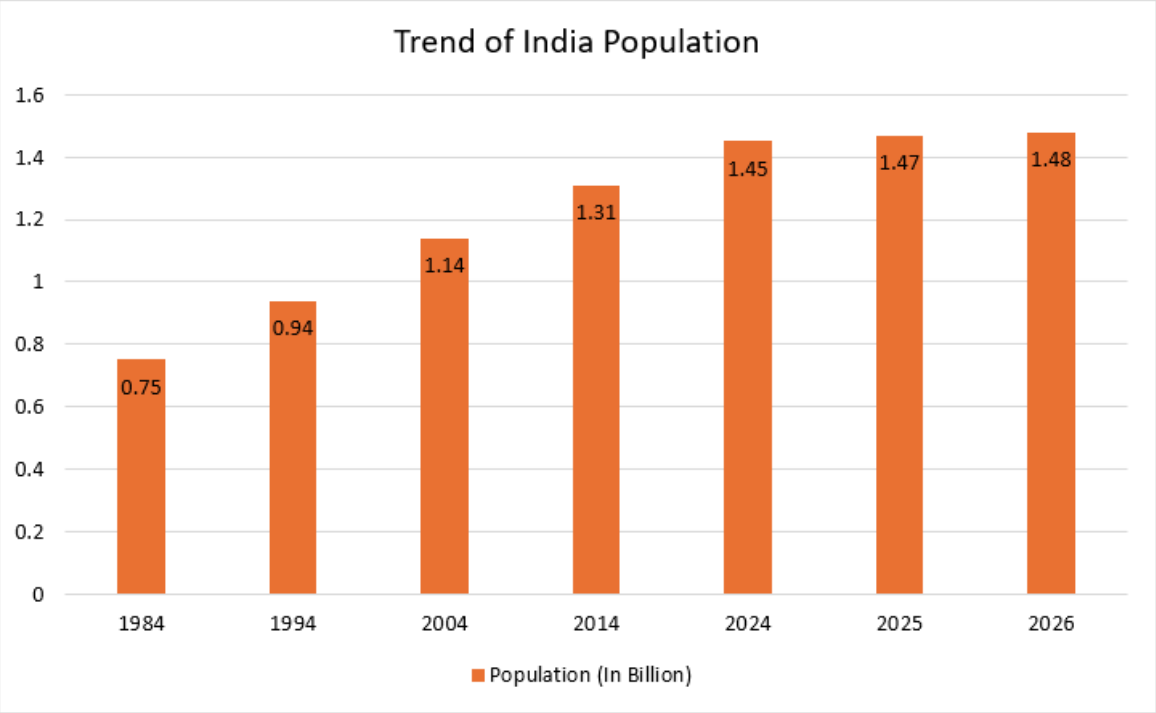
Private Final Consumption Expenditure (PFCE) represents the total spending by resident households on final consumption of goods and services, serving as a key indicator of consumer demand and overall economic well-being. It reflects the extent of household consumption and plays a crucial role in driving GDP growth. PFCE, at constant prices, accounted for 55.7% of GDP in FY2026 (same as FY2025). This marks a gradual moderation from 56.4% in FY2024 and 57.1% in FY2023, indicating a relative shift in the composition of economic growth. The decline is primarily attributable to higher changes in stocks (inventory build-up), which increased the share of investment components in GDP, even as household consumption continues to remain a key driver of the economy.

Source: - MOSPI, Press Note on New Series of GDP Estimates with Base Year 2022-23, Provisional Estimates of Annual Gross Domestic Product For 2025-26 released on June 05th, 2026.

2.6. Overview on Key Demographic Parameters

2.6.1. Population growth

India's economic trajectory and consumption dynamics are closely tied to its demographic shifts. India's population expanded from approximately 0.75 billion in 1984 to 1.47 billion in 2025 and is further reached around 1.48 billion in 2026, consolidating its position as the world's most populous nation. This sustained growth underlines the emergence of a vast labour force and consumer base, which is essential for driving long-term economic growth, supporting rising consumption demand, and strengthening the country's overall economic potential.



Source: World Bank Database. Population Data 2026 - Worldometer, IMF, Infomerics Analytics & Research.

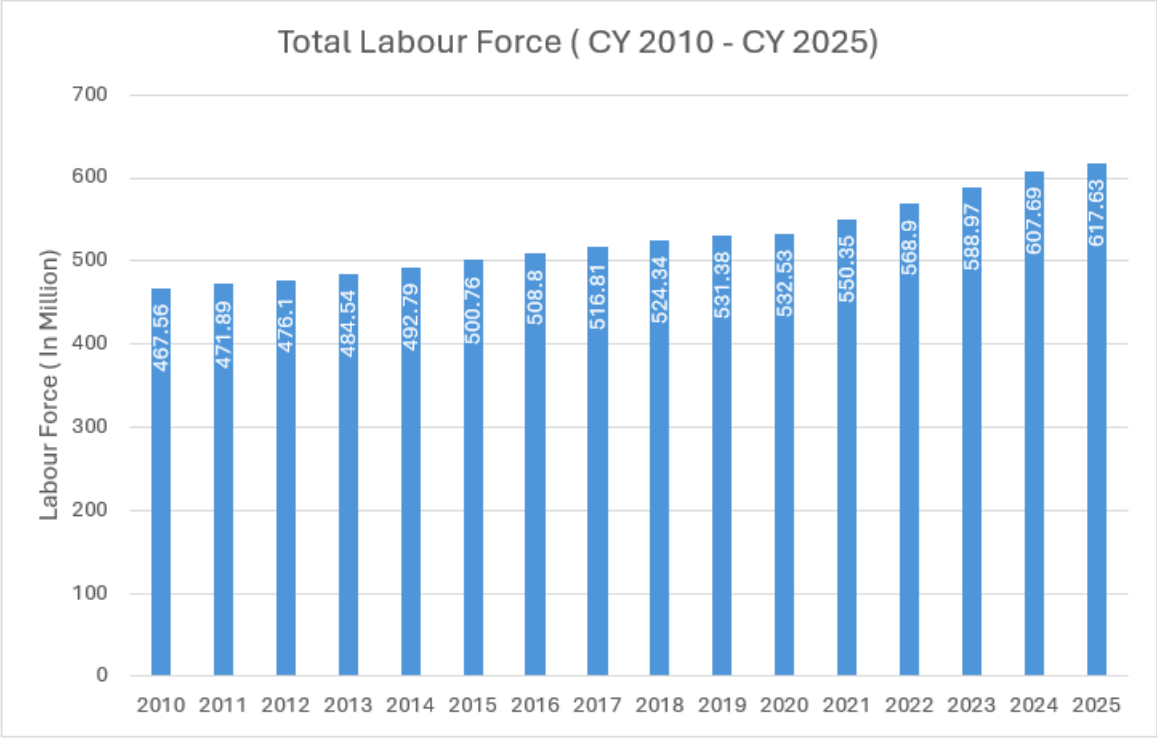
2.6.2. Labour Force in India

India's labour force has experienced steady growth over the past decade. In 2010, the total labour force was approximately 467.56 million. By 2025, this number had increased to 617.63 million.

This upward trend underscores the expanding working-age population, improving labour force participation, and gradual recovery in employment post the pandemic period. The sharp increase observed after 2020 highlights the rebound in economic activity and rising workforce engagement across sectors. However, it also emphasizes the need for sustained job creation to effectively absorb the growing labour pool.

The labour force participation rate (LFPR) has also witnessed variations over time due to changing socio-economic conditions, including urbanization, education levels, and sectoral employment shifts.

These trends highlight the importance of implementing policies that not only generate employment opportunities but also improve job quality, productivity, and inclusivity across key sectors of the economy.

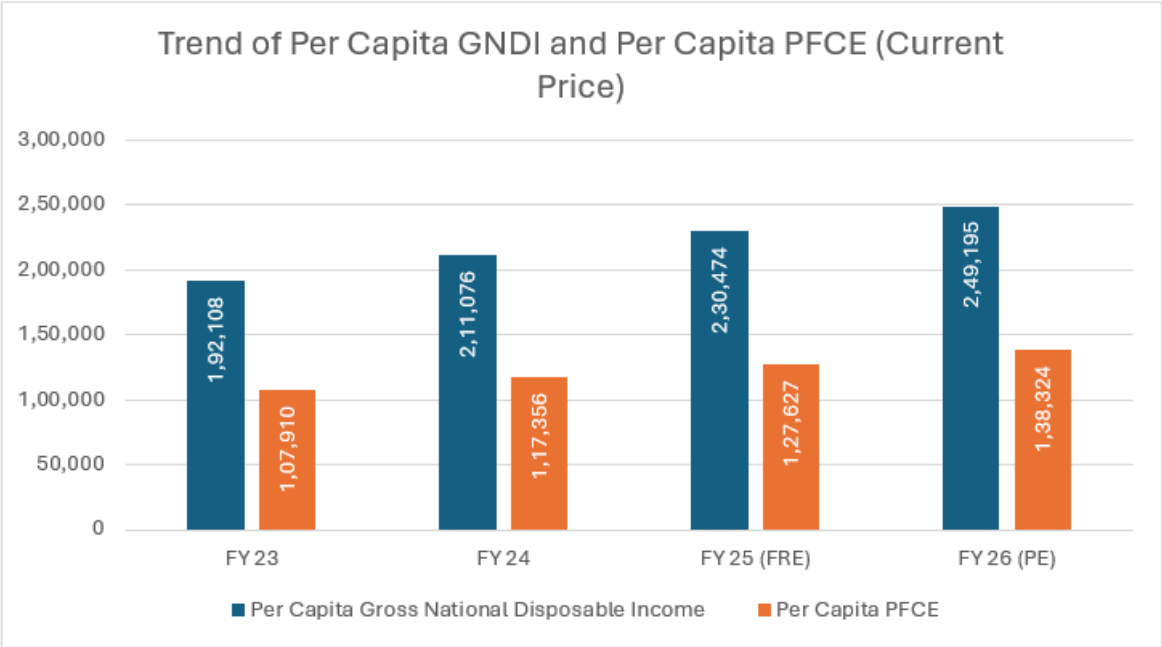


Source: World Bank Database

2.6.3. Disposable Income and Consumer Spending

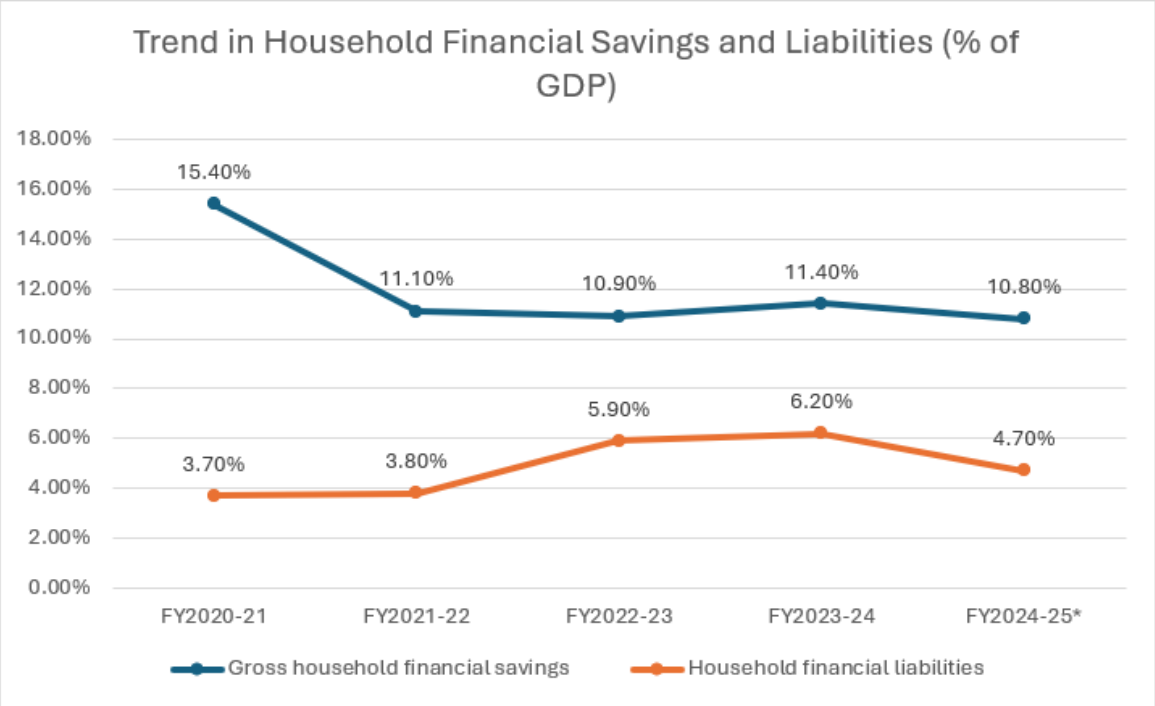
Gross National Disposable Income (GNDI) represents the total income available to a nation's residents for consumption and saving after accounting for income transfers with the rest of the world. Per Capita GNDI has exhibited a steady upward trend over the recent years, increasing from approximately INR1,92,108 in FY23 to INR 2,11,076 in FY24 and further to INR 2,49,195 in FY26 (PE). It reflects the continued growth in income available to households and businesses, supporting consumption and savings activities within the economy.

The rise in disposable income has been accompanied by higher consumer spending, as reflected in the growth of Private Final Consumption Expenditure (PFCE), which measures the total value of goods and services consumed by households. Per Capita PFCE increased from approximately INR 1,07,910 in FY23 to INR 1,38,324 in FY26 (PE). The growth of approximately 8.0% in FY26 over FY25 indicates sustained consumer demand and continued expansion in household consumption expenditure, supported by rising income levels and economic activity.



Note: Data mentioned is in INR, FRE – First Revised Estimates, PE – Provisional Estimates.
Source: PIB, New Series of Gross Domestic Product (GDP) release date on 5th June 2026. Estimates with Base Year 2022-23

2.6.4. Trend in Household Financial Savings and Liabilities (% of GDP)



** Preliminary estimates as per RBI Bulletin, August 2025, Occasional Series Table 50(a)*
Source: MoSPI and RBI. The data presented is based on the latest information currently available from the RBI & MOSPI.

Household financial savings in India have moderated significantly over the past five years, declining from 15.40% of GDP in FY2020-21 to 10.80% in FY2024-25 (P), while household financial liabilities have exhibited a rising trend, reflecting increased credit uptake by households. The elevated savings levels in FY2020-21 were largely driven by precautionary savings during the pandemic; however, with normalization of economic activity, savings have stabilised at lower levels. At the same time, the household liabilities-to-GDP ratio increased from 3.7% in FY2020-21, peaking at approximately 6.2% in FY2023-24 before moderating to around 4.7% in FY2024-25 (P).

These trends have significant implications for the banking sector. Moderating household savings may lead to slower deposit growth, higher competition for deposits, and increased pressure on banks' cost of funds and Net Interest Margins (NIMs). Lower savings may also reduce the share of stable CASA deposits, increasing reliance on term deposits and wholesale funding. Meanwhile, rising household liabilities are supporting growth in retail lending segments such as housing and personal loans, driving banks' credit expansion and interest income. However, the gap between rising credit demand and relatively slower deposit growth could result in higher credit-deposit ratios, tighter liquidity conditions, and potential asset quality risks, particularly in unsecured lending segments.

2.7. Union Budget FY26-27 Highlights

The Union Budget FY 2026–27, presented by Finance Minister Nirmala Sitharaman, introduces a comprehensive set of measures aimed at stimulating economic growth, enhancing infrastructure, and fostering inclusive development. With a focus on sectors such as agriculture, MSMEs, infrastructure, innovation, and exports, the budget seeks to create a conducive environment for sustained economic expansion.

- **Capital Expenditure and Infrastructure Development**

  In FY2026-27, the Union Budget has increased the public capex towards to INR 12.2 lakh crore from the previous INR 11.21 lakh crore (3.1% of GDP) which was earmarked in FY 2025–26. To strengthen the confidence of private developers regarding risks during infrastructure development and construction phase, the budget proposed to set up an Infrastructure Risk Guarantee Fund to provide prudently calibrated partial credit guarantees to lenders.

- **Support for MSMEs**

  Recognizing the pivotal role of Micro, Small, and Medium Enterprises (MSMEs) in India's economic landscape, the budget introduced a three-pronged approach to support the sector. The budget introduced a dedicated INR 10,000 crore SME Growth Fund as well as proposed to top up the Self-Reliant India Fund set up in 2021, with INR 2,000 crore to continue support to micro enterprises and maintain their access to risk capital. With TReDS, more than INR 7 lakh crore has been made available to MSMEs. To leverage its full potential, the budget further proposed four measures: (i) mandate TReDS as the transaction settlement platform for all purchases from MSMEs by CPSEs, serving as a benchmark for other corporates; (ii) introduce a credit guarantee support mechanism through CGTMSE for invoice discounting on TReDS platform; (iii) link GeM with TReDS for sharing information with financiers about government purchases from MSMEs, encouraging cheaper and quicker financing; (iv) introduce TReDS receivables as asset-backed securities, helping develop a secondary market, enhancing liquidity and settlement of transactions. Moreover, Government will facilitate Professional Institutions such as ICAI, ICSI, ICMAI to design short-term, modular courses and practical tools to develop a cadre of 'Corporate Mitras', especially in Tier-II and Tier-III towns, which will help MSMEs meet compliance requirements at affordable costs.

- **Establishment of dedicated Rare Earth Corridors**

  A Scheme for Rare Earth Permanent Magnets was launched in November 2025. In line with that, the budget proposed to support the mineral-rich States of Odisha, Kerala, Andhra Pradesh and Tamil Nadu to establish dedicated Rare Earth Corridors to promote mining, processing, research and manufacturing.

- **Integrated Programme for the Textile Sector**

  The following Schemes have been announced:

  (a) The National Fibre Scheme for self-reliance in natural fibres such as silk, wool and jute, man-made fibres, and new-age fibres.

  (b) Textile Expansion and Employment Scheme to modernise traditional clusters with capital support for machinery, technology upgradation and common testing and certification centres.

  (c) A National Handloom and Handicraft programme to integrate and strengthen existing schemes and ensure targeted support for weavers and artisans.

  (d) Tex-Eco Initiative to promote globally competitive and sustainable textiles and apparels.

(e) Samarth 2.0 to modernize and upgrade the textile skilling ecosystem through collaboration with industry and academic institutions.

– **Carbon Capture Utilization and Storage (CCUS)**

Aligning with the roadmap launched in December 2025, CCUS technologies at scale will achieve higher readiness levels in end-use applications across five industrial sectors, including, power, steel, cement, refineries and chemicals. An outlay of INR 20,000 crore is proposed over the next 5 years.

– **Municipal Bonds**

To encourage the issuance of municipal bonds of higher value by large cities, the budget proposed an incentive of INR 100 crore for a single bond issuance 10 of more than INR 1000 crore. The current scheme under AMRUT which incentivises issuances up to INR 200 crore, will also continue to support smaller and medium towns.

– **Ease of Doing Business**

Individual Persons Resident Outside India (PROI) will be permitted to invest in equity instruments of listed Indian companies through the Portfolio Investment Scheme. It is also proposed to increase the investment limit for an individual PROI under this scheme from 5% to 10%, with an overall investment limit for all individual PROIs to 24%, from the current 10%.

– **Hubs for Medical Value Tourism**

To promote India as a hub for medical tourism services, the budget proposed to launch a Scheme to support States in establishing five Regional Medical Hubs, in partnership with the private sector. These Hubs will serve as integrated healthcare complexes that combine medical, educational and research facilities. They will have AYUSH Centres, Medical Value Tourism Facilitation Centres and infrastructure for diagnostics, post-care and rehabilitation. These Hubs will provide diverse job opportunities for health professionals including doctors and AHPs.

– **Agriculture Related Schemes**

To diversify farm outputs, increase productivity, enhance farmers' incomes, and create new employment opportunities, the budget announced support schemes related to high value crops such as coconut, sandalwood, cocoa and cashew in coastal areas. Agar trees in Northeast and nuts such as, almonds, walnuts and pine nuts in hilly regions will also be supported. India is the world's largest producer of coconuts.

About 30 million people, including nearly 10 million farmers, depend on coconuts for their livelihood. To further enhance competitiveness in coconut production, the Budget proposed a Coconut Promotion Scheme to increase production and enhance productivity through various interventions including replacing old and non-productive trees with new saplings/plants/varieties in major coconut growing States. A dedicated programme is proposed for Indian cashew and cocoa to make India self-reliant in raw cashew and cocoa production and processing, enhance export competitiveness and transform Indian Cashew and Indian Cocoa into premium global brands by 2030.

Further, the Central Government will partner with State Governments to promote focused cultivation and post-harvest processing to restore the glory of the Indian Sandalwood ecosystem. To rejuvenate old, low-yielding orchards and expand high-density cultivation of walnuts, almonds and pine nuts, the budget announced to support a dedicated programme to enhance farmer incomes and in bringing value addition by engaging youth.

The Union Budget FY 2026–27 presents a balanced approach to economic growth by addressing immediate consumption needs and laying the foundation for long-term sustainability. Through targeted investments in infrastructure, support for MSMEs, and sector-specific initiatives, the budget aims to foster an inclusive and resilient economy. These measures are expected to create new opportunities for financial institutions, as the growing demand for investment products will provide avenues for expansion and innovation in the financial services sector.

2.8. Concluding Remarks about Macroeconomic Scenario

The major headwinds to global economic growth remain significant, including escalating geopolitical tensions, volatility in global energy and commodity markets, persistent inflationary pressures, tighter financial conditions, geoeconomic fragmentation, rising public debt, climate-related disruptions, and uncertainty surrounding the pace and impact of technological transformation. In particular, the ongoing Middle East conflict and associated risks to energy supply chains have heightened downside risks to the global outlook, while weaker trade momentum and structural productivity challenges continue to weigh on medium-term growth prospects.

Despite these challenges, India's economy remains relatively well-positioned compared to other major emerging markets. According to the IMF's April 2026 WEO, India's GDP growth is projected at 6.5% in CY 2026, maintaining its position as one of the fastest-growing major economies globally and significantly above the global growth projection of 3.1%. Key positive factors supporting India's growth include resilient domestic demand, sustained public infrastructure spending, a strengthening investment cycle, expanding digital infrastructure, and continued progress in structural reforms. Inflation, as measured by the Consumer Price Index (CPI), remained contained at 3.4% in March 2026 under the revised base year, supporting household purchasing power, although rising global oil prices and supply disruptions may pose upside risks.

India's strategic position as a manufacturing and investment destination continues to strengthen, supported by government initiatives, supply chain diversification trends, a skilled labour force, and a dynamic innovation ecosystem. Public investment is expected to remain a critical growth driver, with the Union Budget FY 2026–27 increasing capital expenditure to INR 12.21 lakh crore from INR 11.21 lakh crore in the previous year, reinforcing the government's investment-led growth strategy. In addition, the proposed Infrastructure Risk Guarantee Fund is aimed at improving private sector participation in infrastructure by mitigating project-related risks, which is expected to crowd in private investment, enhance infrastructure capacity, and support long-term productivity growth.

Private sector investment intentions are also expected to strengthen alongside public capex, while rising disposable incomes, improving rural demand, and continued policy support are likely to reinforce consumption momentum. Strengthening supply chains, expanding infrastructure capacity, and sustaining inflation stability will be critical in supporting resilience against external shocks. These factors are expected to support India's medium-term growth momentum and strengthen its ability to navigate global uncertainties.

Looking ahead, India is expected to remain favourably positioned even as the global economy transitions to a structurally lower growth path, with the IMF projecting global growth at 3.2% in CY 2027 and 3.1% by CY 2031. While risks from geopolitical instability, trade disruptions, and tighter financial conditions persist, India's relative macroeconomic stability, demographic advantage, reform momentum, and ongoing investment cycle place it in a strong position to sustain growth and reinforce its role as a key contributor to global economic expansion over the medium term.

3. Indian Consumer Lending Industry

The consumer lending industry in India is an important segment of the financial services sector, providing credit facilities to individuals for personal consumption and retail financing needs such as housing, vehicle purchases, education, healthcare, consumer durables and other lifestyle requirements. The industry includes scheduled commercial banks, non-banking financial companies ("NBFCs"), housing finance companies ("HFCs"), fintech lenders and digital lending platforms.

The industry has witnessed significant growth over the years due to increasing retail credit penetration, rising demand for personal loans and housing finance, growth in vehicle financing, expansion of digital lending platforms, and increasing availability of small-ticket loans through fintech applications. The growing adoption of smartphones, internet services, digital payment systems and paperless loan processing has improved access to formal credit particularly among first-time borrowers and underserved customer segments. Additionally, NBFCs and fintech lenders have expanded their presence in semi-urban and rural markets by offering faster loan approvals and simplified documentation processes.

India's digital infrastructure, including Aadhaar-enabled authentication, Unified Payments Interface ("UPI"), e-KYC processes and credit bureau integration has transformed the consumer lending landscape by enabling faster customer onboarding, paperless loan processing and digital repayment mechanisms. These developments have accelerated the growth of digital lending and fintech-based consumer finance solutions.

Banks continue to remain major participants in the consumer lending market due to their extensive distribution networks and diversified lending products. At the same time, NBFCs and fintech companies have strengthened their presence by offering customised products, faster loan approvals and technology-driven underwriting models particularly for underserved customer segments.

The industry comprises both secured and unsecured lending products. Housing loans, vehicle loans and gold loans form key secured lending categories while personal loans, consumer durable financing and credit card receivables represent major unsecured lending segments. Increasing consumer spending patterns and digital adoption have contributed to the growth of retail credit demand. The industry remains highly competitive with continuous focus on technology adoption, customer experience, and expansion into underpenetrated markets.

The long-term outlook for the consumer lending industry in India remains favourable, supported by increasing formalisation of the economy, rising digital penetration, expanding financial inclusion, and growing demand for retail credit products.

Indian NBFI Sector

Non-banking financial institutions ("NBFIs") are an important component of India's financial system and play a significant role in complementing the banking sector by extending credit to diverse sectors and underserved customer segments. The sector includes non-banking financial companies ("NBFCs"), housing finance companies ("HFCs"), all India financial institutions ("AIFIs"), and standalone primary dealers ("SPDs"), regulated primarily by the Reserve Bank of India.

NBFCs have emerged as key drivers of financial inclusion by providing credit to small businesses, microfinance borrowers, rural and semi-urban customers, and other segments with limited access to formal banking channels. HFCs focus on housing finance and related lending activities, while AIFIs provide long-term financing to sectors such as agriculture, MSMEs, infrastructure, trade, and housing. SPDs act as underwriters and market makers in the Government securities market.

The NBFC sector continued to witness balance sheet expansion, supported by growth in loans and advances, while maintaining healthy capital adequacy and asset quality levels. The regulatory framework for the sector has also continued to strengthen through scale-based regulations, digital lending guidelines, and measures aimed at improving governance, transparency, and customer protection.

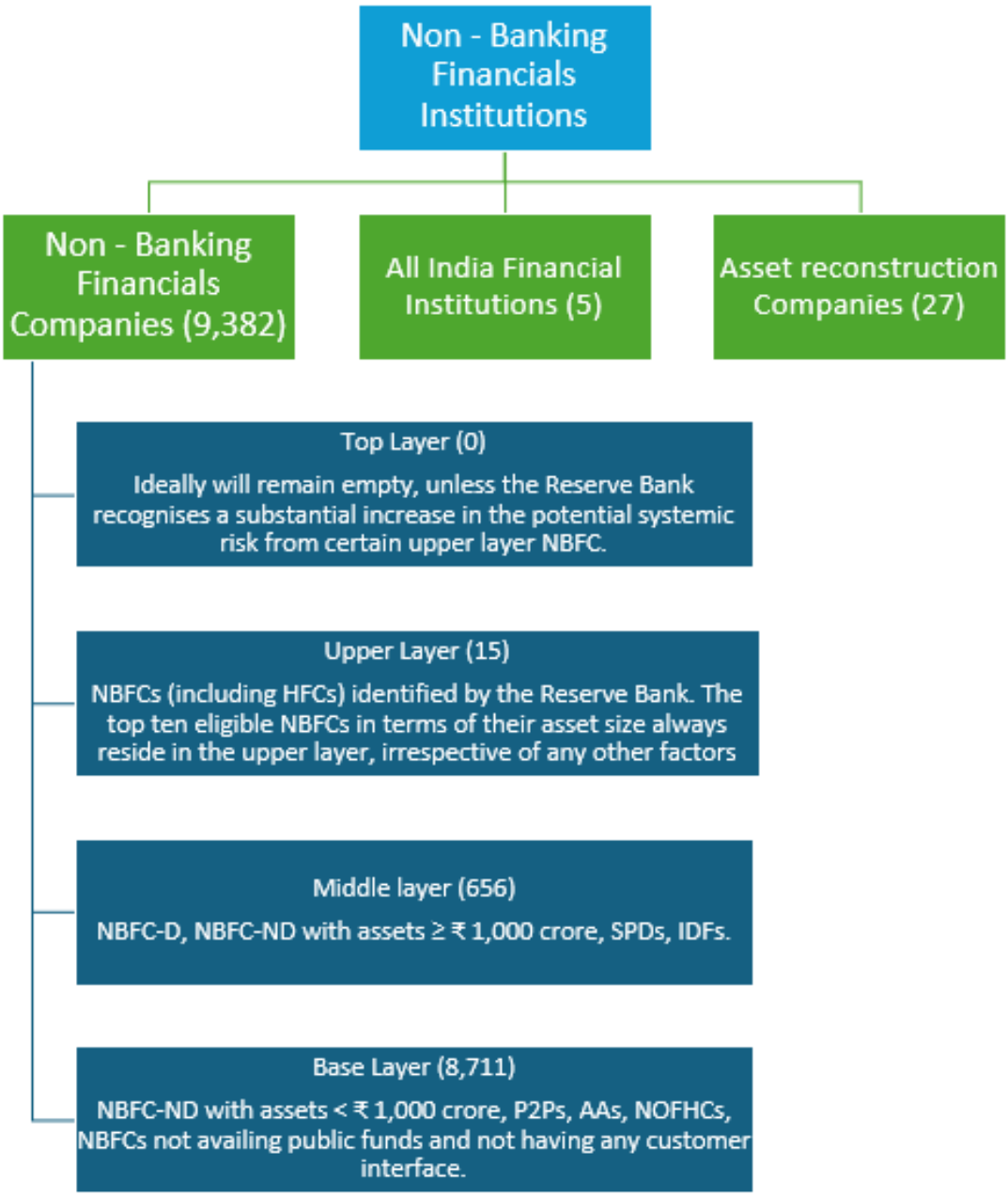
Classification of NBFCs by Activity under the Scale-Based Regulatory Framework

S. No.	Classification	Key Activity	Regulatory Layer
1	NBFC-Investment and Credit Company ("NBFC-ICC")	Lending activities supporting productive/economic activities, consumer finance, personal loans, and acquisition of securities for investment	Any layer, depending on SBR parameters
2	NBFC-Infrastructure Finance Company ("NBFC-IFC")	Infrastructure Loans	Middle or Upper Layer
3	Core Investment Company ("CIC")	Investment in equity shares, preference shares, debt, or loans to group companies	Middle or Upper Layer
4	NBFC-Infrastructure Debt Fund ("NBFC-IDF")	Refinancing operational infrastructure projects and financing infrastructure assets	Middle Layer
5	NBFC-Micro Finance Institution ("NBFC-MFI")	Providing collateral-free small-ticket loans to economically disadvantaged groups	Any layer, depending on SBR parameters
6	NBFC-Factors	Acquisition of receivables and factoring activities	Any layer, depending on SBR parameters
7	NBFC-Non-Operative Financial Holding Company ("NBFC-NOFHC")	Facilitating promoter/promoter group participation in setting up new banks	Base Layer
8	Mortgage Guarantee Company ("MGC")	Undertaking mortgage guarantee business	Any layer, depending on SBR parameters
9	NBFC-Account Aggregator ("NBFC-AA")	Collection and sharing of customer financial information in a consolidated manner	Base Layer
10	NBFC-Peer to Peer Lending Platform ("NBFC-P2P")	Online lending marketplace connecting borrowers and lenders	Base Layer

S. No.	Classification	Key Activity	Regulatory Layer
11	Housing Finance Company ("HFC")	Housing finance for purchase, construction, repair, and renovation of residential units	Middle or Upper Layer
12	Standalone Primary Dealer ("SPD")	Underwriting and participation in government securities market	Middle Layer

Source - RBI, Trends and Progress of Banking report (2024-25)

Structure of NBFIs under Reserve Bank Regulation



Notes: 1. Figures in parentheses indicate the number of institutions (provisional). 2. NBFCs, viz., NBFC-ICC, NBFC-MFI, NBFC Factor, and NBFC-MGC could lie in any of the layers depending on the parameters specified under SBR. NBFC-CIC, HFC, and IFC could lie either in the upper or middle layer. 3. Government-owned NBFCs are placed either in the base or the middle layer. Sources: RBI and NHB, Trends and Progress of Banking (2024-25)

Composition of NBFCs

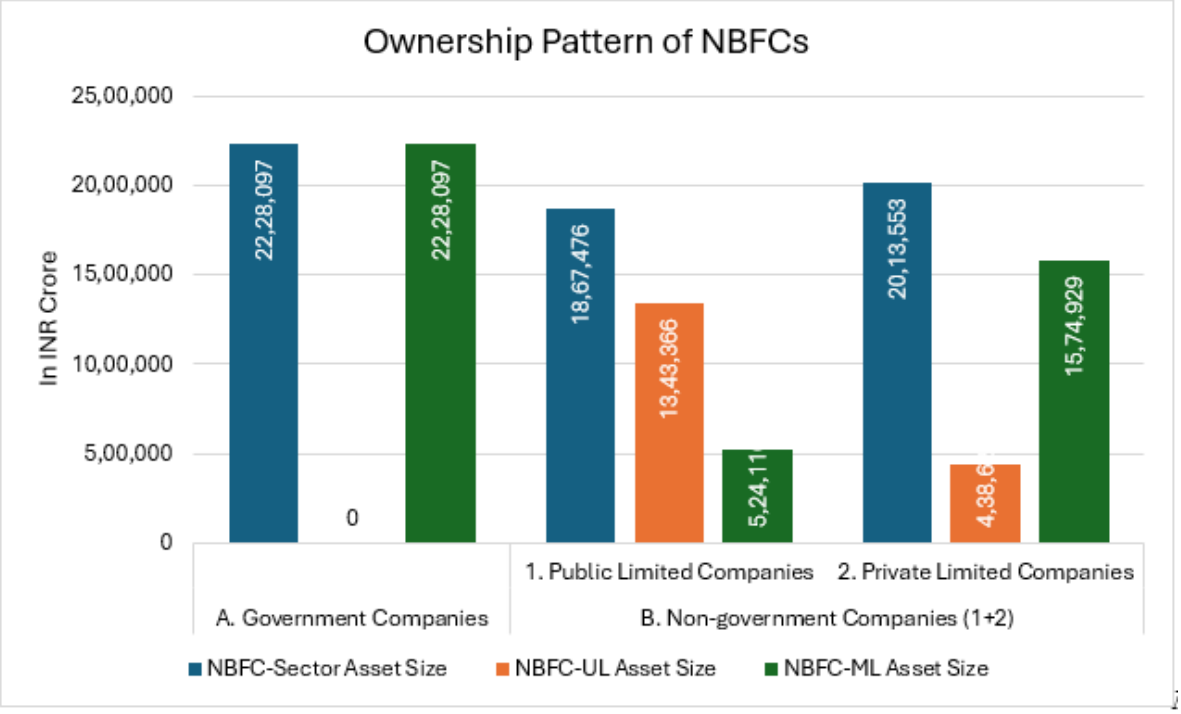
Layer	Number (%)	Assets (%)
NBFC-UL	0.2	30.2

Layer	Number (%)	Assets (%)
NBFC-ML	7.0	64.6
NBFC-BL	92.8	5.2
Total	**100.0**	**100.0**

Note: NBFCs refer to all NBFCs regulated by the Reserve Bank, including CICs, HFCs and SPDs. Sources: RBI and NHB, Trends and Progress of Banking (2024-25)

Ownership Pattern of NBFCs

The non-banking financial companies ("NBFCs") sector in India comprises government-owned and non-government entities engaged in various lending and financing activities. NBFCs are categorised into upper layer ("NBFC-UL") and middle layer ("NBFC-ML") entities based on their size and systemic importance. The distribution of asset size across government companies, public limited companies, and private limited companies reflects the operational scale and composition of the NBFC sector in India.



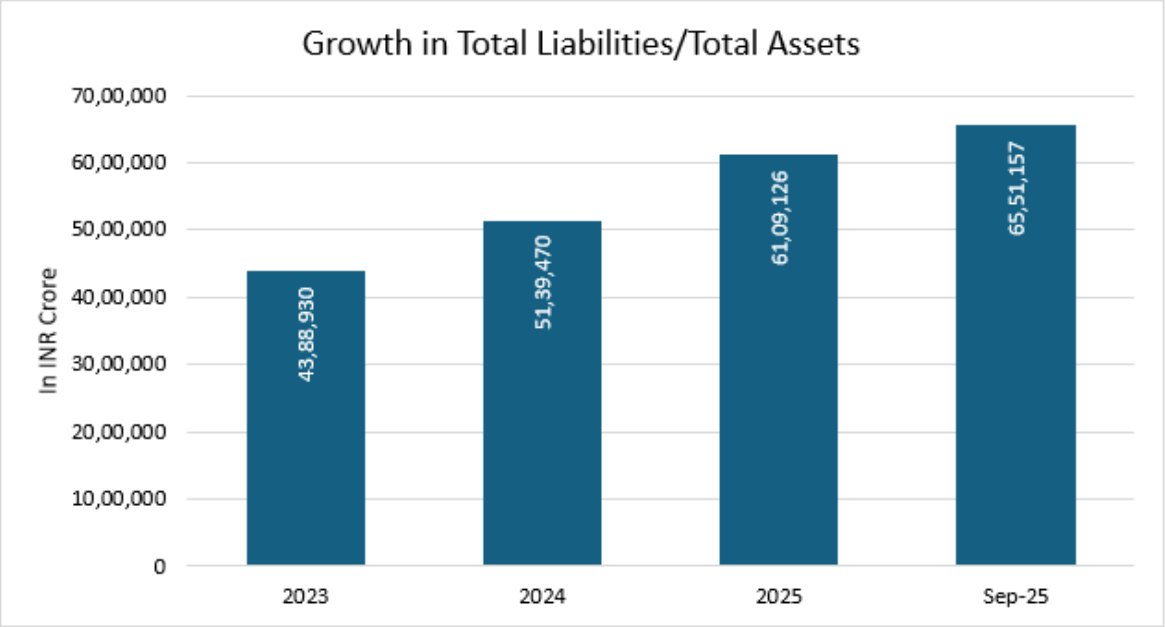
Notes: 1. Data are provisional. 2. Figures may not add up due to rounding-off.
Source: Supervisory Returns, RBI, Trends and Progress of Banking (2024-25)

The NBFC sector comprises government-owned and non-government companies across upper layer ("NBFC-UL") and middle layer ("NBFC-ML") categories. Government companies accounted for asset size of INR 22,28,097 crore, entirely classified under NBFC-ML. Among non-government entities, public limited companies accounted for asset size of INR 18,67,476 crore, with a significant share of INR 13,43,366 crore under NBFC-UL, indicating the presence of large systemically important NBFCs. Private limited companies accounted for asset size of INR 20,13,553 crore, primarily concentrated in the NBFC-ML category at INR 15,74,929 crore.

Overall, the data reflects the significant contribution of non-government NBFCs towards the sector's overall asset base and lending activities.

Balance Sheet Composition of NBFCs

– **Growth in Total Assets/ Liabilities**



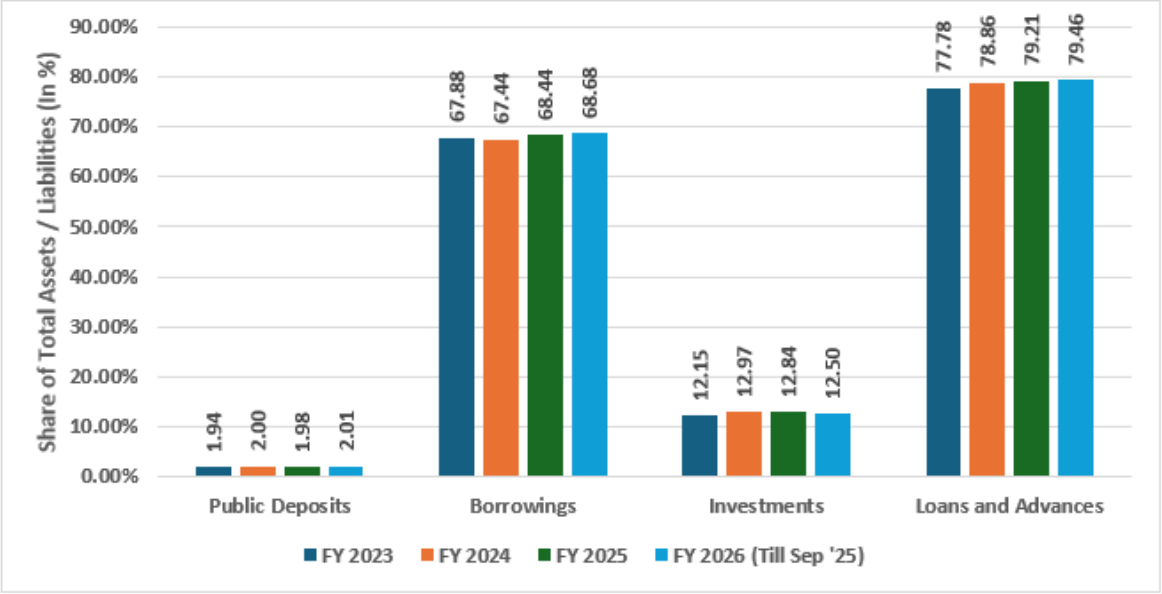
Source: Supervisory returns, RBI, Trends and Progress of Banking (2024-25), The data presented is based on the latest information currently available from the RBI. The subsequent update is expected to be released in December 2026.

The total liabilities/assets of the NBFC sector witnessed strong and consistent growth during the period under review, increasing from INR 43,88,930 crore in 2023 to INR 51,39,470 crore in 2024 and further to INR 61,09,126 crore in 2025. The sector continued its expansion momentum during the first half of FY2026, with total liabilities/assets reaching INR 65,51,157 crore as of September 2025.

The sustained increase in the balance sheet size of NBFCs reflects robust growth in credit demand across retail, MSME, infrastructure, and consumer lending segments. The growth was further supported by increasing digitalisation of lending operations, rising financial inclusion, expansion in retail credit penetration, and improved access to funding sources including bank borrowings, debentures, and market-linked instruments.

Overall, the data highlights the increasing scale and systemic importance of the NBFC sector within India's financial ecosystem, supported by strong lending growth and expanding participation in formal credit delivery.

– **Group – Wise Balance Sheet Composition of NBFCs**



Source: Supervisory returns, RBI, Trends and Progress of Banking (2024-25). The data presented is based on the latest information currently available from the RBI. The subsequent update is expected to be released in December 2026.

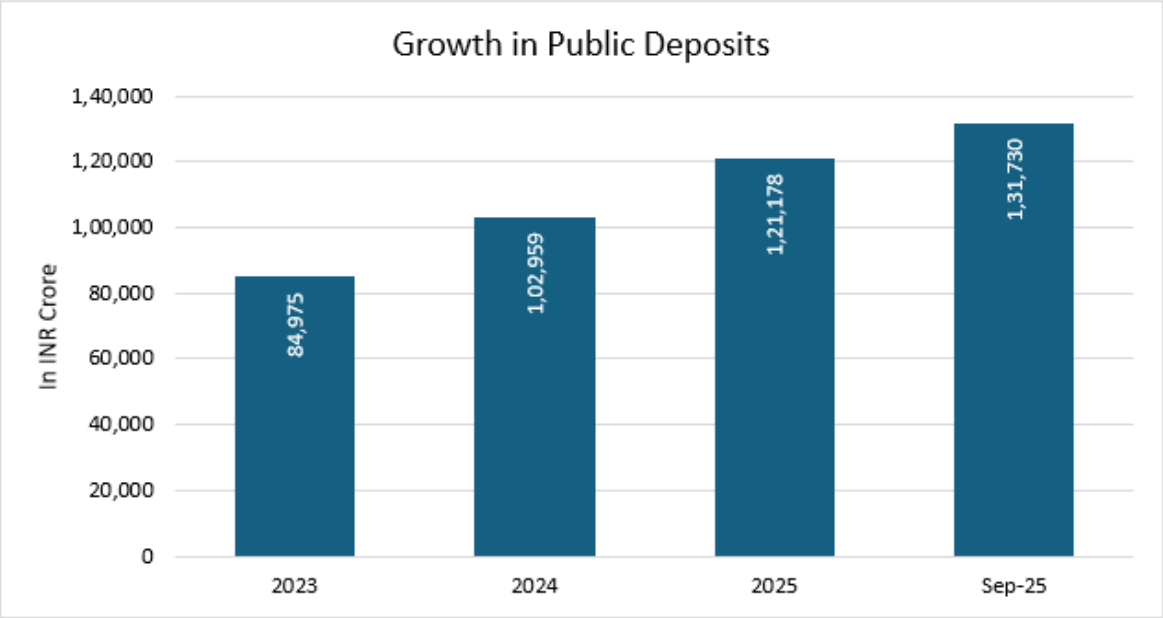
The balance sheet composition of the NBFC group reflects a stable borrowing-led funding structure, with borrowings constituting the largest share of liabilities during the period under review. Borrowings accounted for 67.88% in FY2023 and increased marginally to 68.68% in Sep-25, indicating the sector's continued dependence on external funding sources such as bank borrowings, debentures, and other market-linked instruments. In contrast, public deposits remained minimal and largely stable at 1.94% in FY2023 and 2.01% in Sep-25, highlighting the limited reliance of NBFCs on deposit-based funding and their greater dependence on institutional and wholesale funding channels.

On the asset side, loans and advances formed the dominant component, increasing from 77.78% in FY2023 to 79.46% in Sep-25, reflecting sustained growth in lending activities and

expansion in credit deployment across retail and commercial segments. Investments accounted for 12.15% in FY2023 and 12.50% in Sep-25, indicating a relatively stable allocation towards investment portfolios and liquidity management.

Overall, the composition highlights a stable and lending-focused NBFC sector, characterised by strong dependence on borrowings for funding and a high concentration of assets in loans and advances. The trend reflects the sector's continued focus on core financing activities, supported by diversified borrowing sources and prudent asset allocation strategies.

Public Deposits



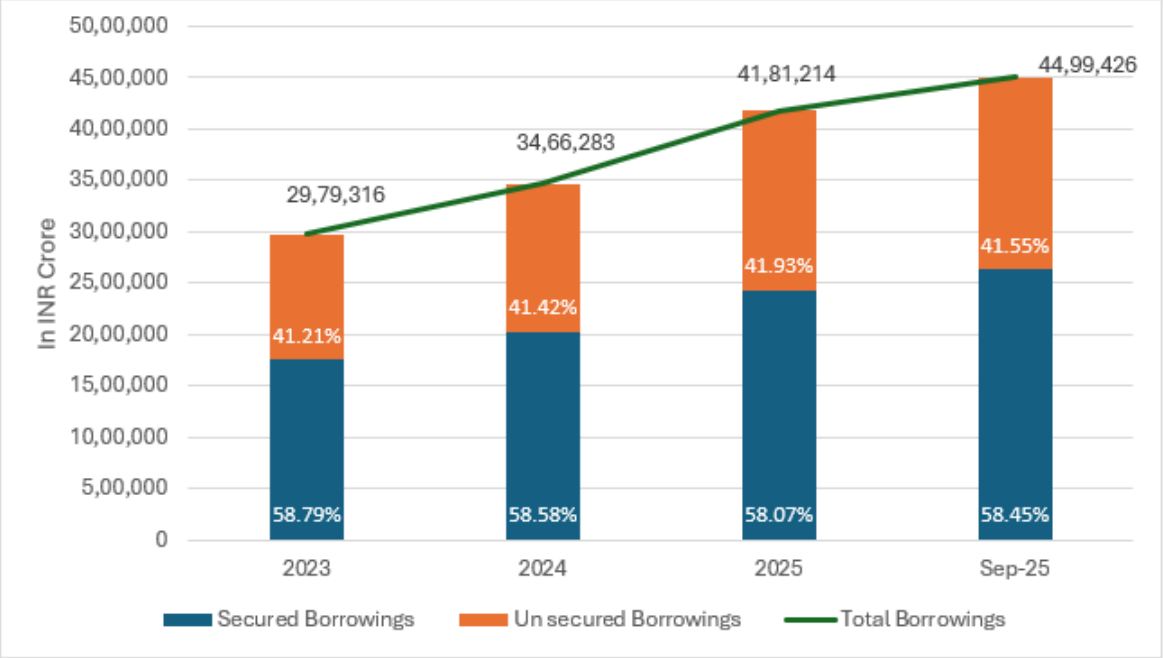
Source: Supervisory returns, RBI, Trends and Progress of Banking (2024-25). The data presented is based on the latest information currently available from the RBI. The subsequent update is expected to be released in December 2026.

Public deposits mobilised by non-banking financial companies ("NBFCs") witnessed consistent growth during the period under review, reflecting increasing depositor confidence and expansion in funding sources within the sector.

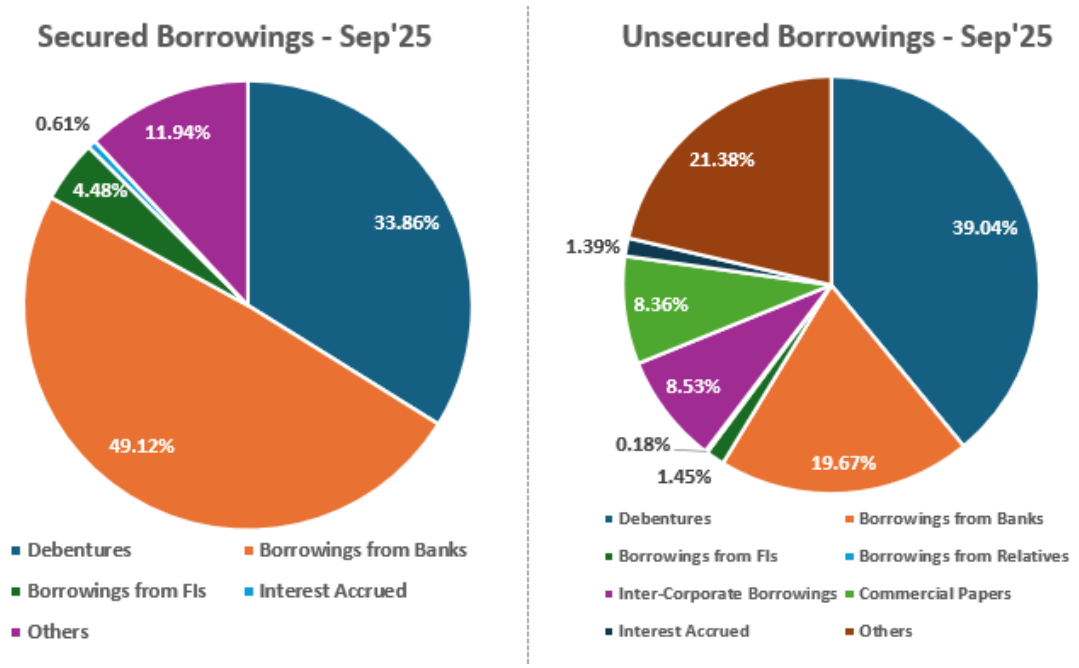
Public deposits increased from INR 84,975 crore in 2023 to INR 1,02,959 crore in 2024 and further to INR 1,21,178 crore in 2025. The upward trend continued during the first half of FY2026, with public deposits reaching INR 1,31,730 crore as of September 2025. The continuous increase in deposits indicates growing participation of depositors and strengthening funding base of NBFCs to support expansion in lending and financing activities.

Overall, the rising trend in public deposits reflects improving financial stability and increasing role of NBFCs in mobilising funds within the financial system.

Growth in Total Borrowings



Break-up of Secured and Unsecured Borrowings of the NBFC Group



Source: Supervisory returns, RBI, Trends and Progress of Banking (2024-25). The data presented is based on the latest information currently available from the RBI. The subsequent update is expected to be released in December 2026.

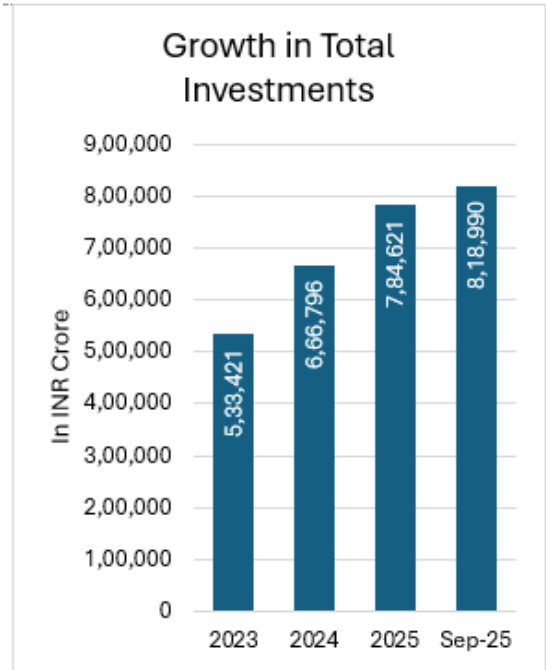
The break-up of secured and unsecured borrowings of the NBFC sector as of September 2025 indicates a diversified funding structure, with a balanced mix of secured and unsecured liabilities supporting a steadily expanding borrowing base. Secured borrowings constituted approximately 58.45% of total borrowings, while unsecured borrowings accounted for 41.55%, reflecting a prudent yet flexible funding strategy. The total borrowings of the sector have demonstrated consistent growth, increasing from approximately INR 29,79,316 crore in 2023 to INR 44,99,426 crore as of September 2025, driven by sustained access to funding sources and supporting continued credit expansion.

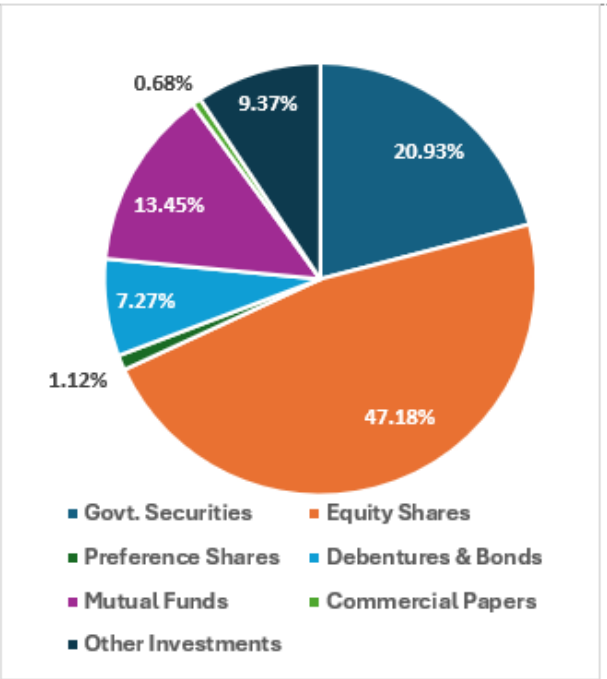
Within secured borrowings, borrowings from banks constituted the largest share at 49.12%, followed by debentures at 33.86%, reflecting the sector's strong dependence on institutional funding and secured debt instruments. Other borrowings accounted for 11.94%, while borrowings from financial institutions (FIs) contributed 4.48% and interest accrued represented a marginal 0.61%.

In the case of unsecured borrowings, debentures formed the largest component at 39.04%, indicating increased usage of market-linked debt instruments for raising funds. This was followed by other borrowings at 21.38% and borrowings from banks at 19.67%. Inter-corporate borrowings and commercial papers contributed 8.53% and 8.36%, respectively, reflecting diversified short-term and corporate funding sources. Borrowings from FIs remained relatively low at 1.45%, while borrowings from relatives and interest accrued accounted for only 0.18% and 1.39%, respectively.

Overall, the borrowing mix highlights the NBFC sector's well-diversified and evolving liability profile, characterized by a stable proportion of secured borrowings complemented by a meaningful share of unsecured funding. This structure provides financial flexibility, optimizes cost of funds, and enhances resilience, enabling NBFCs to efficiently support sustained credit growth across segments.

Growth in Total Investments and Composition





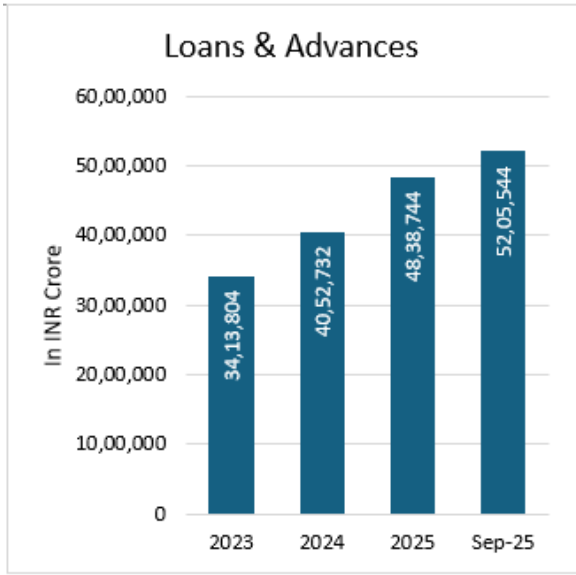
Source: Supervisory returns, RBI, Trends and Progress of Banking (2024-25). The data presented is based on the latest information currently available from the RBI. The subsequent update is expected to be released in December 2026.

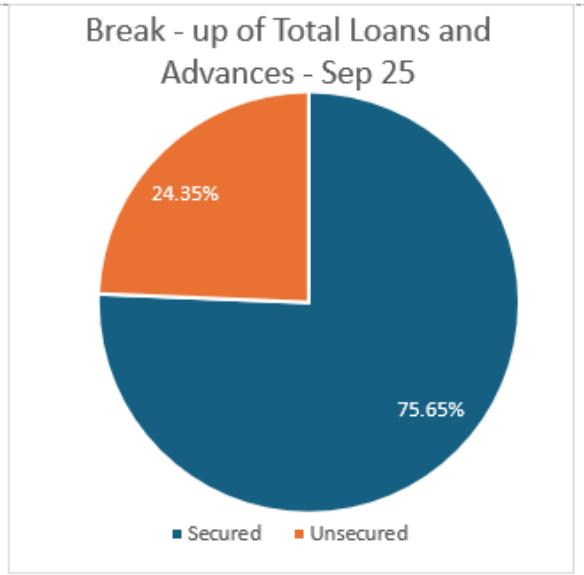
The investment portfolio has witnessed steady growth over the recent periods, increasing from approximately INR 5,33,421 crore in 2023 to INR 8,18,990 crore as of September 2025, reflecting a consistent expansion in investment activities and strengthening balance sheet position. This upward trend indicates increasing deployment of funds into financial assets, supported by improved liquidity and capital availability.

The composition of investments as of September 2025 reflects a diversified allocation across asset classes, with a dominant exposure to equity shares (47.18%), indicating a relatively higher focus on growth-oriented instruments. This is complemented by a significant allocation to government securities (20.93%), which provide stability and reflect a risk-mitigated investment approach. Investments in mutual funds (13.45%) and debentures & bonds (7.27%) further contribute to a balanced mix of liquidity and fixed-income returns.

Relatively smaller allocations to other investments (9.37%), preference shares (1.12%), and commercial papers (0.68%) indicate limited exposure to niche and short-term instruments. Overall, the investment profile demonstrates a balanced strategy combining growth, income, and safety, enabling portfolio diversification while supporting stable returns.

Growth in Loans and Advances





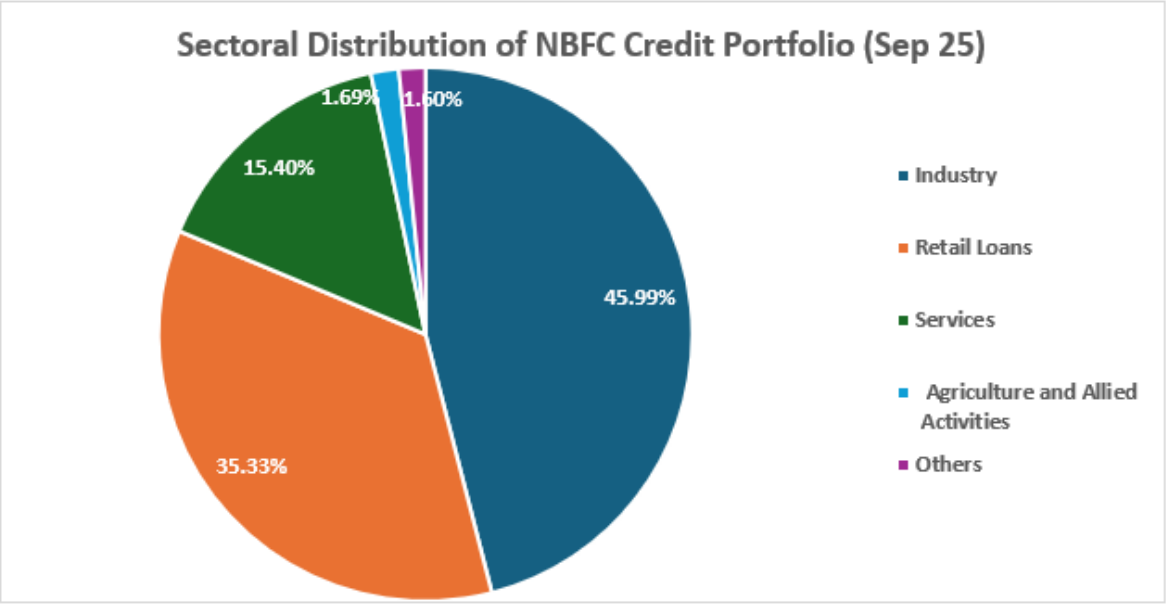
Source - Supervisory Returns, RBI, Trends and Progress of Banking (2024-25). The data presented is based on the latest information currently available from the RBI. The subsequent update is expected to be released in December 2026.

The NBFC sector has demonstrated strong and sustained growth in its loans and advances portfolio, which expanded from INR 34,13,804 crore in 2023 to INR 52,05,544 crore as of September 2025 reflecting robust credit demand and the sector's increasing role in financing economic activity. The asset mix remains largely skewed towards secured lending, constituting approximately 75.65% of total loans and advances, with the remaining 24.35% comprising unsecured loans. This composition indicates a prudent and balanced risk approach, wherein NBFCs prioritize asset-backed lending to ensure stability while maintaining selective exposure to unsecured segments to enhance yield.

Overall, the growth in the loan book, coupled with a conservative portfolio structure, underscores the sector's resilience, disciplined risk management practices, and its critical contribution to financial inclusion and credit intermediation.

Sectoral Credit Deployment by NBFCs – FY 2026 (Sep -25)

The distribution of credit by non-banking financial companies ("NBFCs") and banks reflects the varying sectoral focus and lending priorities across different segments of the economy during the period under review.

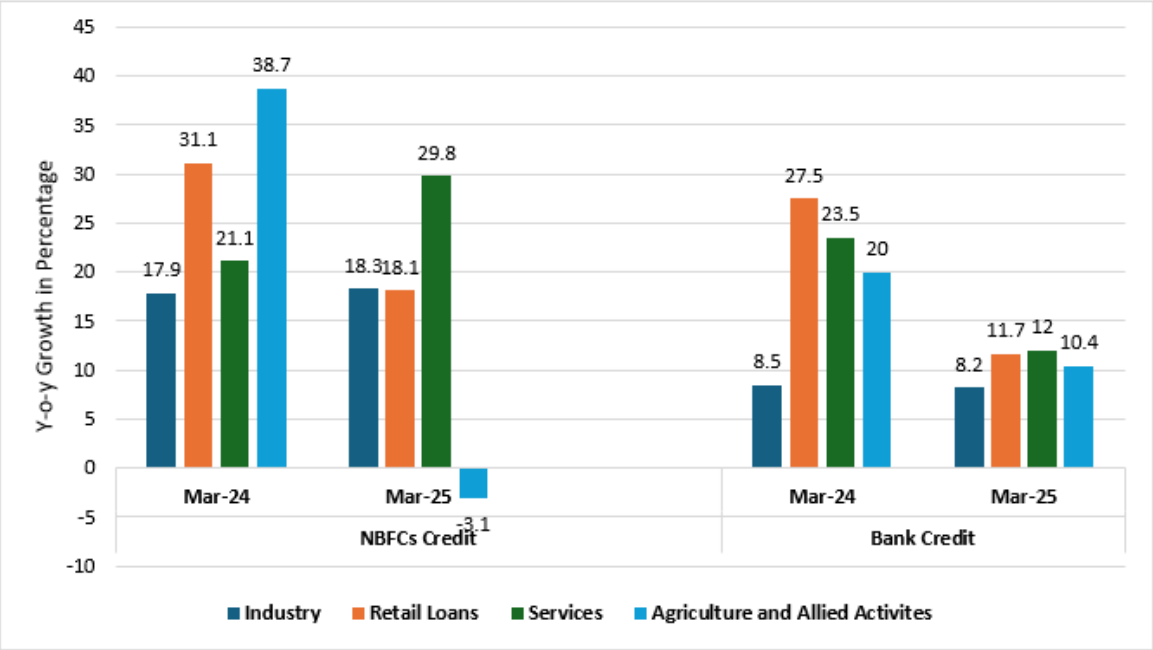


Note: Data are provisional.

Source: Supervisory Returns, RBI, Trends and Progress of Banking (2024-25). The data presented is based on the latest information currently available from the RBI. The subsequent update is expected to be released in December 2026.

The sectoral distribution of NBFC credit as of September 2025 highlights a clear concentration of lending towards the industrial and retail segments, which together account for a significant majority of the portfolio. Industry alone constitutes the largest share at 45.99%, indicating strong NBFC participation in supporting business and infrastructure-related financing needs. This is followed by retail loans at 35.33%, reflecting the sector's growing focus on consumer financing and financial inclusion. The services sector accounts for 15.40%, suggesting moderate exposure, while agriculture and allied activities (1.69%) and other segments (1.60%) represent relatively small portions of the overall portfolio. Overall, the distribution underscores NBFCs' strategic emphasis on higher-demand and scalable segments such as industry and retail, while maintaining limited exposure to traditionally riskier or less scalable sectors.

Sector-wise Growth in Credit Deployment by NBFCs and Banks (%)



Note: Data are provisional.
Source: Supervisory Returns, RBI, Trends and Progress of Banking (2024-25). The data presented is based on the latest information currently available from the RBI. The subsequent update is expected to be released in December 2026.

Credit extended by NBFCs towards the industrial sector increased from 17.9% in March 2024 to 18.3% in March 2025, indicating stable growth in financing activities towards industrial and business-related segments. In comparison, bank credit to the industrial sector moderated from 8.5% in March 2024 to 8.2% in March 2025, reflecting relatively slower growth in industrial lending by banks.

Retail loans constituted a significant portion of NBFC lending; however, growth moderated from 31.1% in March 2024 to 18.1% in March 2025. Similarly, bank credit growth towards retail loans declined from 27.5% to 11.7% during the same period, indicating moderation in retail credit expansion across the financial sector.

Credit growth towards the services sector by NBFCs increased significantly from 21.1% in March 2024 to 29.8% in March 2025, reflecting increased lending towards service-oriented businesses and commercial activities. Bank credit to the services sectors also remained positive, although growth moderated from 23.5% in March 2024 to 12.0% in March 2025.

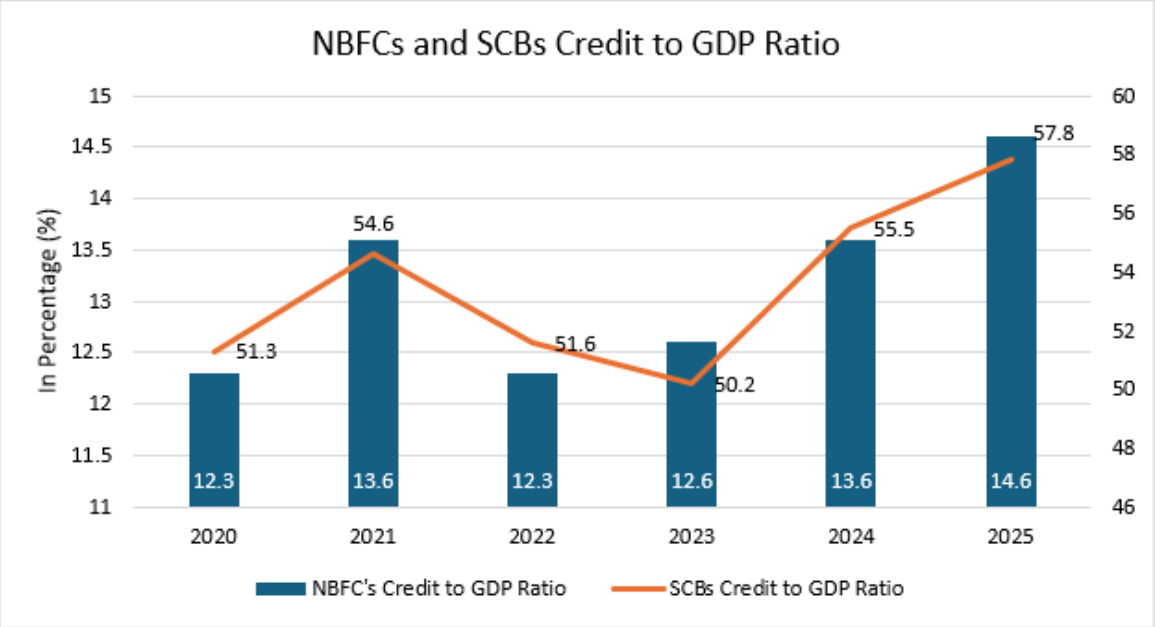
In the agriculture and allied activities segment, NBFC credit growth declined from 38.7% in March 2024 to (-3.1%) in March 2025, indicating contraction in lending growth towards the sector during the period under review. In comparison, bank credit growth towards agriculture

and allied activities moderated from 20.0% to 10.4% during the same period, reflecting slower credit expansion towards the agricultural sector.

Overall, the data indicates that NBFCs continued to maintain strong presence in retail and services lending, while sectoral credit growth trends moderated across certain segments during March 2025. Banks, on the other hand, continued to witness comparatively moderate credit growth across key sectors of the economy.

NBFC's Credit vis-à-vis SCBs Credit & GDP

The credit to GDP ratio of non-banking financial companies ("NBFCs") and scheduled commercial banks ("SCBs") is an important indicator used to assess the extent of credit penetration and the contribution of financial institutions towards economic activity. An increasing credit to GDP ratio generally reflects expansion in lending activities, improved access to formal credit and deepening financial intermediation within the economy.



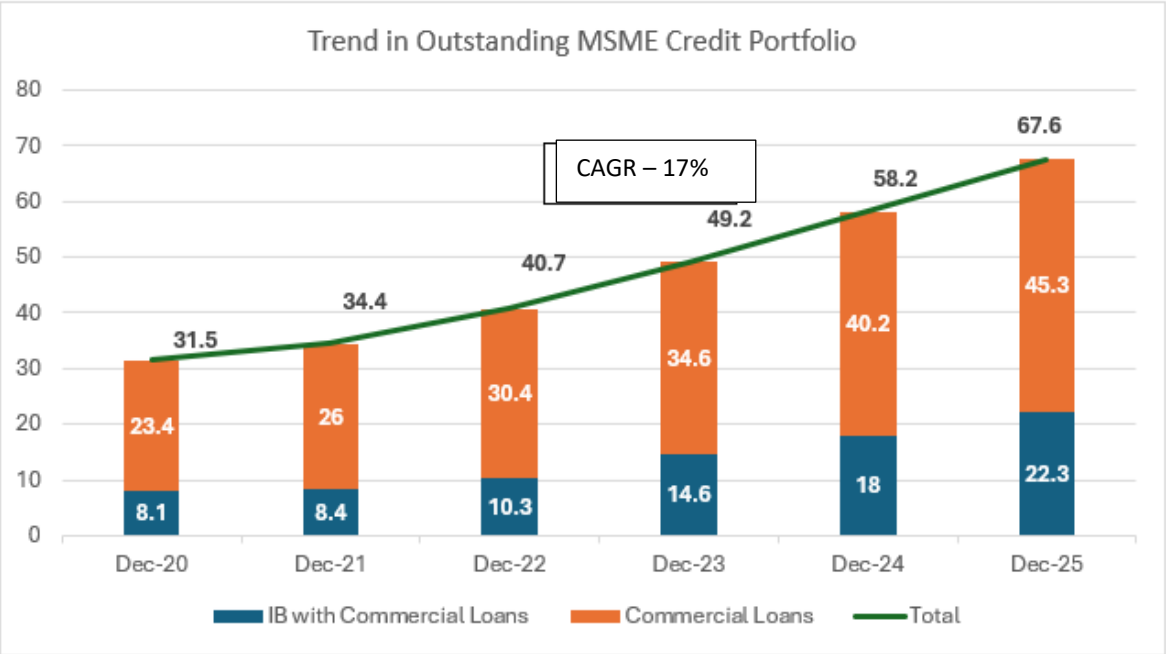
Sources: Trends and Progress of Banking (2024-25), various issues; and Handbook of Statistics on the Indian Economy, various issues. The data presented is based on the latest information currently available from the RBI. The subsequent update is expected to be released in December 2026.

The NBFCs' credit to GDP ratio increased from 12.3 in 2020 to 13.6 in 2021, moderated to 12.3 in 2022, and subsequently improved to 12.6 in 2023, 13.6 in 2024, and 14.6 in 2025. The overall increase reflects the growing role of NBFCs in extending credit to retail borrowers, MSMEs, and underserved segments of the economy.

Similarly, the SCBs' credit to GDP ratio increased from 51.3 in 2020 to 54.6 in 2021, moderated during 2022 and 2023, and thereafter increased to 55.5 in 2024 and 57.8 in 2025. The rising trend indicates strengthening credit growth by the banking sector and improving financial intermediation within the economy.

MSME Credit Growth

Growth in MSME Credit Portfolio and Outstanding Balances



*Note - All Commercial Fund based loans (WC-TL). Exposure up to 100Cr considered; *IB means Individual Borrowers Business Loan, Commercial Vehicle, Commercial Equipment and Property loan considered under Consumer whereas common accounts within both bureaus are only considered under commercial.*
Source - TransUnion CIBIL commercial credit database, MSME Pulse DEC 2025 report

The MSME credit portfolio has exhibited strong and sustained growth, increasing from approximately INR 31.5 lakh crore in December 2020 to INR 67.6 lakh crore in December 2025, representing a compound annual growth rate of approximately 17%. This consistent expansion reflects increasing formalization of the MSME sector, rising demand for institutional credit, and improved access to financing across the economy.

The growth momentum has been further supported by the performance of non-banking financial companies ("NBFCs"), which have recorded significantly higher year-on-year growth rates in MSME lending compared to banks. MSME credit extended by NBFCs grew by approximately 42.4% in March 2023, 33.5% in March 2024, and 30.6% in March 2025, whereas banks recorded comparatively moderate growth of 12.4%, 20.6%, and 14.1%, respectively, over the same period. This trend underscores the increasing role of NBFCs in driving credit expansion, particularly in segments with evolving credit needs.

Overall, the data indicates a strongly expanding MSME credit landscape, with NBFCs emerging as key contributors to growth by complementing traditional banking channels and enhancing access to finance across a broad borrower base.

Borrower Risk Profile Distribution Across Lender Categories (Dec 2025)

Note - All Commercial Fund based loans (WC-TL). Exposure up to 100Cr considered; Low Risk: CMR 1-3, Medium Risk: CMR 4-7 and High Risk: CMR 8-10
Source: TransUnion CIBIL commercial & consumer credit database, MSME Pulse DEC 2025 report.

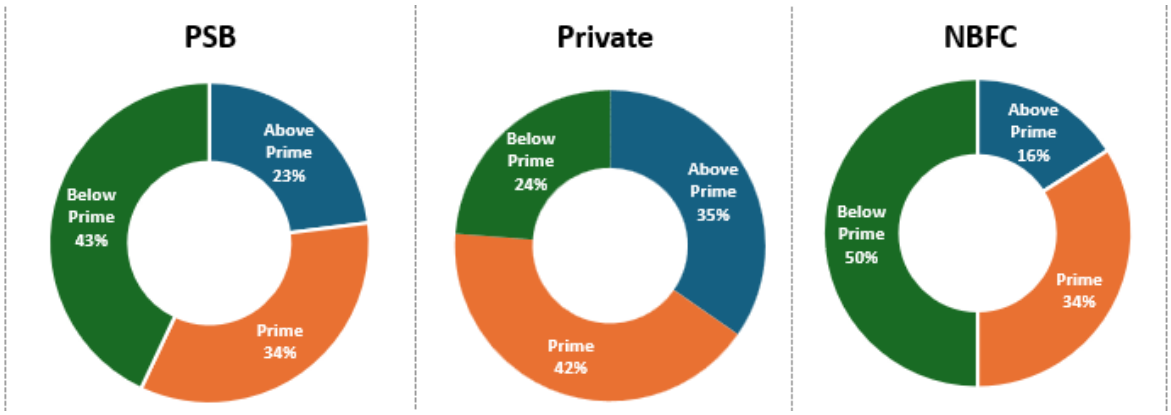
The borrower risk profile for commercial loans across lender categories as of December 2025 reflects distinct lending strategies and risk appetites among public sector banks (PSBs), private banks, and NBFCs. Private banks exhibit the most conservative risk profile, with a dominant 66% share of low-risk borrowers, and relatively limited exposure to medium-risk (27%) and high-risk (7%) categories, indicating a strong focus on high credit-quality borrowers.

In comparison, PSBs maintain a more balanced distribution, with 41% low-risk, 39% medium-risk, and 20% high-risk borrowers, reflecting broader participation across borrower risk segments. NBFCs, while also maintaining a majority of low-risk borrowers at 59%, show relatively higher exposure to medium-risk (29%) and high-risk (12%) segments compared to private banks. This indicates a more flexible and inclusive credit approach, with NBFCs playing a critical role in catering to underserved and emerging borrower segments.

Additionally, the observed increase in the share of low-risk borrowers across categories, particularly within NBFCs, reflects ongoing improvement in portfolio quality and underwriting standards.

Overall, the distribution underscores the complementary role of NBFCs alongside banks in expanding credit access while maintaining a balanced risk profile across the financial system.

Distribution of Individual Business Borrowers by CIBIL Score Segment Across Lender Categories (Dec 2025)



*Note - Exposure up to 100Cr considered; *IB means Individual Borrowers Business Loan, Commercial Vehicle, Commercial Equipment and Property loan considered under Consumer whereas common accounts within both bureaus are only considered under commercial. Credit Vision (CV) score ranges are: Below prime = 300–730; Prime = 731–770; Above Prime = 771-900.*
Source: TransUnion CIBIL commercial & consumer credit database, MSME Pulse DEC 2025 report.

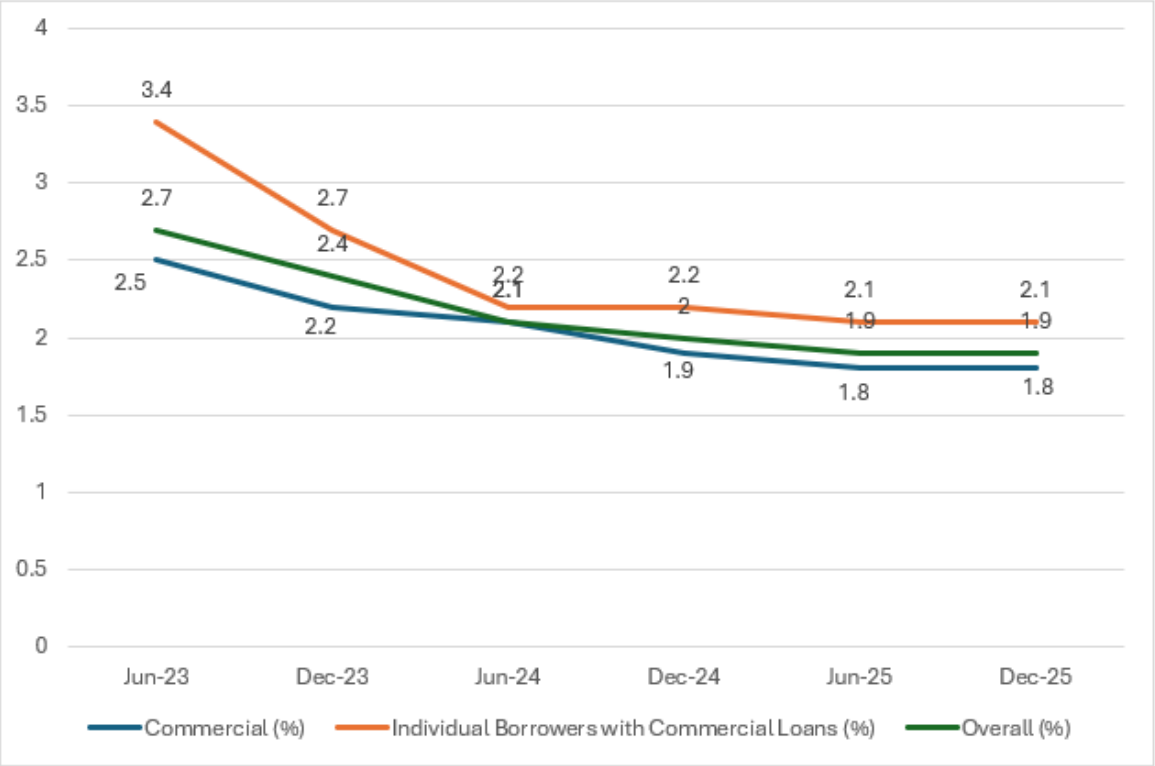
The distribution of individual borrowers with commercial loans across CIBIL score segments as of December 2025 highlights clear differences in borrower credit profiles across lender categories. Public sector banks (PSBs) have a relatively lower proportion of high-quality borrowers, with 23% classified as above prime, while a significant 43% fall in the below prime category, indicating higher exposure to weaker credit segments. The remaining 34% are prime borrowers, reflecting a moderate credit profile overall.

Private sector banks demonstrate a comparatively stronger credit profile, with 35% above-prime borrowers and the highest share of prime borrowers at 42%, while exposure to below-prime borrowers remains lower at 24%. This suggests a more selective lending approach with a focus on better credit-quality individuals.

In contrast, NBFCs exhibit a distinctly different borrower mix, with a relatively low 16% share of above-prime borrowers and a substantial 50% of borrowers in the below-prime segment, alongside 34% in the prime category. This distribution underscores the role of NBFCs in catering to borrowers with limited or evolving credit histories, thereby supporting financial inclusion and access to credit for underserved segments.

Overall, the comparatively lower share of above-prime borrowers, particularly in the NBFC segment, indicates the need for stronger credit assessment and monitoring mechanisms at the borrower level. At the same time, it highlights the structural importance of NBFCs in bridging the credit gap by serving higher risk yet economically active borrower segments.

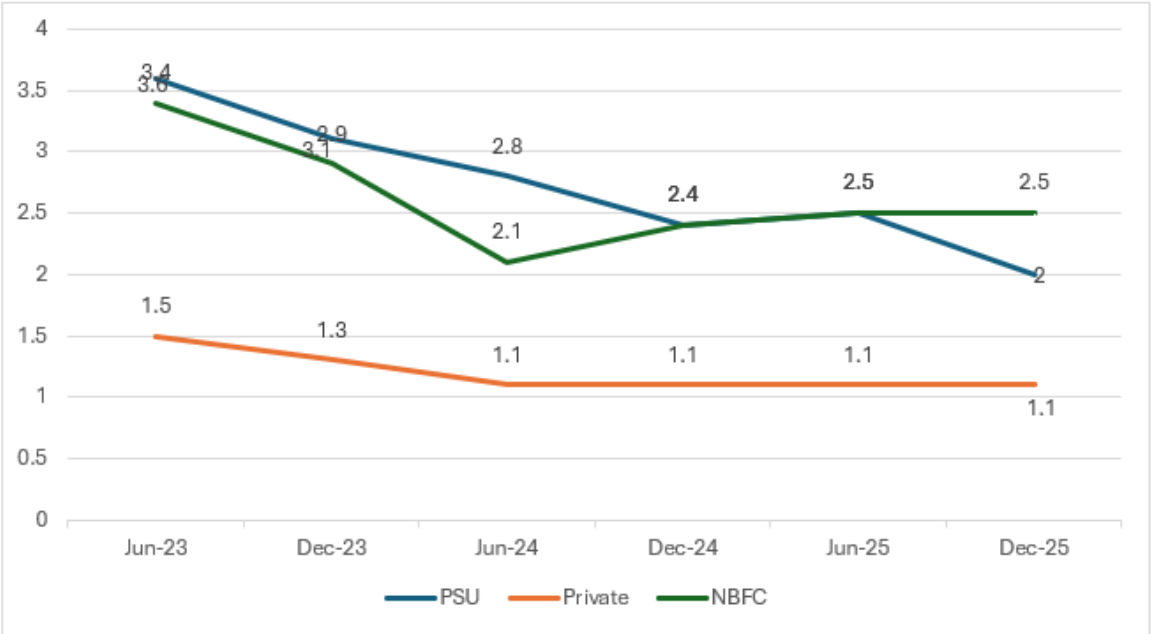
Balance-Level Delinquencies – 90+ and Sub-STD (%)



Note - All Commercial Fund based loans (WC-TL); Exposure up to 100Cr considered Business Loan, Commercial Vehicle, Commercial Equipment and Property loan considered under Consumer whereas common accounts within both bureaus are only considered under commercial.
Source: TransUnion CIBIL commercial & consumer credit database, MSME Pulse DEC 2025 report.

Delinquency levels have moderated and stabilized across both segments, with overall delinquencies declining to ~1.9% by December 2025. While individual borrowers continue to exhibit slightly higher delinquencies than commercial entities, the gap has narrowed, indicating improving and stable asset quality across the portfolio.

Trend in Balance-Level Delinquencies Across Lender Categories



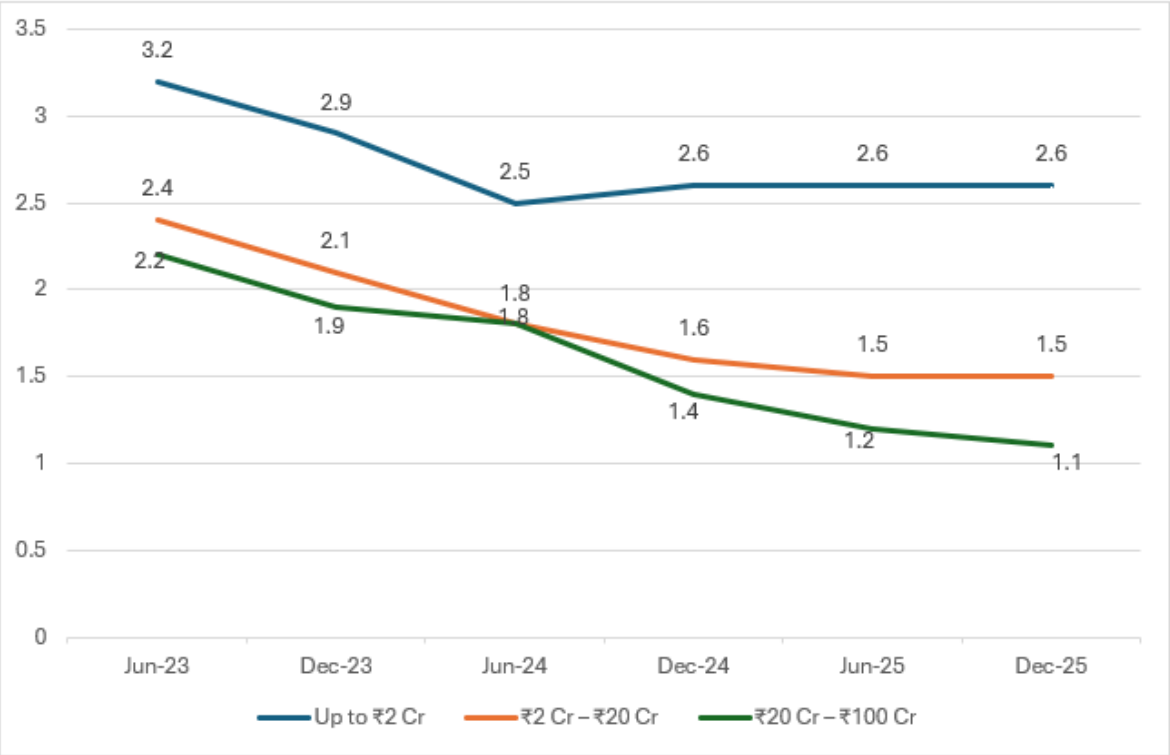
Note - All Commercial Fund based loans (WC-TL); Exposure up to 100Cr considered Business Loan, Commercial Vehicle, Commercial Equipment and Property loan considered under Consumer whereas common accounts within both bureaus are only considered under commercial.
Source: TransUnion CIBIL commercial & consumer credit database, MSME Pulse DEC 2025 report.

The trend in balance-level delinquencies across lender categories reflects an overall improvement in asset quality; however, NBFCs continue to exhibit relatively higher and more volatile delinquency levels compared to banks. NBFC delinquencies declined from approximately 3.4% in June 2023 to 2.1% in June 2024, indicating a significant improvement in credit performance and portfolio quality. Subsequently, delinquency levels have moderated and stabilized at around 2.4%–2.5% through December 2025, reflecting a normalization phase after the sharp correction.

Despite this improvement, NBFC delinquency levels remain higher than those of private sector banks (stable at ~1.1%) and marginally above or comparable to public sector banks in certain periods, which is indicative of NBFCs' greater exposure to relatively higher-risk and underserved borrower segments. The slight uptick and stabilization in recent periods suggest cautious credit behaviour and evolving asset quality dynamics, particularly in smaller ticket and retail-linked MSME lending.

Overall, the trend underscores the structural role of NBFCs in extending credit to riskier segments, while also highlighting the importance of continued focus on underwriting discipline, portfolio monitoring, and risk management practices to sustain asset quality.

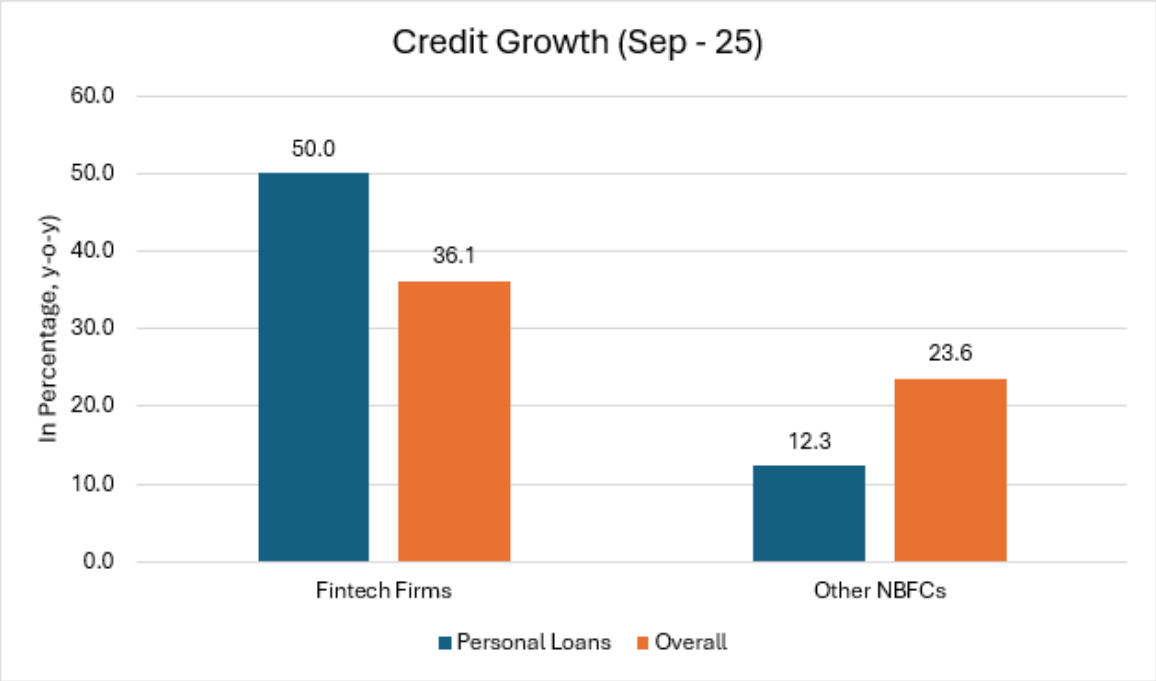
Trend in Delinquencies by Borrower Exposure Segment



Note - All Commercial Fund based loans (WC-TL); Exposure up to 100Cr considered Business Loan, Commercial Vehicle, Commercial Equipment and Property loan considered under Consumer whereas common accounts within both bureaus are only considered under commercial.
Source: TransUnion CIBIL commercial & consumer credit database, MSME Pulse DEC 2025 report.

The delinquency trends across borrower exposure segments indicate a steady improvement followed by stabilization over the period from June 2023 to December 2025. Higher ticket size loans (INR 20 crore–INR 100 crore) show the strongest credit performance, with delinquencies declining consistently from 2.2% to 1.1%, reflecting lower risk and better repayment capacity. Mid-ticket exposures (INR 2 crore–INR 20 crore) also demonstrate gradual improvement, stabilizing at around 1.5%, indicating moderate risk levels. In contrast, smaller ticket loans (up to INR 2 crore) have stabilized at relatively higher delinquency levels (~2.6%), highlighting the comparatively higher risk associated with this segment. Overall, the data reflects improving asset quality with a clear inverse relationship between ticket size and credit risk, alongside stabilization in recent periods.

Growing Share of Fintech firms in Total NBFC Unsecured Loan



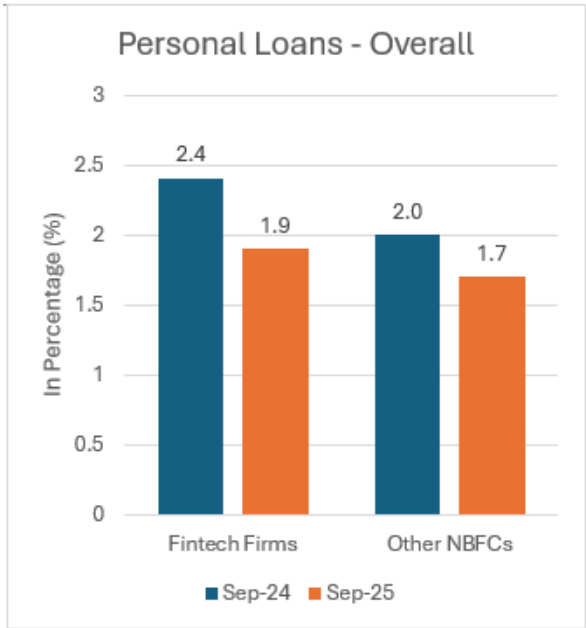
Sources: CRIF High Mark; and RBI staff estimates, Financial Stability Report Dec 2025. The data presented is based on the latest information currently available from the RBI. The subsequent update is expected to be released in December 2026.

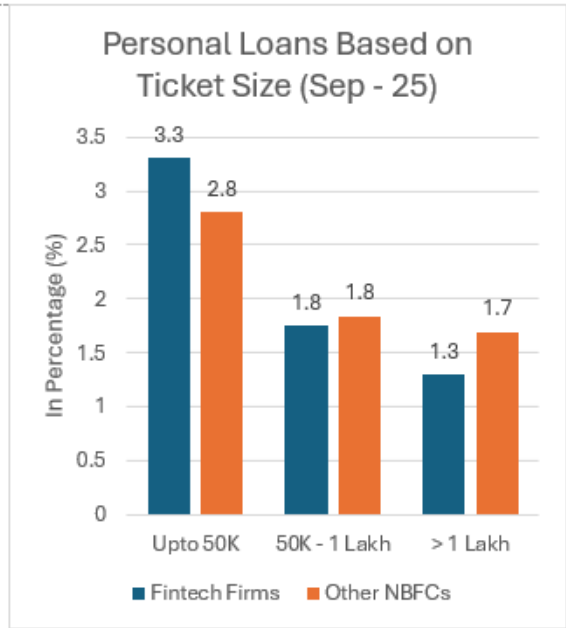
Fintech firms continued to witness higher growth in unsecured lending compared to other NBFCs during September 2025, reflecting increasing adoption of digital lending models and technology-driven credit delivery mechanisms.

Year-on-year growth in personal loans for fintech firms stood at 50.0%, significantly higher than 12.3% recorded for other NBFCs. Similarly, overall credit growth for fintech firms was recorded at 36.1% as compared to 23.6% for other NBFCs.

The higher credit growth among fintech firms indicates increasing penetration of digitally originated unsecured loans, particularly within personal lending segments. The trend also reflects the growing role of fintech-led NBFCs in expanding retail credit access, supported by digital onboarding, automated underwriting processes, and faster loan disbursement capabilities.

Impairment in Unsecured Loans Declining





Sources: CRIF High Mark; and RBI staff estimates

Impairment levels in unsecured personal loans moderated during September 2025 across fintech firms and other NBFCs, indicating improvement in asset quality within the unsecured lending segment.

Impairment levels for fintech firms declined from 2.4% in September 2024 to 1.9% in September 2025, while impairment levels for other NBFCs declined from 2.0% to 1.7% during the same period.

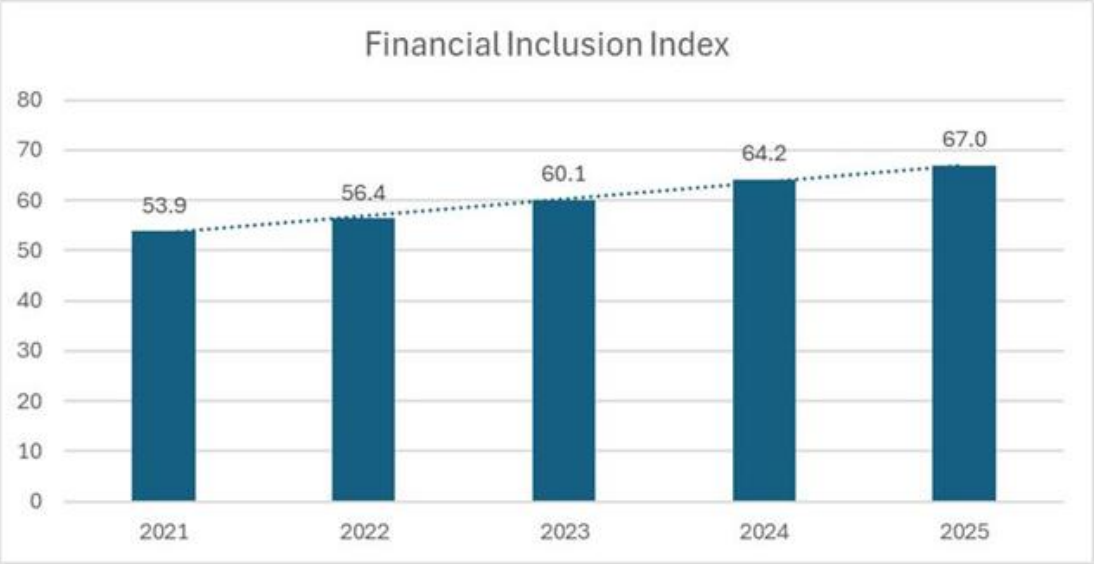
Based on ticket size, smaller-ticket loans continued to record relatively higher impairment levels compared to larger-ticket loans. For loans up to ₹50,000, impairment levels stood at 3.3% for fintech firms and 2.8% for other NBFCs, whereas loans above ₹1 lakh recorded lower impairment levels of 1.3% and 1.7%, respectively.

The trend indicates improving credit quality and stabilising repayment behaviour across the unsecured lending ecosystem, while smaller-ticket personal loans continue to exhibit relatively higher credit risk.

Financials Inclusion

Financial inclusion remains a key priority for fostering inclusive and sustainable economic growth in India. Policy initiatives undertaken by the Reserve Bank of India, along with government-led programs and technology-driven innovations, have significantly improved access to formal financial services. India has adopted a phygital approach, combining digitalisation with expansion of physical banking infrastructure such as branches and ATMs, thereby ensuring wider reach across rural and semi-urban areas. While bank branch penetration in India is relatively higher than in most emerging market and developing economies (EMDEs), ATM penetration on a per capita basis remains comparatively lower.

Financials Inclusion Index



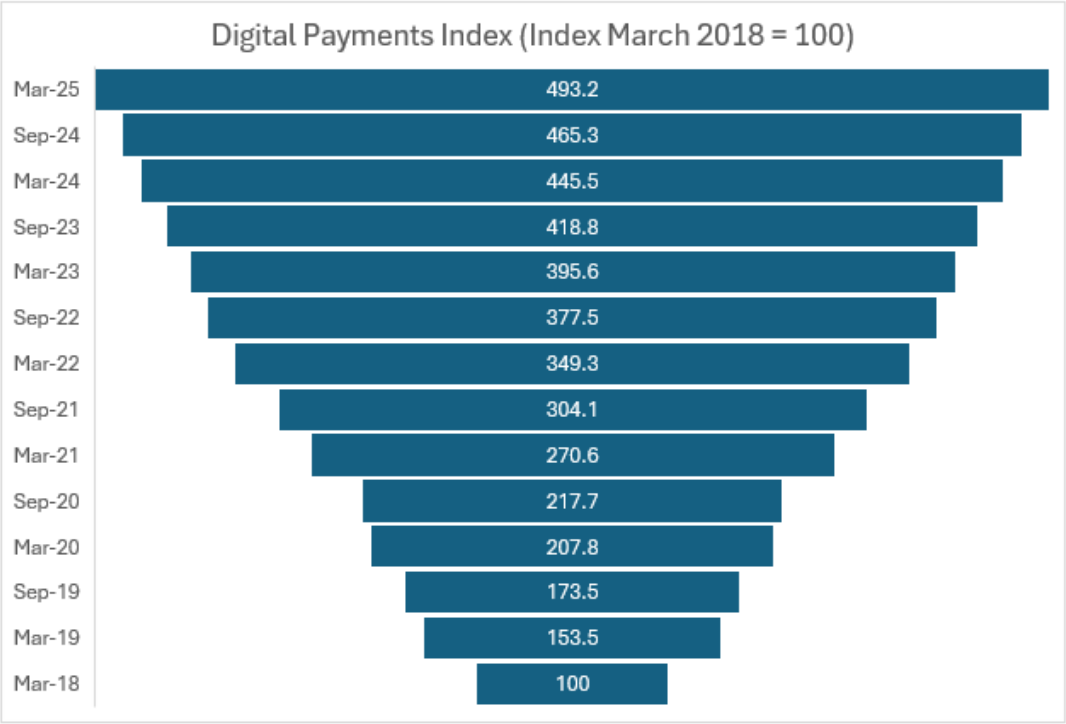
Note: The index value ranges between zero and 100, where zero indicates complete financial exclusion and 100 indicates full financial inclusion.
Source: RBI - Report on Trend & Progress of Banking in India 2024-25.

The Financial Inclusion Index demonstrates a consistent and impressive upward trajectory from its base value of 53.9 in 2021 to 67.0 in 2025, reflecting a robust 24.3% increase over the period and underscoring the transformative impact of India's comprehensive financial inclusion strategy. This steady progression, with annual improvements across 2022 (56.4), 2023 (60.1), and 2024 (64.2), highlights broad-based gains in all three sub-indices—Access, Usage, and Quality—driven by enhanced availability of banking services, greater adoption of digital payments, insurance, pensions, and strengthened financial literacy initiatives. The rise to 67.0 for the year ended March 2025, affirms the effectiveness of flagship programs such as Pradhan Mantri Jan Dhan Yojana, with over 55.98 crore beneficiaries, alongside record momentum in UPI transactions, Kisan Credit Cards, and saturation campaigns. This sustained momentum not only bridges access gaps for underserved populations but also empowers entrepreneurship, risk management, and economic productivity, reinforcing India's commitment to inclusive, equitable, and sustainable growth for every citizen.

Payment Systems

India's payment systems have witnessed significant transformation over the years, supported by expansion in payment infrastructure, technological advancements, increasing internet and smartphone penetration, and policy initiatives promoting digital financial services. Payment systems continue to play an important role in supporting economic activity, improving transaction efficiency, and fostering financial inclusion across the country. Regulatory initiatives undertaken by the Reserve Bank of India have focused on developing safe, secure, accessible, and affordable payment mechanisms to strengthen the digital financial ecosystem.

Digital Payments



Source – RBI

Digital payments have witnessed substantial growth in terms of both value and transaction volumes, driven by increasing adoption of digital payment platforms and cashless transaction methods. During 2024-25, digital payments accounted for 97.6% of India's total payments in value terms, while paper-based instruments such as cheques represented only 2.4% of total payments. Further, digital payments recorded strong growth in volume terms, supported by increasing usage of digital payment methods for small-value retail transactions. The decline in the average value of retail digital payments during the year indicates wider adoption of digital payment platforms for day-to-day transactions and growing penetration of digital financial services across customer segments.

4. Market Dynamics

4.1. Key Growth Drivers

The consumer lending industry in India demonstrates significant growth potential supported by rising retail credit demand, increasing digitalisation of financial services, growing financial inclusion and expansion of technology-enabled lending platforms. The industry continues to play an important role in supporting consumption-driven economic activity through credit deployment across housing finance, personal loans, vehicle finance, consumer durable financing and MSME-linked retail lending segments.

The consumer lending ecosystem has witnessed structural transformation in recent years, driven by rapid adoption of digital payment systems, increasing smartphone and internet penetration, expansion of fintech platforms, and development of digital public infrastructure such as Aadhaar-enabled authentication, Unified Payments Interface ("UPI") and e-KYC frameworks. Further, the growing role of non-banking financial companies ("NBFCs") in underserved and semi-urban markets, coupled with regulatory initiatives undertaken by the Reserve Bank of India relating to digital lending, customer protection and governance standards, has supported expansion of formal credit penetration across customer segments.

The table below summarises the principal market drivers and their directional impact over near (1–2 years), medium (3–4 years), and longer (5–7 years) horizons.

Market Drivers and Impact Assessment

(Directional impact based on industry analysis and regulatory developments)

Key Drivers	1–2 Years	3–4 Years	5–7 Years
Retail Credit Demand Growth	High	High	High
Digital Lending and Fintech Expansion	High	High	High
Growth in Digital Payments Infrastructure	High	High	High
Expansion of NBFC-led Lending	High	Medium	Medium
Financial Inclusion and Rural Credit Penetration	High	Medium	Medium
Growth in Consumer Durable and Vehicle Financing	Medium	High	High
Adoption of Technology-driven Underwriting Models	Medium	High	High
Regulatory Framework Strengthening	Medium	High	Medium
Increasing Smartphone and Internet Penetration	High	High	Medium
Expansion of Housing Finance Demand	Medium	High	High

Source – Infomerics Analytics & Research

Detailed Overview

1. **Retail Credit Demand Growth -** Increasing consumer spending, rising income levels, urbanisation, and changing lifestyle preferences continue to drive demand for retail credit products such as personal loans, housing loans, vehicle loans, and consumer durable financing. Growing formalisation of the economy and increasing credit awareness are also contributing to higher retail credit penetration.

2. **Digital Lending and Fintech Expansion -** Fintech companies and digital lending platforms have significantly improved accessibility and speed of credit delivery through technology-enabled lending models, digital onboarding, paperless processing, and instant loan disbursement mechanisms. Increasing collaboration between banks, NBFCs, and fintech companies is further supporting expansion of digital credit services.

3. **Growth in Digital Payments Infrastructure -** Expansion of digital payment systems such as Unified Payments Interface ("UPI"), mobile wallets, internet banking, and QR-code based payments has strengthened the digital financial ecosystem. Increased digital transaction history also supports credit assessment and underwriting capabilities for lenders.

4. **Expansion of NBFC-led Lending -** NBFCs continue to play a significant role in extending credit to underserved customer segments, including rural borrowers, first-time borrowers, MSMEs, and customers with limited access to traditional banking channels. Their flexible lending models and faster approval processes continue to support growth in consumer lending.

5. **Financial Inclusion and Rural Credit Penetration -** Government-led financial inclusion initiatives, increasing banking penetration, and expansion of digital infrastructure have improved access to formal credit services in semi-urban and rural markets. The increasing reach of NBFCs and fintech platforms is also contributing to deeper rural credit penetration.

6. **Growth in Consumer Durable and Vehicle Financing -** Increasing consumer aspirations, rising disposable incomes, and growth in organised retail and automobile sales are driving demand for consumer durable financing and vehicle loans. Availability of easy financing options and digital loan approvals continue to support growth in these segments.

7. **Adoption of Technology-driven Underwriting Models -** Lenders are increasingly adopting artificial intelligence ("AI"), machine learning, alternate data analytics, and automated credit assessment models to improve underwriting efficiency, reduce turnaround time, and expand credit access to new-to-credit customers.

8. **Regulatory Framework Strengthening -** The regulatory environment for consumer lending continues to evolve with focus on digital lending guidelines, governance standards, customer protection, data privacy, and transparency. Regulatory initiatives undertaken by the Reserve Bank of India are expected to support long-term stability and confidence in the lending ecosystem.

9. **Increasing Smartphone and Internet Penetration -** Growing smartphone usage and internet accessibility across urban and rural markets have accelerated adoption of digital financial services, online lending applications, and digital payment systems, thereby supporting expansion of the consumer lending market.

10. **Expansion of Housing Finance Demand -** Rising urbanisation, increasing housing requirements, improving affordability, and growing home ownership aspirations continue to support demand for housing finance across various income groups. Government initiatives relating to affordable housing are also contributing to growth in the housing finance segment.

4.2. Challenges

The consumer lending industry in India continues to face various operational, regulatory, and credit-related challenges despite increasing retail credit demand and rapid digitalisation of financial services. The sector is witnessing heightened regulatory focus on responsible lending practices, digital lending governance, customer protection, and cybersecurity frameworks, particularly with the growing adoption of technology-enabled lending models and digital financial services.

Market Challenges and Impact Assessment

(Directional impact based on industry analysis and regulatory developments)

Key Challenges	1–2 Years	3–4 Years	5–7 Years
Asset Quality Risks in Unsecured Lending	High	Medium	Medium
Regulatory Compliance and Digital Lending Norms	High	High	Medium
Cybersecurity and Data Privacy Risks	High	High	High
Rising Competition in Retail Lending	High	High	High
Credit Assessment Challenges for New-to-credit Customers	High	Medium	Medium
Impact of Rupee Depreciation and Rising Fuel & Crude Oil Prices on NBFCs	High	Medium	Medium

Source – Infomerics Analytics & Research

1. **Asset Quality Risks in Unsecured Lending -** The rapid growth in unsecured retail loans, including personal loans and small-ticket digital loans, has increased concerns regarding borrower leverage and repayment capacity. The Reserve Bank of India has highlighted the need for prudent underwriting and monitoring practices to mitigate asset quality risks within the retail lending segment.

2. **Regulatory Compliance and Digital Lending Norms -** The digital lending ecosystem is subject to evolving regulatory frameworks relating to disclosure standards, customer consent mechanisms, data usage practices, and fair lending guidelines. Compliance with these regulatory requirements may increase operational and technology-related costs for lenders.

3. **Cybersecurity and Data Privacy Risks -** Increasing adoption of digital lending platforms and online financial services has heightened exposure to cybersecurity threats, digital frauds, phishing attacks, and data privacy concerns. Financial institutions are required to strengthen cybersecurity frameworks and data protection mechanisms to address such risks.

4. **Rising Competition in Retail Lending -** Growing participation of banks, NBFCs, fintech companies, and digital lending platforms has intensified competition within the consumer lending industry, leading to pressure on lending margins, customer acquisition costs, and product differentiation.

5. **Credit Assessment Challenges for New-to-credit Customers -** Assessment of borrowers with limited or no formal credit history remains a challenge for lenders, particularly in rural and semi-urban markets. Limited availability of reliable financial data may increase underwriting and default risks.

6. **Impact of Rupee Depreciation and Rising Fuel & Crude Oil Prices on NBFCs -** Recent depreciation in the Indian Rupee along with rising crude oil and fuel prices could adversely impact the NBFC sector through multiple channels. Higher fuel and energy costs may increase inflationary pressures, leading to elevated interest rates and reduced disposable income of borrowers, particularly in retail and MSME segments. This could weaken repayment capacity and increase delinquencies, especially in unsecured and vehicle financing portfolios. Further, sectors dependent on transportation, logistics and fuel-intensive operations may witness margin pressures, affecting credit quality of borrowers financed by NBFCs. Rupee depreciation may also increase borrowing costs for NBFCs with foreign currency exposure or external commercial borrowings (ECBs), thereby impacting profitability and liquidity.

5. *PESTEL Analysis of the Industry*

The consumer lending industry in India is influenced by various political, economic, social, technological, legal, and environmental ("PESTLE") factors. Increasing financial inclusion, growth in digital payments infrastructure, rising retail credit demand, and technological advancements in digital lending continue to support industry growth. Further, evolving regulatory frameworks, cybersecurity requirements, and governance standards issued by the Reserve Bank of India continue to shape the operating environment for lenders. The table below summarises the key PESTLE factors and their implications on the consumer lending industry in India.

Factors	Description	Implications for Consumer Lending Industry
Political Factors	Government initiatives such as Pradhan Mantri Jan Dhan Yojana ("PMJDY"), Aadhaar-enabled services, Direct Benefit Transfer ("DBT"), and policy focus on financial inclusion and digital payments continue to strengthen formal financial access. The Reserve Bank of India has also continued to strengthen regulatory frameworks relating to digital lending and customer protection.	Expansion in formal banking access and digital financial infrastructure is expected to increase retail credit penetration, improve borrower onboarding, and support growth in consumer lending across underserved and rural markets.
Economic Factors	Rising retail credit demand, improving banking sector asset quality, increasing urbanisation, and expansion in formal credit channels continue to support growth in lending activity. Scheduled commercial banks ("SCBs") and NBFCs continued to witness credit growth during FY25.	Increasing consumption expenditure and improving access to formal credit are expected to support growth in personal loans, housing finance, vehicle finance, and consumer durable financing segments.
Social Factors	Rising financial awareness, changing consumer lifestyles, increasing digital literacy, and growing middle-income population are supporting higher adoption of formal credit products and digital financial services.	Higher acceptance of retail credit products and digital lending platforms is expected to increase consumer loan penetration and expand the customer base for lenders.
Technological Factors	Expansion of Unified Payments Interface ("UPI"), e-KYC infrastructure, Aadhaar-enabled authentication, digital payment systems, and adoption of artificial intelligence ("AI") and data analytics continue to strengthen digital lending operations. During 2024-25, digital payments accounted for 97.6% of total payments in value terms.	Technological advancements are expected to improve operational efficiency, enable faster loan processing, reduce turnaround time, and enhance accessibility of consumer credit through digital channels.
Legal Factors	The consumer lending industry continues to operate under evolving regulatory frameworks relating to digital lending, cybersecurity, customer protection, fair lending practices, and governance standards issued by the Reserve Bank of India.	Increasing regulatory oversight may strengthen transparency and customer protection; however, compliance requirements may increase operational and technology-related costs for lenders.
Environmental Factors	Increasing focus on environmental, social, and governance ("ESG") practices and adoption of digital and paperless lending processes are influencing operational practices within the financial sector.	Adoption of paperless and digital lending models may improve operational efficiency and support sustainable business practices within the consumer lending ecosystem.

6. *Government Initiatives, Policy Support and Regulatory Framework*

The Government of India and the Reserve Bank of India ("RBI") have introduced various regulatory and policy measures aimed at strengthening financial stability, improving credit accessibility, enhancing digital lending infrastructure, and promoting responsible lending practices within the NBFC and consumer lending ecosystem.

Regulatory Framework / Initiative	Key Developments	Implications for Consumer Lending Industry
Unified Lending	RBI introduced Unified Lending Interface	Enhances digital credit assessment,

Regulatory Framework / Initiative	Key Developments	Implications for Consumer Lending Industry
Interface ("ULI")	("ULI"), a digital public infrastructure platform enabling lenders to access borrower-related data through standardised APIs for seamless digital credit delivery.	improves operational efficiency, and supports faster loan origination and disbursement processes.
Financial Inclusion Initiatives	RBI continued implementation of the National Strategy for Financial Inclusion ("NSFI"), expansion of banking access, financial literacy initiatives, and strengthening of the business correspondent framework.	Expansion of formal financial access is expected to support retail credit penetration and growth in lending activities across underserved segments.
Digital Payments Infrastructure Development	India's digital payment ecosystem continued to expand through increasing adoption of digital payment systems and growth in payment acceptance infrastructure.	Strengthens digital lending ecosystem by enabling seamless loan disbursements, repayments, and digital financial transactions.
Customer Protection and Grievance Redressal Mechanisms	RBI strengthened customer protection frameworks through Complaint Management System ("CMS") 2.0, Internal Ombudsman mechanisms, and enhanced supervisory oversight.	Improves transparency, strengthens borrower confidence, and supports responsible lending practices.
Artificial Intelligence ("AI") and FinTech Enablement	RBI constituted the Framework for Responsible and Ethical Enablement of Artificial Intelligence ("FREE-AI") committee to support responsible adoption of AI within the financial sector.	Encourages technology-driven lending models, automated underwriting, fraud detection, and operational efficiency improvements.
MSME Credit Support and Guarantee Schemes	Government initiatives such as Credit Guarantee Fund Trust for Micro and Small Enterprises ("CGTMSE"), Emergency Credit Line Guarantee Scheme ("ECLGS"), and priority sector lending frameworks continued to support credit flow towards MSMEs.	Supports growth in MSME lending portfolios, improves credit accessibility for small businesses, and reduces credit risk exposure for lenders.
NBFC-MFI Regulatory Framework	RBI issued updated directions for NBFC-Micro Finance Institutions ("NBFC-MFIs") covering capital adequacy, governance standards, provisioning norms and reporting requirements.	Strengthening of prudential norms and governance standards is expected to improve operational resilience and financial stability within the microfinance lending ecosystem.

7. Competitive Landscape

The competitive landscape of India's consumer lending industry is becoming increasingly dynamic and technology-driven, supported by rising retail credit demand, digitalisation of financial services, expansion of financial inclusion initiatives, and increasing participation of NBFCs and fintech entities. Competition within the sector continues to intensify as players strengthen digital capabilities, expand customer reach, improve underwriting models, and diversify lending portfolios across retail, MSME, and underserved borrower segments.

Key Factors Shaping Competition	Competitive Strategies
➢ **Access to Low-cost Funding –** Availability and cost of borrowings remain critical factors influencing lending capacity, profitability, and competitiveness of NBFCs. ➢ **Digital Lending and Technology Adoption –** Increasing adoption of digital onboarding, AI-based underwriting, e-KYC, and data analytics is transforming customer acquisition and credit assessment processes. ➢ **Customer Reach and Financial Inclusion –** Ability to expand operations across rural, semi-urban, and underserved borrower segments remains an important competitive differentiator. ➢ **Asset Quality and Risk Management –** Strong	➢ **Diversified Funding Strategy –** NBFCs focus on diversifying funding sources through bank borrowings, debentures, securitisation, co-lending arrangements, and capital market instruments to optimise borrowing costs and liquidity management. ➢ **Technology-led Lending Strategy –** Companies invest in digital lending platforms, automated underwriting systems, analytics-driven credit assessment, and digital collection infrastructure to improve efficiency and customer experience. ➢ **Expansion and Distribution Strategy –** NBFCs strengthen branch networks, partnerships, business correspondent models, and digital channels to improve customer reach and lending penetration.

Key Factors Shaping Competition	Competitive Strategies
underwriting standards, collection efficiency, and portfolio monitoring capabilities continue to influence operational performance and financial stability. ➢ **Product Diversification Capability –** Diversified exposure across personal loans, MSME finance, vehicle finance, gold loans, and microfinance segments supports portfolio resilience and growth opportunities.	➢ **Risk-based Underwriting Strategy –** Companies focus on strengthening credit appraisal systems, monitoring mechanisms, and collection processes to improve asset quality and control impairment levels. ➢ **Portfolio Diversification Strategy –** Players diversify lending portfolios across products, geographies, borrower profiles, and ticket sizes to reduce concentration risks and improve portfolio stability.
Fintech Participation and Digital Competition – Increasing participation of fintech firms within unsecured and small-ticket lending segments continues to intensify competition within the sector.	**Fintech Collaboration and Innovation Strategy –** Companies increasingly collaborate with fintech firms and digital ecosystem partners to improve scalability, customer acquisition, and technology integration within lending operations.

Barriers to Entry

Regulatory Approvals and Compliance Requirements	NBFCs are regulated by the Reserve Bank of India and are required to comply with capital adequacy norms, governance standards, provisioning requirements, cybersecurity frameworks, and regulatory reporting obligations. Increasing regulatory oversight may raise compliance and operational costs for new entrants.
Access to Low-cost Funding	Consumer lending businesses are highly dependent on borrowings and external funding sources. New entrants may face challenges in accessing diversified and low-cost funding due to limited operating history, lower credit ratings, and lack of established lender relationships.
Technology and Digital Infrastructure Investments	Digital lending operations require significant investments in technology platforms, data analytics, cybersecurity systems, artificial intelligence ("AI"), customer onboarding infrastructure, and digital payment integration capabilities.
Asset Quality and Credit Risk Management	Effective underwriting models, portfolio monitoring systems, collection infrastructure, and fraud detection capabilities are critical for managing impairment risks within unsecured and retail lending segments. Developing robust risk management systems may require significant operational expertise and historical borrower data.
Customer Acquisition and Distribution Network	Established NBFCs and fintech firms benefit from strong customer relationships, branch networks, partnerships, and digital distribution channels. Building customer trust and achieving scale in borrower acquisition may be challenging for new entrants.
Data and Credit Assessment Capabilities	Access to borrower data, credit bureau integration, analytics capabilities, and alternative credit assessment models play an important role in lending decisions and portfolio performance. Established players benefit from larger borrower databases and historical repayment information.

Key Industry Players

The Indian consumer lending industry comprises a diverse mix of banks, non-banking financial companies (NBFCs), microfinance institutions (MFIs), and digital lending platforms that provide credit solutions to retail customers, micro-entrepreneurs, and small businesses. The industry plays a significant role in promoting financial inclusion by extending credit access to underserved and underbanked customer segments, particularly in rural and semi-urban markets. The following are some of the key listed players operating in segments including consumer lending, microfinance, MSME financing, and financial inclusion-focused lending.

1. **Satin Creditcare Network Limited -** Satin Creditcare Network Limited is a Non-Banking Financial Company–Micro Finance Institution (NBFC-MFI) engaged in providing financial services to underserved and economically active customers across rural, semi-urban, and urban markets in India. The company primarily focuses on microfinance lending and offers a diversified portfolio comprising group loans, MSME loans, and housing finance through its subsidiaries. Its core business is centered on

extending credit to low-income households, women borrowers, and micro-entrepreneurs who have limited access to formal banking channels. Through its extensive branch network across multiple states, the company aims to promote financial inclusion by supporting income generation, small business development, and economic empowerment among underserved customer segments.

2. **Muthoot Microfin Limited -** Muthoot Microfin Limited, a part of the Muthoot Pappachan Group, is an NBFC-MFI focused on providing microfinance solutions to women entrepreneurs in rural and semi-urban regions of India. The company primarily operates through the Joint Liability Group (JLG) lending model and offers income-generating loans designed to support self-employment, micro-enterprises, and livelihood enhancement activities. In addition to its core microfinance products, the company provides other need-based financial solutions aimed at improving access to credit among economically underserved communities. Through its branch-led distribution network, Muthoot Microfin focuses on expanding financial inclusion and facilitating access to formal financial services for borrowers with limited credit availability.

3. **Bajaj Finance Limited - Bajaj** Finance Limited is a deposit-taking Non-Banking Financial Company (NBFC) engaged in diversified lending and financial services across retail, SME, and commercial customer segments. The company offers a broad range of financial products including consumer durable loans, personal loans, business loans, professional loans, rural lending, SME finance, commercial lending, loan against property, and investment-related solutions. It serves customers through an integrated omni-channel model comprising branch networks, distribution partners, and digital platforms. In addition to lending operations, the company offers fixed deposits, insurance distribution, payments and wealth-related solutions through its digital ecosystem. Its diversified product portfolio and multi-segment presence enable it to cater to a wide range of customer requirements across urban, semi-urban, and rural markets.

Financial Performance Analysis

The financial performance analysis of Paisalo Digital Limited presents an overview of its operational and profitability trends over FY 2024 to FY 2026. The assessment highlights key indicators such as revenue from operations, total income, EBITDA, and profitability margins, reflecting the company's operational efficiency and financial stability.

Figures in INR Lakhs (Except for ratios and percentages)

Key Indicators	**Paisalo Digital Limited**		
(in INR Lakhs)	**FY 2026**	**FY 2025**	**FY 2024**
Total Operating Income	94,369.76	77,110.66	65,874.61
Total Income	94,369.76	77,110.66	65,874.61
EBITDA	70,576.99	60,134.97	51,418.12
EBITDA Margin	74.79%	77.99%	78.05%
PAT	23,720.61	20,012.07	17,897.30
PAT Margin	25.14%	25.95%	27.17%
Current Ratio	1.39	1.41	1.50
Tangible Net worth	1,79,284.45	1,53,484.06	1,32,050.39
Total Debt	4,37,914.96	3,57,479.75	2,66,527.44
Debt Equity Ratio	2.44	2.33	2.02
ROCE (%)	12.12%	12.85%	13.76%
Return on Net Worth (%)	14.26%	14.02%	14.42%

Source – Financials as provided by the Company

Formula Used:

- EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortisation): Total Operating Income - Operating Expenses (excluding Depreciation & Amortisation, Interest, and Taxes)
- EBITDA Margin: (EBITDA/ Total Operating Income) *100
- PAT Margin: (Profit after Tax/Total Income) *100
- Current Ratio: Current Assets /Current Liabilities

- Tangible Net Worth: Share Capital + Reserve & Surplus – Intangible Assets -Deferred Tax Assets – Misc Expenditure not written off – Revaluation Reserves

- Return on Net Worth (RONW): (Profit After Tax /Average Tangible Net Worth) *100

- Total Capital Employed: Fixed Assets + Intangible Assets +Net Working Capital

- Return on Capital Employed (ROCE): (Earnings before Interest & Taxes/Average Capital Employed) *100

Paisalo Digital Limited recorded consistent growth in its financial performance during FY 2024–FY 2026, driven by the expansion of its lending operations. Total operating income (equivalent to total income) increased from INR 65,874.61 lakhs in FY 2024 to INR 77,110.66 lakhs in FY 2025 and further to INR 94,369.76 lakhs in FY 2026, registering a CAGR of approximately 19.7% over the period. The increase in revenue was primarily attributable to higher interest income, which increased from INR 58,897.86 lakhs in FY 2024 to INR 66,023.60 lakhs in FY 2025 and further to INR 87,867.09 lakhs in FY 2026, reflecting the expansion of the Company's loan portfolio and higher income generated from its financing activities. Although fee and commission income declined from INR 7,098.84 lakhs in FY 2025 to INR 3,871.82 lakhs in FY 2026, the increase in interest income more than compensated for the decline in non-interest income, resulting in sustained growth in total operating income.

Profit after tax increased from INR 17,897.30 lakhs in FY 2024 to INR 20,012.07 lakhs in FY 2025 and further to INR 23,720.61 lakhs in FY 2026. While the PAT margin moderated marginally from 27.17**%** in FY 2024 to 25.14% in FY 2026, the Company continued to maintain healthy profitability levels during the review period.

The Company's financial position strengthened, with tangible net worth increasing from INR 1,32,050.39 lakhs in FY 2024 to INR 1,79,284.45 lakhs in FY 2026, supported by the retention of earnings. To support the expansion of its lending business, total borrowings increased from INR 2,66,527.44 lakhs in FY 2024 to INR 4,37,914.96 lakhs in FY 2026, resulting in the debt-equity ratio increasing from 2.02 times to 2.44 times. The current ratio remained broadly stable at 1.39 times in FY 2026 compared with 1.50 times in FY 2024, indicating adequate liquidity to meet short-term obligations.

The Company's return indicators remained stable during the review period. Return on Net Worth (RONW) remained 14.26%, reflecting consistent returns generated on shareholders' funds, while Return on Capital Employed (ROCE) moderated from 13.76**%** in FY 2024 to 12.12% in FY 2026, primarily due to the increase in capital employed accompanying the expansion of the Company's lending operations. Overall, Paisalo Digital Limited demonstrated sustained growth in its core lending business, supported by increasing interest income, consistent profitability, a strengthening net worth and an expanded borrowing base to finance growth in its loan portfolio.

Peer Benchmarking Analysis

For financial peer benchmarking of FY 2026 Satin Creditcare Network Limited, Muthoot Microfin Limited and Bajaj Finance Limited has been taken. These companies represent key players in the Indian Consumer lending industry with comparable business models and product offerings.

Figures in INR Lakhs (Except for ratios and percentages)

Key Indicators (in INR Lakhs)	Paisalo Digital Limited	Satin Creditcare Network Limited	Muthoot Microfin Limited	Bajaj Finance Limited
Total Operating Income	94,369.76	3,14,302.95	2,36,956.80	81,98,238.00
Total Income	94,369.76	3,16,087.41	2,38,069.70	81,98,950.00
EBITDA	70,576.99	1,75,590.55	1,11,537.90	55,73,322.00
EBITDA Margin	74.79%	55.87%	47.07%	67.98%
PAT	23,720.61	33,220.98	17,026.70	19,31,590.00
PAT Margin	25.14%	10.51%	7.15%	23.56%
Current Ratio	1.39	1.24	3.43	1.26
Tangible Net worth	1,79,284.45	2,81,199.68	2,80,578.70	1,11,28,587.00
Total Debt	4,37,914.96	11,37,907.81	9,62,304.20	1,73,44,784.00
Debt Equity Ratio	2.44	4.05	1.26	1.56
ROCE (%)	12.12%	24.07%	17.22%	37.66%

Key Indicators (in INR Lakhs)	Paisalo Digital Limited	Satin Creditcare Network Limited	Muthoot Microfin Limited	Bajaj Finance Limited
Return on Net Worth (%)	14.26%	23.63%	12.14%	34.71%

Source - Financials for peer comparison are based on audited figures for Paisalo Digital Limited (as provided by the company), Satin Creditcare Network Limited, Muthoot Microfin Limited and Bajaj Finance Limited (as filed on BSE)

Paisalo Digital Limited reported total operating income of INR 94,369.76 lakhs and profit after tax of INR 23,720.61 lakhs in FY 2026. Although the Company's scale of operations was smaller than that of Satin Creditcare Network Limited, Muthoot Microfin Limited and Bajaj Finance Limited, it demonstrated strong profitability, with a PAT margin of 25.14%, which was higher than Satin Creditcare Network Limited (10.51%), Muthoot Microfin Limited (7.15%) and marginally higher than Bajaj Finance Limited (23.56%). This reflects the Company's ability to generate healthy earnings from its lending operations despite its comparatively smaller scale.

Paisalo Digital Limited reported a Profit After Tax (PAT) of INR 23,720.61 lakhs during FY 2026. Despite operating at a smaller scale than its peers, the Company achieved a PAT margin of 25.14%, which was higher than Satin Creditcare Network Limited (10.51%), Muthoot Microfin Limited (7.15%) and marginally higher than Bajaj Finance Limited (23.56%). The comparatively higher PAT margin indicates the Company's ability to generate healthy earnings relative to its total income, reflecting efficient management of operating expenses, finance costs and credit-related expenses.

The Company maintained an adequate liquidity position during FY 2026, with a current ratio of 1.39 times. This was broadly comparable with Bajaj Finance Limited (1.26 times) and Satin Creditcare Network Limited (1.24 times), while remaining lower than Muthoot Microfin Limited (3.43 times). The current ratio indicates that the Company maintained sufficient current assets to meet its short-term obligations, thereby supporting its day-to-day operational requirements.

Paisalo Digital Limited reported a tangible net worth of INR 1,79,284.45 lakhs as of FY 2026. Although lower than the tangible net worth reported by the selected peers, this reflects the Company's comparatively smaller balance sheet and business scale. The Company had total borrowings of INR 4,37,914.96 lakhs, resulting in a debt-equity ratio of 2.44 times. The debt-equity ratio was lower than Satin Creditcare Network Limited (4.05 times), indicating comparatively lower financial leverage than Satin, while remaining higher than Muthoot Microfin Limited (1.26 times) and Bajaj Finance Limited (1.56 times).

With respect to return indicators, Paisalo Digital Limited reported a Return on Capital Employed (ROCE) of 12.12% and a Return on Net Worth (RONW) of 14.26% during FY 2026. While the Company's ROCE was lower than that reported by Satin Creditcare Network Limited (24.07%), Muthoot Microfin Limited (17.22%) and Bajaj Finance Limited (37.66%), its RONW exceeded that of Muthoot Microfin Limited (12.14%), although it remained below Satin Creditcare Network Limited (23.63%) and Bajaj Finance Limited (34.71%). The Company's return ratios indicate its ability to generate consistent returns on shareholders' funds while maintaining a balanced capital structure to support future business growth.

Overall, Paisalo Digital Limited operates at a comparatively smaller scale than its selected peers in terms of revenue, net worth and balance sheet size. However, the Company has maintained strong profitability, as reflected in its industry-leading PAT margin, while sustaining adequate liquidity and a moderate leverage profile.

Company Positioning – Paisalo Digital Limited

The Company is positioned as a technology-driven non-banking financial company ("NBFC") focused on financial inclusion, small-ticket retail lending, and MSME financing across underserved and underbanked customer segments in India. Backed by over three decades of domain expertise, Paisalo Digital Limited has emerged as a diversified financial services group catering primarily to rural India, with a particular focus on women customers and small and medium-sized businesses, through Micro Enterprise Loans and MSME/Business Loans. The company primarily operates within the consumer lending ecosystem with emphasis on income generation loans, rural and semi-urban credit penetration, and digitally enabled lending solutions. Paisalo Digital Limited is registered with the Reserve Bank of India as a Non-Banking Financial Company – Investment and Credit Company.

The company operates through a "High Tech: High Touch" business model, integrating digital technology platforms with physical customer outreach and assisted distribution capabilities to improve accessibility of formal credit across financially underserved regions. Paisalo Digital Limited leverages technology-enabled onboarding systems, Aadhaar-based e-KYC processes, analytics-driven underwriting models, and digital servicing

infrastructure to facilitate loan origination and collections. As a lending-focused financial intermediary, the Company is exposed to risks relating to credit underwriting, collections, asset quality, liquidity, interest rates, funding, technology-enabled operations, regulatory compliance, and execution of its distribution model.

The company primarily caters to self-employed individuals, small business operators, micro-enterprises, first-time borrowers and economically weaker customer segments that may have limited access to formal banking channels. Its product portfolio includes income generation loans, SME and MSME loans, mobility loans, loan against property, and other retail credit products aimed at supporting livelihood generation and entrepreneurial activities.

Co-Lending Model

A key differentiating factor in the company's positioning is its co-lending business model with banks under the co-lending framework prescribed by the Reserve Bank of India. Under this framework, NBFCs facilitate the origination and collection of loans given their greater reach to potential customers, while partner banks leverage their balance sheet strength to fund most of the loan. The NBFC serves as the single point of interface for the customer and enters into the loan agreement with borrowers, while partner banks participate in loan funding and Paisalo undertakes sourcing, servicing, collections and customer management functions. This collaboration allows banks to increase credit flow to underserved areas, share risk and improve recovery rates.

Paisalo Digital Limited is one of the market leaders in co-lending within the priority sector lending segment. According to the company's website, Paisalo Digital Limited has entered co-lending partnerships with:

- State Bank of India,
- Bank of Baroda,
- Punjab National Bank,
- UCO Bank, and
- Karnataka Bank.

Growth Drivers Supporting the Co-Lending Model

The development of the co-lending sector, and the Company's positioning within it, is supported by several structural factors:

- **Regulatory support:** The RBI has been a major proponent of the co-lending model, with its notifications and circulars facilitating collaboration between banks and NBFCs to extend loans to priority sector borrowers, harmonising lending efforts and improving financial inclusivity.
- **Cost efficiency:** The model combines the low cost of funds available to banks with the operational efficiency and agility of NBFCs, reducing the overall cost of lending and making credit more affordable and accessible, particularly in the priority sector.
- **Market potential:** India continues to offer significant headroom for expansion in the retail credit market. Co-lending enables banks to build priority sector assets without committing additional resources, while NBFCs benefit from building a high-quality loan book and maintaining profitability.
- **Inclusive growth:** By targeting sectors traditionally underserved by formal financial institutions — including MSMEs, agriculture, and housing — the model supports inclusive economic growth by leveraging the combined strengths of banks and NBFCs.
- **Technological integration:** NBFCs' technology adoption enables better reach and service delivery in remote areas, which combined with the financial backing of banks, enhances the overall efficiency of lending and borrowing in the priority sector.
- **Enhanced credit access:** The model addresses the credit access gap for MSMEs and retail customers by pooling the resources and expertise of banks and NBFCs, extending credit to segments that otherwise face challenges in securing loans due to stringent compliance and collateral requirements.

By embracing this strategy, Paisalo Digital Limited gains a competitive edge in the market: collaboration with reputable banking institutions enhances credibility and instils customer confidence, while the combined strengths and networks of multiple partners allow for broader market reach and the ability to serve diverse customer segments more effectively. Successful execution of this strategy requires meticulous planning — identifying suitable partners, establishing clear collaboration frameworks, aligning operational processes, and leveraging technology for seamless integration.

NBFCs may claim in respect of provisions made against non-performing assets and bad and doubtful debts, restricted to the lower of the actual provision made or 5% of total income.

Industry Landscape and Competition

The company's positioning is further supported by structural developments within India's financial ecosystem, including increasing adoption of digital payments, expansion of digital lending infrastructure, implementation of Aadhaar-enabled e-KYC systems, and growth in formal financial inclusion initiatives led by the Government of India and the Reserve Bank of India.

Paisalo Digital Limited operates in a competitive financial services market comprising scheduled commercial banks, public sector banks, private sector banks, small finance banks, NBFCs, fintech lending platforms and captive finance companies. The Company also competes with informal lenders, including moneylenders, landlords, traders and local financiers, particularly in rural and semi-urban markets where access to organized institutional credit remains limited for certain borrower segments. Its operations are supported by its distribution network, digital lending platform and co-lending partnerships.

As a lending-focused financial intermediary, the Company is exposed to risks relating to credit underwriting, asset quality, collections, liquidity management, funding availability, interest rate movements, technology-enabled operations, regulatory compliance and execution of its co-lending and distribution model. Additionally, NBFCs may claim eligible tax deductions for specified provisions against non-performing assets, subject to the applicable provisions of the Income-tax Act and prescribed regulatory limits.

Overall, Paisalo Digital Limited is positioned within India's financial services sector as a technology-enabled NBFC focused on financial inclusion, retail lending and priority sector financing. Its operating model, rural and semi-urban market presence, co-lending partnerships with banks, diversified lending portfolio and technology-enabled processes position the Company to participate in the expansion of formal credit, digital lending and financial inclusion initiatives in India.

8. Future Outlook

The consumer lending industry in India is expected to witness sustained growth over the medium to long term, supported by increasing formalisation of the economy, rising retail credit penetration, expanding digital financial infrastructure, and growing demand for small-ticket and unsecured credit products. The sector is also expected to benefit from favourable demographic trends, increasing urbanisation, rising disposable incomes, and expansion of financial inclusion initiatives across rural and semi-urban markets.

Growth in digital lending platforms, Aadhaar-enabled e-KYC infrastructure, Account Aggregator framework, Unified Payments Interface ("UPI"), and data-driven underwriting models is expected to continue transforming credit delivery and customer onboarding processes within the consumer lending ecosystem. Increasing adoption of digital payment systems and formal financial services is expected to improve borrower data availability, enhance credit assessment capabilities, and support faster loan origination and servicing.

The non-banking financial company ("NBFC") sector is expected to continue playing a significant role in expanding credit access across underserved borrower segments, particularly within rural, semi-urban, self-employed, and MSME customer categories. NBFCs are likely to benefit from increasing co-lending partnerships with banks, improved digital infrastructure, and growing focus on financial inclusion and priority sector lending.

The unsecured lending segment, including personal loans and small-ticket consumer finance products, is expected to continue witnessing strong demand driven by increasing digital adoption, changing consumption patterns, and rising accessibility of formal credit channels. Fintech-led lending models and technology-enabled NBFCs are expected to continue expanding their presence within digitally originated lending segments through automated underwriting systems, analytics-driven credit assessment, and faster disbursement capabilities.

Further, increasing penetration of MSMEs, growth in self-employment and entrepreneurial activities, and rising consumption demand are expected to support long-term expansion of retail and MSME lending activities in India. Government initiatives relating to financial inclusion, digital payments, formalisation of credit delivery, and MSME credit support are also expected to support structural growth opportunities within the consumer lending ecosystem.

However, the industry may continue to face challenges relating to asset quality pressures within unsecured lending segments, regulatory tightening, cybersecurity risks, rising competition from fintech firms, and evolving compliance requirements. Increasing regulatory

focus on digital lending practices, customer protection, governance standards, and data privacy may result in higher compliance and operational costs for lending institutions.

Overall, the consumer lending industry in India is expected to remain supported by structural growth drivers including digitalisation of financial services, increasing formal credit penetration, technology-enabled lending infrastructure, expanding financial inclusion initiatives, and growing participation of NBFCs and fintech entities within the retail lending ecosystem.

OUR BUSINESS

Unless otherwise stated, references in this section to "we", "our" or "us", including in the context of any financial information, includes our subsidiary and to the extent is accompanied by financial information, such information is included on a consolidated basis. All financial numbers are presented in lakhs. To the extent applicable, financial information included for Fiscals 2026, 2025 and 2024 are from our financial statements and specifically indicated has been included from the Consolidated Financial Statements. Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. To obtain a complete understanding of our Company and business, prospective investors should read this section in conjunction with sections titled "Risk Factors", "Industry Overview", and "Financial Information" on pages 16, 78, and 187, respectively as well as financial and other information contained in this Draft Shelf Prospectus as a whole. Additionally, please refer to section titled "Definitions and Abbreviations" on page 1 for the definition of certain terms used in this section.

Our actual results may differ materially from those expressed in, or implied by, these forward-looking statements. You should read the section "Forward-Looking Statements" on page 14 for a discussion of the risks and uncertainties related to those statements and the section "Risk Factors" on page 16 for a discussion of certain risks that may affect our business, financial condition, or results of operations.

*Unless otherwise indicated, industry and market data used in this section has been derived from the report titled "Consumer Lending Industry" dated July 15, 2026, prepared and issued by Infomerics Analytics and Research and exclusively commissioned and paid for by us to enable the investors to understand the industry in which we operate in connection with this Issue ("**Infomerics Report**"). The data included herein includes excerpts from the Infomerics Report and may have been re-ordered by us for the purposes of presentation. Unless otherwise indicated, financial, operational, industry and other related information derived from the Infomerics Report and included herein with respect to any particular year refers to such information for the relevant calendar/Fiscal, as applicable. For further details and risks in relation to the Infomerics Report, see "Risk Factors – Industry information included in this Draft Shelf Prospectus has been derived from an industry report prepared by Infomerics Analysis and Research and exclusively commissioned and paid for by us for such purpose." on page 34.*

Overview

We are a Reserve Bank of India ("**RBI**") registered non-deposit taking non-banking financial company ("**NBFC**") classified as a middle layer NBFC **("NBFC-ML")** under the Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025, as amended, with a diversified operational presence across 22 states and union territories through our network of branches, distribution points and customer service points ("**CSPs**"). Backed by over three decades of domain expertise, we have emerged as a diversified financial services group catering primarily to rural India, with a particular focus on women customers and small and medium-sized businesses (*Source: Infomerics Report*). We primarily operate within the consumer lending ecosystem with emphasis on income generation loans, rural and semi-urban credit penetration, and digitally enabled lending solutions (*Source: Infomerics Report*). As of March 31, 2026, our assets under management ("**AUMs**"), on a consolidated basis, were ₹ 6,10,089.74 lakhs, comprising of micro enterprise loans, business loans, and micro, small and medium enterprise ("**MSME**") loans, with 2.01% of our portfolio, on a consolidated basis, pertaining to loans provided under the co-lending business model. Our primary source of funds is cash credit/term loans from banks, non-convertible debentures, commercial papers, inter corporate loans, foreign currency convertible bonds ("**FCCBs**") and external commercial borrowings ("**ECBs**"). Our revenue for Fiscal 2026, on a consolidated basis, was ₹ 94,369.76 lakhs.

Our Company was incorporated in 1992 and commenced operations as an NBFC. In 1998, we obtained registration from the RBI to carry on business as an NBFC. Thereafter, in 2014, our Company surrendered its registration as a deposit-taking company and obtained a fresh certificate of registration from the RBI to carry on the business of an NBFC without accepting public deposits. Subsequently, in 2018, our Company was granted a new certificate of registration by the RBI pursuant to our Company's name being changed from "*S. E. Investments Limited*" to "*Paisalo Digital Limited*".

Since our incorporation in 1992 and as of March 31, 2026, we have grown to become a lender with diversified operational presence in 22 states and union territories, offering services to approximately 160.00 lakh customers through our network of 5,299 touchpoints, comprising of 422 branches, 3,381 distribution points, and 1,496 customer service points ("**CSPs**").

Our operating network comprises of multiple service formats, each designed with a distinct functional role, cost structure, and customer interface model. These service formats include:

- A full branch involves significant operational and capital expenditure. This includes cost for infrastructure, staffing, technology, and other operational needs. Such branches are fully equipped to handle all lending activities, from lead generation to customer servicing through dedicated relationship and credit personnel, technology-enabled loan origination systems, customer servicing infrastructure and operational support functions, enabling them to undertake customer onboarding, document collection and verification, loan processing, customer servicing, collection and recovery activities, ensuring a comprehensive customer experience. As of March 31, 2026, we operated 422 branches in 12 states and union territories.

- A distribution point is focused solely on lead generation. It incurs minimal operational expenses with no capital expenditure. These distribution points are operated through the business establishments of authorised dealers of original equipment manufacturers ("**OEMs**"). Pursuant to agreements entered into with OEMs and their authorised dealers (collectively, "**Channel Partners**"), we empanel our representatives at the business establishments of such authorised dealers. These authorised dealers identify and refer prospective customers seeking financing to our empaneled representatives, who then facilitate loan processing and other lending activities on behalf of our Company. As our Company leverages the existing infrastructure and customer interface of such Channel Partners and is not required to establish or maintain dedicated branch infrastructure or deploy significant operational resources at these locations, the operating and overhead costs associated with customer acquisition are reduced while enabling us to expand our market reach. As of March 31, 2026, we operated 3,381 distribution points in 17 states and union territories.

- CSPs serve as last-mile service outlets through which our Company delivers correspondent banking services, such as account opening, deposits, withdrawals, remittances etc to underserved and underprivileged customer segments. We independently establish and operate these CSPs at our own cost, including procurement of dedicated technology infrastructure engagement, police verification, and Indian Institute of Banking and Finance certification of our partner banks. As of the date of this Draft Shelf Prospectus, we have entered into business correspondent agreements with three nationalised public sector banks for provision of the aforementioned correspondent banking services ("**Business Correspondent Agreements**"). These CSPs generate non-interest income for our Company in the form of commission and service fees received from our partner banks for providing services such as customer acquisition, account opening, cash deposit and withdrawal transactions, remittance services and enrolment under government-sponsored schemes, in accordance with the terms of the respective business correspondent agreements. As of March 31, 2026, we operated 1,496 CSPs in 22 states and union territories.

We provide three key financial services: (i) micro enterprise loans such as Umeed loan and Pragati loan extended to livelihood-oriented borrower categories such as food/tea stall vendors, street vendors, tailors, poultry, etc. ("**Micro Enterprise Loans***")*; (ii) entrepreneurial loans to MSMEs and business loans such as Udaan loans extended to retailers, small traders and manufacturers ("**MSME/Business Loans***")*, and (iii) financial services provided under business correspondent agreements entered into by our Company with partner banks, comprising three nationalised public sector banks, which include services such as account opening, savings bank deposits, term deposits, remittances, cash deposit and withdrawal, pension products, micro insurance, enrolment in government sponsored social security schemes, small value credit, and recovery. Our Micro Enterprise Loans have ticket sizes ranging from ₹ 0.10 lakhs to ₹ 5.00 lakhs, while our MSME/Business Loans have ticket sizes ranging from ₹ 20.00 - ₹ 500.00 lakhs.

We also undertake partnership-based lending or co-lending, which are collaborative arrangements for sourcing, servicing and recovery of loans, with risk and rewards sharing on an 80:20 participation ratio. We serve as the originators of loans, thereby retaining a smaller share (usually 20%) on our loan book leveraging our larger partners' balance sheets who take a larger proportion (around 80%) of the loans on their books, expanding their customer base with less acquisition costs. This collaboration allows banks to increase credit flow to underserved areas, share risk and improve recovery rates (*Source: Infomerics Report*). The ticket size in these co-lending arrangements range between ₹ 0.10 lakhs and ₹ 5.00 lakhs. Further, under these co-lending arrangements, we are allowed service charge up to 7.00% of the loan amount, to borrowers, which allows us to offset our operating expenditure and gives us the ability to generate upfront fee income from borrowers.

As of March 31, 2026, our total AUM, on a consolidated basis, stood at ₹ 6,10,089.74 lakhs of which Micro Enterprise Loans comprised ₹ 57,429.74 lakhs aggregating to 9.41% of our total AUM, MSME/Business Loans comprised ₹ 5,52,660.00 lakhs aggregating to 90.59% of our total AUM, whereas loans provided under co-lending arrangements accounted for ₹ 12,258.30 lakhs aggregating up to 2.01% of our total AUM. For further details on our product-wise AUM, see "*Financial Information*" on page 187.

Our Company has operations in 22 states and union territories as of March 31, 2026, including Delhi, Uttar Pradesh, Haryana, Maharashtra, Bihar, Punjab, Rajasthan, Madhya Pradesh, West Bengal, Gujarat, Chandigarh, Jharkhand, Telangana. Further, in terms of overall AUM concentration as well, as of March 31, 2026: our top four states and union territories being Delhi, Maharashtra, Uttar Pradesh, and Haryana contribute to 78.70 % of our AUM, on a consolidated basis; the next six states and union territories, being Rajasthan, Bihar, Andhra Pradesh, Punjab, West Bengal, and Gujarat, which contribute to 19.61% of our AUM, on a consolidated basis; and the remaining states and union territories contribute to 1.59% of our AUM, on a consolidated basis. As of Fiscal 2024, Fiscal 2025 and Fiscal 2026, the percentage of our customers located in rural areas was 90.93%, 98.88% and 96.75%, respectively, on a consolidated basis.

We have expanded our operations over the years while maintaining asset quality. As of March 31, 2026, our AUM was ₹ 6,10,089.74 lakhs, on a consolidated basis, and our AUM increased at a compounded annual growth rate ("**CAGR**") of 15.34% from ₹ 4,58,602.96 lakhs in Fiscal 2024 to ₹ 6,10,089.74 lakhs in Fiscal 2026, on a consolidated basis. Our disbursements grew at a CAGR of 8.95% from ₹ 3,59,020.00 lakhs in Fiscal 2024 to ₹ 4,26,202.11 lakhs in Fiscal 2026, on a consolidated basis. Additionally, our gross non-performing assets ("**Gross NPAs**"), on a consolidated basis, were 0.76%, 0.98% and 0.21%, as of Fiscal 2026, Fiscal 2025 and Fiscal 2024, respectively, while our net non-performing assets ("**Net NPAs**"), on a consolidated basis, were 0.61%, 0.76% and 0.02%, as on such dates, respectively, on a consolidated basis. Our credit quality is a product of our risk management policies and practices. Risk management at our Company includes risk identification, risk assessment, risk measurement and risk mitigation to ensure sustainable business growth with stability, which are subject to review and management of our Risk Management Committee and our Board.

Additionally, our Company's operations are supported by ongoing investments in technology aimed at improving efficiency, accuracy and risk management. We have implemented artificial intelligence ("**AI**") and machine learning ("**ML**") solutions to easily provide timely credit facilities to our customers, while maintaining oversight on credit risks, supported by our "High Tech: High Touch" operating approach aligning with the Government of India's twin objective of "Digital India" and "Financial Inclusion". Under this model, we utilize digital infrastructure and technology-enabled processes, including AI-based credit underwriting, automation of documentation and verification processes, digital loan processing workflows and AI-enabled collection calling and messaging solutions to execute lending and collection operations, complemented by a physical network that enables direct customer engagement in rural and semi-urban markets. In order to keep pace with market's evolving requirements, we undertake frequent updates and make investment in technologies, for instance, in Fiscals 2026, 2025 and 2024, we invested ₹ 1,919.52 lakhs, ₹1,532.61 lakhs and ₹1,135.00 lakhs, respectively, on a consolidated basis, on information technology ("**IT**") infrastructure modernization. We have also developed and deployed in-house digital solutions such as an AI-based optical character recognition ("**OCR**"), unified payment interface ("**UPI**")-based quick response ("**QR**") code, and a human resource management system ("**HRMS**") application available to our employees for managing employee records, attendance, leave, training, payroll and other human resource processes, thereby enabling efficient workforce management and enhancing operational productivity. These solutions have enhanced our operational efficiency and digital infrastructure, streamlining workflows, reducing operational costs and enhancing customer and employee experiences, thereby, boosting productivity and competitiveness.

Our financial management is reflected in our strong credit ratings, with Infomerics Valuation and Rating Limited and Brickwork Ratings India Private Limited assigning the following rating to our Company's instruments:

Name of Credit Rating Agency	Facility	Rating/ Outlook
Infomerics Valuation and Rating Limited	Long term bank facilities	IVR AA/Stable Outlook
	Non-convertible debentures	IVR AA/Stable Outlook
	Commercial paper	IVR A1+
Brickwork Ratings India Private Limited	Fund-based bank loans	BWR AA/ Stable
	Non-convertible debentures	BWR AA/ Stable
	Commercial paper	BWR A1+

Additionally, our success is encouraged by a committed Board of Directors and management team, comprising experienced Key Management Personnel, which is led by our Promoter and Managing Director, Sunil Purushottanm Agarwal, who has more than three decades of experience in the non-banking finance sector.

The following table sets out our key operating and financial metrics as of and for the Fiscal 2026, Fiscal 2025 and Fiscal 2024, on a standalone basis, as per the Standalone Financial Statements:

(*₹ in lakhs, unless otherwise stated*)

Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
Balance Sheet			
Assets			
Property, plant and equipment	8,422.00	7,460.13	6,643.59
Financial assets	6,04,573.91	4,97,066.95	3,81,920.44
Non-financial assets excluding property, plant and equipment	6,170.02	4,085.27	1,779.87
Total Assets	**6,19,165.93**	**5,08,612.36**	**3,90,343.91**
Liabilities			,
Financial Liabilities			
Derivative financial instruments	-	-	-
Trade payables (includes other payables)	4,603.84	6,519.15	2,634.23
Debt securities	1,15,597.20	1,02,609.43	53,842.76
- Borrowings (other than debt securities)	3,11,750.26	2,37,783.73	1,82,813.31
- Subordinated liabilities	100.00	800.00	8,900.00
- Other financial liabilities	1,947.52	1,533.00	987.75
Non-Financial Liabilities			
- Current tax liabilities (net)	-	-	-
- Provisions	5,583.10	5,280.60	4,403.80
- Deferred tax liabilities (net)	1,319.69	509.80	-
- Other non-financial liabilities	972.29	1,811.23	5,289.62
Equity (equity share capital and other equity)	1,77,292.03	1,51,765.41	1,31,472.45
Total Liabilities and Equity	6,19,165.93	5,08,612.36	3,90,343.91
Profit and Loss			
Revenue from operations	91,740.63	73,483.19	60,504.26
Other income	-	-	-
Total Income	91,740.63	73,483.19	60,504.26
Total Expenses	60,236.04	46,963.74	36,650.84
Profit after tax for the year	23,468.91	19,768.70	17,701.85
Other comprehensive income	-	-	-
Total Comprehensive Income	-	-	-
Earnings per equity share: (a) basic	2.59	2.20	3.83
Earnings per equity share: (b) diluted	2.59	2.20	3.83
Cash Flow			
Net cash (used in)/ generated from operating activities (A)	(85,453.55)	(89,395.94)	(66,944.71)
Net cash (used in) / generated from investing activities (B)	(1,521.38)	(1,267.88)	260.22
Net cash (used in)/ generated from financing activities (C)	91,590.34	99,674.27	65,216.18
Net Increase/ (decrease) in Cash and Cash Equivalents	4,615.41	9,010.45	(1,468.31)
Cash and cash equivalents as per cash flow statement as at end of year	14,982.18	10,366.77	1,356.32
Additional information			
Net worth	1,77,292.03	1,51,765.41	1,31,472.45
Cash and cash equivalents	14,682.23	10,046.71	77.23
Loans	5,81,166.76	4,77,187.90	3,68,531.73
Loans (principal amount)	5,81,166.76	4,77,187.90	3,68,531.73
Total debts	4,27,447.46	3,41,193.16	2,45,556.07
Total assets	6,19,165.93	5,08,612.36	3,90,343.91
Total debts to total assets	0.69	0.67	0.63
Interest income	87,867.09	66,356.14	54,173.94
Interest expense	36,520.77	30,930.05	23,982.34
Impairment on financial instruments	3,764.84	1,868.43	246.63
Bad debts to loans	0.01	0.004	0.00
% Stage 3 loans on loans(gross amount)	0.76	0.98	0.21
% Net Stage 3 loans on loans (gross amount)	0.61	0.76	0.02
Tier I capital adequacy ratio (%)	28.89	29.90	32.77
Tier II capital adequacy ratio (%)	6.95	9.26	3.15

The following table sets out our key operating and financial metrics as of and for the Fiscal 2026, Fiscal 2025 and Fiscal 2024, on a consolidated basis, as per the Consolidated Financial Statements:

(*₹ in lakhs, unless otherwise stated*)

Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
Balance Sheet			
Assets			
Property, plant and equipment	8,422.33	7,460.50	6,644.26
Financial assets	6,15,075.67	5,13,535.62	4,03,378.74
Non-financial assets excluding property, plant and equipment	6,475.32	4,463.60	2,295.47
Total Assets	**6,29,973.32**	**5,25,459.71**	**4,12,318.45**
Liabilities			
Financial Liabilities			
Derivative financial instruments	-	-	-
Trade payables	2,520.52	3,426.78	1,542.40
Other payables	2,171.39	3,230.83	1,381.36
Debt securities	1,21,167.20	1,08,173.43	60,462.76
- Borrowings (other than debt securities)	3,14,700.24	2,46,967.32	1,96,176.93
- Deposits	-	-	-
- Lease liabilities	-	-	-
- Subordinated liabilities	100.00	800.00	8,900.00
- Other financial liabilities	1,947.52	1,533.00	987.75
Non-Financial Liabilities			
- Current tax liabilities (net)	-	-	-
- Provisions	5,766.60	5,483.35	4,623.07
- Deferred tax liabilities (net)	1,316.11	506.76	-
- Other non-financial liabilities	986.09	1,834.18	5,302.52
Equity (equity share capital and other equity)	1,79,297.65	1,53,498.06	1,32,941.66
Non-controlling interest	-	-	-
Total Liabilities and Equity	6,29,973.32	5,25,459.71	4,12,318.45
Profit and Loss			
Revenue from operations	94,369.76	77,110.66	65,874.61
Other income	-	-	-
Total Income	94,369.76	77,110.66	65,874.61
Total Expenses	62,528.80	50,275.08	41,756.17
Profit after tax for the year	23,720.61	20,012.07	17,897.30
Other comprehensive income	-	-	-
Total Comprehensive Income	-	-	-
Earnings per equity share: (a)basic	2.62	2.23	3.87
Earnings per equity share: (b)diluted	2.62	2.23	3.87
Cash Flow			
Net cash (used in)/ generated from operating activities (A)	(78,276.16)	(84,153.07)	(56,975.07)
Net cash (used in) / generated from investing activities (B)	(1,521.38)	(1,267.88)	260.22
Net cash (used in)/ generated from financing activities (C)	84,317.49	94,444.25	55,261.43
Net Increase/ (decrease) in Cash and Cash Equivalents	4,519.95	9,023.30	(1,453.42)
Cash and cash equivalents as per cash flow statement as at end of year	15,000.88	10,480.93	1,457.63
Additional information			
Net worth	1,79,297.65	1,53,498.06	1,32,941.66
Cash and cash equivalents	14,698.48	10,068.77	1,091.90
Loans	5,94,716.66	4,97,563.94	3,93,925.90
Total debts	4,35,967.44	3,55,946.76	2,65,539.69
Total assets	6,29,973.32	5,25,459.71	4,12,318.45
Total debts to total assets	0.69	0.68	0.64
Interest income	90,471.96	69,969.24	59,536.24
Interest expense	37,433.37	32,830.61	27,007.29
Impairment on financial instruments	4,215.39	2,551.19	1,177.86
Bad debts to loans	0.01	0.01	0.01

For further details, please also see sections titled "*Material Developments*" and "*Financial Information*" on pages 188 and 187, respectively.

Our Competitive Strengths

1. ***Diversified geographical presence with a strong focus on North India***

We are headquartered in New Delhi, and as of March 31, 2026, we had presence in 22 states and union territories in India and had 5,299 touchpoints, comprising of 422 branches, 3,381 distribution points, and 1,496 CSPs serving 160 lakh customers through 3,076 employees including 1,516 loan officers. Our branches, where our team members serve customers, are strategically chosen considering various factors such as the specific business needs of our customers, growth prospects, and the accessibility of funds tailored for customers in these areas.

We have a branch network across the northern, southern, eastern and western regions of India, with the northern region being our primary territory accounting for approximately 54.98% of our branches. As of March 31, 2026, Delhi, Maharashtra, Uttar Pradesh and Haryana were our key states by AUM contribution, together accounting for approximately 58.05% of our branches and 78.70% of our AUM, on a consolidated basis. Further, as of March 31, 2026, approximately 88.62% of our branches were located in non-metropolitan cities.

The following table sets forth certain details of our branch network in the top 5 states/ union territories in terms of their contribution to our consolidated AUM, as of March 31, 2026:

State/Territory	Branches	Percentage of total branches	AUM (₹lakh)	Percentage of total AUM
Delhi	2	0.47	1,78,632.71	29.28
Maharashtra	46	10.90	1,28,194.63	21.01
Uttar Pradesh	176	41.71	88,955.12	14.58
Haryana	21	4.98	86,962.70	14.25
Rajasthan	20	4.74	76,601.31	12.56
Total	**265**	**62.80**	**5,59,346.47**	**91.68**

The following table sets forth certain details of our branch network in the top 5 state/territory in terms of their contribution to our consolidated AUM, as of March 31, 2026, March 31, 2025, and March 31, 2024:

As on	Branches	Percentage of total branches	AUM (₹lakh)	Percentage of total AUM
March 31, 2026	265	62.80	5,59,346.47	91.68
March 31, 2025	253	65.71	4,81,596.99	92.03
March 31, 2024	229	83.57	4,21,410.72	91.89

We operate 232 branches across the northern region including Delhi, Haryana, Punjab, Rajasthan, Uttar Pradesh and Uttarakhand, accounting for 54.98% of our total branches. In order to mitigate the concentration risk in these north Indian states, we have expanded our footprint by establishing branches across 12 states and union territories in India, including Andhra Pradesh, Bihar, Gujarat, Jharkhand, Madhya Pradesh and Maharashtra, thereby expanding our presence across the eastern, western and southern regions of India. This allows us to diversify our operations geographically, reducing our dependence on any single region and enhancing our ability to manage risk more effectively.

Our strategic expansion across geographies primarily employs a calibrated approach, gauging demand and aligning with our service offerings. Our branch expansion initiatives involve analysis, leveraging credit bureau reports, pin-code assessments, and competitive density evaluations. These inform our decisions on branch placement and assess market potential. Our gross AUM for Fiscal 2026, Fiscal 2025 and Fiscal 2024, from our branches in the northern, southern, eastern and western regions of India, as a percentage of our total AUM for the respective Fiscals, on a consolidated basis, was as follows:

Particulars	For Fiscals					
	2026		2025		2024	
	Gross AUM (₹ lakh)	% of total AUM	Gross AUM (₹ lakh)	% of total AUM	Gross AUM (₹ lakh)	% of total AUM
Northern region	3,65,647.75	59.93	3,24,103.61	61.94	3,91,595	85.39
Western region	2,11,694.12	34.70	1,76,133.25	33.66	44,244	9.65
Southern region	12,615.89	2.07	5,068.24	0.97	3,454	0.75
Eastern region	20,131.98	3.30	17,979.63	3.44	19,310	4.21
Total	**6,10,089.74**	**100.00**	**5,23,284.73**	**100.00**	**4,58,603**	**100.00**

Our expansion strategy is based on strengthening our presence in existing markets and entering adjacent geographies through a mix of branches and asset-light touchpoints. In determining branch locations, we consider business potential, local market conditions and on-ground operating requirements. Branches serve as key operating hubs for customer acquisition, underwriting, servicing and supervision, while distribution points and CSP locations support reach and cost-efficient market coverage. This approach is intended to support execution, local access and wider financial inclusion.

Further, the Business Correspondent Agreements entered into by us with partner banks, are strategic alliances allowing us to facilitate financial inclusion and expand the outreach of the banking sector. By facilitating banking transactions and providing services on behalf of partner institutions through dedicated CSPs, our Company earns commission and service fees, contributing to our non-interest income. The services provided by us under these Business Correspondent Agreements include customer acquisition, account opening, cash deposit and withdrawal transactions, remittance services and enrolment under government-sponsored schemes or any other product as approved by RBI or the Department of Financial Services or our partner banks under the respective Business Correspondent Agreements. These CSPs and Business Correspondent Agreements allow our customers to undertake transactions and utilise services such as money/ fund transfers, Aadhaar enabled payment systems, micro automated teller machines ("**ATMs**") up to a pre-determined threshold as permitted by our partner banks. As of March 31, 2026, we operated 1,496 CSPs in 22 states and union territories.

Our customer-centric approach enables us to offer tailored financial solutions catering to a wide spectrum of financing requirements. These include specialized doorstep loans delivered through our extensive branch and relationship network, complemented by technology-driven processes that ensure faster loan approvals, streamlined documentation, and timely disbursements.

We provide credit facilities to first-time entrepreneurs, self-employed individuals and micro, small, and medium enterprises with a primary focus on women borrowers which constituted 89.00% of our customers, on a consolidated basis, as of March 31, 2026. Our loan portfolio consists of Micro Enterprise Loans, entrepreneurial loans, and small and medium enterprises ("**SME**")/MSME loans. As of March 31, 2026, we served approximately 160.00 lakh customers. Our distribution network comprises 5,299 touchpoints across 22 states and union territories, providing geographic diversification to our lending operations.

2. Scalable tech enabled infrastructure

While our operations are spread across the country, we have deployed technological solutions gradually to increase efficiency and infuse agility. Our commitment to innovation has been evident through transformative steps taken in recent years. Over the years, we have launched a number of scalable tech enabled solutions to improve our efficiency. For instance:

- AI-based OCR - automates data extraction from documents such as know your customer ("**KYC**") credentials, streamlining data entry and reducing human errors;
- UPI-based QR code - enables our customers to make secure and convenient digital repayments through QR codes, facilitating faster payment processing and improving the efficiency of our collections;
- HRMS application – available to our employees for management of employee records, payroll, and recruitment processes, optimizing operations;
- AI-enabled credit underwriting and documentation automation - supports credit assessment through a real-time scoring engine that leverages behavioral, demographic, asset, income, and banking data; and automates documentation workflows to enhance consistency, reduce turnaround time, and improve operational efficiency; and
- AI-enabled collection calling and messaging solutions - assist in customer engagement and collection follow-up through AI-powered outbound calling/ messaging solutions, enhancing collection efficiency and customer outreach.

These solutions have enhanced our operational efficiency and digital infrastructure, streamlining workflows, reducing operational costs and enhancing customer and employee experiences, thereby, boosting productivity and competitiveness. Our Company's operations are supported by ongoing investments in technology aimed at improving efficiency, accuracy and risk management. We have implemented AI and ML solutions to easily provide timely credit facilities to our customers, while maintaining oversight on credit risks, supported by

our "High Tech: High Touch" operating approach aligning with the Government of India's twin objective of "Digital India" and "Financial Inclusion". In order to keep pace with market's evolving requirements, we undertake frequent updates and make investment in technologies, for instance, in Fiscals 2026, 2025 and 2024, we invested ₹ 1,919.52 lakhs, ₹ 1,532.61 lakhs and ₹1,135 lakhs, respectively, on IT infrastructure modernization.

Our continuing investment in technology systems enables us to improve recoveries and enhance operational efficiency. During Fiscal 2026, our AI-based technology solutions processed significant volumes across our key operational functions. Our AI-enabled onboarding platform processed approximately 1.60 lakh loan applications per quarter. Whereas our AI-based OCR system processed approximately 2.34 lakh document scans per quarter, automating quality checks across our workflows. Additionally, our technology platform supported approximately 1.25 lakh servicing cases and 2.25 lakh debt management cases through dedicated AI-enabled servicing and debt management workflows, respectively. Furthermore, approximately 88.00% of our collections were received through digital channels, contributing to a collection efficiency of 98.50% as of March 31, 2026.

These solutions help us in streamlining customer onboarding, document verification, loan processing, collections, and employee productivity. Our operational framework integrates digital payment and collection channels, which reduces manual intervention and streamlines our recovery processes. By deploying automation, data analytics, and digital workflows, we are able to optimize transaction costs, reduce turnaround times, and achieve economies of scale. This technology-led approach provides us with the infrastructure to maintain operational efficiency and deliver consistent customer service as our business expands.

3. Operational efficiency, financial performance and liquidity

Our market understanding, over three decades of domain expertise, risk management framework, approval and disbursement processes and controls, and the experience of our core management team have helped us expand our scale, reach and offerings over time. In Fiscal 2026, our Company posted a disbursement growth of 14.57% on a consolidated basis with a disbursement of ₹ 4,26,202.11 lakhs in Fiscal 2026 as compared to a disbursement of ₹ 3,71,985.51 lakhs in Fiscal 2025. Additionally, our return on assets for the same period was at 3.77%, on a consolidated basis.

Our technology-enabled credit appraisal and approval process, supported by our risk management framework, contributed to a collection efficiency of 98.50% as of March 31, 2026, while our gross non-performing assets and net non-performing assets stood at 0.76% and 0.61%, respectively, for the same period, on a consolidated basis, reflecting the effectiveness of our underwriting, approval and portfolio monitoring processes.

Further, as of March 31, 2026, we had an AUM of ₹ 6,10,089.74 lakhs, on a consolidated basis, which represented a year-on-year growth of 16.59% as compared to our AUM of ₹ 5,23,284.73 lakhs as of March 31, 2025. This increase in AUM was supported by the continued expansion of our customer franchise, which increased to about 160.00 lakh customers in Fiscal 2026 from approximately 90.00 lakh in Fiscal 2025 and further from 40.00 lakh customers in Fiscal 2024. In addition to our core lending business, we have expanded our lending capabilities through co-lending arrangements with partner banks. As of March 31, 2026, our co-lending operations contribute ₹ 12,258.30 lakhs to our consolidated AUM, broadening our customer reach and strengthening our ability to serve borrowers in the priority sector.

The development of the co-lending sector is supported by several factors, including:

- **Regulatory support:** The RBI has been a major proponent of the co-lending model, with its notifications and circulars facilitating collaboration between banks and NBFCs to extend loans to priority sector borrowers, harmonising lending efforts and improving financial inclusivity (*Source: Infomerics Report*).

- **Cost efficiency:** The model combines the low cost of funds available to banks with the operational efficiency and agility of NBFCs, reducing the overall cost of lending and making credit more affordable and accessible, particularly in the priority sector (*Source: Infomerics Report*).

- **Market potential:** India continues to offer significant headroom for expansion in the retail credit market. Co-lending enables banks to build priority sector assets without committing additional resources, while NBFCs benefit from building a high-quality loan book and maintaining profitability (*Source: Infomerics*

Report).

- **Inclusive growth**: By targeting sectors traditionally underserved by formal financial institutions, including MSMEs, agriculture, and housing, the model supports inclusive economic growth by leveraging the combined strengths of banks and NBFCs (*Source: Infomerics Report*).

- **Technological integration:** NBFCs' technology adoption enables better reach and service delivery in remote areas, which combined with the financial backing of banks, enhances the overall efficiency of lending and borrowing in the priority sector (*Source: Infomerics Report*).

- **Enhanced credit access:** The model addresses the credit access gap for MSMEs and retail customers by pooling the resources and expertise of banks and NBFCs, extending credit to segments that otherwise face challenges in securing loans due to stringent compliance and collateral requirements (*Source: Infomerics Report*).

Further, as of March 31, 2026, our liquidity coverage ratio was 833.00% whereas our capital adequacy ratio was 35.84%, significantly above the regulatory requirements prescribed by the RBI master directions, being 100.00% for liquidity coverage ratio and 15.00% for capital adequacy ratio. As of the same date, our GNPA and NNPA, on a consolidated basis, stood at 0.76% and 0.61%, respectively. These metrics reflect the efficiency of our underwriting, portfolio monitoring and collection processes. Additionally, our net worth, on a consolidated basis, increased to ₹1,79,297.65 lakhs as of March 31, 2026, from ₹1,53,498.06 lakhs as of March 31, 2025, while our net interest margin, on a consolidated basis improved to 6.86% in Fiscal 2026 from 6.32% in Fiscal 2025.

The tables below set forth details in relation to our year-on-year trends in AUM and disbursements for the Fiscals 2026, 2025 and 2024, on a consolidated basis:

(in ₹ lakhs, unless otherwise stated)

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	No.	Amount	No.	Amount	No.	Amount
Disbursements	53,017	4,26,202.11	1,28,146	3,71,985.41	2,05,108	3,59,020.00
AUM	1,26,003	6,10,089.74	2,27,755	5,23,284.73	2,88,090	4,58,603.00

Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
Liquidity coverage Ratio (in %)	833	544	278
CRAR (in %)	35.84	39.16	35.92
Book value per share (in ₹)	19.05	16.61	14.60
Interest Income (in ₹lakhs)	90,471.96	69,969.24	59,536.24
PAT (in ₹lakhs)	23,720.61	20,012.07	17,897.30
NIM (%)	6.86	6.32	6.33
Net Worth (in ₹lakhs)	1,79,297.65	1,53,498.06	1,32,941.66
Gross loan portfolio (in ₹lakhs)	5,94,716.66	4,97,563.94	3,93,925.90

Further, our Company has obtained credit ratings of 'IVR AA/Stable Outlook' and 'BWR AA/Stable' for our long-term/ fund-based facilities from banks, rating of 'IVR AA/Stable Outlook' and 'BWR AA/Stable' for our non-convertible debentures and a rating of 'IVR A1+' and 'BWR A1+' for our commercial paper, all of which emphasize our financial resilience and enable us to borrow at competitive costs.

4. Stringent customer selection and risk management framework leading to healthy asset quality

Risk management is integral to our business and is integrated across all our processes such as customer selection, underwriting, collections, portfolio monitoring and liability management. As a lending-focused financial intermediary, we are exposed to risks relating to credit underwriting, asset quality, collections, liquidity management, funding availability, interest rate movements, technology-enabled operations, regulatory compliance and execution of our co-lending and distribution model (*Source: Infomerics Report*). Our risk management framework is designed to identify, assess, monitor and manage these risks through internal policies, operating procedures and oversight by the Board and its committees, including the Audit Committee, Risk Management Committee and asset liability management committee.

Our customer selection and underwriting processes are structured around an internal framework that evaluates creditworthiness, repayment capacity, and borrower profile. We use a combination of field investigation, geo-spatial mapping, account aggregator inputs, internal rating tools, alternate data, business rule engines and AI/machine learning-based models to assess prospective borrowers. These processes also include repayment

capacity assessment, income verification, indebtedness analysis, end-use controls through vendor and dealer-based disbursement mechanisms, and controls intended to identify fraud, duplication, and excessive leverage. This approach is relevant to the borrower segments in which we operate, i.e. small income group individuals and businesses, where formal credit history or income documentation may in some cases be limited.

Our risk management framework also covers collections, asset quality and liability management. Our asset liability management committee conducts periodic monitoring of asset and liability maturity profiles, liquidity positions, portfolio outstanding positions, funding concentration, leverage levels, interest rate sensitivity and cash flow mismatches across maturity buckets, in accordance with the structural liquidity and interest rate sensitivity frameworks prescribed by the Reserve Bank of India. As of Fiscal 2026, Fiscal 2025 and Fiscal 2024, our gross non-performing assets ("**GNPA**") ratio, on a consolidated basis, was 0.76%, 0.98%, and 0.21%, respectively, and our net non-performing assets ("**NNPA**") ratio, on a consolidated basis, as of Fiscal 2026, Fiscal 2025 and Fiscal 2024 was 0.61%, 0.76%, and 0.02%, respectively.

As of March 31, 2026, our asset-liability position, on a consolidated basis, was positive across key maturity buckets. The table below sets forth details in relation to the maturity period of our assets and liabilities as of March 31, 2026, on a consolidated basis:

Particulars	Up to 14 days	Over 14 days to 1 month	Over 1 month & up to 2 months	Over 2 months & up to 3 months	Over 3 months & up to 6 months	Over 6 month & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Deposits	-	-	-	-	-	-	-	-	-	-
Advances	9,129	14,109	22,611	22,944	64,785	1,37,794	2,35,319	64,527	9,949	**5,81,167**
Investments (bank fixed deposit receipt)	7,601	-	-	-	-	-	300	-	-	**7,901**
Borrowings from banks/financial institutions	-	4,896	4,403	9,701	17,707	39,781	1,03,956	10,143	2,909	**1,93,496**
Market borrowing	-	-	2,916	-	16,900	1,000	45,609	40,631	16,051	**1,23,107**
Foreign currency assets	-	-	-	-	-	-	-	-	-	-
Foreign currency liabilities	-	1,230	1,293	1,293	4,295	10,256	46,655	45,822	-	**1,10,844**

In order to mitigate credit risk, we use a control framework. This framework considers various factors such as aligning credit and debt management policies through a structured credit evaluation and approval process, leveraging external data from credit bureaus including Centre for Research in International Finance ("**CRIF**") scores and bureau reports, and implementing a tiered delinquency monitoring and collections mechanism that includes pre-due date reminders, post-due date follow-ups, field recovery visits, dunning notices, and legal recovery proceedings at defined delinquency thresholds, among others.

To manage liquidity risk, our treasury team undertakes various measures such as gap analysis and scenario testing, adaptive funding strategies, maintaining liquidity buffers, strategic asset-liability management, diversification and relationship management. We currently operate on a CRAR of 35.84%, on a consolidated basis, against the stipulated 15.00% vide Reserve Bank of India (Non-Banking Financial Companies – Prudential Norms on Capital Adequacy) Directions, 2025, as amended on April 01, 2026.

In terms of technology risk, we have established a robust technology and information security framework to support our "High Touch–High Tech" business model and protect our operations, customer data, and digital assets from cyber threats, unauthorized access, and operational disruptions. Our technology solutions such as AI based OCR, UPI-based QR code, integrated HRMS system, AI-enabled credit underwriting and documentation automation and AI-enabled collection calling and messaging solutions, enable secure and efficient customer onboarding, loan processing, collections, and servicing of borrowers. We further strengthen operational resilience through dedicated data recovery facilities, comprehensive access controls, data protection protocols, continuous system monitoring, and periodic technology upgrades. In addition, we undertake regular security audits, vulnerability assessments, and risk reviews to proactively identify and address potential weaknesses, thereby enhancing cybersecurity, ensuring business continuity, supporting regulatory compliance, and maintaining the reliability, integrity, and scalability of our technology infrastructure.

We manage operational risk through internal controls and procedures aimed at maintaining operational efficiency and resilience. Our approach includes process standardization and multi-stage maker-checker controls across key business functions, including credit evaluation, audit review, and disbursement processing. To identify and mitigate operational vulnerabilities, our framework relies on periodic internal audits conducted at the pre-disbursement stage, compliance reviews, management information systems for ongoing monitoring, management oversight by the Board and its committees, a whistle blower mechanism enabling employees to report non-compliance, and a fraud prevention framework in accordance with applicable RBI master directions.

Set forth below are certain additional details regarding our Company's asset quality as of and for the Fiscals 2026, 2025 and 2024, on a consolidated basis:

(₹ in lakhs except %)

Particulars	As of and for the Fiscal		
	2026	2025	2024
Revenue from Operation	94,369.76	77,110.66	65,874.61
Profit after Tax	23,720.61	20,012.07	17,897.30
Debt Equity Ratio (in %)	2.43	2.32	2.00
AUM	6,10,089.74	5,23,284.73	4,58,602.95
EBITDA	70,498.60	60,213.34	51,465.72
CRAR Tier I (in %)	28.89	29.90	32.77
CRAR Tier II (in %)	6.95	9.26	3.15
CRAR (in %)	35.84	39.16	35.92
ROE (in %)	13.24	12.96	13.46
ROA (in %)	3.77	3.81	4.34
Net Worth	1,75,284.70	1,54,381.79	1,33,682.71
Liquidity coverage ratio (in %)	833	544	278
Book value per share (in ₹)	19.05	16.61	14.60
NIM (in %)	90,471.96	69,969.24	59,536.24
Gross loan portfolio	6.86	6.32	6.33

Through the effort of our employees and our collections team, our Company was able to collect ₹ 3074.42 lakhs against write-offs as of March 31, 2026, on a consolidated basis. Further, as of March 31, 2026, our Company's gross cumulative collection efficiency stood at 98.50 %, on a consolidated basis. Our Company writes off sub-standard assets which become overdue for more than 90 days. Also, these accounts are shown as 'bad debts' or non-performing assets ("**NPAs**") where efforts towards recovery are made. As NBFCs are permitted to claim provisions made against NPAs and bad and doubtful debts, restricted to the lower of the actual provision made or 5% of their total income (*Source: Infomerics Report*) as an allowable expenditure, our Company is able to avail a lowered incidence of income tax on provisions made against written-off sub-standard assets and also on the income accrued on such sub-standard assets.

5. Stable management team with extensive domain experience

We are led by a distinguished and experienced Board, which is committed to maintaining the highest standards of corporate governance through overseeing various committees. Our Board comprises of ten Directors, five of whom are independent directors including a woman director, helping us ensure robust oversight and independent judgment. Our Board is led by our Promoter and Managing Director, Sunil Purushottanm Agarwal, who has more than three decades of experience in the non-banking finance sector and is responsible for our Company's strategic decision-making and financial activities. Our Board is supported by a dedicated and experienced management team, significant industry experience and who have demonstrated their ability to deliver growth and profitability, across business cycles. Each of them has extensive experience in the banking or related industry such as finance, commercial operations, strategy, audit, business development, human resources, compliance and public relations.

The industry experience of heads of functional groups, such as operations, risk, finance, audit and collections enhance the quality of our management. We have zonal heads for business, credit and collections, with regional experience that allows them to grow our operations in their respective areas and ensure business efficiency.

6. Co-lending business model and market opportunity

The co-lending model is one wherein two lender firms, in this case a bank and an NBFC, come together to disburse loans. Under this framework, NBFCs facilitate the origination and collection of loans given their greater reach to potential customers, while partner banks leverage their balance sheet strength to fund most of the loan (*Source: Infomerics Report*). Herein, the NBFC serves as the single point of interface for the customer and enters into the

loan agreement with borrowers, while partner banks participate in loan funding and we undertake sourcing, servicing, collections and customer management function (*Source: Infomerics Report*). As one of the market leaders in co-lending within the priority lending segment (*Source: Infomerics Report*), we have established strategic partnerships with 5 prominent public sector banks. This collaborative arrangement operates under co-lending structures governed by the RBI framework set out in its circular dated September 21, 2018 bearing reference no. FIDD.CO.Plan.BC.08/04.09.01/2018-19 ("**CLM 1**"), relating to co-origination of loans by banks and NBFCs for priority sector lending, and its circular dated November 5, 2020 bearing reference no. FIDD.CO.Plan.BC.No.8/04.09.01/2020-21 ("**CLM 2**"), relating to co-lending by banks and NBFCs for priority sector lending (CLM 1 and CLM 2, collectively, "**RBI's CLM Framework**").

Under the RBI's CLM Framework, our Company is required to retain a minimum of 20% of each loan on its books, while the balance may be taken by the partner bank, in accordance with the terms of the relevant co-lending arrangements and CLM 2. Furthermore, these arrangements are structured to delineate the respective roles and responsibilities of our Company and partner banks with respect to the sourcing, servicing, and recovery of loans. Under these arrangements, the participating bank and our Company share the loan exposure and related credit risk in an agreed funding ratio, and collections and recoveries are distributed proportionately on a no-recourse basis, without any contractual first loss default guarantee obligation being assumed by us. We recognize 20% of the total loan amount on our balance sheet and earn income through the spread on our share of the loan, processing fees charged to customers and fees from partners based on agreed terms, while also enhancing our leverage and lending capacity. Simultaneously, our partner banks extend their reach to underserved market segments, diversifying their loan portfolios. This co-lending model offers several benefits, including increased credit reach in rural areas, shared risk, and rewards between banks and NBFCs, lower operational costs, and improved recovery rates.

One of the primary benefits of this collaboration is the affordability it offers to our customers. Interest rates typically range from 12.00% to 21.00%, enabling borrowers to access financing at lower costs compared to traditional lending models. This affordability not only fosters financial inclusion but also stimulates economic growth by empowering individuals and businesses with accessible credit options.

Business Strategies

1. ***Continued focus on the customers from semi-urban and rural areas by increasing our market presence in under-penetrated states for our Company***

Our strategic focus on rural customers is deeply rooted in our mission to drive financial inclusion across diverse geographies. While headquartered in New Delhi, our presence extends across 22 states and union territories, including Delhi, Maharashtra, Uttar Pradesh and Haryana, being our key states by AUM contribution. As of March 31, 2026, we efficiently served approximately 160.00 lakh customers through our network of 5,299 touchpoints, comprising of 422 branches, 3,381 distribution points, and 1,496 CSPs through 3,076 employees.

As of Fiscal 2026, Fiscal 2025 and Fiscal 2024, the percentage of our customers located in rural areas were 96.75%, 98.88%, and 90.93%, on a consolidated basis. Over the next few years, we intend to continue expanding our geographical coverage in existing states where we see business potential and selectively enter new states and union territories. We adopt a phased approach for expansion into new geographies by initially establishing a limited number of branches to assess business potential and operational viability. During this phase, we monitor parameters such as customer acquisition, portfolio quality, collection efficiency, operational compliance, adherence to our credit and risk management policies, and branch-level profitability. Subsequent expansion in such geographies is undertaken only after these branches demonstrate satisfactory performance and compliance with our internal policies and operating procedures. For instance, over the last three Fiscals, we have followed a phased branch expansion approach in geographies such as Jharkhand and Uttarakhand, where our branch network increased from 7 branches to 17 branches and from 1 branch to 9 branches, respectively, from Fiscal 2024 to Fiscal 2026, based on business potential and operational performance.

Our touchpoint network serves as an avenue for customer engagement and education. We plan to utilize these touchpoints to not only introduce new products but also educate customers about their benefits and usage, ensuring optimal adoption and satisfaction. Our network of 5,299 touchpoints and customer franchise of approximately 160.00 lakh, as of March 31, 2026, enable us to engage directly with customers and introduce products that are aligned with their needs. We intend to continue leveraging this network to strengthen customer relationships and support the distribution of our existing and new financial products. This aligns with our commitment to customer-centricity and ensures that our evolving suite of financial solutions remain relevant, and impactful for our diverse customer base.

We are focused on maintaining a high level of asset quality. Our risk management processes, coupled with our ability to evaluate and appropriately price risk, have helped us reduce our exposure to NPAs. Our Company's GNPA Ratio, on a consolidated basis, was 0.76%, 0.98% and 0.21% as of March 31, 2026, March 31, 2025 and March 31, 2024, respectively, on a consolidated basis. We intend to continue to focus on reducing our impaired assets with the objective of reducing our NPA levels, while improving the quality of our assets.

We intend to continue penetrating deeper in the states and other areas that have limited or no access to formal banking and finance channels. Furthermore, our engagement in rural and semi-urban markets is reflected in our product offerings, which are designed to address the financing requirements of small income generation activities, first-time and repeat borrowers, self-employed individuals, retailers, small traders and micro and small enterprises. Our products are structured with small ticket sizes, monthly repayment schedules and credit assessment methodologies that take into account the cash flow patterns and business cycles of our target customer segments, thereby enabling us to cater to customers with diverse financing requirements. By crafting offerings that align with the unique income patterns and seasonal variations prevalent in rural areas, we aim to provide financial solutions that resonate with the needs of our rural customers.

Our Company, backed by over three decades of domain experience, has developed a customer expansion market plan to address available opportunities. Our approach is informed by data and includes a focus on innovation in the conduct of our business.

Market opportunity:

1. There is a growing demand for small-ticket and unsecured credit products, driven by increasing digital adoption, changing consumption patterns, and the rising accessibility of formal credit channels. Furthermore, NBFCs play a crucial structural role in driving financial inclusion by catering to underserved customer segments with limited or weaker credit histories. This is evidenced by the NBFC borrower mix, which comprises a substantial 50% share of borrowers in the below-prime segment and 34% in the prime category, alongside a relatively low 16% share of above-prime borrowers (*Source: Infomerics Report*).

2. With our strategic expansion initiatives, our objective is to capture 1% of the prime customer market share, translating into substantial revenue potential.

Market position:

1. Branch expansion: As of March 31, 2026, we operated 422 branches and aim to expand our branch network to 500 by 2027, thereby augmenting market penetration and customer accessibility.

2. Manpower requirements: With our existing field workforce comprising 2,855 personnel, we are poised to scale up to 3,500 personnel by 2027. This expansion will focus on recruiting customer service officers ("**CSOs**"), back-office staff, branch managers, relationship managers ("**RMs**"), zonal managers ("**ZMs**"), and other essential personnel.

Our customer expansion market plans aim to leverage market opportunities, bolster our market position, and drive sustainable growth over the next three years. Through strategic branch expansion, optimized operational efficiency, and strategic manpower augmentation, we aim to capitalize on the vast potential of the small-ticket lending market in India.

2. Continue to invest in technology to enhance operational efficiency and optimize costs

We have invested ₹1,919.52 lakhs, ₹1,532.61 lakhs, and ₹1,135.00 lakhs in our information technology and digital systems, in the Fiscals 2026, 2025 and 2024, respectively. We have implemented automated, digitized technology enabled services to increase our customer offerings.

We have made continued investments in technology over the last three fiscal years. Our digital platform uses data, artificial intelligence and machine learning across key business processes and supports our "High Tech: High Touch" operating model.

Technology initiatives implemented:

- AI-based OCR - automates data extraction from documents such as KYC credentials, streamlining data entry and reducing human errors;

- UPI-based QR code - enables our customers to make secure and convenient digital repayments through QR codes, facilitating faster payment processing and improving the efficiency of our collections;

- HRMS application – available to our employees for management of employee records, payroll, and recruitment processes, optimizing operations;

- AI-enabled credit underwriting and documentation automation - supports credit assessment through a real-time scoring engine that leverages behavioral, demographic, asset, income, and banking data; and automates documentation workflows to enhance consistency, reduce turnaround time, and improve operational efficiency; and

- AI-enabled collection calling and messaging solutions - assist in customer engagement and collection follow-up through AI-powered outbound calling/ messaging solutions, enhancing collection efficiency and customer outreach.

Proposed technology initiatives:

In the near future, we aim to embark on further technological advancements to strengthen our digital infrastructure and maintain a competitive edge. Some of our proposed initiatives include:

1. Customer-centric public mobile application – development of a public-facing mobile application enabling customers to digitally onboard, track loan applications, access account information, make repayments, raise service requests and receive real-time notifications through a secure digital platform.

2. Enhanced business intelligence and analytics – implementation of advanced business intelligence tools and real-time dashboards to strengthen portfolio monitoring, collections management, customer analytics, financial reporting and operational decision-making.

3. Expansion of AI-driven capabilities – we to aim to further integrate artificial intelligence across key business processes, including fraud detection, anomaly identification, credit assessment, audit automation, predictive portfolio monitoring, early warning systems ("**EWS**"), customer segmentation, AI-powered collection strategies and AI-enabled business rules engine ("**BRE**") to improve operational efficiency, strengthen risk management and enhance customer experience.

Our technology-related initiatives underscore our commitment to innovation and operational excellence. By leveraging cutting-edge technologies such as AI, ML, and our High Tech: High Touch approach, we aim to enhance efficiency, improve customer experiences, and maintain our competitive position in the market.

We plan to continue investing in technology and digitization and to ensure our information technology systems continue to help us with several functions, including loan origination, credit underwriting, risk management, collections, customer service and retention. We believe that such investments will help improve recoveries and reduce our operating expenses, our cost of customer acquisition and credit costs over time.

3. Diversification of borrowings and leveraging existing capabilities to enhance performance

The decision to transition to a co-lending strategy represents a strategic evolution in response to various critical imperatives shaping the financial services landscape.

Enhanced risk management:

By collaborating with multiple institutions, our Company can diversify its risk exposure across various partners and mitigate concentration risk. Additionally, pooling resources and expertise allows for more robust risk assessment frameworks and the ability to adapt to evolving regulatory requirements.

Capital optimization:

Co-lending arrangements enable our Company to access additional funding sources from partner institutions, thereby reducing reliance on internal capital reserves. This not only optimizes capital utilization but also enhances liquidity and strengthens our Company's financial position.

Competitive advantage:

By embracing a co-lending strategy, our Company gains a competitive edge in the market: collaboration with reputable banking institutions enhances credibility and instils customer confidence, while the combined strengths and networks of multiple partners allow for broader market reach and the ability to serve diverse customer segments more effectively (*Source: Infomerics Report*).

Strategic Planning and Execution:

The successful implementation of a co-lending strategy requires requires meticulous planning, identifying suitable partners, establishing clear collaboration frameworks, aligning operational processes, and leveraging technology for seamless integration (*Source: Infomerics Report*). By prioritizing strategic alignment and proactive risk management, our Company can capitalize on synergies and unlock new growth opportunities.

We intend to utilise our expansive branch network spanning 422 branches, 3,381 distribution points, and 1,496 customer service points spread across 22 states and union territories in India, as of March 31, 2026, alongside our over three decades of domain expertise (*Source: Infomerics Report*) to continue to provide crafted financial solutions. Leveraging these resources, our focus remains on introducing customer-centric products, informed by regional and economic nuances. We utilize branch touchpoints not only for product introductions but also for educating customers on benefits, ensuring wide acceptance.

We also plan to continue investing in technology and digitization and to ensure our information technology systems continue to help us with several functions, including loan origination, credit underwriting, risk management, collections, customer service and retention. We believe that such investments will help improve recoveries and reduce our operating expenses, our cost of customer acquisition and credit costs over time.

We remain focused on diversifying our borrowing profile by optimizing borrowing costs, and maintaining a positive asset liability management position. To this end we intend to further diversifying our borrowings by further exploring retail NCDs. By adopting risk management measures such as using credit bureau report, internal data records on customer behaviour, monitoring early stress signals by analysing daily collections, and continuing to make investments in technology, we aim to enhance our credit rating, and secure stable funding sources to support our continued growth and expansion.

4. Diversify our product offerings and leverage distribution reach to cross-sell new products

We continue to diversify our geographic footprint and product portfolio to address the evolving financing requirements of our customers. Over the last three Fiscals, we have expanded our distribution network across both existing and new geographies.

In terms of our branch network, our presence in Bihar grew from 44 branches as of March 31, 2024 to 101 branches as of March 31, 2026, and in Uttar Pradesh from 127 branches to 176 branches over the same period. Our distribution point network witnessed significant expansion during this period, growing from 45 distribution points to 617 distribution points in Bihar, and from 31 distribution points to 187 distribution points in Haryana, between March 31, 2024 and March 31, 2026. We have also established our presence in newer geographies through our distribution point and CSP network, including in the states of Andhra Pradesh, Gujarat, Kerala, Tamil Nadu, Telangana, Arunachal Pradesh, and Assam.

On the product side, we have continued to strengthen our focus on loans to MSMEs, micro enterprise loans, and loans originated under the co-lending model, in order to cater to the evolving financing requirements of our customers.

We believe that our diverse product portfolio provides us with cross selling opportunities by enhancing the productivity and income generating potential of our clients, allowing us to leverage our rural outreach and capitalize on our Company's existing network and customer base and grow our business with no incremental cost of customer acquisition enabling the income to directly add up to the bottom line. Set forth are the details of our product-wise AUM as of March 31, 2026, March 31, 2025 and March 31, 2024, on a consolidated basis:

(in ₹lakhs)

Particulars	As of March 31,		
	2026	2025	2024
Product-wise AUM			
Micro Enterprise Loans	57,429.74	89,305.55	1,01,571.91
MSME/Business Loans	552660.00	433979.18	357031.05

Further, the Business Correspondent Agreements entered into by us with partner banks, are strategic alliances allowing us to facilitate financial inclusion and expand the outreach of the banking sector. By facilitating banking transactions and providing services on behalf of partner institutions through dedicated CSPs, our Company earns commission and service fees, contributing to our non-interest income. The services provided by us under these Business Correspondent Agreements include customer acquisition, account opening, cash deposit and withdrawal transactions, remittance services and enrolment under government-sponsored schemes or any other product as approved by RBI or the Department of Financial Services or our partner banks under the respective Business Correspondent Agreements. These CSPs and Business Correspondent Agreements allow our customers to undertake transactions and utilise services such as money/ fund transfers, Aadhaar enabled payment systems, micro ATMs up to a pre-determined threshold as permitted by our partner banks. As of March 31, 2026, we operated 1,496 CSPs in 22 states and union territories. Going forward, we intend to continue expanding our CSP network by participating in requests for proposals and other selection processes issued by banks for appointment of business correspondents and, subject to successful selection and execution of the requisite agreements, enter into additional Business Correspondent Agreements with banks to further strengthen our outreach and expand the delivery of banking services.

5. Continue to diversify our source of funds and widen our lender base to scale our borrowing requirements while lowering costs

We have been able to access debt financing and reduce our average cost of borrowings over the years due to diversification of our borrowings and enhancement of the scale of our business. Our average cost of borrowings, as a percentage of our total borrowings, in Fiscals 2026, 2025 and 2024, was 10.15%, 10.57%, and 11.32% respectively, on a consolidated basis.

As of 31 March 2026, our mix of source of funds included 70.03% from banks and 29.97% from non-convertible debentures, inter corporate deposits, FCCBs, ECBs and commercial papers. We intend to continue to diversify our funding sources, identify new sources and pools of capital with the aim of further optimizing our borrowing costs and expanding our net interest margin. Further, we intend to expand and diversify our lender base. We are focused on our asset and liability management to ensure that we continue to have a positive asset-liability position.

While continuing to pursue borrowings from these sources, we will also explore issuance of different categories of bonds, enter into co-lending opportunities, issue commercial papers and undertake other funding opportunities in order to broaden the depth of our offerings. We also intend to leverage on our loan portfolio in order to enter into direct assignment transactions with banks.

We intend to continue to evaluate opportunities to securitize or assign loans to financial institutions, which would enable us to optimize our cost of funds, liquidity requirements and capital management. We believe with increased net worth, including from internal accruals, we would be in a position to widen our borrowing mix, lender base and raise debt at increasingly competitive terms going forward.

Our business operations

Our Company was incorporated in 1992 and commenced operations as an NBFC. In 1998, we obtained registration from the RBI to carry on business as an NBFC. Thereafter, in 2014, our Company surrendered its registration as a deposit-taking company and obtained a fresh certificate of registration from the RBI to carry on the business of an NBFC without accepting public deposits. Subsequently, in 2018, our Company was granted a new certificate of registration by the RBI pursuant to our Company's name being changed from "*S. E. Investments Limited*" to "*Paisalo Digital Limited*".

Backed by over three decades of domain expertise, we have emerged as a diversified financial services group catering to rural India primarily through Micro Enterprise Loans, and MSME/Business Loans (*Source: Infomerics Report*).

We provide credit products to borrower segments that include micro enterprise borrowers and MSME customers across semi-urban and rural markets. Our micro enterprise loan portfolio is directed primarily toward first time borrowers and informal entrepreneurs, with a primary focus on women customers, while our MSME portfolio addresses the financing requirements of small businesses, traders and manufacturers. Our loan offerings included products for first-time and repeat borrowers, vehicle-linked livelihood finance and small business loans across these segments.

To support our lending operations and optimize our liability strategy, we operate a capital-light co-lending model in partnership with five public sector banks. Under this framework, we share risks and rewards with our partner banks on an 80:20 basis, retaining 20% of the loan value on our balance sheet. We collaborate with our partner banks under co-lending arrangements pursuant to which we undertake loan sourcing, customer interface, servicing, and recovery support. Under these arrangements, the participating bank and our Company share the loan exposure and related credit risk in an agreed funding ratio, and collections and recoveries are distributed proportionately on a no-recourse basis, without any contractual first loss default guarantee obligation being assumed by us. This model generates revenue through the interest spread on our retained loan portion, processing or upfront fees, and subject to the specific terms of the respective partner agreement, servicing fees.

In addition to our lending operations, we provide correspondent banking services through our business correspondent network. As of the date of this Draft Shelf Prospectus, we have partnerships with three nationalized public sector banks, and as of March 31, 2026, we operated through 1,496 CSPs across 22 states and union territories. Through our network of CSPs, we provide services such as account opening, fund transfers, cash deposits, balance enquiries, cash withdrawals, passbook services, debit cards, social security scheme enrolment and micro credit.

Our operating model is supported by a network of branches, distribution points and business correspondent touchpoints, which enables customer reach and service delivery across multiple geographies. As of March 31, 2026, we had 5,299 touchpoints comprising 422 branches, 3,381 distribution points and 1,496 CSPs across 22 states and union territories.

Our business model and target customer segment

Our Company provides lending solutions to underserved borrower segments through a technology-enabled and physical distribution network, with a focus on accessibility and customer outreach. Our product offerings include small-ticket income generation loans and SME/MSME loans, and our operating model is designed to Connecting unbanked and underserved populations, including MSMEs and women, who are our primary focus, to the formal financial ecosystem. As of March 31, 2026, women customers constituted 89.00% of our total customers, on a consolidated basis.

Our principal loan offerings comprise Micro Enterprise Loans and SME/MSME loans. As of March 31, 2026, our AUM were ₹ 6,10,089.74 lakhs, on a consolidated basis, whereas our customer base was approximately 160.00 lakhs and we operated through 5,299 touch points across 22 states and union territories.

Our product suite is structured around two principal categories: Micro Enterprise Loans and SME/MSME loans. Our loan offerings, *inter-alia* include Vikas loan, Pragati loan, Gati Loan, Raftaar loan, Udaan loan, Umeed loan, Do Ka Dum loan and Ready Steady Go loan. These products address first-time and repeat borrowers, financing for two-wheelers and other vehicles used by small businesses and delivery personnel, auto-rickshaws and vehicles for auto and cab drivers, and business loans for small businesses, retailers, traders and manufacturers. As of March 31, 2026, Micro Enterprise Loans constituted 9.41% of our AUM and SME/MSME loans constituted 90.59% of our AUM, on a consolidated basis. The loan tenure for Micro Enterprise Loans is up to 36 months and up to 60 months for SME/MSME loans.

We focus on customer segments that usually have limited access to formal credit. Our business model combines technology-enabled processes with a physical distribution and servicing network, including branches, business correspondents, distribution partners, and website. Our operating platform includes digital onboarding, loan origination, loan servicing, collection management, mobility solutions, customer engagement tools and EWS analytics, with features such as Aadhaar-based verification, e-sign, real-time loan lifecycle tracking, account aggregator-based bank statement analysis and multiple repayment options including QR codes, UPI and National Automated Clearing House.

Our distribution network comprises branches, distribution points and business correspondents. As of March 31, 2026, we had 5,299 touch points, consisting of 422 branches, 3,381 distribution points and 1,496 business correspondents, with operations across 22 states and union territories. Our business correspondent network also supports delivery of services including account opening, fund transfers, cash deposits, cash withdrawals, balance enquiries, passbook services, social security schemes, debit cards and micro credit.

Our underwriting framework is based on character, credit and credibility assessment and includes geo-spatial mapping, field investigation, business verification, repayment history analysis, indebtedness analysis, income verification, alternate data, account aggregator-based information and an in-house business rule engine. For

customer segments that may lack traditional bureau history or formal income proof, our underwriting approach includes field-based verification, cash-flow assessment, reference checks and cross-validation of borrower declarations with on-ground assessments. As of March 31, 2026, 93.94% of our portfolio, on a consolidated basis, was secured.

Our institutional model primarily includes co-lending partnerships with banks. As of March 31, 2026, we had 5 co-lending partners. Our co-lending arrangements involve sourcing, servicing and recovery collaboration with partner banks, with an 80:20 participation, under which the partner banks contribute roughly 80% and we contribute at least 20% of the loan value. Under these arrangements, the participating bank and our Company share the loan exposure and related credit risk in an agreed funding ratio, whereas as the credit costs are shared proportionately on a no recourse basis without any contractual first loss default guarantee obligations being assumed by us. This strategic collaboration with our partner banks empowers us to access funding at lower costs, enabling us to offer competitive interest rates ranging from 12.00% to 21.00%. This affordability not only enhances customer accessibility but also fosters financial empowerment within underserved segments of the market. Furthermore, our service charges, up to 7.00% of the entire principal amount, reflect the value proposition we offer in facilitating seamless lending transactions and managing operational intricacies. This balanced contribution model ensures equitable risk-sharing and amplifies our collective lending capabilities. By leveraging the strengths of multiple institutions, we not only enhance operational efficiency but also optimize resource allocation, thus maximizing our lending capacity and market reach.

This collaborative arrangement operates under co-lending structures governed by the RBI's CLM Framework set out in CLM 1, relating to co-origination of loans by banks and NBFCs for priority sector lending, and CLM 2, relating to co-lending by banks and NBFCs for priority sector lending. As one of the market leaders in co-lending within the priority lending segment (*Source: Infomerics Report*), we have established strategic partnerships with 5 public sector banks, offering loans extending from ₹ 0.10 lakhs to ₹ 5.00 lakhs across various arrangements.

A significant percentage of our portfolio, on a consolidated basis, comprises micro enterprise loans, business loans and MSME loans. As of March 31, 2026, our AUM aggregated to ₹6,10,089.74 lakhs, on a consolidated basis. Additionally, our primary source of funds is cash credit/term loans from banks, non-convertible debentures, commercial papers, inter-corporate loans, FCCBs and ECBs.

We use AI/ML enabled tools in our underwriting and portfolio monitoring processes, including customer segmentation, risk scoring and early stress signal detection. Our credit evaluation framework includes bureau record review, banking data analysis, indebtedness and repayment history assessment, income verification, alternate data, account aggregator-based information and field-level verification, supported by an in-house business rule engine.

Our Branch Network

As of March 31, 2026, we had presence in 22 states and union territories in India through 5,299 touchpoints, comprising of 422 branches, 3381 distribution points, and 1,496 CSPs, with Delhi, Maharashtra, Uttar Pradesh, and Haryana being our key states by AUM contribution, on a consolidated basis. These key states collectively account for approximately 58.05% of our branch network as of March 31, 2026. Further, as of March 31, 2026, approximately 88.62% of our branches were located in semi urban and rural areas.

The following table sets forth certain details of our branch network in each state/ union territory as of March 31, 2026:

State	Branches	Percentage of total branches	AUM (₹ in lakhs)	Percentage Of Total AUM
Delhi	2	0.47	1,78,632.71	29.28%
Maharashtra	46	10.90	1,28,194.63	21.01%
Uttar Pradesh	176	41.71	88,955.12	14.58%
Haryana	21	4.98	86,962.70	14.25%
Rajasthan	20	4.74	76,601.31	12.56%
Bihar	101	23.93	12,671.33	2.08%
Andhra Pradesh	1	0.24	11,723.27	1.92%
Punjab	4	0.95	9,169.63	1.50%
Gujarat	1	0.24	3,985.49	0.65%
Madhya Pradesh	24	5.69	2,912.69	0.48%
Jharkhand	17	4.03	1,954.86	0.32%
Uttrakhand	9	2.13	1,434.57	0.24%

Our expansion strategy is based on strengthening our presence in existing markets and entering adjacent geographies through a mix of branches and asset-light touchpoints. In determining branch locations, we consider business potential, local market conditions and on-ground operating requirements. Branches serve as key operating hubs for customer acquisition, underwriting, servicing and supervision, while distribution points and CSP locations support reach and cost-efficient market coverage. This approach is intended to support execution, local access and wider financial inclusion.

In geographies where we commence operations for the first time, or where expansion contiguous to our existing network is not feasible, our market entry process includes geospatial analysis, field visits and local surveys, together with an initial operating presence through a limited number of branches. For instance, over the last three Fiscals, we have followed a phased branch expansion approach in geographies such as Jharkhand and Uttarakhand, where our branch network increased from 7 branches to 17 branches and from 1 branch to 9 branches, respectively, from Fiscal 2024 to Fiscal 2026, based on business potential and operational performance. This process is intended to facilitate assessment of the catchment area, customer characteristics, sourcing opportunities, collection behaviour and local staffing dynamics. Our management supervises such expansion through ongoing review of branch operations and personnel performance, and periodic assessment of the operational viability of further expansion in such geographies.

The following table sets forth the AUM contribution in rural and semi-urban areas as of and for the Fiscals 2026, 2025 and 2024, on a consolidated basis:

(in ₹ lakhs)

Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
Semi-urban AUM	3,00,066.05	2,14,164.18	2,35,810.37
Rural AUM	3,10,023.69	3,09,120.55	2,22,792.59
Total	**6,10,089.74**	**5,23,284.73**	**4,58,602.96**

Our Products

The table below provides details of our AUM for our major financial services as a percentage of our total AUM as of March 31, 2026, March 31, 2025, and March 31, 2024, on a consolidated basis:

Particulars	As of March 31,					
	2026		2025		2024	
	AUM (₹ lakh)	% of total AUM	AUM (₹ lakh)	% of total AUM	AUM (₹ lakh)	% of total AUM
Micro Enterprise Loans	57,429.74	9.41	89,305.55	17.07	1,01,571.91	22.15
MSME/ Business Loans	5,52,660.00	90.59	4,33,979.18	82.93	3,57,031.05	77.85
Total	**6,10,089.74**	**100.00**	**5,23,284.73**	**100.00**	**4,58,602.96**	**100.00**

The chart below depicts the significant features of the main product portfolios of our Company, as of March 31, 2026, on a consolidated basis:

Product features as of March 31, 2026	Micro Enterprise Loans	MSME/ Business Loans
Average ticket size for Fiscal 2026	₹0.10 - ₹ 5.00 lakhs	₹ 20.00 - ₹ 500.00 lakhs
Tenure	12 - 36 months	6 - 60 months
Frequency of collection	Monthly	Monthly, quarterly
Number of states/ union territories	22	16
Number of branches	374	50
AUM (in ₹ lakh)	57,429.74	5,52,660.00
Number. of loan accounts (in lakhs)	1,22,383	3,620

Set forth below are certain additional details in relation to our key individual products-

Micro Enterprise Loans

Our Micro Enterprise Loan products are offered to individual borrowers, including first-time borrowers (new to credit), second-time borrowers (existing to credit) and third-time borrowers, for income-generating and livelihood enhancement purposes. These loans cater to diverse borrower segments including two-wheelers for small businesses and delivery personnel, auto-rickshaws for auto drivers and delivery personnel, and vehicles for cab drivers and delivery vehicles, as well as borrowers engaged in activities such as food and tea stalls, street vending,

retail, trading, tailoring and allied activities. With the return on investment ranging from 18% to 24% and tenures from 12 to 36 months, these loans serve diverse income-generating activities, with the asset created out of the loan hypothecated to our Company.

Vikas loan

These loans are targeted and extended to first time borrowers who are new to credit and don't have a recorded credit history.

Umeed loan

These loans are extended to second time borrowers with prior loans from our Company or existing credit history.

Pragati loan

These loans are targeted towards third time borrowers seeking further income augmentation.

Gati loan

These loans are tailored to unique needs of auto rickshaw drivers, enabling them to expand their businesses, upgrade their vehicles and improve their livelihoods

Do Ka Dum loan

These loans enable the borrowers to purchase two-wheelers for delivery services and other purposes.

SME/ MSME/ Business loans

Raftaar loan

These loans are extended to support borrowers investing in small commercial (four wheel) electric/internal combustion engine ("**ICE**") vehicles for public transportation and loading purposes.

Udaan loan

These are loans, with a ticket size of up to ₹ 20.00 lakhs, tailored for small traders and businesses helping them augment their earnings

Ready Steady Go loan

These loans are for borrowers seeking car finance for business use.

Business loans for entrepreneurs and business owners

Our business lending offerings cater to individuals, small business owners, entrepreneurs and MSME/SME borrowers. These offerings support business growth, including working capital and long-term capital expenditure needs. Our Company sources and services loans through its branch-led and asset-light distribution network comprising branches, distribution points and business correspondents. The portfolio is predominantly secured, and SME/MSME loans are offered with tenures of 6 - 60 months.

Risk Management

Risk management forms an integral part of our Company's business operations and monitoring activities. Risk management is integral to our business as a lending institution, since we face financial and non-financial risks. As an RBI registered NBFC classified under the middle layer pursuant to the Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025, as amended, and other master directions applicable to NBFC-MLs, our Company has established a risk management policy and an asset-liability management policy for identification, assessment, monitoring and mitigation of risks to its business. Our risk management policy is intended to ensure sustainable business growth with stability and to promote a proactive approach in reporting, evaluating and resolving risks associated with our business and operations.

Our Company is exposed to a range of internal and external risks, including credit risk, operational risk, liquidity and interest rate risk, and risks associated with pandemic, among others. Our Board is responsible for framing, implementing and monitoring our Company's risk management plan, and our Company has constituted an Audit Committee, Risk Management Committee and Asset Liability Management Committee to facilitate oversight and management of business risks. The Risk Management Committee considers the risk policy and plan, including our Company's risk appetite and tolerance, and the policy sets out the roles and responsibilities of the Board and committees in addressing risks associated with our Company's operations and mitigating their impact.

Human Resources

As of March 31, 2026, we had 3,076 employees, supporting our business operations across origination, underwriting, servicing, collections, technology and management functions. Our management team includes personnel across finance, operations, information security, business, recovery, compliance, risk, strategy, human resources, information technology, marketing and legal functions.

We recruit employees through multiple channels, including internal referrals, advertisements, recruitment agencies and educational institutions. We conduct induction meetings for newly joined employees and provide ongoing training programmes covering loan processes, documentation and collection practices, as well as refresher training for existing employees.

We have also provided a range of incentives and benefits such as (i) insurance benefits including a group insurance life policy covering 3,182 insured members with a free cover limit of ₹15,00,000 per employee, and a group personal accident insurance policy, (ii) statutory benefits including contributions to Employees' Provident Fund Organisation, India and Employees' State Insurance Corporation, in accordance with applicable law and (iii) other benefits such as fuel allowances etc. to eligible employees, based on business requirements and applicable internal policies.

The following table sets a break-up of our Company's full-time employees by function as of March 31, 2026, on a standalone basis.

Particulars	As of March 31, 2026
Loan officers	1,516
Credit	20
Branch manager	411
Area head	90
Regional manager	132
State head	15
Vice president	12
Back office executive	328
Field officer	221
Finance	5
Information technology	28
Human resources	12
Internal audit	25
Others: administrative staff, peons, front office staff in various departments	261
Total	**3,076**

Customer Grievance Redressal Mechanism

Our Company has established a formal customer grievance redressal mechanism for the resolution of customer complaints and disputes. The mechanism operates on a four-level escalation-based framework. At the first level, customers may raise a service request through our online customer support form, by visiting our nearest branch, or by contacting our customer care executives, with resolutions targeted within 10 working days. If unresolved at the first level, the complaint may be escalated to our grievance redressal officer and thereafter to our principal nodal officer, with each level providing up to 10 working days for resolution. If the complaint remains unresolved after exhausting our internal escalation process, or if the customer is not satisfied with the response, the customer may approach the RBI ombudsman through the official RBI complaint management portal.

Capital Adequacy

Our Company is subject to the capital adequacy requirements prescribed by the RBI under the applicable prudential norms governing non-banking financial companies, including the Reserve Bank of India (Non-Banking

Financial Companies – Prudential Norms on Capital Adequacy) Directions, 2025, as amended. The following table sets forth certain information relating to the capital to risk (weighted) assets ratio ("**CRAR**") of our Company based on our financial position as of March 31, 2026, March 31, 2025 and March 31, 2024, respectively, on a consolidated basis:

(₹in lakh, except percentage)

Particulars	As of March 31		
	2026	2025	2024
Tier I capital[1]	1,73,217.15	1,49,773.39	1,30,234
Tier II capital[2]	41,678.30	46,400.53	12,553
Total capital[3]	2,14,895.45	1,96,173.92	1,42,787
Total risk weighted assets[4]	5,99,513.39	5,00,944.81	3,97,476
Capital adequacy ratio / capital to risk weighted assets ratio			
CRAR - tier I capital (%)	28.89	29.90	32.77
CRAR - tier II capital (%)	6.95	9.26	3.16
CRAR (%)	35.84	39.16	35.92

(1) Teir I capital represents the Tier I capital classified as per the RBI norms.
(2) Teir II capital represents the Tier II capital classified as per the RBI norms.
(3) Total capital is the total of Tier I and II capital.
(4) Total Risk Weighted Assets represent the Assets multiplied by the risk weights as prescribed by the RBI.
(5) CRAR- Tier I capital (%) is calculated by dividing the tier-I capital with the total risk weighted assets.
(6) CRAR- Tier II capital (%) is calculated by dividing the tier-II capital with the total risk weighted assets.
(7) CRAR (%) is calculated by dividing the total capital with the total risk weighted assets.

Credit Ratings

The following table sets forth details in relation to the changes in our credit ratings as assigned by Infomerics Valuation and Rating Limited to our Company's instruments:

Instrument	Rating		
	As of March 31,		
	2026	2025	2024
Long term bank facilities	IVR AA/Stable Outlook	IVR AA/Stable Outlook	IVR AA/Stable Outlook
Non-convertible debentures	IVR AA/Stable Outlook	IVR AA/Stable Outlook	IVR AA/Stable Outlook
Commercial paper	IVR A1+	IVR A1+	IVR A1+

Information Technology

Technology is at the core of our operations and we have adopted a defined IT strategy since our inception. We drive growth by leveraging on technology enabled processes, supported by data analytics and innovation. Our IT infrastructure, therefore, plays a pivotal role in managing various stages of a loan transaction, including customer onboarding, KYC verification, credit underwriting, loan processing, documentation, disbursement, collections and post-disbursement servicing.

Technology initiatives implemented:

- AI-based OCR - automates data extraction from documents such as KYC credentials, streamlining data entry and reducing human errors;
- UPI-based QR code - enables our customers to make secure and convenient digital repayments through QR codes, facilitating faster payment processing and improving the efficiency of our collections;
- HRMS application – available to our employees for management of employee records, payroll, and recruitment processes, optimizing operations;
- AI-enabled credit underwriting and documentation automation - supports credit assessment through a real-time scoring engine that leverages behavioral, demographic, asset, income, and banking data; and automates documentation workflows to enhance consistency, reduce turnaround time, and improve operational efficiency; and
- AI-enabled collection calling and messaging solutions - assist in customer engagement and collection follow-up through AI-powered outbound calling/ messaging solutions, enhancing collection efficiency and

customer outreach.

Proposed technology initiatives:

In the near future, we aim to embark on further technological advancements to strengthen our digital infrastructure and maintain a competitive edge. Some of our proposed initiatives include:

1. Customer-centric public mobile application – development of a public-facing mobile application enabling customers to digitally onboard, track loan applications, access account information, make repayments, raise service requests and receive real-time notifications through a secure digital platform;

2. Enhanced business intelligence and analytics – implementation of advanced business intelligence tools and real-time dashboards to strengthen portfolio monitoring, collections management, customer analytics, financial reporting and operational decision-making; and

3. Expansion of AI-driven capabilities – we to aim to further integrate artificial intelligence across key business processes, including fraud detection, anomaly identification, credit assessment, audit automation, predictive portfolio monitoring, early EWS, customer segmentation, AI-powered collection strategies and AI-enabled BRE to improve operational efficiency, strengthen risk management and enhance customer experience.

Sales and marketing

Given the profile and geographic spread of our target customer base, we use branches, business correspondents and website-based channels as part of our sourcing model, with distribution partners currently being developed as an additional channel. Branches act as anchor touchpoints that enhance customer confidence and support local brand visibility in our target markets. Our business correspondent network enables deep ground-level presence by leveraging trusted local partnerships to build brand familiarity and support customer reach and acquisition.

Our sourcing model also incorporates AI-enabled initiatives that support lead generation, customer engagement and onboarding. These include AI-powered sourcing, AI-based lead generation, AI calling, AI-driven marketing campaigns and digital onboarding processes. In the last quarter of Fiscal 2026, 1,50,000 AI-driven outbound calls were executed and AI-driven marketing scaled to 11 campaigns and 11 videos in a single quarter.

In Fiscal 2026, Fiscal 2025 and Fiscal 2024, our incentive expenditure for the customer connect was ₹ 793.43 lakhs, ₹ 637.72 lakhs, and ₹556.31 lakhs, on a consolidated basis and accounted for 0.83%, 0.82% and 0.84% of our total revenue from operations, on a consolidated basis.

Competition

As an NBFC, we operate in a competitive financial services market comprising scheduled commercial banks, public sector banks, private sector banks, small finance banks, NBFCs, fintech lending platforms and captive finance companies (*Source: Informerics Report*). Further, our competition also includes informal lenders, including moneylenders, landlords, traders and local financiers, particularly in rural and semi-urban markets where access to organized institutional credit remains limited for certain borrower segments (*Source: Informerics Report*) and which also serve as our key areas of focus and whose target customers segment is the same as ours.

Intellectual property

We rely on a combination of trade secrets, proprietary intellectual property and contractual protections to establish and protect our intellectual property rights. We have filed an application for the registration of a trademark, constituting our logo and its accompanying bilingual tagline. The said registration has been objected to, and which as on the date of this Draft Shelf Prospectus remains pending for hearing.

Corporate Social Responsibility ("CSR")

We have adopted a corporate social responsibility policy in accordance with Section 135 of the Companies Act, 2013 and the rules made thereunder. The policy outlines our focus areas, which include eradicating hunger, poverty, and malnutrition; promoting healthcare, preventive healthcare, and sanitation; promoting education and employment-enhancing vocational skills; supporting livelihood enhancement projects; and undertaking rural development projects. Our Board supported by the CSR Committee, is responsible for approving the policy, allocating the annual corporate social responsibility budget, and monitoring its implementation. Activities under

the CSR policy are executed either directly by our Company or through eligible implementing agencies registered with the Central Government of India.

During Fiscal 2026, our CSR expenditures were directed primarily toward promoting skill development, education, healthcare, and employment, as well as eradicating hunger and poverty, with projects implemented both directly and in collaboration with identified agencies.

Environmental, Social and Governance ("ESG")

Our Company's business model is based on the "Triple A" strategy, which focuses on accessibility, affordability and awareness. By virtue of this model, we extend credit through a combined branch and business correspondent network, structure competitive repayment terms, and facilitate financial literacy and micro-savings programs for our borrowers.

In alignment with these principles, we monitor key operational metrics relevant to environmental, social and governance parameters. For Fiscal 2026, our Company's environmental funding initiatives included the financing of 5,231 electric vehicles. With respect to our social reach, our Company operated 5,299 touchpoints across 10,354 pin codes serviced approximately 160.00 lakh customers out of 89.00% were women, while facilitating the opening of 92,309 small savings bank accounts. With respect to governance and internal controls, 100.00% of our Company's loan disbursements and 90.00% of our collections were executed through digital channels.

As of March 31, 2024, March 31, 2025, and March 31, 2026, ₹ 1,01,571.91 lakhs or 22.15 % of our AUM, ₹89,305.55 lakhs, or 17.07 % of our AUM, ₹ 57,429.74 lakhs, or 9.41% of our AUM, respectively, on a consolidated basis, were from customers who belonged to the low-income group, earning not more than ₹25,000 per month.

Insurance

We maintain insurance policies that are customary for companies operating in our industry. We have obtained insurance policies to cover our assets against losses from fire, burglary and risks to our property. Additionally, we maintain money insurance policies, motor policies, group life insurance policies and group health insurance policies to cover the medical expenses incurred by our employees during hospitalization, for any illness or injury suffered.

However, our insurance policies may not be sufficient to cover our economic loss. For details, see "*Risk Factors – Our insurance coverage may not be sufficient or may not adequately protect us against all material hazards, which may adversely affect our business, results of operations, cash flows and financial condition.*" on page 33.

Properties

Our Registered Office and Corporate Office is located at CSC, Pocket 52, CR Park, Near Police Station, South Delhi, New Delhi, Delhi – 110019, India. We are headquartered in New Delhi and are supported by 422 branch offices across India. As of March 31, 2026, we own 3 properties, including our Registered and Corporate Office which also serves as a branch, and have leased 421 branch properties across India.

HISTORY AND MAIN OBJECTS

Paisalo Digital Limited was originally incorporated in Uttar Pradesh as "*S. E. Investments Private Limited*" on March 5, 1992 under the provisions of Companies Act, 1956, Subsequently, our Company became a public limited company pursuant to a special resolution passed by the members of our Company on February 24, 1995 and fresh Certificate of Incorporation consequent to conversion to a public limited company was issued on March 1, 1995. Our Company has obtained a certificate of registration dated May 25, 1998, for carrying on the business of a non-banking finance company. At present company is registered with Reserve Bank of India, as a non-banking financial company by RBI in accordance with Section 45 IA of Reserve Bank of India Act, 1934 vide certificate of registration bearing number B-14.02997. The name of our Company was changed to "*Paisalo Digital Limited*" and a fresh certificate of incorporation was granted by the Registrar of Companies, New Delhi, on January 12, 2018.

Our Registered Office and Corporate Office is located at CSC, Pocket 52, C R Park, Near Police Station, New Delhi – 110019, India;

Changes in the registered office of our Company

S. No.	Effective date of change	Details of change in the registered office	Reasons for change in the registered office
1.	February 8, 2003	Change in the registered office of our Company from Block 54, Sanjay Place Agra, Uttar Pradesh to S-547, IInd Floor, Main Road, School Block, Shakarpur, Delhi-110092.	For administrative convenience
2.	April 25, 2016	Change in the registered office of our Company from S-547, IInd Floor, Main Road, Shakarpur, Delhi-110092 to 101, CSC, Pocket 52, CR Park, Near Police Station, New Delhi-110019.	For administrative convenience

Main objects of our Company

The main objects of our Company as contained in the Memorandum of Association are:

1. *To carry on the business of trading, dealing, lending, financing, refinancing, leasing or hire purchase, renting or giving on rent or hire all or any kind of automobiles, motor lorries, trucks, cars, cabs, tractors, autorickshaws, three wheelers, two wheelers or any other vehicles drawn by either motor, steam, oil, petroleum, electricity, battery or any mechanical, manual or other energy, power or device, plant, machinery, equipment, tools, implements, apparatus, appliances, money or any other articles or things or property whether movable or immovable and to purchase, take on lease or otherwise acquire and to deal in real estate and immovable properties*

2. *To carry on the business or to act as guarantors, sureties, investors, promoters, brokers, stock, shares and securities dealers.*

3. *To undertake finance arrangements of all kinds including infrastructure finance, micro finance, small and tiny finance either as principals or as agents or in any other manner; to advance loans for organizing and developing poultry and dairy farming, intensive agricultural operations, cottage industries, workshops, work centres, village industries and for purchase of land for house sites and for agricultural and industrial activities; and to receive loans, advances, grants or other moneys from the Central Government, State Government, local bodies, banks, companies, corporations, co-operative societies, trusts or individuals with or without interest in order to carry out the objects of the company.*

4. *Subject to the provisions of the RBI Act, 1934, the Companies Act, 2013, the Banking Regulation Act and other applicable laws, to deal in financial products and services as principal or agent, including as business correspondent, corporate agent, business facilitator, business intermediary, direct selling agent, factor, financing agent, broker, recovery agent, bill discounter, co-lender, co-originator, bridge financer, money changer, finance manager and in loan syndication for/with banks, financial institutions, mutual funds and other corporate bodies or entities*

Matters which are necessary for furtherance of the objects specified in Clause III (A) are:-

1. *To lend, invest or deal with the money either with or without interest or security, including in current or deposit account with any bank or banks, other person or persons and also in investment in shares, securities, bonds and debentures, upon such terms and conditions as the Company may approve, subject*

to the provisions of the Companies Act, 2013 and the directives issued by the Reserve Bank of India. Provided the company shall not do any banking business as defined under the Banking Regulation Act, 1949.

2. *To borrow or raise or secure the payment of money from any bank or banks or any other person or persons for the Company's business in such manner and on such terms with such rights, powers and privileges as the company may think fit and particularly by issue of or upon bonds, debentures, bills of exchange, promissory notes or other obligation or securities of the Company and with a view thereto mortgage or charge the undertaking and all or any of the immovable and movable properties, present or future and all or any of the uncalled capital for the time being of the Company and to purchase, redeem or pay off any such securities.*

3. *To establish, purchase, take on lease or otherwise acquire and run shops, show rooms, distributing centres, stores, depots and agencies in any part of the country and abroad.*

4. *To enter into agreement with any person, Government, local authority or otherwise in India or abroad on terms and conditions which may be thought fit in carrying on the objects for which the Company is established.*

5. *To acquire any rights, privileges, licence, permits and patents from any person, individual, firm, company, government authority and corporation, which may be considered suitable and expedient in the interest of the Company. To apply for, purchase or otherwise acquire any patent, trademark, brevets of invention, licences, concessions, protections, rights, privileges and the like conferring any exclusive or non-exclusive or limited rights to any sector or other information as to any invention which may seem capable of being used for any purpose of the Company or the acquisition of which may seem directly or indirectly of use or benefit to the Company or may appear likely to be advantageous or useful to the Company and to use, exercise, develop or grant licence, privileges in that respect or otherwise turn to account the property, right or information so acquired and to assist, encourage, and spend money in making experiments, tests improvements of any invention, patent and right which the Company may acquire or propose to acquire.*

6. *To acquire any such shares, stocks, debenture, debenture stock, bonds, obligation or securities by original subscription, exchange or otherwise and to subscribe for the same either conditionally or otherwise, to guarantee the subscription thereof issued or guaranteed by any government, state, public body, authority, firm, body corporate or any other entity or persons in India or elsewhere.*

7. *To lend and advance money and assets of all kinds or give credit on any terms or mode and with or without security to any individual, firm, body corporate or any other entity, including without prejudice to the generality of the foregoing any holding company, subsidiary or fellow subsidiary of, or any other company whether or not associated in any way with, the Company, to enter into guarantees, contracts of indemnity and surety ship of all kinds, to receive money on deposits or loan upon any terms, and to secure or guarantee in any manner and upon any terms the payment of any sum of money or the performance of any obligation by any person, firm or company.*

8. *To enter into partnership with any person, authority, Government or Company.*

9. *Subject to provisions of the Companies Act, 2013, to amalgamate/ merge/ demerge with any other such company whose objects are similar to those to this Company whether by sale or purchase of fully or partly paid up shares or otherwise, of the undertaking or any such other company as aforesaid with or without winding up or by sale or purchase of all or all controlling interest in the shares or stock of other such companies aforesaid or in any such other manner of all types.*

10. *To build, purchase or take on lease plots of land, factory and other building, offices, premises, workers quarters, sheds, bungalows for the purposes of the Company. To open branches in India and elsewhere and to get the Company registered in foreign country and adopt such means of making known to the public the business or the products of the Company as may seem expedient and in particular by advertising in press, by circulars and publication of books and periodicals.*

11. *To invest the moneys of the Company not presently required in such manner and on such conditions as the Company may consider fit.*

12. *To pay out of the funds of the Company, salaries, wages, provident fund, gratuities, superannuation funds, pension funds to the employees of the Company.*

13. *To pay out of the funds of the Company, all expenses which may be incurred by any promoter, or any other person in the formation, registration, market survey, project & feasibility reports and all other such expenses for indemnifying such promoters or person.*

14. *To open accounts with banks or person, persons, companies, Government authorities, deposit money with them and operate such accounts, subject to Banking Regulations Act, 1949.*

15. *To draw, make, accept, discount, execute and issue promissory notes, bills of exchange, bills of lading, warrants, debentures and other negotiable instruments and subscribe shares of any company.*

16. *To create general, provident, gratuity and other charitable reserves and funds for the purposes of the company, to contribute to them, operate and run them. To pay out of such funds money according to the exigencies.*

17. *To pay dividend and interim dividend to the members of the Company out of the profits of the Company, accumulated profits or funds and resources of the company, subject to law applicable for the time being.*

18. *To get insure and reinsure the buildings, machines, stores, finished goods and all other movable or immovable properties of the Company against fire, earth quakes, flood, riot, war or any other risk and also against contingencies under the Workmen's Compensation Act, fatal accident and other similar contingencies.*

19. *To sell, dispose of, mortgage, pledge, hypothecate, lease, let out or hire, give in security any movable or immovable property of the Company on such terms and conditions as may be considered conducive or incidental for carrying out the objects aforesaid.*

20. *To establish, maintain and support in the establishment of associations, institutions, funds, trusts contributory or non-contributory pension or superannuation funds and conveniences calculated to benefit employees or ex-employees of the Company, Directors or Officers of the Company and the wives, widows, families and dependants of any such persons and to grant pensions and allowances and to make payments towards insurance and to subscribe or guarantee money for charitable or benevolent objects or for any public general or useful objects.*

21. *To subscribe or contribute or otherwise assist or to grant money to charitable, benevolent, religious, scientific, national, public institutions, objects or purposes or for any exhibition.*

22. *To stand as guarantors and be surety or answerable for the debts, or defaults of any person, firm or company arising on contracts for payment or repayment of moneys or loans or the fulfilment of any obligations or performances by any such person, firm or company, and to enter into contracts of indemnity or guarantee on such terms and conditions as may seem necessary or expedient for effecting the same.*

23. *To create any depreciation fund, reserve fund, sinking fund, insurance fund, or any other special fund, whether for depreciation or preparing, repairing, improving, extending or maintaining any of the properties of the Company or for redemption of debentures or redemption of preference shares or for any other purposes conducive to the interest of the Company. Subject to the provisions of the Act, or any other enactment in force, to indemnify and keep indemnified officers, directors, agents and servants of the Company against proceedings, costs, damages, claims and demands in respect of anything done or omitted to be done by them for and in the interests of the Company and for any loss, damage, or misfortune whatever and which shall happen in execution of the duties of their office or in relation thereto.*

24. *To refer or agree to refer any claim, demand, dispute or any other question by or against the Company or in which the Company is interested or concerned to arbitration and to observe and perform and do all acts, matters and things necessary to carry out or appeal against or enforce the awards, and to institute, conduct, defend, compound or abandon any legal or other proceedings by or against the Company and to compound and allow time for payment or satisfaction of any debts due, or of any claims or demands against the Company and to appoint advocates, consultants and advisors in this connection.*

25. *To undertake, carry out, promote, sponsor or assist directly or in any other manner any activity for the promotion and growth of the national economy and national welfare through increased productivity, effective utilization of material and manpower resources and continued application of modern scientific and managerial techniques in keeping with the national aspirations and to discharge what the Directors consider to be the social and moral responsibilities of the Company to the consumers, employees, shareholders, society and local community.*

26. *To train or pay for the training in India or abroad of any of the Company's employees or to recruit and employ Indian or foreign experts in the interest of or in furtherance of the objects of the Company. To grant employee stock options in accordance with the provisions of the Act and as may be permitted by Securities and Exchange Board of India or Reserve Bank of India, as the case may be.*

27. *To insure any of the property, undertakings, contracts, risks or obligations of the Company in any manner whatsoever.*

28. *To provide for and furnish or secure to any member or customer of the Company, any convenience, advantage, benefit or special privilege, as may be legally permissible and which may seem expedient or necessary, either gratuitously or otherwise.*

29. *To nominate Directors or Employees of the Company in any subsidiary company or of any other company in which this Company is or may be interested or concerned.*

30. *To act as agents for investment, loan, payment transmission and collection of money, and for purchase, sale, improvement, development and management of all kinds of property, movable and immovable and of all kinds of business concerns and undertakings.*

31. *To take part in the management, supervision, organization or control of the business or operations of any company, association, firm or person and to act as agents, selling agents, buying agents, brokers, trustees or other officers or agents of any other company, association, firm or person, and for that purpose, to appoint and remunerate any directors, managers, trustees, accountants or other experts or agents or any other employees of any company in which the Company is or may be interested.*

32. *To do any form of business which the Reserve Bank of India or any other regulatory authority may specify as a form of business in which it is lawful for a Non-Banking Financial Company to engage.*

33. *To act as principal, agent, trustee, contractor, carrier, broker, underwriter, insurer, factor and either alone or in conjunction with others and either by or through agents, contractors, trustees or otherwise and to carry on business which may seem to the Company capable of being conveniently carried on or which are calculated directly or indirectly to enhance the value or render profitable any of the Company's property or rights.*

34. *To grant and issue letter of credits and to issue, sell and encash travellers' cheques, to buy, sell and deal in foreign exchange and to provide facilities of all types for remittance of funds.*

35. *To provide consultancy by whatever name called for any travel, foreign exchange, money changing and/or related activities.*

36. *Subject to applicable provisions of the Companies Act, 2013, Reserve Bank of India Act, 1934, Banking Regulations Act, 1949 or any other enactment in force to issue debit card, credit cards and any other type of instrument of a similar nature that can be issued electronically or in any other manner possible, presently or in future, to individuals, firms and Corporate or any other persons for any purpose permissible for the Company.*

37. *In the event of winding up of the Company, to distribute in special or otherwise as may be resolved any property or assets of the Company, any proceeds of sale or disposal of any property or assets of the Company including the shares debentures or other securities of any other company formed to take over the whole or any part of the assets or liabilities of the Company but so that no distribution amounting to a reduction of capital be made except with the sanction, if any, for the time being required by law.*

38. *To buy, sell, manufacture, repair, barter, exchange, import, export, pledge, make advance upon, prepare for market, distribute and otherwise deal in goods, wares, merchandise, produce, materials, substance,*

articles, commodities, things of every description capable of being dealt with in connection with the business or objects of the Company.

39. *To give publicity to the business of the company and its constituents and associates and foreign market by means of advertisement in the press, pamphlets, hand bills, circulars, advertisement reels, posters, cinema slides or by publication of books, periodicals and magazines, by purchase and exhibition of works of art, by granting rewards, prizes and donations and by any other suitable means.*

40. *Subject to the provisions of the Companies Act, 2013, or any other enactment in force, to indemnify and keep indemnified members, officers, directors, agents and servants of the Company against proceeding, costs, damages, claims and demands in respect of anything done or ordered to be done by them for and in the interest of the company and for any loss, damage or misfortune whatever and which shall happen in execution of the duties of their office in relation thereto but not by their wilful neglect or default.*

41. *To procure the Company by registering in any place, and, to establish subsidiary companies, agencies and branches for conducting business for which this Company is authorized in any part of India and abroad.*

42. *To carry on trade or any business (whether or otherwise whatsoever) which can, in the opinion of the Company be advantageously or conveniently carried on by the Company by way of extension, or in connection with or as ancillary to such business or is calculated directly to develop any branch of the company's business or to increase the value of or to turn to account any of the assets, properties, or right of the Company.*

43. *To do all or any of the above things in any part of the world and either as principals, agents, contractors, or otherwise, alone or in conjunction with others.*

44. *To act as agents for financial products such as deposits, units of mutual funds, insurance policies, government securities, shares, bonds, debentures and/or other financial instruments and to do the above in any part of the world and either as principals, agents, contractors, trustees, or otherwise and by or through trustees, agents or otherwise either alone or in conjunction with others.*

45. *To make donations to any person or persons for services rendered or to be rendered in introducing any property or business to the Company, or in placing or assisting to place, or guaranteeing the subscription of any shares, debentures, debenture-stock or other securities of the Company for charitable, scientific, religious or benevolent, national, public general or other objects which the Company may think proper and to make such other donations as may be permissible under the law.*

46. *To promote, develop, design, establish, set up, maintain, organize, advise, operate, run, purchase, sell, distribute, import, export of electronic and virtual payment, loan, data processing equipment, software, hardware, technology, system and products.*

47. *To act either as principals, agent, surveyor, broker or otherwise either alone or in conjunction with others for financial products such as deposits, units of mutual funds, government securities, shares, bonds, debentures and/or other financial instruments and to do the above in any part of the world.*

48. *To establish, organize, manage, solicit, promote, encourage, provide, conduct, sponsor, subsidize, operate, develop and commercialize financial product/services.*

49. *Subject to applicable provisions of Companies Act, 2013 and other applicable law, to raise funds by issuing Debentures, Bonds or other Debt instruments through private or public issue.*

50. *To undertake facilitation support services and may include identification of borrowers and fitment of activities, collection of applications and verification of primary information/data, preliminary appraisal of credit based on standard norms set by banks and using local data/information, marketing of the financial products including savings/providing product information, processing and submission of applications to banks, promotion and nurturing SHGs/JLGs; post-sanction monitoring; monitoring and handholding of SHGs/JLGs/Credit Groups/others, and follow-up for recovery for the attainment of main object of the Company.*

51. *To provide assistance in financial functions on behalf of banks, financial Institutions, individuals, corporate bodies or other entities (whether incorporated or not) such as disbursal of small value credit,*

and recovery of principal/collection of interest and sale of micro insurance/mutual fund products/pension products for the attainment of main object of the Company.

52. *To promote innovative use of technologies including Information and Communication Technology (ICT), automated teller machines (ATMs), smart cards, Personal Digital Assistants (PDAs), mobile phone technologies, simputers and remote transaction services resulting in expansion of customer reach, improve quality of service and customer satisfaction, increase data collection and analysis, and business transaction which is cost effective, easier, more convenient, reliable, and secure for the consumers for the attainment of main object of the Company.*

53. *To promote the use of mobile phones as terminals and cards and to encourage and enable the use of encryption, digital signatures, biometric and public key infrastructure for the attainment of the main object of the Company.*

54. *To identify potential customers and generate awareness about savings and other products offered by Banks as well as offering debt counseling and advice on money management. Collection and processing of various forms for deposits including verification of primary information or data, filling of applications/account opening forms including nomination clause and submission to the bank. To manage the collection and payment of small value deposits and withdrawals. To complete the KYC process for the customers, opening of no frill deposit accounts and other products offered by the bank, furnishing of account information like mini account statements as well as cross-selling of other financial products by the bank.*

55. *To accept or deliver cash either at a kiosk or any suitable location, subject to the ceilings per day/per customer.*

56. *To do all such other things as may be necessary for furtherance of the above objects or any of them.*

The main objects, as contained in our Memorandum of Association enable our Company to carry on the business presently being carried out and proposed to be carried out by it.

Major events and milestones

The table below sets forth some of the major events and milestones of our Company:

Financial year	Milestone
1996	Our Company completed its initial public offering of 15,00,000 equity shares aggregating to ₹ 150.00 lakhs
2007	Our Company's equity shares were listed on the BSE Limited
2009	Our Company's equity shares were listed on the National Stock Exchange of India Limited
2010	Our Company completed a global depository receipts issuance, pursuant to which 2,450,000 Global Depository Receipts representing 4,900,000 equity shares were allotted to The Bank of New York Mellon.
2023	Our Company recorded consolidated AUM of 349,279.20 lakh and completed conversion of the balance 9,90,000 warrants into equity shares.
2024	Our Company achieved its highest ever AUM of ₹458,600 lakh.
2025	Our Company allotted 37,01,792 equity shares pursuant to conversion of FCCBs on January 15, 2025 and 3,72,517 equity shares under ESPS on February 28, 2025.
2025	Our Company allotted 7,403,585 equity shares on September 17, 2025 pursuant to conversion of 4,000 FCCBs
2025	Our Company had 3,565 touchpoints across 22 states and union territories.

Key awards, accreditations or recognitions

Calendar year	Award
2024	Received recognition from the Financial Inclusion Department of State Bank of India, Head Office Lucknow, as "Best Achiever".
	Received recognition from the Financial Inclusion Department of State Bank of India, LHO Kolkata, as "Best Performance"

Details of any acquisition or amalgamation in the last one year

Our Company has not entered into any acquisitions or amalgamation in the one year preceding the date of this Draft Shelf Prospectus.

Details of any reorganisation or reconstruction in the last one-year

Our Company has not undergone any reorganisation or reconstruction in the one year preceding the date of this Draft Shelf Prospectus.

Key terms of material agreements and material contracts in the last two years

Our Company has not acquired any business or undertaking and has not entered in any material agreements and material contracts in the last two years.

Holding Company

As on the date of this Draft Shelf Prospectus, our Company does not have holding company.

Subsidiary

As on the date of this Draft Shelf Prospectus, our Company has one Subsidiary –

a. Nupur Finvest Private Limited;

The details of our Subsidiary are set forth below:

Nupur Finvest Private Limited

Corporate Information

Nupur Finvest Private Limited is a private limited company incorporated on July 31, 1995 under the Companies Act, 1956 with corporate identification number U67120DL1995PTC231086. Its registered office is situated at 101, CSC, Pocket 52, Chitranjan Park, New Delhi - 110019, India.

Nature of Business

Nupur Finvest Private Limited is a Non-Deposit Taking Non-Banking Financial Company registered with the Reserve Bank of India under registration number B-14.03266. It is engaged in the business of providing loans / loan financing, including financing to small and medium entrepreneurs, partnership firms and small business owners

Shareholding Pattern

The following table sets forth the details of the shareholding of Nupur Finvest Private Limited:

Sr. No.	Name of the shareholder	Number of equity shares of face value of ₹. 10 each	Percentage of total equity shares holding (%)
1.	Paisalo Digital Limited	5,368,550	99.98
2.	Sunil Purushottanm Agarwal as nominee of Paisalo Digital Limited	1,000	0.02
	Total	**5,369,550**	**100.00**

Associates

Our Company does not have any Associate as on the date of this Draft Shelf Prospectus.

Joint Ventures

Our Company does not have any Joint Venture as on the date of this Draft Shelf Prospectus.

OUR MANAGEMENT

Board of Directors

The composition of our Board is governed by the provisions of the Companies Act, the rules prescribed thereunder, the SEBI Listing Regulations and the Articles of Association.

In terms of the Companies Act, 2013 and our Articles of Association, our Company is required to have not less than three Directors and not more than 15 Directors. As on the date of this Draft Shelf Prospectus, our Board comprises 10 Directors including five Executive Director and five Independent Directors including one woman Independent Director.

Details of Board of Directors as on the date of this Draft Shelf Prospectus

Sr. No.	Name, designation and DIN	Age	Address	Date of Appointment	Details of others directorships
1.	Sunil Purushottanm Agarwal Designation: Managing Director DIN: 00006991	55 years	S-204, Greater Kailash, Part–2, Delhi-110048	March 5, 1992	*Indian Companies* 1. Pro Fitcch Private Limited; 2. Aanjneya Motor Private Limited; 3. Repartee Infrastructures Private Limited; 4. Pri Caf Private Limited; 5. Nupur Finvest Private Limited; 6. Equilibrated Venture Cflow Private Limited; 7. Radiance Techno Powers Company Private Limited; 8. SCS Education Foundation; 9. R NR Automate Private Limited; 10. Maurya Techno Securities Private Limited; and 11. Sable Sanctus Foundation. *Foreign Companies* NIL
2.	Santanu Agarwal Designation: Deputy Managing Director DIN: 07069797	29 years	S-204, Greater Kailash, Part–2, Delhi-110048	May 6, 2022	*Indian Companies* 1. Aanjneya Motor Private Limited; 2. R NR Automate Private Limited; 3. Equilibrated Venture Cflow Private Limited; 4. Pri Caf Private Limited; 5. Radiance Techno Powers Company Private Limited; 6. Pro Fitcch Private Limited; 7. Maurya Techno Securities Private Limited; and 8. Sable Sanctus Foundation. *Foreign Companies* NIL
3.	Harish Singh Designation: Executive Director DIN: 00039501	58 years	88, Surya Nagar, Agra-282002	August 1, 2008	*Indian Companies* 1. Nupur Finvest Private Limited; and 2. Saadhvi Cinfra Projects Private Limited. *Foreign Companies* NIL
4.	Anoop Krishna Designation: Executive Director DIN: 08068261	68 years	Flat No 1502, Tower 5 Crescent Bay, Jerbai Wadia Road Bhoiwada, Mahatma Phule Education Society, Parel, Mumbai-400012	February 23, 2018	*Indian Companies* 1. Bellissimo Finvest Private Limited *Foreign Companies* NIL

Sr. No.	Name, designation and DIN	Age	Address	Date of Appointment	Details of others directorships
5.	Vinod Kumar Designation: Executive Director DIN: 10230437	61 years	Flat No. 601, Sai Srishti Apartments, Sai Dham Marg, Lane Besides HDFC Bank, Chembur, Mumbai-400074	February 4, 2025	*Indian Companies* NIL *Foreign Companies* NIL
6.	Raman Aggarwal Designation: Independent Director DIN: 00116103	61 years	D-15, Ground Floor, Near Savitri Cinema, Greater Kailash Enclave 2, Greater Kailash, Delhi-110048	October 15, 2019	*Indian Companies* NIL *Foreign Companies* NIL
7.	Nisha Jolly Designation: Independent Director DIN: 08717762	74 years	D-503, Kaveri Apartments, Alaknanda, Delhi-110019	May 30, 2020	*Indian Companies* *1.* Nupur Finvest Private Limited *Foreign Companies* NIL
8.	Vijuy Ronjan Designation: Independent Director DIN: 09345384	64 years	R-145, Ground Floor, Greater Kailash, Part 1, Delhi-110048	October 8, 2021	*Indian Companies* 1. Platinum Industries Limited; 2. Akara Capital Advisors Private Limited; and 3. Integro Finserv Private Limited. *Foreign Companies* NIL
9.	Dharmendra Singh Gangwar Designation: Independent Director DIN: 08299862	62 years	C-8, Block-6, Shanti Path, New Moti Bagh, South Moti Bagh, South West Delhi, Delhi-110021	July 25, 2024	*Indian Companies* 1. Duncan Engineering Limited; 2. Marcellus Asset Management Private Limited; 3. Transrail Lighting Limited; and 4. Lalbaba Engineering Limited. *Foreign Companies* NIL
10.	Jitendra Kumar Ojha Designation: Independent Director DIN: 11028354	58 years	Apartment No. 204, Sea Court, Tower 2, Jaypee Greens, Greater Noida, Alpha, Greater Noida, Gautam Buddha Nagar-201310, Uttar Pradesh	May 2, 2025	*Indian Companies* NIL *Foreign Companies* NIL

Brief Profile of the Directors of Our Company

Sunil Purushottanm Agarwal is the Managing Director of our Company. He holds a bachelor's degree in commerce from Agra University. He has more than three decades of experience in the non-banking finance sector and is responsible for our Company's strategic decision-making and financial activities.

Santanu Agarwal is the Deputy Managing Director of our Company. He holds bachelor's degrees in commerce and law from Amity University, Noida. He has around a decade of experience in business planning, operations, IT strategy and risk management.

Harish Singh is an Executive Director of our Company. He is a Chartered Accountant and also holds a bachelors and masters in Commerce from Agra University, Agra. He has been associated with our Company for more than 20 years and has experience in audit, taxation, corporate advisory services, financial management and fund raising. He also has experience in finance, accounting, taxation, compliance and information technology.

Anoop Krishna is an Executive Director of our Company. He holds a bachelor's degree in arts from Patna University . Prior to joining our Company, he retired as Chief General Manager (MCA-III) in the State Bank of India**.** His experience includes corporate banking, management of large business portfolios and leadership of large teams in complex financial structures.

Raman Aggarwal is an Independent Director of our Company. He holds a bachelor's degree in civil engineering from Thapar Institute of Engineering and Technology, Patiala and master's degree in urban planning from the School of Planning & Architecture, New Delhi . He has also completed a special training programme for personnel of non-banking finance companies at the RBI College of Agricultural Banking, Pune. He is the founder and CEO of the Finance Industry Development Council (FIDC). Prior to joining our Company, he was associated with SREI Equipment Finance Limited as a senior vice president-corporate affairs. . He has more than 35 years of experience in the NBFC sector

Nisha Jolly is an Independent Director of our Company. She holds a bachelor's of science degree from University of Delhi, master's degree in science from Govind Ballabh Pant University of Agriculture and Technology, Pantnagar in genetics and has completed Certified Associate of Indian Institute of Bankers Part I. Prior to joining our Company, she was associated with Punjab National Bank as Chief Manager**.** She has more than 30 years of experience in the financial industry.

Vijuy Ronjan is an Independent Director of our Company. He holds a bachelor of arts degree from Patna University. Prior to joining our Company, he was associated with State Bank of India as Chief General Manager of the New Delhi Circle, Jaipur Circle and at the Corporate Centre. He has over 35 years of experience in retail banking, human resources, international banking, foreign exchange business and risk management.

Dharmendra Singh Gangwar is an Independent Director of our Company. He holds an MBBS degree from King George's Medical College, Lucknow. He is a retired Indian Administrative Service officer and has served as Secretary to the Government of India. . He has more than 35 years of leadership experience in senior policy formulation and implementation positions in the Government of India and state governments.

Vinod Kumar is an Executive Director of our Company. He holds a bachelor of science degree from Osmania University, has completed an Executive masters of business administration degree from S P Jain Institute of Management and Research . Prior to joining our Company, he was associated with State Bank of India as Chief General Manager and was chief executive officer of the Osaka Branch. He has over 37 years of experience in the banking industry.

Jitendra Kumar Ojha is an Independent Director of our Company. He holds an undergraduate degree in political science, economics and history from University of Calcutta, a master of philosophy in defence and strategic studies from University of Madras, master of arts degree from Jawaharlal Nehru University, and master of philosophy degrees from Jawaharlal Nehru University and the University of Madras. Prior to joining our Company, he served as a civil servant and retired from the rank of Joint Secretary in the Government of India. He has a 26-year career in public service with experience in geopolitical, security and governance matters.

Relationship between Directors

Except Sunil Purushottanm Agarwal (Father) and Santanu Agarwal (Son), there are no inter se relationship between the Directors of our Company.

Remuneration paid to our Executive Directors

Our Company has paid the following remuneration to our Executive Directors for the financial years ended March 31, 2026, March 31, 2025 and March 31, 2024:

(*₹ in lakhs, unless otherwise stated*)

Name of Director	Fiscal 2026	Fiscal 2025	Fiscal 2024
Sunil Purushottanm Agarwal	393.60	393.60	393.60
Santanu Agarwal	180.00	180.00	180.00
Harish Singh	65.34	50.50	33.00
Anoop Krishna	52.72	48.60	45.60
Vinod Kumar	50.16	7.90	Nil*

* Appointed w.e.f. from May 2, 2025.

Sitting fees paid to our Independent Directors

Our Company has paid the following remuneration to our Independent Directors for the financial years ended March 31, 2026, March 31, 2025 and March 31, 2024:

(*₹ in lakhs, unless otherwise stated*)

Sr. No.	Name of Director	Fiscal 2026[#]	Fiscal 2025	Fiscal 2024
1.	Raman Aggarwal	3.75	3.95	2.20
2.	Nisha Jolly	3.25	3.15	3.15
3.	Vijuy Ronjan	4.75	3.90	2.40
4.	Dharmendra Singh Gangwar	3.00	2.65	Nil*
5.	Jitendra Kumar Ojha	2.50	Nil**	Nil**

* Appointed w.e.f. from July 24, 2024.
** Appointed w.e.f. from May 2, 2025.
[#] *Includes sitting fees and commission paid to Independent Directors.*

None of the Directors of our Company have been paid any remuneration by our Subsidiary.

Terms of Appointment of our Executive Director

Sunil Purushottanm Agarwal

Pursuant to the resolutions passed by our Board and our Shareholders on February 10, 2023 and May 5, 2023, respectively, Sunil Purushottanm Agarwal was re-appointed as the Managing Director of our Company for a term of five years with effect from February 20, 2023 to February 19, 2028. Pursuant to shareholders resolution on revision of remuneration dated May 5, 2023, he is entitled to the following remuneration and perquisites:

Remuneration	
Particulars	**Amount (in ₹)**
Salary	₹ 518.40 lakhs per annum
Perquisites	
(1) Use of our Company's car for official duties.	

Santanu Agarwal

Pursuant to the resolutions passed by our Board and our Shareholders on May 6, 2022 and June 10, 2022, respectively, Santanu Agarwal was appointed as the Deputy Managing Director of our Company for a term of five years with effect from May 6, 2022 to May 5, 2027. Pursuant to shareholders resolution on revision of remuneration dated June 10, 2022, he is entitled to the following remuneration and perquisites:

Remuneration	
Particulars	**Amount (in ₹)**
Salary	₹ 180 lakhs per annum

Harish Singh

Pursuant to the resolutions passed by our Board and our Shareholders on February 10, 2023, and May 5, 2023, respectively, Harish Singh was re-appointed as the Whole-time Director designated as Executive Director and Chief Financial Officer of our Company for a term of five years with effect from August 1, 2023 to July 31, 2028. Pursuant to the shareholders' resolution dated May 5, 2023, he is entitled to the following remuneration and perquisites:

Remuneration	
Particulars	**Amount (in ₹)**
Salary	₹ 36.90 lakhs per annum
House Rent Allowance	₹ 8.17 lakhs per annum
Company's contribution to Provident Fund	₹ 4.42 lakhs per annum
Perquisites	
(1) Use of our Company's car for official duties.	

Anoop Krishna

Pursuant to the resolutions passed by our Board and our Shareholders on July 21, 2025, and September 29, 2025, respectively, Anoop Krishna was re-appointed as the Whole-time Director designated as Executive Director of our Company from February 23, 2026, to December 31, 2027. Pursuant to the shareholders' resolution dated May

5, 2023 approving his re-appointment and terms of remuneration, he is entitled to remuneration and perquisites as approved thereunder:

Remuneration	
Particulars	**Amount (in ₹)**
Salary (including prerequisites)	₹ 46.20 lakhs per annum
Conveyance and other allowances	₹ 7.80 lakhs per annum

Vinod Kumar

Pursuant to the resolution passed by our Board on February 4, 2025 and the special resolution passed by our Shareholders on May 2, 2025, Vinod Kumar was appointed as the Whole-time Director designated as Executive Director of our Company for a term of five years commencing from February 4, 2025 to February 3, 2030. Pursuant to the shareholders' resolution dated May 2, 2025 approving the terms and conditions of his appointment, he is entitled to the following remuneration and perquisites.

Remuneration	
Particulars	**Amount (in ₹)**
Salary (including prerequisites)	₹ 50.16 lakh per annum

Terms of Appointment of our Independent Directors

Except as disclosed above in this section "- *Sitting fees paid to our Independent Directors"*, no remuneration or benefits, other than sitting fees and reimbursement of expenses, have been paid to the Independent Directors of our Company

Shareholding of Directors in our Company and Subsidiary

Except as disclosed below, none of our Directors hold any shares in our Company and our Subsidiary, as on date of this Draft Shelf Prospectus.

Sr. No	Name of Key Managerial Personnel and Senior Management	Number of Equity Shares of our Company	Number of Equity Shares in our Subsidiary
1.	Sunil Purushottanm Agarwal	115,273,800	1,000 Equity Shares in Nupur Finvest Private Limited (held as nominee of our Company)
2.	Santanu Agarwal	43,296,000	Nil
3.	Harish Singh	20,000	Nil
4.	Vijay Ronjan	5,000	Nil
5.	D. S. Gangwar	2,000	Nil

Other understandings and confirmations

- None of our Directors is, a whole time director or promoter of any listed company, which has been delisted from any recognized stock exchange.
- Our Company confirms that the Permanent Account Number of the Directors of our Company have been submitted to the Stock Exchange at the time of filing this Draft Shelf Prospectus.
- None of our Directors is, or was, a director of any listed company, which has been or was delisted from any recognised stock exchange, during the term of his/her directorship in such company.
- None of our Directors have been restrained or prohibited or debarred from accessing the securities market or dealing in securities by SEBI.
- None of our Directors have been identified as a 'Wilful Defaulter', as defined under SEBI NCS Regulations.
- None of the Directors of our Company interested in the appointment of or acting as lead manager, credit rating agency(ies), underwriter, registrar, debenture trustee, advertising agency, printers, banker to the Issue or any other such intermediary appointed in connection with the Issue.

Borrowing Powers of the Board

In accordance with the Articles of Association of our Company, the Companies Act, 2013 and pursuant to the special resolutions passed by our Shareholders at the 33rd Annual General Meeting held on September 29, 2025 under Section 180(1)(c) and Section 180(1)(a) of the Companies Act, 2013, our Board of Directors is empowered to borrow funds, from time to time, for the purposes of our business, including by way of debt securities, provided that the funds borrowed or to be borrowed, together with the monies already borrowed by our Company (apart from temporary loans obtained from our bankers in the ordinary course of business), shall not at any time exceed an aggregate amount of ₹900,000.00 lakhs.

Pursuant to the aforesaid special resolution, our Board of Directors is also authorised to create security over the movable and immovable properties of our Company, present and future, to secure such borrowings, loans and debt securities, provided that the aggregate amount so secured and outstanding does not exceed ₹900,000.00 lakhs.

The aggregate amount of the NCDs proposed to be offered under this Draft Shelf Prospectus, together with the existing borrowings of our Company, is within the borrowing limits approved by the Shareholders as mentioned above.

Interest of the Directors

- Except Sunil Purushottanm Agarwal, who is also the Promoter of our Company, no other Directors are interested in the promotion of our Company.
- All the Directors of our Company, including our Independent Directors, may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the Board or a committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable to them.
- All the Directors of our Company may also be deemed to be interested to the extent of Equity Shares, if any, held by them or by companies, firms and trusts in which they are interested as directors, partners, members or trustees and also to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.
- None of our Directors have entered into any contracts or arrangements with our Company in the two years preceding the date of this Draft Shelf Prospectus in connection with the Issue or intended to do the same.
- Except as disclosed in the section "*Related Party Transactions*" on page 167, none of our Directors may be deemed to be interested to the extent of consideration received/paid or any loans or advances provided to anybody corporate, including companies, firms, and trusts, in which they are interested as directors, members, partners or trustees.
- None of our Directors are interested in their capacity as a member of any firm or company and no sums have been paid or are proposed to be paid to any Director or to such firm of company in which he is interested, by any person, in cash or shares or otherwise, either to induce them to become, or to help them qualify as a director, or otherwise for services rendered by him or by such firm or company, in connection with the promotion or formation of our Company.
- No contribution has been made by the Directors as part of the Issue or separately in furtherance of the objects of the Issue.
- Except as disclosed below, none of our Directors' relatives have been appointed to an office or place of profit of our Company, our Subsidiary, and our Associates.

  Santanu Agarwal, son of Sunil Purushottanm Agarwal, has been appointed as a Director of our Company.

  Sunil Purushottanm Agarwal, father of Santanu Agarwal, has been appointed as Director of our Subsidiary, Nupur Finvest Private Limited.
- Our Directors have no interest in any immovable property acquired or proposed to be acquired by our Company in the preceding two years of filing this Draft Shelf Prospectus. No benefit/interest will accrue to our Promoter/ Directors out of the objects of the Issue.
- Our Directors have not taken any loan from our Company.
- None of our Directors have any financial or material interest in the Issue.

Debenture holding of Directors

As on June 30, 2026 none of the Directors of our Company hold any debentures issued by our Company.

Changes in the Board

Details of change in Directors of our Company during preceding three financial years preceding the date of this Draft Shelf Prospectus and current financial year

Name of Director	Date of Appointment	Date of Cessation, if applicable.	Date of Resignation, if applicable	Remarks
Nirmal Chand	March 27, 2023	July 19, 2023	July 19, 2023	Cessation on account of resignation.
Naresh Kumar Jain	August 14, 2014	August 13, 2024	NA	Cessation on account of retirement.
Dharmendra Singh Gangwar	July 25, 2024	NA	NA	Appointment as Independent Director
Vinod Kumar	February 4, 2025	NA	NA	Appointment as Executive Director
Jitendra Kumar Ojha	May 2, 2025	NA	NA	Appointed as an Independent Director.
Gauri Shankar	July 22, 2017	July 21, 2025	NA	Cessation on account of retirement.

Key Managerial Personnel of our Company

Provided below are the details of the Key Managerial Personnel of our Company, other than our Managing Director. For details about our Managing Director, please refer to *"Our Promoter"* on page 165.

Sr. No	Name	Designation
1.	Harish Singh	Executive Director and Chief Financial Officer
2.	Santanu Agarwal	Deputy Managing Director
3.	Anoop Krishna	Whole Time Director
4.	Vinod Kumar	Whole Time Director
5.	Manendra Singh	Company Secretary & Chief Compliance Officer

Senior Management of our Company

Provided below are the details of the Senior Management (excluding Key Managerial Personnel) of our Company:

Sr. No	Name	Designation
1.	Anurag Sinha	Chief Operating Officer & Chief Information Securities Officer
2.	BVSKT Bhaskar	Chief Risk Officer
3.	Gaurav Chaubey	Chief Business Officer
4.	Mithun Kumar Singh Rathore	Vice President -Legal
5.	Nishtha Sharma	Senior Vice President Marketing
6.	Rajeev Seth	Strategy Head
7.	Samresh Agarwal	Chief Recovery Officer
8.	Snigdha Agarwal	Head Human Resource
9.	Sushant Sharma	Senior Vice President-IT
10.	Harpreet Singh Kapoor	Head Internal Auditor

Interests of Key Managerial Personnel and Senior Management

Except to the extent of the shareholding of our Key Managerial Personnel and Senior Management in our Company and the remuneration paid for services rendered in the course of employment, benefits entitled to in accordance with their respective terms of appointment and reimbursement of expenses incurred during the ordinary course of business, none of the Key Managerial Personnel or Senior Management have any financial or material interest in the Issue.

Shareholding of Key Managerial Personnel and Senior Management in our Company.

The shareholding of our Key Managerial Personnel and Senior Management as on the date of this Draft Shelf Prospectus, is set out below:

Sr. No	Name of Key Managerial Personnel and Senior Management	Number of Equity Shares
1.	Sunil Purushottanm Agarwal	115,273,800
2.	Santanu Agarwal	43,296,000
3.	Harish Singh	20,000
4.	Manendra Singh	5,400
5.	Anoop Krishna	Nil
6.	Vinod Kumar	Nil
7.	Anurag Sinha	20,000
8.	BVSKT Bhaskar	21,900
9.	Gaurav Chaubey	25,200
10.	Mithun Kumar Singh Rathore	Nil
11.	Nishtha Sharma	1,200
12.	Rajeev Seth	17,000
13.	Samresh Agarwal	6,000
14.	Snigdha Agarwal	Nil
15.	Sushant Sharma	15,000
16.	Harpreet Singh Kapoor	1,400

Corporate Governance

We are in compliance with the requirements in relation to the composition of the Board of Directors and constitution of Committees such as Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee, Risk Management Committee and Corporate Social Responsibility Committee, and as mandated under the Companies Act, 2013 and the SEBI Listing Regulations.

Audit Committee

The Audit Committee was reconstituted vide resolution passed in the meeting of the Board of Directors on May 10, 2026. As on the date of this Draft Shelf Prospectus, it comprises of:

Name of Member	Composition of Committee
Vijuy Ronjan	Chairman (Independent Director)
Harish Singh	Member (Executive Director)
Nisha Jolly	Member (Independent Director)
Jitendra Kumar Ojha	Member (Independent Director)

The scope of the Audit Committee includes the terms of references made under Regulation 18 read with part C of Schedule II of SEBI Listing Regulations as well as Section 177 and other applicable provisions of the Companies Act, 2013 besides the other terms that may be referred by the Board of Directors. The broad terms of reference of the Audit Committee are as follows:

The role of the Audit Committee shall include the following:

1. oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

2. recommendation for appointment, remuneration and terms of appointment of auditors of our Company;

3. approval of payment to statutory auditors for any other services rendered by the statutory auditors;

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

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

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

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

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

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

f. disclosure of any related party transactions;

g. modified opinion(s) in the draft audit report;

5. reviewing, with the management, the quarterly financial statements before submission to the board for approval;

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

7. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

8. approval or any subsequent modification of transactions of the listed entity with related parties;

9. scrutiny of inter-corporate loans and investments;

10. valuation of undertakings or assets of the listed entity, wherever it is necessary;

11. evaluation of internal financial controls and risk management systems;

12. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

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

14. discussion with internal auditors of any significant findings and follow up there on;

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

16. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

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

18. to review the functioning of the whistle blower mechanism;

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

20. Carrying out any other function as is mentioned in the terms of reference of the audit committee.

21. reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

22. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

The audit committee shall mandatorily review the following information:

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

2. management letters / letters of internal control weaknesses issued by the statutory auditors;

3. internal audit reports relating to internal control weaknesses; and

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

5. statement of deviations:

    a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).

    b. annual statement of funds utilized for purposes other than those stated in the issue document/prospectus/notice in terms of Regulation 32(7).

Nomination and Remuneration Committee

The Nomination and Remuneration was reconstituted vide resolution passed in the meeting of the Board of Directors on July 21, 2025. As on the date of this Draft Shelf Prospectus, its membership comprises of:

Name of Member	Composition of Committee
Raman Agarwal	Chairman (Independent Director)
Dharmendra Singh Gangwar	Member (Independent Director)
Jitendra Kumar Ojha	Member (Independent Director)

The scope of activities of the Nomination and Remuneration Committee is as set out in Regulation 19 of SEBI Listing Regulations and as amended read with Section 178 of the Companies Act, 2013. The terms of reference of the Nomination and Remuneration Committee are broadly as follows:

1. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;

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

    a. use the services of an external agencies, if required;

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

    c. consider the time commitments of the candidates.

3. formulation of criteria for evaluation of performance of independent directors and the board of directors;

4. devising a policy on diversity of board of directors;

5. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.

6. 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.

7. recommend to the board, all remuneration, in whatever form, payable to senior management.

Corporate Social Responsibility Committee ("CSR Committee")

The CSR Committee was reconstituted vide resolution passed in the meeting of the Board of Directors on April 28, 2022. As on the date of this Draft Shelf Prospectus, its membership comprises of:

Name of Member	Composition of Committee
Harish Singh	Chairman (Executive Director)
Sunil Purushottanm Agarwal	Member (Managing Director)
Vijuy Ronjan	Member (Independent Director)

The terms of reference of the CSR Committee are mentioned below:

1. To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by our Company as specified in Schedule VII of Companies Act, 2013;

2. To recommend the amount of expenditure to be incurred on the CSR activities; and

3. To monitor the implementation of the CSR Policy of our Company from time to time."

Stakeholders Relationship Committee ("SR Committee")

The SR Committee was reconstituted vide resolution passed in the meeting of the Board of Directors on August 9, 2024. As on the date of this Draft Shelf Prospectus, its membership comprises of:

Name of Member	Composition of Committee
D.S. Gangwar	Chairman (Independent Director)
Raman Agarwal	Member (Independent Director)
Vijuy Ronjan	Member (Independent Director)

The terms of reference of the Stakeholders Relationship Committee shall, inter alia, include the following:

1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

2. Review of measures taken for effective exercise of voting rights by shareholders.

3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.

4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of our Company

5. Resolving grievances of debenture holders related to creation of charge, payment of interest/principal, maintenance of security cover and any other covenants.

Risk Management Committee

The Risk Management Committee was reconstituted vide resolution passed in the meeting of the Board of Directors on May 10, 2026. As on the date of this Draft Shelf Prospectus, its membership comprises of:

Name of Member	Composition of Committee
Jitendra Kumar Ojha	Chairman (Independent Director)
Santanu Agarwal	Member (Deputy Managing Director)
Harish Singh	Member (Executive Director)
Gaurav Chaubey	Member (Employee)
BVSKT Bhaskar	Member (Employee)

The terms of reference of the Risk Management Committee are mentioned below:

1. To formulate a detailed risk management policy which shall include:

    a. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

b. Measures for risk mitigation including systems and processes for internal control of identified risks.

c. Business continuity plan.

2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of our Company;

3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

5. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

6. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

OUR PROMOTER

The Promoter of our Company is Sunil Purushottanm Agarwal

Individual Promoter

1. Sunil Purushottanm Agarwal

	Sunil Purushottanm Agarwal, aged 55 years, is the Promoter, Managing Director of our Company. His date of birth is February 7, 1971. He has more than three decades of experience in the non-banking finance sector and is responsible for our Company's strategic decision-making and financial activities. For further details see section titled "*Our Management"* on page 153.

Other Venture

Except as disclosed in this section and in *"Our Management – Board of Directors"* on page 153, our Promoter is not involved in any other venture**.**

Other understanding and confirmations

Our Company confirms that the permanent account number, Aadhar number, bank account number(s), personal address and passport number of our Promoter, as applicable, have been submitted to the Stock Exchange at the time of filing this Draft Shelf Prospectus.

Our promoter has confirmed that he was not a promoter or person in control of any company which was compulsorily delisted within a period of ten years preceding the date of this Draft Shelf Prospectus, in accordance with Regulation 24 of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, as amended, or the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021.

Our Promoter has confirmed that he has not been identified as Wilful Defaulters and that he is not a promoter of any such company which has been identified as a Wilful Defaulter. Further, no members of the Promoter Group have been identified as Wilful Defaulters.

No violation of securities laws has been committed by our Promoter in the past or is currently pending against them.

Our Promoter, Promoter Group and entities in which our Promoter is promoter or directors, are not restrained or debarred or prohibited from accessing the capital markets or restrained or debarred or prohibited from buying, selling, or dealing in securities under any order or directions passed for any reasons by the SEBI or any other authority or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad.

Common Pursuits of our Promoter

Except as disclosed below, our Promoter is not engaged in a business or other ventures similar to our Company.

S. No.	Name	Conflict of interest	Line of Business
1.	Nupur Finvest Private Limited (Wholly owned subsidiary of Paisalo Digital Limited)	None	NBFC (Finance)

Interest of our Promoter in our Company

Our Promoter do not have any interest in our Company other than as Directors of our Company, as shareholders of our Company, to the extent of shares held by them individually and as stated in *"Related Party Transactions"* on page 167. For further details on the shareholding, see section titled "*Capital Structure"* on page 54.

Accordingly, our Promoter is also interested to the extent that they are eligible for dividend that may be declared by our Company and to the extent of the remuneration received by them in their capacity as Directors.

Our Promoter do not have any interest in any property acquired by our Company within two years preceding the date of filing of this Draft Shelf Prospectus or any property proposed to be acquired by our Company or in any transaction with respect to the acquisition of land, construction of building or supply of machinery.

Our Promoter do not intend to subscribe to this Issue.

Our Promoter has no financial or other material interest in the Issue and no benefit / interest will accrue to our Promoter out of the objects of the Issue.

Details of Equity Shares allotted to our Promoter during the last three Fiscal Years

Our Promoter has not been allotted any Equity Shares of our Company during the last three Fiscal Years.

Shareholding of our Promoter in our Company as on June 30, 2026:

Sr. No.	Name of Promoter shareholder	Total number of Equity Shares	Total shareholding as % of total no. of Equity Shares
1.	Sunil Purushottanm Agarwal	115,273,800	12.67

RELATED PARTY TRANSACTIONS

For details of the related party transactions for the Fiscals 2026, 2025 and 2024 in accordance with the requirements under Ind AS 24 "Related Party Disclosures" notified under Section 133 of the Companies Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended from time to time, see chapter titled "*Financial Information*" on page 187.

Related party transactions entered during the preceding three financial years with regard to loans made or, guarantees given or securities provided (on a standalone)

(₹ in lakhs, unless otherwise stated)

Name of related party	Loans made			Guarantees given			Securities provided		
	Fiscal 2026	Fiscal 2025	Fiscal 2024	Fiscal 2026	Fiscal 2025	Fiscal 2024	Fiscal 2026	Fiscal 2025	Fiscal 2024
Nupur Finvest Private Limited	31,955.00	3,610.00	2,690.00	1,125.60	6,840.13	10,320.77	-	-	-

Related party transactions entered during the preceding three financial years (on a consolidated basis)

(₹ in lakhs, unless otherwise stated)

Name of related party	Loans made			Guarantees given			Securities provided		
	Fiscal 2026	Fiscal 2025	Fiscal 2024	Fiscal 2026	Fiscal 2025	Fiscal 2024	Fiscal 2026	Fiscal 2025	Fiscal 2024
-	-	-	-	-	-	-	-	-	-

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REGULATIONS AND POLICIES

The following description is a summary of certain sector specific laws and regulations in India, which are applicable to our Company. The information detailed in this chapter has been obtained from publications available in the public domain. The regulations set out below may not be exhaustive, and are only intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice. The statements below are based on the current provisions of the Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

Key Regulations applicable to our Company

The Reserve Bank of India Act, 1934

The RBI Act defines an NBFC as: (a) a financial institution which is a company; (b) a non-banking institution which is a company and which is in the principal business of receiving deposits, under any scheme or arrangement or in any other manner, or lending in any manner; or (c) such other non-banking institution or class of institutions, as the RBI may, with the previous approval of the Central Government and by notification in the Official Gazette, specify.

A company categorized as an NBFC is required to have a net owned fund of ₹25 lakh or such other amount, not exceeding ₹10,000 lakh, as the RBI may, by notification in the official gazette, specify from time to time. Further, NBFCs are required to obtain a certificate of registration from the RBI prior to commencement of the business as a non-banking financial institution.

Pursuant to Section 45-IC of the RBI Act, every NBFC is required to create a reserve fund and transfer thereto a sum not less than 20% of its net profit every year, as disclosed in the profit and loss account and before any dividend is declared. No appropriation can be made from such fund by the NBFC except for the purposes specified by the RBI from time to time and every such appropriation shall be reported to the RBI within 21 days from the date of such withdrawal.

Registration of Factors (Reserve Bank) Regulations, 2022

The RBI on January 14, 2022 under section 3 read with section 31A of the Factoring Regulations, 2011 put in place a regulatory framework pertaining to the manner of granting certificate of registration to the companies which propose to do factoring business. Registration of Factors (Reserve Bank) Regulations, 2022 define a Non-Banking Financial Company - Investment and Credit Company (NBFC-ICC) as any company which is a financial institution carrying on as its principal business of asset finance, which is the providing of finance whether by making loans or advances or otherwise for any activity other than its own and the acquisition of securities, and granted a certificate of registration under Section 45IA of the Reserve Bank of India Act, 1934 and is not any other category of NBFCs as defined by the Reserve Bank in any of its Master Directions.

The RBI had issued multiple master directions dated November 28, 2025 to ensure a comprehensive regulatory framework covering all NBFC categories.

Reserve Bank of India (Non-Banking Financial Companies - Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025 (the "SBR Directions")

The Scale Based Regulations divide NBFCs into four layers based on their size, activity, and perceived risk. The lowest layer is the base layer (NBFC-BL), followed by the middle layer (NBFC-ML), upper layer (NBFC-UL) and top layer (NBFC-TL).

Base layer - The base layer comprises non-deposit taking NBFCs with assets worth up to ₹100,000 lakh and NBFCs undertaking the following activities (a) NBFC-Peer to Peer Lending Platform (NBFC-P2P), (b) NBFC-Account Aggregator (NBFC-AA), (c) Non-Operative Financial Holding Company (NOFHC), and (d) NBFCs not availing public funds and not having any customer interface.

Middle layer - The middle layer comprises deposit-taking NBFCs irrespective of asset size, non-deposit-taking NBFCs with assets worth ₹100,000 lakh or more, as well as NBFCs undertaking activities such as housing finance companies, standalone primary dealers, infrastructure debt fund-NBFCs, core investment companies and infrastructure finance companies.

Upper layer - The upper layer comprises the top ten NBFCs in terms of asset size, irrespective of any other factor and certain other NBFCs specifically identified by the RBI based on parameters set out in the Scale Based Regulation.

Top layer - The Master Directions require the top layer to remain empty unless, in the opinion of the RBI, there is a substantial increase in the potential systemic risk from specific NBFCs in the upper layer. Such NBFCs will be moved from the upper layer to the top layer.

Our Company is classified as NBFC-ML.

Under the Scale Based Regulations, all regulations applicable to an NBFC-BL are also applicable to an NBFC-ML, unless specified otherwise. Further, from October 1, 2022, all references to NBFC-ND (i.e., non-systemically important non- deposit taking NBFC) shall mean NBFC-BL and all references to NBFC-D (i.e., deposit taking NBFC) and NBFC-ND-SI (systemically important non-deposit taking NBFC) shall mean NBFC-ML or NBFC-UL, as the case may be. RBI mandates that for an NBFC registration a company is required to have more than 50% of its total assets as financial assets and more 50% of its gross income from financial assets.

Additionally, the other RBI Master Directions prescribe the following requirements in relation to NBFC-MLs:

Prudential and Liquidity Norms

Master Direction - Reserve Bank of India (Non-Banking Financial Companies - Prudential Norms on Capital Adequacy) Directions, 2025

The Master Direction - Reserve Bank of India (Non-Banking Financial Companies – Prudential Norms on Capital Adequacy) Directions, 2025, inter alia, requires all NBFC-ML to maintain a 'capital to risk-weighted asset ratio' ("**CRAR**") of not less than 15% of the NBFC-ML's aggregate 'risk weight assets' ("**RWAs**") representing the degree of credit risk applicable to assets – to be computed in the manner prescribed. The Tier 1 capital in respect of NBFC-MLs, at any point of time, must not be less than 10% of the NBFC-ML's aggregate RWAs. Further, the Tier 2 capital of an NBFC-ML must not, at any point of time, exceed 100% of its Tier 1 capital.

Internal Capital Adequacy Assessment Process ("**ICAAP**")

NBFCs-MLs must conduct a comprehensive internal evaluation of capital needs, aligned with business risks. This assessment is to be on similar lines as the ICAAP for commercial banks under Pillar 2 under Reserve Bank of India (Commercial Banks - Prudential Norms on Capital Adequacy) Directions, 2025. While Pillar 2 capital will not be insisted upon, NBFCs must realistically appraise risks, encompassing credit, market, operational, and all other residual risks as per the methodology to be determined internally. The internal capital assessment methodology should align with board-approved policy, proportionate to the scale and complexity of operations.

Master Direction - Reserve Bank of India (Non-Banking Financial Companies - Income Recognition, Asset Classification, and Provisioning) Directions, 2025 ("NBFC Asset Classifications and Provisioning Directions")

All NBFC-MLs are required to adopt the asset classification and provisioning norms as set forth below:

Asset classification:

i. a "standard asset" means the asset in respect of which no default in repayment of principal or payment of interest is perceived and which does not disclose any problem nor carry more than normal risk attached to the business.

ii. a "sub-standard asset" means either of the following: (a) an asset which has been classified as nonperforming asset for a period not exceeding 12 months; (b) an asset where the terms of the agreement regarding interest and/or principal have been renegotiated or rescheduled or restructured after commencement of operations, until the expiry of one year of satisfactory performance under the renegotiated or rescheduled or restructured terms.

iii. a "doubtful asset" means (a) a term loan, or (b) a lease asset, or (c) a hire purchase asset, or (d) any other asset, which remains a sub-standard asset for a period exceeding 12 months.

iv. a "loss asset" means either of the following: (a) an asset which has been identified as loss asset by an NBFC or its internal or external auditor or by the RBI during the inspection of the applicable NBFC, to the extent it is not written off by the applicable NBFC; (b) an asset which is adversely affected by a potential threat of non-recoverability due to either erosion in the value of security or non-availability of security or due to any fraudulent act or omission on the part of the borrower.

v. a "non-performing asset" means: (a) an asset for which interest has remained overdue for a period of more than 90 days; (b) a term loan inclusive of unpaid interest, when the instalment is overdue for a period of more than 90 days or on which interest amount remained overdue for a period of more than 90 days; (c) a demand or call loan, which remained overdue for a period of more than 90 days from the date of demand or call or on which interest amount remained overdue for a period of more than 90 days; (d) a bill which remains overdue for a period of more than 90 days; (e) the interest in respect of a debt or the income on receivables under the head 'other current assets' in the nature of short term loans/advances, which facility remained overdue for a period of more than 90 days; (f) any dues on account of sale of assets or services rendered or reimbursement of expenses incurred, which remained overdue for a period of more than 90 days; (g) the lease rental and hire purchase instalment, which has become overdue for a period of more than 90 days; and (h) the balance outstanding under the credit facilities (including accrued interest) in respect of loans, advances and other credit facilities (including bills purchased and discounted), made available to the same borrower/beneficiary when any of the above credit facilities becomes non-performing asset.

Provided that in the case of lease and hire purchase transactions, an NBFC-ML is required to classify each such account on the basis of its record of recovery and performance.

Provisioning norms

NBFCs under Indian Accounting Standards ("**Ind AS**") are required to comply with Ind AS and must parallelly maintain asset classification and compute provisions as provided under the NBFC Asset Classifications and Provisioning Directions. Any shortfall is required to be transferred to an impairment reserve as required by RBI. All applicable NBFCs are required to, after taking into account the time lag between an account becoming nonperforming, its recognition as such, the realisation of the security and the erosion over time in the value of security charged, make provision against sub-standard assets, doubtful assets and loss assets as provided hereunder:

S.no	Provisioning Requirement		
Loss Assets	In case of loss assets the entire asset shall be written off. If the assets are permitted to remain in the books for any reason, 100% of the outstanding must be provided for.		
Doubtful Assets	(a) 100% provision to the extent to which the advance is not covered by the realisable value of the security to which the NBFC has a valid recourse shall be made. The realisable value is to be estimated on a realistic basis; (b) In addition to the above, depending upon the period for which the asset has remained doubtful, provision to the extent of 20% to 50% of the secured portion (i.e. estimated realisable value of the outstanding) shall be made on the following basis:		
		Period for which the asset has been considered as doubtful	**% of provision**
		Upto one year	20
		One to three years	30
		More than three years	50
Sub-standard assets	A general provision of 10% of total outstanding shall be made.		

Master Direction - Reserve Bank of India (Non-Banking Financial Companies - Asset, Liability, Management) Directions, 2025 ("NBFC - Asset, Liability, Management Directions")

Applicable NBFCs having an asset size of ₹10,000 lakh and above as per their last audited balance sheet are required to adhere to the liquidity risk management framework prescribed under the NBFC - Asset, Liability, Management Directions. An NBFC shall establish an asset liability management system that offers a comprehensive and dynamic framework for measuring, monitoring, and managing liquidity, interest rate, equity and other risks. Further, an NBFC shall put in place Management Information Systems (MIS) pursuant to receiving timely forward-looking information on the liquidity of the NBFC.

Asset-liability management committee

NBFCs are required to constitute an asset liability management committee which will be responsible for ensuring adherence to the risk tolerance set by the board of directors as well as implementing the liquidity risk management strategy of the NBFC. The asset liability management committee is required to be headed by the chief executive officer/ managing director or the executive director of such NBFC, as prescribed under the NBFC - Asset, Liability, Management Directions.

Liquidity Risk Management Framework

NBFC - Asset, Liability, Management Directions require the board of directors of the NBFCs to formulate a liquidity risk management framework, which ensures that it maintains adequate liquidity, detailing entity-level liquidity risk tolerance, funding strategies, prudential limits, system for measuring, assessing and reporting/reviewing liquidity, framework for stress testing, liquidity planning under alternative scenarios/formal contingent funding plan, nature and frequency of management reporting, and periodical review of assumptions used in liquidity projections. The board shall approve the internally defined limits for certain critical ratios used for liquidity risk management. The board shall approve the prudential limits on individual Gaps for the prescribed maturity buckets for managing liquidity and interest rate risks. An NBFC shall establish an asset liability management system that offers a comprehensive and dynamic framework for measuring, monitoring, and managing liquidity, interest rate, equity, and foreign exchange risks.

Liquidity Coverage Ratio

All non-deposit taking NBFCs with an asset size of more than ₹500,000 lakh and all deposit taking NBFCs irrespective of their asset size are required to adhere to the liquidity coverage ratio under the NBFC - Asset, Liability, Management Directions. NBFCs within scope must maintain a liquidity coverage ratio of at least 100% on an ongoing basis. Applicable NBFCs shall maintain an adequate level of unencumbered 'high quality liquid assets' that can be converted into cash to meet its liquidity needs for a 30 (thirty) calendar-day time horizon under a significantly severe liquidity stress scenario as specified in the NBFC - Asset, Liability, Management Directions. The stock of high quality liquid assets to be maintained by the NBFCs is required to be a minimum of 100% of total net cash outflows on an ongoing basis. Use of high quality liquid assets is permitted during periods of financial stress, but any drawdown that causes liquidity coverage ratio to fall below 100% must be immediately reported to the Department of Supervision, RBI with reasons for usage and corrective steps initiated to rectify the situation.

Master Direction - Reserve Bank of India (Non-Banking Financial Companies - Financial Statements, Presentation, and Disclosures) Directions, 2025 ("NBFC - Financial Statements, Presentation, and Disclosures Directions")

NBFCs are required to disclose, inter alia, the following in their annual financial statements:

i. registration/licence/authorization obtained from other financial sector regulators;

ii. ratings assigned by credit rating agencies and migration of ratings during the year;

iii. penalties, if any, levied by any regulator;

iv. corporate governance standards including composition of committees, their roles and functions, periodicity of the meetings and compliance with coverage and review functions and so on;

v. all pecuniary relationship or transactions of the non-executive directors vis-à-vis the company;

vi. the circumstances in which revenue recognition has been postponed pending the resolution of significant uncertainties;

vii. concentration of deposits, advances, exposures and NPAs;

viii. information namely, area, country of operation and joint venture partners with regard to joint ventures and overseas subsidiaries; and

ix. asset liability management (maturity pattern of certain items of assets and liabilities), details of financing of parent company products, non-performing assets and movement of non-performing assets, details of all off-balance sheet exposures, structured products issued by them and other disclosures, as prescribed under the Master Directions.

Pursuant to 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 (RBI/2021-22/25 Ref. No. DoS.CO.ARG/SEC.01/08.91.001/2021-22), among others, SCAs/SAs can be appointed for NBFCs for a continuous period of three years subject to the firms satisfying the eligibility norms each year. Further, an audit firm is not eligible for reappointment in the same entity for a period of six years (two tenures) after completion of full or part of one term of the audit tenure.

The Reserve Bank requires the board of directors of NBFCs to approve sound methodologies for computation of expected credit losses ("**ECL**") that address policies, procedures and controls for assessing and measuring credit risk on all lending exposures, commensurate with the size, complexity and risk profile specific to the NBFC. The parameters and assumptions considered as well as their sensitivity to the ECL output should be documented. An NBFC shall not make changes in the parameters, assumptions and other aspects of its ECL model for the purposes of profit smoothening. The rationale and justification for any change in the ECL model shall be documented and approved by the board of directors. Similarly, the rationale and basis of any adjustments to the model output (i.e., a management overlay) shall be clearly documented and approved by the audit committee of the board.

Master Direction - Non- Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016, dated September 29, 2016 (the "Auditor's Report Directions")

The Auditor's Report Directions set out disclosures that are to be included in every auditor's report on the accounts of an NBFC such as: (a) whether the NBFC is entitled to continue to hold its certificate of registration in terms of its principal business criteria as of March 31 of the applicable year; and (b) compliance with net owned fund requirements as laid down in the Master Directions.

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 ("RBI Auditors Guidelines")

The RBI Auditors Guidelines are applicable to commercial banks (excluding regional rural banks), urban cooperative banks and NBFCs (including HFCs) in respect of appointment/ reappointment of SCAs/ SAs. While NBFCs, including HFCs, do not have to take prior approval of RBI for appointment of SCAs/ SAs, all NBFCs, including HFCs, need to inform RBI about the appointment of SCAs/ SAs for each year by way of a certificate within one month of such appointment. Further, the RBI Auditors Guidelines provide for, inter alia, the minimum and maximum number of SCAs/ SAs per entity, eligibility criteria for auditors, tenure and rotation, independence of auditors and professional standards of SCAs/ SAs.

Corporate Governance

Reserve Bank of India (Non-Banking Financial Companies - Governance) Directions, 2025 (the "Governance Directions")

The NBFC Governance Directions, primarily focusses on strengthening governance, risk management, and transparency, and transparency, aiming to create clearer regulatory perimeters and ensure stronger oversight. The application of NBFC Governance Directions differs among various levels of NBFCs under the following criteria:

Constitution of Board and Appointment of Directors

All NBFCs are, inter alia, required to (a) maintain a policy approved by the board of directors for ascertaining the fit and proper criteria of the directors at the time of appointment, and on a continuing basis, in line with the guidelines as prescribed under the NBFC Governance Directions; (b) obtain information and declaration from proposed and existing directors giving information on the directors, in the format prescribed under the NBFC Governance Directions; (c) undertake a process of due diligence to determine the suitability of a person for appointment / renewal of appointment as a director on the board of directors, based upon qualification, technical expertise, track record, integrity and other 'fit and proper' criteria. (d) obtain annually, as on March 31, a simple declaration from the directors that the information already provided has not undergone change and where there is any change, ensure that requisite details are furnished by them forthwith (e) obtain a deed of covenant signed by directors, in the format prescribed under the NBFC Governance Directions; and (f) furnish to the RBI a quarterly statement on change of directors and a certificate from the managing director of the NBFCs that the fit and proper criteria in selection of the directors has been followed.

Constitution of Committees

As per the Governance Directions, NBFCs are required to constitute the committees disclosed below:

i. Audit Committee: An NBFC is required to constitute an audit committee consisting of not less than three members of its board of directors. The audit committee constituted by an NBFC as required under Section 177 of the Companies Act, 2013 shall be the audit committee for the purposes of the Governance Directions as well, and its powers and functions shall be as provided under Section 177 of the Companies Act, 2013. The audit committee must ensure 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 NBFCs.

ii. Nomination and Remuneration Committee: NBFCs are required to constitute a nomination committee to ensure 'fit and proper' status of proposed or existing directors, which shall have the same powers and functions as the nomination and remuneration committee required to be constituted under Section 178 of the Companies Act, 2013.

iii. Risk Management Committee: NBFCs are required to constitute a risk management committee for evaluating the overall risks faced by the NBFC including liquidity risk and shall report to the Board.

iv. Asset-Liability Management Committee: NBFCs are also required to constitute an asset liability management committee. The asset liability management committee is required to be headed by the chief executive officer/managing director or the executive director of such NBFC, as prescribed under the Reserve Bank of India (Non-Banking Financial Companies - Asset Liability Management) Directions, 2025.

Certain additional corporate governance requirements applicable to all NBFC-MLs pursuant to the Governance Directions include:

i. Key managerial personnel of such NBFCs are prohibited from holding office in any other NBFC-ML or NBFCUL. However, such key managerial personnel can continue as a director on the board of directors of a subsidiary of such NBFC.

ii. Independent directors on board of such NBFCs are prohibited from being appointed on the board of directors of more than three NBFCs (NBFC-ML or NBFC-ULs) at the same time.

iii. Such NBFCs are required to adopt a board approved compensation policy which is required to provide for, at minimum, formation of a remuneration committee, principles for fixed and variable pay structures and claw back provisions.

iv. Appointment of a chief risk officer (applicable for NBFC-ML and NBFC-UL with asset size of more than ₹500,000 lakh) who shall be responsible for identification, measurement and mitigation of risks. Further, the chief risk officer is required to act independently and shall have direct reporting lines to the managing director and chief executive officer/risk management committee of the board.

v. Formulate a whistle blower mechanism for its directors and employees to report genuine concerns.

vi. To put in place a board-approved compensation policy for key managerial personnel and senior managerial personnel.

Further, all NBFCs are required to have at least one director that has work experience in a bank or an NBFC.

The Governance Directions also prescribe other corporate governance requirements, such as provisions relating to the appointment, tenure, independence and functioning of a chief risk officer, appointment of chief compliance officer, and guidelines on compensation for key managerial personnel and framing of internal guidelines on corporate governance.

Fit and Proper Criteria

NBFCs are, inter alia, required to (a) maintain a policy approved by the board of directors for ascertaining the fit and proper criteria of the directors at the time of appointment, and on a continuing basis, in line with the guidelines prescribed under the Governance Directions; (b) obtain a declaration and undertaking from directors giving additional information on the directors, in the format prescribed under the Governance Directions; (c) obtain a declaration annually, stating that the information provided has not undergone any change, or provide details in the event of any changes to the information provided; and (d) furnish to the RBI a quarterly statement on change of directors and a certificate from the managing director of the NBFCs that fit and proper criteria in selection of

the directors has been followed. The RBI reserves the right to examine the 'fit and proper' criteria of directors of any NBFC-ML irrespective of the asset size of such NBFC-MLs.

Disclosure and Transparency

As per the Governance Directions, NBFCs are required to place before the board of directors, at regular intervals, as may be prescribed by their respective boards of directors, the following: (a) progress made in putting in place a progressive risk management system and risk management policy and strategy followed by the concerned NBFC; and (b) conformity with corporate governance standards including composition of committees, their roles and functions, periodicity of the meetings and compliance with coverage and review functions and so on.

Master Direction - Reserve Bank of India (Non-Banking Financial Companies – Responsible Business Conduct) Directions, 2025 ("NBFC Business Conduct Directions")

All applicable NBFCs are required to comply with NBFC Business Conduct Directions which sets out framework for responsible business conduct and fair treatment of customers. The NBFC Business Conduct Directions stipulate that NBFCs having customer interface should adopt a Board approved policies and mechanisms covering inter alia, a fair practices code, grievance redressal, interest rate and penal charge and engagement of recovery agents and direct selling agents/direct marketing agent.

Fair Practices Code for NBFCs

NBFCs having customer interface are required to adopt a fair practices code. They are also required to disclose their fair practices code on their website. The responsible lending conduct stipulate that such fair practices code should cover, inter alia, the provisions/norms relating to form and manner of processing of loan applications; loan appraisal and terms and conditions thereof; and disbursement of loans and changes in terms and conditions of loans. The direction require the NBFC to give notice to the borrower in the vernacular language or a language as understood by the borrower of any change in the terms and conditions including disbursement schedule, interest rates, service charges, prepayment charges etc. NBFCs shall also ensure that changes in interest rates and charges are effected only prospectively. A suitable condition in this regard must be incorporated in the loan agreement.

Review by board of directors

The board of directors shall periodically review the compliance of the fair practices code and the functioning of the grievance redressal mechanism at various levels of management. A consolidated report of such reviews shall be submitted to the Board at regular intervals.

Regulation of Excessive Interest Charged by NBFCs

The board of directors of each applicable NBFC is required to adopt an interest rate model taking into account relevant factors such as cost of funds, margin and risk premium and determine the rate of interest to be charged for loans and advances. The rate of interest and the approach for gradations of risk and rationale for charging different rate of interest to different categories of borrowers is also required to be disclosed to the customer in the application form and communicated explicitly in the sanction letter. The rate of interest must be annualized rate so that the borrower is aware of the exact rates that would be charged to the account. The loan application forms shall include necessary information which affects the interest of the borrower, so that a meaningful comparison with the terms and conditions offered by other NBFCs can be made and informed decision can be taken by the borrower. The loan application form shall indicate the documents required to be submitted with the application form. NBFCs shall devise a system of giving acknowledgement for receipt of all loan applications. Preferably, the time frame within which loan applications will be disposed of shall also be indicated in the acknowledgement. NBFC shall not discriminate in extending products and facilities including loan facilities to physically / visually challenged applicants on grounds of disability.

Key Facts Statement

NBFCs must provide borrowers with a key facts statement ("**KFS**") in the RBI-prescribed format and in a language understood by the borrower. The KFS must be explained and acknowledged prior to loan execution, carry a unique proposal number, specify a minimum validity period, and include key terms, annual performance report computation (including all charges) and the amortisation schedule. The KFS must form part of the loan agreement, and charges not disclosed in the KFS cannot be levied without explicit borrower consent.

Penal Charges in Loan Accounts

Penalties for non-compliance with material terms and conditions of a loan contract by a borrower shall be treated as 'penal charges' and shall not be levied as a 'penal interest' that is added to the rate of interest charged on advances. No further interest shall be computed on such penal charges. The NBFC Business Conduct Directions prohibit applicable NBFCs, from introducing any additional component to the rate of interest and stipulate that all NBFCs shall formulate a board approved policy on penal charges or similar charges on loans. The quantum of penal charges shall be reasonable and commensurate with the non-compliance of material terms and conditions of loan contract without being discriminatory within a particular loan or product category. In addition to being displayed on the NBFCs' website, the quantum and reasons for penal charges shall be clearly disclosed by the NBFCs to the customers in the loan agreement and the KFS, as applicable.

*Direct Selling Agents ("**DSAs**")/ Direct Marketing Agents ("**DMAs**") and Recovery Agents ("**RAs**")*

The NBFC Business Conduct Directions requires NBFCs to have Board approved policies governing the engagement of DSA, DMA and recovery agents and remain responsible for their conduct. The NBFC shall obtain the undertaking of DSA / DMA / RAs to abide by the code of conduct. Appropriate due diligence, training and monitoring must be undertaken to ensure compliance with the FPC, KFS and RBI recovery guidelines. The NBFC shall engage with tele-marketers who have valid registration certificates from DOT.

DSAs/DMAs/RAs must properly identify themselves, communicate in a language understood by the borrower, accurately explain loan terms, respect privacy and contact norms, and refrain from harassment or coercive practices. Recovery interactions must be traceable and addressed through the NBFC's grievance redressal framework.

RBI Circular on Fair Practice Code for Lenders - Charging of Interest, dated April 29, 2024 (the "Fair Practice Code")

The RBI Circular on Fair Practice Code directs regulated entities to review their practices regarding mode of disbursal of loans, application of interest and other charges and take corrective action as may be necessary to address unfair practices highlighted in the Fair Practice Code. The regulation mandates that NBFC should charge interest from the actual date of disbursement of funds to the customer.

Master Direction - Reserve Bank of India (Non-Banking Financial Companies – Acquisition of Shareholding or Control) Directions, 2025 ("NBFC Acquisition Directions")

NBFCs are required to obtain prior written permission of the RBI for (a) any takeover or acquisition of control, which may or may not result in change in management, and (b) any change in the shareholding, including progressive increases over time, which would result in acquisition or transfer of shareholding of 26% or more of the paid-up equity capital. No prior approval is required if the shareholding going beyond 26% is due to buy-back of shares or reduction in capital where it has approval of a competent court, however, the same must be reported to the RBI within one month of the occurrence. Applications for prior approval must be submitted through PRAVAAH (an online portal) on company letterhead and include requisite documents as stipulated in the NBFC Acquisition Directions. Additionally, at least 30 days prior to effecting a transfer of ownership by sale of shares or a transfer of control (with or without a share sale), a public notice must be published in one leading national and one leading local vernacular newspaper (covering the NBFC's place of registered office), issued by the NBFC and the transferee (whether severally or jointly) after obtaining RBI's prior permission, and stating the intention to sell or transfer ownership/ control, particulars of the transferee, and reasons for the sale or transfer.

Master Direction - Reserve Bank of India (Filing of Supervisory Returns) Directions, 2024, dated February 27, 2024 ("**Directions on Filing Returns**")

These directions outlines the requirements and procedures for the filing of supervisory returns by regulated entities, including NBFCs. It establishes timelines, formats, and guidelines for submission, ensuring compliance with regulatory standards. The Directions on Filing Returns aims to enhance transparency and facilitate effective supervision by the Reserve Bank. The Directions on Filing Returns prescribes timelines for submission of returns, and such timeline will depend on the frequency at which the return is to be submitted.

Risk Management

Master Direction on Fraud Risk Management in Non-Banking Financial Companies (including housing finance companies), 2024, dated July 15, 2024

The Directions on Fraud Risk Management provide a framework for prevention, early detection and timely reporting of incidents of fraud to law enforcement agencies, RBI and the National Housing Bank. The Directions on Fraud Risk Management require NBFCs to adopt a policy on fraud risk management, approved by the board of directors, that sets out the roles and responsibilities of the board of directors (including committees of the board of directors) and senior management. Such policy is required to be reviewed by the board of directors at least one in three years. Further, a special committee of the board of directors is required to be constituted for monitoring and following up on cases of frauds, provided that applicable NBFCs categorised as Middle Layer and Base Layer for regulatory purposes, shall have the option of constituting a committee of executives. The committee is required to review and monitor cases of frauds, including root cause analysis, and suggest mitigating measures for strengthening the internal controls, risk management framework and minimizing the incidence of frauds.

The Directions on Fraud Risk Management also specify the manner in which any incidents of fraud are required to be reported to law enforcement agencies and the RBI.

Master Direction - Reserve Bank of India (Non-Banking Financial Companies – Concentration Risk Management) Directions, 2025

NBFC-MLs shall not have exposure (credit/investment taken together) exceeding: (a) 25% of its Tier 1 capital to a single party; and (b) 40% of its Tier 1 capital for single group of parties. NBFC-MLs are also required put in place board approved concentration risk management policy which shall include limits for exposure to sensitive sectors such as capital markets and commercial real estate. The Master Directions also prescribe a ceiling of ₹100 lakh per borrower for financing subscription to initial public offers.

Guidelines on Risk-based Internal Audit ("RBIA") System for Select NBFCs and Primary Urban Cooperative Banks ("UCB"), dated February 3, 2021 (the "RBIA Guidelines")

The RBIA for non-deposit taking NBFCs with an asset size of ₹500,000 lakh and above (the "**Applicable NBFCs**"), was mandated by the RBI through the RBIA Guidelines. The RBIA Guidelines, inter alia, are intended to enhance the efficacy of internal audit systems and contribute to the overall improvement of governance, risk management and control processes followed by the Applicable NBFCs. Under the RBIA Guidelines, the board of directors of the Applicable NBFC must approve a policy clearly documenting the purpose, authority, and responsibility of the internal audit activity, with a clear demarcation of the role and expectations from risk management function and the RBIA function. It is also mandated that the policy be reviewed periodically, and that the internal audit function not be outsourced. Further, the RBIA Guidelines also require that the risk assessment of business and other functions of Applicable NBFCs should be conducted at least on an annual basis.

Master Direction - Reserve Bank of India (Non-Banking Financial Companies – Managing Risks in Outsourcing) Directions, 2025

The directions provides guidelines for outsourcing of financial services and information technology services by applicable NBFCs, including outsourcing within India, within a group and to offshore jurisdictions. These directions are intended to ensure that outsourcing arrangements do not dilute an NBFC's obligations to its customers or to the RBI, and do not impede effective supervisory oversight or weaken the NBFC's internal control, business conduct or reputation.

The Managing Risks in Outsourcing Directions apply to material outsourcing of financial services and material outsourcing of IT services, defined with reference to the potential for significant impact on business operations, reputation, profitability, customer service or customers themselves in the event of disruption, unauthorised access, loss or theft of customer information. The directions also cover certain services/activities which can't be outsourced and certain activities/services which are exempt from the purview of outsourcing.

The aim of the Managing Risks in Outsourcing Directions is to ensure that outsourcing arrangements neither diminish regulated entities' ability to fulfil its obligations to customers nor impede effective supervision by the RBI. As per the directions, an NBFC shall take steps to ensure that the service provider employs the same high standard of care in performing the services as would have been employed by the NBFC itself, had the same activity not been outsourced. The NBFCs need to ask their service providers to develop and establish a robust framework for documenting, maintaining, and testing business continuity plan and disaster recovery plan.

An NBFC can also outsource any activity within its business group/conglomerate. The directions require that the same risk-management standards apply as for unrelated parties and impose additional conditions to safeguard customer clarity, standalone risk identification, data confidentiality, operational independence and unhindered

supervisory access to records subject to conditions specified in the directions. The directions also cover the key requirements which are required to be part of the agreement being entered with outsourced service providers.

An NBFC intending to outsource any of its activities is required put in place a comprehensive board approved outsourcing policy which shall incorporate, inter alia, the roles and responsibilities of the board, committees of the board (if any) and senior management, IT function, business function as well as oversight and assurance functions in respect of outsourcing of services. These directions also require NBFCs to immediately notify the RBI in the event of breach of security and leakage of confidential customer related information. Lastly, the Managing Risks in Outsourcing Directions also recognizes certain services or activities not considered under outsourcing of IT services subject to the compliances under these directions – such as procurement of IT hardware/ appliances, and off the shelf products like anti-virus software, email solutions, etc. subscribed to by the NBFC wherein only a license is procured with no minimal customization.

Reserve Bank of India (Non-Banking Financial Companies – Securitisation Transactions) Directions, 2025

Securitisation involves transactions where credit risk in assets are redistributed by repackaging them into tradeable securities with different risk profiles which may give investors of various classes access to exposures which they otherwise might be unable to access directly. While complicated and opaque securitisation structures could be undesirable from the point of view of financial stability, prudentially structured securitisation transactions can be an important facilitator in a well-functioning financial market in that it improves risk distribution and liquidity of lenders in originating fresh loan exposures.

The RBI, to regulate the issuance of securitisations, introduced the STA Directions to be applicable to all Scheduled Commercial Banks (including Small Finance Banks but excluding Regional Rural Banks), all All-India Term Financial Institution and all NBFCs (including HFCs). These directions enunciated the assets which were eligible for securitisation and provided for skin-in-the-game requirements by way of specifying Minimum Retention Requirement(s) ("**MRR**") for any lender who transfers from its balance sheet a single asset pool of assets to a Special Purpose Entity ("**SPE**") as a part of a securitisation transaction and would include other entities of the consolidated group to which the lender belongs.

Reserve Bank of India (Non-Banking Financial Companies - Transfer and Distribution of Credit Risk) Directions, 2025

With the intent to issue a comprehensive, self-contained set of regulatory guidelines covering different modes of credit risk transfer and distribution applicable to transfer and acquisitions of loan exposures by Schedules Commercial Banks, Regional Rural Banks, Primary (Urban) Co-operative Banks/State Co-operative Banks/District Central Co-operative Banks; All India Financial Institutions; Small Finance Banks and NBFCs (including HFCs). The self-contained nature of the Master Direction is explicit in its prohibition on transfer and acquisition of loans except those permitted under the Master Direction.

Pursuant to the directions, the Board must approve a policy for transfer and acquisition of loans which lay down, among others, the minimum quantitative and qualitative standards relating to due diligence, valuation, requisite IT systems for capture, storage and management of data, risk management, periodic Board level oversight, etc. Further, the policy must also ensure independence of functioning and reporting responsibilities of the units and personnel involved in transfer / acquisition of loans from that of personnel involved in originating the loans. The loan transfers shall not impact the terms and conditions of the original loan contract. The general requirements also state that the lender may not re-acquire a loan exposure.

Prompt Corrective Action (PCA) Framework for Non-Banking Financial Companies (NBFCs), dated December 14, 2021 (the "PCA Framework")

The PCA Framework was introduced by the RBI for NBFCs to further strengthen the supervisory tools applicable to NBFCs. The objective of the PCA Framework is to enable supervisory intervention at appropriate time and require the supervised entity to initiate and implement remedial measures in a timely manner. The PCA Framework is applicable to the following category of NBFCs:

i. All deposit taking NBFCs (excluding government companies) (NBFCs-D)

ii. All non-deposit taking NBFCs in middle, upper and top layers (NBFCs-ND);

It also includes the Investment and Credit Companies, Core Investment Companies (CICs), Infrastructure Debt Funds, Infrastructure Finance Companies, Micro Finance Institutions and Factors; however, excludes the

following: (i) NBFCs not accepting/not intending to accept public funds; (ii) government companies, (iii) primary dealers and (iv) housing finance companies.

The PCA Framework is invoked when there is a breach of any risk threshold. The risk thresholds for NBFCs-D and NBFCs-ND (excluding CICs) have been mentioned below :

Indicator	Risk Threshold-1	Risk Threshold-2	Risk Threshold-3
CRAR	Up to 300 bps below the regulatory minimum CRAR (currently, CRAR <15% but ≥12%)	More than 300 bps but up to 600 bps below regulatory minimum CRAR (currently, CRAR <12% but ≥9%)	More than 600 bps below regulatory minimum CRAR (currently, CRAR <9%)
Tier I Capital Ratio	Up to 200 bps below the regulatory minimum Tier I Capital Ratio (currently, Tier I Capital Ratio <10% but ≥8%)	More than 200 bps but up to 400 bps below the regulatory minimum Tier I Capital Ratio (currently, Tier I Capital Ratio <8% but ≥6%)	More than 400 bps below the regulatory minimum Tier I Capital Ratio (currently, Tier I Capital Ratio <6%)
NNPA Ratio (including NPIs)	>6% but ≤9%	>9% but ≤12%	>12%

Borrowing and Lending

Reserve Bank of India (Non- Banking Financial Companies - Credit Facilities) Directions, 2025

Chapter III (*Digital Lending*) of these directions set out a comprehensive regulatory framework for all digital lending activities and default loss guarantee conducted by NBFCs.

Key requirements include enhanced due diligence and clear contractual agreements with Lending Service Providers ("**LSPs**") outlining roles, rights, and obligations, robust assessment of borrower creditworthiness. NBFCs must periodically review LSP conduct and remain fully responsible for all acts and omissions of LSPs. In multi-lender arrangements, LSPs must provide borrowers with a digital view of all matching loan offers, ensuring transparency and unbiased presentation of options. NBFCs are required to assess borrowers' creditworthiness based on economic profiles and must not increase credit limits automatically. Borrowers must receive a Key Fact Statement ("**KFS**") as per the NBFC Business Conduct Directions. All loan disbursals must be made directly to the borrower's bank account (subject to certain exceptions, such as disbursals covered exclusively under statutory or regulatory mandate), and repayments must flow directly to the Regulated Entity ("**RE**"), with no third-party (including LSP) control over funds. Borrowers must be given a "cooling-off period" to exit loans without penalty, except for a reasonable processing fee disclosed upfront.

Default loss guarantee ("**DLG**") arrangements are contractual arrangements between NBFCs and LSPs pursuant to which the LSP undertakes to compensate the REs for loan losses owing to borrowers' default, up to a prespecified percentage of the loan portfolio. The DL Directions state that DLG arrangements must be formalised through explicit contracts, which in turn detail the extent of the guarantee, the form in which the guarantee is maintained with the NBFC, the timelines for invocation, and disclosure requirements as specified under the DL Directions. The DLG must be supported by a cash or fixed deposit or a bank guarantee in favour of the NBFC. LSPs are required to disclose on their website the total loan portfolios covered under the DLG arrangement, and the value of each on a monthly basis. DLG arrangements in respect of an identified loan portfolio are capped at 5% of the loan disbursed under that portfolio, and cannot act as a substitute for sound credit appraisal.

The DL Directions also impose stringent technology and data standards, requiring explicit borrower consent for data collection, minimal data retention, and storage of all data on servers located in India. NBFC shall ensure that all data collected by their DLA/LSP Partners is need based. The RE is ultimately responsible to ensure the privacy and security of all personal customer data. NBFCs must report all digital lending apps/platforms they use to the RBI's Centralised Information Management System ("**CIMS**") portal, with regular updates and certification of compliance. All loans disbursed under digital lending must be reported to Credit Information Companies ("**CICs**"), ensuring transparency and credit discipline.

Master Direction – Reserve Bank of India (Commercial Paper and Non-Convertible Debentures of original or initial maturity up to one year) Directions, 2024, dated January 3, 2024

These master directions regulate the issuance, trading, and reporting of Commercial Paper ("**CP**") and Non-Convertible Debentures ("**NCDs**") with original or initial maturity up to one year. Eligible issuers include companies, NBFCs, AIFIs, InvITs, REITs, co-operative societies, LLPs and other body corporate meeting

specified net-worth and regulatory standards. All residents and eligible non-residents (as per FEMA) can invest, except in instruments issued by related parties. CPs must be unsecured, NCDs secured, and both must be issued in dematerialized form with a minimum denomination of ₹5 lakh (and in multiples of ₹5 lakh thereafter). CPs must have a tenor of at least seven days and no more than one year; NCDs must have a tenor of at least 90 days and no more than one year. Issuance with options or underwriting/co-acceptance is not allowed. A minimum credit rating of 'A3' is required. Funds raised are mainly for current assets and operating expenses, with other uses requiring disclosure. Issuing and paying agents, debenture trustees, and credit rating agencies have defined roles in compliance, documentation, and reporting. Trading is allowed over-the-counter market or on recognized exchanges, with specified settlement and reporting timelines. Buybacks before maturity are permitted under set conditions. All issuances, trades, buybacks, and defaults must be reported on the F-TRAC Trade Repository Platform of Clearing Corporation of India Ltd.

Master Direction - Reserve Bank of India (Non-Banking Financial Companies – Resolution of Stressed Assets) Directions, 2025. ("**NBFC Resolution of Stressed Assets Directions**")

NBFC Resolution of Stressed Assets Directions provide a unified framework for early recognition, reporting and time-bound resolution of stressed assets, including compromise settlements and technical write-offs, by applicable NBFCs.

Under these directions, each NBFC is required to frame a comprehensive, board-approved policy on compromise settlements and technical write-offs, setting out eligibility conditions, delegation of approval powers, valuation and recovery benchmarks, treatment of upgraded or restructured accounts, and a framework for fixing staff accountability where warranted. Compromise settlements are permitted as a resolution option even in respect of standard assets, but such settlements with payment periods over three months are treated as restructuring for prudential purposes and attract corresponding asset classification and provisioning norms.

The directions clarify that a technical write-off is an internal accounting mechanism whereby the NBFC writes off a portion or the whole of the outstanding loan in its books without relinquishing its right to recover, and that such accounts continue to be pursued for recovery and reported to credit information companies as per their true asset classification. NBFCs are required to maintain adequate provisioning in line with the asset classification of technically written-off and compromised accounts, to ensure that any economic loss is absorbed up front and is not masked through evergreening or repeated restructurings, and to disclose material compromise settlements and write-offs in accordance with applicable disclosure norms.

KYC-redressal and customer redressal

Master Direction - Reserve Bank of India (Non-Banking Financial Companies – Know Your Customer) Directions, 2025 ("The KYC Directions")

The KYC Directions require NBFCs having a customer interface (all layers) to follow certain customer identification procedures while undertaking a transaction. Every such NBFC is required to adopt a 'know your customer' ("**KYC**") policy, duly approved by its board of directors, which has four elements, namely, customer acceptance policy; risk management policy; customer identification procedures; and monitoring of transactions. NBFCs are required to ensure compliance with the KYC policy through identifying 'senior management' for the purposes of KYC compliance; allocation of responsibility for effective implementation of policies and procedures; independent evaluation of compliance with KYC and anti-money laundering policies and procedures, including legal and regulatory requirements; concurrent/internal audit system for compliance to verify compliance with KYC and anti-money laundering; and submission of quarterly audit notes and compliance to the audit committee of the board of directors of the regulated entity.

Reserve Bank of India (Non-Banking Financial Companies - Internal Ombudsman) Directions, 2026 ("Ombudsman Scheme")

The Ombudsman Scheme, inter alia applies to NBFCs (excluding Housing Finance Company, Core Investment Company, Infrastructure Debt Fund-Non-Banking Financial Company, Non-Banking Financial Company – Infrastructure Finance Company, Non-Operative Financial Holding Company, Primary dealers, Mortgage Guarantee Company) including (a) deposit-taking NBFCs having 10 or more branches; and (b) non-deposit taking NBFCs with asset size of ₹500,000 lakh and above and having public customer interface. The objective of the Ombudsman Scheme is to strengthen the internal grievance redressal mechanism of NBFCs and enhancing consumer protection.

The Ombudsman Scheme aims to strengthen the internal grievance redressal framework of NBFCs to ensure impartial and independent review of customer complaints before their final rejection. The Ombudsman Scheme specifies the prerequisites for the appointment of the ombudsman, the role and responsibilities of the ombudsman and the procedure for complaint redressal by the ombudsman. Regulated entities are required to put in place a system for periodic reporting to the Consumer Education and Protection Department, Central Office, RBI, following the formats outlined in the Ombudsman Scheme.

Master Directions - Information Technology Governance, Risk, Control and Assurance Practices, dated November 7, 2023 ("IT Governance Directions")

IT Governance Directions consolidate and update regulations pertaining to the governance of information technology and the risks, assurance practices, control mechanisms and disaster management associated with IT and cyber security. The IT Governance Directions apply to, inter alia, all NBFCs.

The IT Governance Directions lays down a framework for information technology that focuses on strategic alignment, risk management, resource management, performance management and disaster recovery management. NBFCs are obligated to set up an IT Governance Framework that specifies the governance structure adhering to the business objectives of the respective NBFC, that specifies the roles of the board of directors and includes adequate oversight mechanisms to mitigate risks associated with cyber and information security. Under the IT Governance Framework, an IT Strategy Committee ("**ITSC**"), information security committee and information technology steering committee must be established that shall, inter alia, ensure that the NBFC has an effective IT strategic planning process and the NBFC's IT governance provides for accountability. IT related risks and cyber security related risks shall be reviewed annually by the risk management committee of the board, in consultation with the ITSC.

The IT Governance Directions also mandate NBFCs to have a framework that supports their information systems and infrastructure to ensure operational resilience. In the event there are third-parties handling the NBFC's information technology or cyber security, the NBFC is required to put in place appropriate vendor risk assessment processes to, inter alia, mitigate risk and to eliminate and address any conflict of interests. Further, under the IT Governance Directions, NBFCs are mandated to set up a framework that, inter alia, contains internal control and processes to mitigate and manage risks, identifies critical information systems, provides for the fortification of the same, and contains procedures and controls to ensure a secure transmission/ storage/ processing of data and information.

The IT Governance Directions prescribe a business continuity plan and disaster recovery policy in order to reduce the likelihood and impact of disruptive incident and to ensure the continuity of business. Disaster recovery drills in relation to critical information are required to be done at least on a half-yearly basis and for other information systems, as per the risk assessment of the NBFC. The IT Governance Directions states that the audit committee of the board shall overlook the functioning of the Information System ("**IS**") audit. All entities are required to have an IS audit policy that shall describe the mandate, scope and purpose of the audit.

The audit committee, under the IT Governance Directions, has to review the critical issues related to IT, information security and cyber security and thereafter from IS Audit, provide guidance to the management regarding the same.

RBI Notification on Streamlining of Internal Compliance monitoring function - leveraging use of technology, 2024, dated January 31, 2024

The RBI has directed all Scheduled Commercial Banks (excluding Regional Rural Banks), Small Finance Banks, Payments Banks, Primary (Urban) Co-operative Banks (Tier III and IV), upper- and middle-layer Non-Banking Financial Companies (including Housing Finance Companies), Credit Information Companies, and All India Financial Institutions to enhance their internal compliance monitoring functions by leveraging advanced technological solutions.

The RBI's assessment revealed that while some entities have adopted automation, many still rely heavily on manual processes, resulting in inconsistent and less effective compliance monitoring. To address this, the RBI has mandated the implementation of comprehensive, integrated, and workflow-based technological systems that facilitate effective communication and collaboration among all stakeholders, including business, compliance, information technology teams, and senior management.

These systems should be capable of identifying, assessing, monitoring, and managing compliance requirements, escalating non-compliance issues, recording approvals for deviations or delays, and providing a unified dashboard for senior management to oversee the overall compliance status. All regulated entities are required to review and upgrade their compliance tracking and monitoring systems, or implement new ones, and must also establish mechanisms to monitor the progress of this implementation. The notification aims to standardize and strengthen compliance monitoring across the financial sector, reducing manual intervention and enhancing oversight and communication.

Reserve Bank of India (Non-Banking Financial Companies - Miscellaneous) Directions, 2025 ("**Miscellaneous Directions**")

The Miscellaneous Directions require NBFCs to, inter alia, intimate the Reserve Bank of India within prescribed timelines of any changes in their registered or corporate office address, directors, key managerial personnel, statutory auditors and authorised signatories. NBFCs are required to comply with RBI guidelines on the appointment and rotation of Statutory Auditors / Statutory Central Auditors, as amended from time to time.

NBFC are required to adhere to the prescribed framework for issuance of non-convertible debentures through private placement, including minimum subscription requirements, investor limits, security and end-use restrictions and prohibition on lending against own debentures. NBFC are also required to refrain from becoming partners in partnership firms, limited liability partnerships or associations of persons and exit any existing such arrangements. NBFC are required to report any upgrade or downgrade in credit ratings of financial products to the RBI within stipulated timelines.

Declaration of Dividend

The Reserve Bank of India (Non-Banking Financial Companies – Prudential Norms on Declaration of Dividends) Directions, 2025 ("Declaration of Dividend Regulations")

These directions intend to infuse greater transparency and uniformity in practice of distribution of dividends by setting eligibility criteria and disclosure requirements for NBFCs for distribution of dividends. According to the Declaration of Dividend Regulations, NBFCs must comply with four minimum prudential criteria to be considered eligible to declare dividends: (a) prescribed levels of capital adequacy; (b) prescribed levels of Net NPA; (c) compliance with provisions of Section 45IC of the RBI Act; and (d) continuous general compliance with RBI regulations and guidelines concerning NBFCs. The Declaration of Dividend Regulations also prescribe to the board of directors of the NBFCs to consider the decision to roll out dividends in light of certain definite factors, such as, (a) supervisory findings of the RBI on divergence in classification and provisioning of NPAs, (b) qualifications in the auditor's report to the financial statements; and (c) long term growth plans of the NBFC. NBFCs, other than standalone primary dealers, that declare dividend have to report dividend declared during the financial year in the format prescribed under the Declaration of Dividend Regulations.

The Insurance Act, 1938, the Insurance Regulatory and Development Authority Act, 1999 and Insurance Regulatory and Development Authority of India (Registration of Corporate Agents) Regulations, 2015

The Insurance Act 1938 (the "**Insurance Act**") along with the various regulations, guidelines and circulars issued by Insurance Regulatory and Development Authority ("**IRDAI**"), govern, amongst other matters, registration of the insurers, opening of new places of business, accounts and balance sheet, audit of financial statements, actuarial report and abstract, insurance intermediaries and agents, investment of funds, valuation of assets and liabilities, solvency margins, restrictions on dividends, limits on expenses of management, commission and/or remuneration and/or rewards payable to insurance agents and intermediaries, reinsurance, and obligation of insurers in respect of rural and social sectors. The IRDAI under the Insurance Regulatory and Development Authority Act, 1999 (the "**IRDA Act**") regulates, promotes and ensures orderly growth of the insurance sector in India and to protect the interests of policyholders.

Under the Insurance Regulatory and Development Authority of India (Registration of Corporate Agents) Regulations, 2015, corporate agents are granted a certificate of registration by IRDAI in accordance with the for solicitation and servicing of insurance business for any of the specified category of life, general and health. A corporate agency registration is valid for a period of three years from the date of issuance, unless the same is suspended or cancelled by the IRDAI. The grant and renewal of a corporate agency registration is subject to the applicant meeting the eligibility criteria prescribed in the IRDAI Registration of Corporate Agents Regulations. The criteria includes matters such as: (a) whether the applicant has the necessary infrastructure and trained personnel/ manpower for effectively undertaking the activities as a corporate agent; (b) whether the principal

officer, directors and other employees of the applicant have violated the code of conduct set out under the IRDAI Registration of Corporate Agents Regulations in the last three years; (c) whether any person, directly or indirectly connected with the applicant, has been refused in the past the grant of a licence/registration by the IRDAI; and (d) whether the applicant, in case the principal business of the applicant is other than insurance, maintain an arms-length relationship in financial matters between its activities as Corporate Agent and other activities. The IRDAI notified the Insurance Regulatory and Development Authority of India (Insurance Intermediaries) (Amendment) Regulations, 2022 on December 5, 2022. As per these regulations, depending on the type of registration (i.e. General, Life, Health or Composite) a corporate agent is permitted to act as a corporate agent for a maximum of nine life, nine general and/ or nine health insurers and is required to adopt a board approved open architecture policy on the same. The corporate agents are required to adhere to a code of conduct on soliciting and servicing of insurance policies as prescribed by the regulations.

Prevention of Money Laundering Act, 2002 ("PMLA")

The PMLA was enacted to prevent money laundering and to provide for confiscation of property derived from, or involved, in money laundering, and for incidental matters connected therewith. Section 12 of the PMLA inter alia casts certain obligations on reporting entities (*as defined under the PMLA*) in relation to preservation of records and reporting of transactions.

Insolvency and Bankruptcy Code, 2016

The Insolvency and Bankruptcy Code, 2016 ("**Code**") consolidates laws relating to insolvency, reorganisation and liquidation/bankruptcy of companies, individuals, partnership firms and Limited Liability Partnerships. The Insolvency and Bankruptcy Board of India functions as the regulator for all matters pertaining to insolvency and bankruptcy under the Code. The Code prescribes an outer timeline of 330 days (inclusive of litigation) for completion of the corporate insolvency resolution process ("**CIRP**"), commencing from admission of the application by the National Company Law Tribunal ("**NCLT**"). A resolution plan requires approval of 66% of the financial creditors (by voting share); failing this, the corporate debtor is placed into liquidation. During the moratorium, all legal proceedings, suits and enforcement/recovery actions against the corporate debtor stand stayed, and its erstwhile management is barred from acting as director or being involved in the management of any company. Pursuant to a Notification No. S.O. 1205(E) dated March 24, 2020 issued under Section 4 of the Code, the minimum default threshold for initiating insolvency proceedings was increased from ₹100,000 to ₹10,000,000, which continues to apply. The Insolvency and Bankruptcy Code (Amendment) Act, 2026 (the "**IBC Amendment Act**"), introduces significant reforms to India's corporate insolvency regime, including: (a) a new Creditor-Initiated Insolvency Resolution Process ("**CIIRP**"), which allows select financial institutions to commence insolvency proceedings out-of-court without approaching the NCLT; (b) mandatory 14-day admission timelines for the NCLT upon proof of default; (c) a new Section 28A permitting transfer of guarantor assets (including assets enforced under the SARFAESI Act, 2002) into the CIRP estate to prevent parallel proceedings and maximise resolution value; (d) expansion of the look-back period for avoidance transactions to two years; (e) enhanced powers for the Committee of Creditors, including oversight of the liquidation process; and (f) enabling provisions for group insolvency and cross-border insolvency proceedings. The IBC Amendment Act received Presidential assent in April 2026 and has been published in the Official Gazette.

The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002, as amended ("SARFAESI Act")

The SARFAESI Act governs securitization of financial assets in India. The SARFAESI Act provides that any securitization or reconstruction company may acquire the financial assets of a bank or financial institution by either entering into an agreement with such bank or financial institution for the transfer of such assets to the company or by issuing a debenture or bond or any other security in the nature of the debenture, for consideration, as per such terms and conditions as may be mutually agreed between them.

The SARFAESI Act further provides that if the bank or financial institution is a lender in relation to any financial assets acquired by the securitization/reconstruction company as stated above, then such company shall be deemed to be the lender in relation to those financial assets. Further, upon such acquisition, all material contracts entered into by the bank or financial institution, in relation to the financial assets, shall also get transferred in favour of the securitization/reconstruction company.

The SARFAESI Act also enables banks and notified financial institutions to enforce the underlying security of an NPA without court intervention. Pursuant to an asset being classified as an NPA, the security interest can be enforced as per the procedure laid down in the Security Interest (Enforcement) Rules, 2002.

Competition Act, 2002

The Competition Act, 2002 aims to anti-competitive practices that cause or are likely to cause an appreciable adverse effect on competition in the relevant market in India. The act deals with the prohibition of agreements and anti-competitive agreements. No enterprise or group shall abuse its dominant position in various circumstances as mentioned under the act. The prima facie duty of the Competition Commission established under the act is to eliminate practices having adverse effects on competition, promote and sustain competition, protect the interests of the consumer, and ensure freedom of trade.

INFORMATION TECHNOLOGY AND DATA RELATED LAWS

The Information Technology Act, 2000 (the "IT Act")

The Information Technology Act, 2000 (also known as ITA-2000, or the IT Act) is an Act of the Indian Parliament (No 21 of 2000) notified on 17 October 2000. It is the primary law in India dealing with cybercrime and electronic commerce. Secondary or subordinate legislation to the IT Act includes the Intermediary Guidelines Rules 2011 and the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021.

The Digital Personal Data Protection Act, 2023 ("Data Protection Act") and the Digital Personal Data Protection Rules, 2025

The Data Protection Act was notified on August 11, 2023. It replaces the existing data protection provisions. The Data Protection Act seeks to balance the rights of individuals to protect their digital personal data with the need to process personal data for lawful and other incidental purposes. The Data Protection Act provides that personal data may be processed only for a lawful purpose after obtaining the consent of the individual. A notice must be given before seeking consent, except in case of legitimate uses as provided under the Data Protection Act. It further imposes certain obligations on data fiduciaries including (i) make reasonable efforts to ensure the accuracy and completeness of data; (ii) build reasonable security safeguards to prevent a data breach; (iii) intimate the Data Protection Board of India (the "DPB") and affected persons in the event of a breach; and (iv) erase personal data as soon as the purpose has been met and retention is not necessary for legal purposes. The Data Protection Act imposes certain additional obligations on a significant data fiduciary, such as appointment of a data protection officer, appointment of an independent data auditor and undertaking of other measures namely, periodic data protection impact assessment, periodic audit and such other measures as may be prescribed under the Data Protection Act.

FOREIGN INVESTMENT RULES

The Foreign Exchange Management Act, 1999 (the "FEMA") and regulations framed thereunder

The foreign investment in India is governed, among others, by the FEMA, the Foreign Exchange Management (Nondebt Instruments) Rules, 2019 ("**FEMA Rules**") and the Consolidated Foreign Direct Investment Policy of 2020 issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (earlier known as the Department of Industrial Policy and Promotion), each as amended. Further, the Reserve Bank of India has enacted the Foreign Exchange Management (Mode of Payment and Reporting of Non Debt Instruments) Regulations, 2019 by Notification No. FEMA. 395/2019-RB on October 17, 2019, which regulates mode of payment and remittance of sale proceeds, among others. The FDI Policy and the FEMA Rules prescribe inter alia the method of calculation of total foreign investment (i.e., direct foreign investment and indirect foreign investment) in an Indian company. The FDI Policy and the FEMA Rules include restrictions on pricing, issue, transfer, valuation of shares and sources of funding for such investments, and require prior notice to or approval of the Government of India in certain cases.

The Consolidated Foreign Direct Investment Policy of 2020 ("Consolidated FDI Policy"

Foreign investment in India is governed by the provisions of Foreign Exchange Management Act, 1999, as amended, along with the rules, regulations and notifications made by the Reserve Bank of India thereunder, and the consolidated FDI Policy, effective from October 15, 2020, issued by the DPIIT, and any modifications thereto or substitutions thereof, issued from time to time. Under the current Consolidated FDI Policy, foreign investment in private banking sector in India is under automatic route.

Shops and establishments legislations

Under the provisions of local shops and establishments legislations applicable in the states in India where our establishments are set up and business operations exist, such establishments are required to be registered. Such legislations regulate the working and employment conditions of the workers employed in shops and establishments, including commercial establishments, and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of records, maintenance of shops and establishments and other rights and obligations of the employers and employees. These shops and establishments' acts, and the relevant rules framed thereunder, in each state, also prescribe penalties in the form of monetary fine or imprisonment for violation of provisions, as well as procedures for appeal in relation to such contravention of the provisions.

In addition to the local shops and establishments legislations, the employment of workers and contract employees, depending on the nature of activity, is regulated by a wide variety of generally applicable labour laws. The various other labour and employment-related legislations (and rules issued thereunder) that may apply to our operations, from the perspective of protecting the workers' rights and specifying registration, reporting and other compliances, and the requirements that may apply to us as an employer, would include Child and Adolescent Labour (Prohibition and Regulation) Act, 1986, Labour Welfare Fund Act, 1965, Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, Apprentices Act, 1961, Payment of Bonus Act, 1965, and the Rights or Persons with Disabilities Act, 2016.

Labour and employment laws

In order to rationalize and reform labour laws in India, the Government of India has framed four labour codes, namely:

i. The Occupational Safety, Health and Working Conditions Code, 2020 was notified by the Government of India on November 21, 2025, which consolidates and amends the laws regulating the occupational safety, health and working conditions of the persons employed in an establishment, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, and the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979. This code among other things, provides, standards for health, safety, welfare and working conditions for employees of establishments. In relation to the Occupational Safety, Health and Working Conditions Code, 2020, the Government of India has also published the Occupational Safety, Health and Working Conditions (Central) Rules, 2026 on May 09, 2026.

ii. The Industrial Relations Code, 2020 notified by the Government of India on November 21, 2025, which consolidates and amends laws relating to trade unions, the conditions of employment in industrial establishments and undertakings, and the investigation and settlement of industrial disputes subsuming three repealed legislations, namely, the Trade Unions Act, 1926, the Industrial Disputes Act, 1947 and the Industrial Employment (Standing Orders) Act, 1946. This code among other things, provides, framework for collective bargaining, strikes, layoffs, retrenchment, and closure. In relation to Industrial Relations Code, 2020, the Government of India has also notified the Industrial Relations (Central) Rules, 2026 on May 08, 2026.

iii. The Code on Wages, 2019 notified by the Government of India on November 21, 2025, which amends and consolidates laws relating to wages and bonus, namely, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. This code among other things, provides, uniform standards for minimum wages, timely payment of wages and gender-neutral remuneration. In relation to Code on Wages, 2019, the Government of India has also notified the Code on Wages (Central) Rules, 2026 on May 08, 2026.

iv. The Code on Social Security, 2020 notified by the Government of India on November 21, 2025, which consolidates the laws relating to social security with the goal to extend social security to all employees and workers either in the organised or unorganised or any other sectors subsuming several legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959, the Maternity Benefit Act, 1961, and the Payment of Gratuity Act, 1972. This code among other things, provides, framework for extending social insurance, retirement benefits, maternity benefits, gratuity, and welfare measures to workers in the organised, unorganised, gig and platform sectors. In relation to Code on Social Security, 2020, the Government of India has also notified the Code on Social Security (Central) Rules, 2026 on May 08, 2026.

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("SHWW Act")

The SHWW Act provides for the protection of women at the workplace and the prevention of sexual harassment at the workplace. The SHWW Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behaviours namely, physical contact and advances a demand or request for sexual favours or making sexually coloured remarks, showing pornography or any other unwelcome physical, verbal or non-verbal conduct of a sexual nature. The SHWW Act makes it mandatory for every employer of a workplace to constitute an internal complaints committee which shall always be presided upon by a woman. It also provides for the manner and time period within which a complaint shall be made to the internal complaints committee i.e., a written complaint is to be made within a period of three (3) months from the date of the last incident. If the establishment has less than ten (10) employees, then the complaints from employees of such establishments as also complaints made against the employer himself shall be received by the local complaints committee. The penalty for non-compliance with any provision of the SHWW Act shall be punishable with a fine extending to ₹ 50,000/- (Rupees Fifty Thousand Only).

INTELLECTUAL PROPERTY LAWS

The Trade Marks Act, 1999 ("Trademarks Act")

The Trademarks Act governs the statutory protection of trademarks and prohibits any use of deceptively similar trademarks, among others. The purpose of the Trademarks Act is to grant exclusive rights to marks such as a brand, label and heading, and to obtain relief in case of infringement of registered trademarks. Indian law permits the registration of trademarks for both goods and services. Once granted, a trademark registration is valid for 10 years unless cancelled, subsequent to which, it can be renewed. If not renewed, the mark is removed from the register of trademarks and the registration is required to be restored.

The Patents Act, 1970

The Patents Act governs the patent regime in India. A patent under the Patents Act is an intellectual property right relating to inventions and grant of exclusive right, for a limited period, provided by the Government to the patentee, in exchange of full disclosure of their invention, for the exclusion of others from making, using, selling and importing the patented product or process or from producing that product. The Patents Act recognises both product and process patents and prescribes eligibility criteria for grant of patents, including the requirement that an invention must satisfy the requirements of novelty, utility and non-obviousness in order for it to avail patent protection.

TAXATION LAWS

Income Tax Act, 2025 and the Income Tax Rules, 2026, as amended by the Finance Act in respective years.

The Income Tax Act, 2025 (the "**Income Tax Act**") is applicable to every company, whether domestic or foreign, whose income is taxable under the provisions of the Income Tax Act or rules made thereunder depending upon its "Residential Status" and "Type of Income" involved. The Income Tax Act provides for the taxation of persons resident in India on global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India. Every company required to pay income tax under the Income Tax Act is required to comply with the provisions thereof, including those relating to tax deduction at source, advance tax, minimum alternative tax, etc. with effect from April 01, 2026, the Government enacted the Income tax Act, 2025, pursuant to which a comprehensive and simplified framework for taxation has been introduced, including streamlined provisions relating to computation of income, classification of income, and compliance requirements.

Goods and Services Tax ("GST")

GST is levied on supply of goods or services or both jointly by the Central and State Governments. It was introduced as the Constitution (One Hundred and First Amendment) Act 2017 and is governed by the GST Council. GST provides for imposition of tax on the supply of goods or services and will be levied by central on intra-state supply of goods or services and by the States including Union territories with legislature/ Union Territories without legislature respectively. A destination-based consumption tax GST would be a dual GST with the central and states simultaneously levying tax with a common base. The GST law is enforced by various acts viz. Central Goods and Services Act, 2017 (CGST), State Goods and Services Tax Act, 2017 (SGST), Union Territory Goods and Services Tax Act, 2017 (UTGST), Integrated Goods and Services Tax Act, 2017 (IGST) and Goods and Services Tax (Compensation to States) Act, 2017 and various rules made thereunder.

Every person liable to take registration under these Acts shall do so within a period of 30 days from the date on which he becomes liable to registration. The Central/State authority shall issue the registration certificate upon receipt of application. The Certificate shall contain fifteen-digit registration numbers known as Goods and Service Tax Identification Number (GSTIN). In case a person has multiple business verticals in multiple locations in a state, a separate application will be made for registration of each and every location. The registered assessee is then required to pay GST as per the rules applicable thereon and file the appropriate returns as applicable thereon. GST has replaced following indirect taxes and duties at the central and state levels.

OTHER REGULATIONS

In addition to the above, our Company is also required to comply with other applicable laws and regulations imposed by the central and state governments and other authorities for its day-to-day operations, including the Companies Act and rules framed thereunder, regulations issued by SEBI, guidelines and circulars issued by the Stock Exchanges where our securities are listed, municipal laws and fire safety laws, to the extent applicable. Our Company is also amenable to various central and state tax laws.

SECTION V – FINANCIAL STATEMENTS

FINANCIAL INFORMATION

Sr. No.	Particular	Page No.
1.	Audited Standalone Financial Statements for Financial Year ended March 31, 2026	F1 – F80
2.	Audited Consolidated Financial Statements for Financial Year ended March 31, 2026	F81 – F118
3.	Audited Standalone Financial Statements for Financial Year ended March 31, 2025	F119 – F192
4.	Audited Consolidated Financial Statements for Financial Year ended March 31, 2025	F193 – F230
5.	Audited Standalone Financial Statements for Financial Year ended March 31, 2024	F231 – F305
6.	Audited Consolidated Financial Statements for Financial Year ended March 31, 2024	F306 – F343

MATERIAL DEVELOPMENTS

Other than as disclosed elsewhere in this Draft Shelf Prospectus since March 31, 2026, till the date of this Draft Shelf Prospectus there have been no event/ development or change having implications on the financials/credit quality (e.g. any material regulatory proceedings against our Company, Promoter, Directors, litigations resulting in material liabilities, corporate restructuring event etc.) at the time of the Issue which may affect the Issue or the investor's decision to invest / continue to invest in the debt securities.

FINANCIAL INDEBTEDNESS

As on June 30, 2026, our Company had outstanding total borrowings, on a standalone basis, of ₹4,80,135.14 lakhs. The details of such borrowings are set out below:

(₹ in lakh, unless otherwise stated)

Sr. No.	Nature of Borrowings	Amount Outstanding (in INR)	Amount outstanding in percentage (%)
1.	Secured borrowings	4,29,540.10	89.46%
2.	Unsecured borrowings	50,595.04	10.54%
Total Borrowings		**4,80,135.14**	**100.00%**

Set forth below, is a summary of the borrowings availed by our Company and outstanding as on June 30, 2026, together with a brief description of certain significant terms of such financing arrangements.

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A. DETAILS OF OUTSTANDING SECURED LOAN FACILITIES AS ON JUNE 30, 2026:

Our Company's secured outstanding borrowing, on a standalone basis, as on June 30, 2026, amounts to ₹4,29,540.10 Lakh. The details of such secured borrowings are set out below:

(i) Term Loans availed from Banks / Financial Institutions

(₹ in lakh, unless otherwise stated)

Sr. No.	Name of lender	Type of facility	Date of sanction/ renewal	Amount sanctioned (₹ in lakh, unless otherwise stated)	Principal amount outstanding as on June 30, 2026 (as per IND AS and after adjustments for ancillary cost) (₹ in lakh, unless otherwise stated)*	Repayment date / schedule	Repayment clause	Credit rating, if applicable	Asset classification
1.	Bank of Baroda	Term Loan	31-Jul-24	6,000.00	1,500.00	31-Dec-26	8 equal quarterly instalments, door to door tenor of 24 months	Yes	Standard
2.	Union Bank of India	Term Loan	29-Sep-23	10,000.00	5,500.00	30-Mar-29	20 equal quarterly instalments from the date of first disbursement without moratorium period	Yes	Standard
3.	UCO Bank	Term Loan	24-Feb-25	2,300.00	958.33	30-Sep-25	24 equal monthly instalments starting from subsequent	Yes	Standard

Sr. No.	Name of lender	Type of facility	Date of sanction/ renewal	Amount sanctioned (₹ in lakh, unless otherwise stated)	Principal amount outstanding as on June 30, 2026 (as per IND AS and after adjustments for ancillary cost) (₹ in lakh, unless otherwise stated)*	Repayment date / schedule	Repayment clause	Credit rating, if applicable	Asset classification
							month from the date of first disbursement		
4.	State Bank of India	Term Loan	30-Jul-25	2,946.00	1,745.24	31-May-29	80 monthly instalments from the first date of disbursement	Yes	Standard
5.	South Indian Bank	Term Loan	30-Mar-23	1,500.00	524.34	31-Mar-28	60 equal monthly instalments of Rs. 25 lakhs to be paid on 5th of every month	Yes	Standard
6.	State Bank of India	Term Loan	30-Jul-25	35,000.00	12,210.24	31-Mar-28	60 equal monthly instalments of Rs. 5.84 crore from 30 April 2023	Yes	Standard
7.	State Bank of India	Term Loan	30-Jul-25	10,000.00	3,956.20	30-Jun-28	60 equal monthly instalments of Rs. 5.84 crore from 30 April 2023	Yes	Standard

Sr. No.	Name of lender	Type of facility	Date of sanction/ renewal	Amount sanctioned (₹ in lakh, unless otherwise stated)	Principal amount outstanding as on June 30, 2026 (as per IND AS and after adjustments for ancillary cost) (₹ in lakh, unless otherwise stated)*	Repayment date / schedule	Repayment clause	Credit rating, if applicable	Asset classification
8.	State Bank of India	Term Loan	30-Jul-25	32,500.00	18,926.82	31-May-29	60 equal monthly instalments of Rs. 1.67 crore from 31 July 2023	Yes	Standard
9.	State Bank of India	Term Loan	30-Jul-25	45,000.00	32,551.97	31-Aug-30	60 equal monthly instalments of Rs. 5.42 crore from 30 June 2024	Yes	Standard
10.	Canara Bank	Term Loan	01-Mar-23	7,500.00	2,625.00	15-Mar-28	60 equal monthly instalments of Rs. 7.50 crore from 30 September 2025	Yes	Standard
11.	Canara Bank TL	Term Loan	14-Jun-23	15,000.00	6,000.00	15-Jun-28	60 equated monthly instalments of Rs. 2.50 crore commencing one month post the date of first disbursement	Yes	Standard
12.	Indian Overseas Bank	Term Loan	18-Dec-23	7,500.00	3,750.00	31-Dec-28	principal amount shall be repayable in 20 equal quarterly	Yes	Standard

Sr. No.	Name of lender	Type of facility	Date of sanction/ renewal	Amount sanctioned (₹ in lakh, unless otherwise stated)	Principal amount outstanding as on June 30, 2026 (as per IND AS and after adjustments for ancillary cost) (₹ in lakh, unless otherwise stated)*	Repayment date / schedule	Repayment clause	Credit rating, if applicable	Asset classification
							instalments of Rs. 3.75 crore each payable at the end of each quarter with Nil moratorium period.		
13.	Bank of Maharashtra	Term Loan	22-Dec-23	10,000.00	1,656.19	31-Dec-26	principal to be repaid in 36 monthly instalments of Rs. 2.78 crore from the date of first disbursement	Yes	Standard
14.	IREDA	Term Loan	15-Feb-24	20,000.00	16,428.57	31-Mar-32	repayable over 7 years in 28 equal quarterly instalments, with a 12-month moratorium. Principal repayment starts from the quarter following the moratorium period	Yes	Standard
15.	Canara Bank TL	Term Loan	24-Jun-24	5,000.00	2,984.00	24-Jun-29	principal to be repaid in 60 quarterly	Yes	Standard

Sr. No.	Name of lender	Type of facility	Date of sanction/ renewal	Amount sanctioned (₹ in lakh, unless otherwise stated)	Principal amount outstanding as on June 30, 2026 (as per IND AS and after adjustments for ancillary cost) (₹ in lakh, unless otherwise stated)*	Repayment date / schedule	Repayment clause	Credit rating, if applicable	Asset classification
							monthly instalments of which 59 instalments of Rs. 0.84 crore and last instalment of Rs. 0.44 crore commencing post expiry of one month from the date of first disbursement		
16.	Indian Overseas Bank	Term Loan	27-Jun-24	12,500.00	7,500.00	30-Jun-29	principal amount to be repayable in 20 equal quarterly instalments of Rs. 6.25 crore each payable at the end of each quarter with Nil moratorium period.	Yes	Standard
17.	Bank of Maharashtra	Term Loan	26-Sep-24	20,000.00	13,211.70	30-Sep-29	principal to be repaid in 59 monthly instalments after one month from the date of first disbursement,	Yes	Standard

Sr. No.	Name of lender	Type of facility	Date of sanction/ renewal	Amount sanctioned (₹ in lakh, unless otherwise stated)	Principal amount outstanding as on June 30, 2026 (as per IND AS and after adjustments for ancillary cost) (₹ in lakh, unless otherwise stated)*	Repayment date / schedule	Repayment clause	Credit rating, if applicable	Asset classification
							with first 58 instalment of Rs. 3.39 crore and last instalment of Rs. 3.38 crores		
18.	Bank of India	Term Loan	07-Oct-24	10,000.00	7,000.00	26-Oct-29	repayable in 20 quarterly instalments of Rs. 5.00 crore each commencing from the first disbursement. Door to door tenor of 5 years	Yes	Standard
19.	Dhanlaxmi Bank	Term Loan	14-Oct-24	2,500.00	1,562.50	06-Nov-28	16 quarterly instalments of Rs. 1,56,25,000/- each.	Yes	Standard
20.	Indian Overseas Bank	Term Loan	29-Mar-25	25,000.00	18,750.00	30-Mar-30	door to door tenor of 60 months, repayable in 20 equal quarterly instalments of Rs. 12.50 crore each payable at the end of	Yes	Standard

Sr. No.	Name of lender	Type of facility	Date of sanction/ renewal	Amount sanctioned (₹ in lakh, unless otherwise stated)	Principal amount outstanding as on June 30, 2026 (as per IND AS and after adjustments for ancillary cost) (₹ in lakh, unless otherwise stated)*	Repayment date / schedule	Repayment clause	Credit rating, if applicable	Asset classification
							each quarter with Nil moratorium period.		
21.	Unity Small Finance Bank	Term Loan	25-Apr-25	5,000.00	2,500.00	31-Oct-26	repayment of 4 instalments of INR 12.50 crore each to be paid at the end of 12th, 14th, 16th, 18th month from the date of first disbursement	Yes	Standard
22.	Canara Bank TL	Term Loan	16-Jun-25	10,000.00	7,984.00	30-Jun-30	principal to be repaid in 60 quarterly monthly instalments of which 59 instalments of Rs. 1.68 crore and last instalment of R. 0.88 crore commencing post one month from the date of first disbursement	Yes	Standard

Sr. No.	Name of lender	Type of facility	Date of sanction/ renewal	Amount sanctioned (₹ in lakh, unless otherwise stated)	Principal amount outstanding as on June 30, 2026 (as per IND AS and after adjustments for ancillary cost) (₹ in lakh, unless otherwise stated)*	Repayment date / schedule	Repayment clause	Credit rating, if applicable	Asset classification
23.	Unity Small Finance Bank	Term Loan	30-Jun-25	600.00	600.00	01-Jul-27	bullet repayment at the end of tenor from the date of disbursement	Yes	Standard
24.	Unity Small Finance Bank	Term Loan	22-Jul-25	1,200.00	1,200.00	22-Jan-27	bullet repayment at the end of tenor from the date of disbursement	Yes	Standard
25.	Indian Bank	Term Loan	28-Jul-25	10,000.00	8,500.00	31-Jul-30	door to door tenor of 5 years, repayable in 20 equal quarterly instalments with Nil moratorium.	Yes	Standard
26.	Bank of Maharashtra	Term Loan	08-Aug-25	15,000.00	12,744.17	31-Aug-30	principal shall be repaid in 20 equal quarterly instalments of Rs. 7.50 crore per quarter from the date of first disbursement	Yes	Standard
27.	Unity Small Finance Bank	Term Loan	10-Sep-25	1,325.00	1,325.00	22-Mar-27	bullet repayment at the end of 18 months from	Yes	Standard

Sr. No.	Name of lender	Type of facility	Date of sanction/ renewal	Amount sanctioned (₹ in lakh, unless otherwise stated)	Principal amount outstanding as on June 30, 2026 (as per IND AS and after adjustments for ancillary cost) (₹ in lakh, unless otherwise stated)*	Repayment date / schedule	Repayment clause	Credit rating, if applicable	Asset classification
							the date of first disbursement		
28.	Karur Vasya Bank	Term Loan	30-Aug-25	5,000.00	3,746.82	30-Sep-28	repayable in 36 monthly instalments without initial holding period. Door to door tenor of 3 years.	Yes	Standard
29.	Unity Small Finance Bank	Term Loan	16-Oct-25	625.00	625.00	16-Apr-27	Bullet repayment at the end of 18 months from the date of disbursement	Yes	Standard
30.	Canara Bank	Term Loan	06-Dec-25	10,000.00	8,992.00	31-Dec-30	principal to be repaid in 60 quarterly monthly instalments of which 59 instalments of Rs. 1.68 crore and last instalment of Rs. 0.88 crore commencing from one	Yes	Standard

Sr. No.	Name of lender	Type of facility	Date of sanction/ renewal	Amount sanctioned (₹ in lakh, unless otherwise stated)	Principal amount outstanding as on June 30, 2026 (as per IND AS and after adjustments for ancillary cost) (₹ in lakh, unless otherwise stated)*	Repayment date / schedule	Repayment clause	Credit rating, if applicable	Asset classification
							month after the date of first disbursement		
31.	Punjab & Sindh Bank	Term Loan	31-Jan-26	10,000.00	9,996.84	31-Jan-31	door to door tenor of 5 years, repayable in 19 equal quarterly instalments with 3 months moratorium.	Yes	Standard
32.	Jammu & Kashmir Bank	Term Loan	10-Feb-26	10,000.00	9,499.09	28-Feb-31	principal loan amount of Rs. 100.00 crore shall be repaid in 20 equal quarterly instalments which shall commence from the date of first drawdown.	Yes	Standard
33.	Indian Bank	Term Loan	11-Feb-26	5,000.00	4,749.99	28-Feb-31	door to door tenor of 5 years, repayable in 20 equal quarterly instalments with Nil moratorium.	Yes	Standard

Sr. No.	Name of lender	Type of facility	Date of sanction/ renewal	Amount sanctioned (₹ in lakh, unless otherwise stated)	Principal amount outstanding as on June 30, 2026 (as per IND AS and after adjustments for ancillary cost) (₹ in lakh, unless otherwise stated)*	Repayment date / schedule	Repayment clause	Credit rating, if applicable	Asset classification
34.	Bank of Maharashtra	Term Loan	09-Mar-26	20,000.00	18,988.14	31-Mar-31	principal shall be repaid in 20 equal quarterly instalments of Rs. 10.00 crore per quarter starting from the date of first disbursement	Yes	Standard
35.	Unity Small Finance Bank	Term Loan	28-Mar-26	1,225.00	1,225.00	30-Jun-27	bullet repayment at the end of 15 months from the date of first disbursement	Yes	Standard
36.	Indian Bank	Term Loan	30-Mar-26	20,000.00	19,169.77	31-Mar-31	door to door tenor of 5 years, repayable in 20 equal quarterly instalments with Nil moratorium.	Yes	Standard
37.	NABARD	Term Loan	27-Apr-26	10,000.00	10,000.00	31-Mar-31	The Loan shall be repaid in 19 quarterly instalments, 14 instalments are of 5%	Yes	Standard

Sr. No.	Name of lender	Type of facility	Date of sanction/ renewal	Amount sanctioned (₹ in lakh, unless otherwise stated)	Principal amount outstanding as on June 30, 2026 (as per IND AS and after adjustments for ancillary cost) (₹ in lakh, unless otherwise stated)*	Repayment date / schedule	Repayment clause	Credit rating, if applicable	Asset classification
							of loan amount and 5 instalments are of 6% of loan amount, starts from 30 September 2026		
38.	Unity Small Finance Bank	Term Loan	29-Apr-26	1,225.00	1,225.00	25-Jul-27	bullet repayment at the end of 15 months from the date of first disbursement	Yes	Standard
39.	Bank of India	Term Loan	08-May-26	2,500.00	2,500.00	30-Apr-31	repayable within 5 years in 20 equal quarterly instalments of Rs. 1.25 crore each. The first instalment is due 3 months post the date of first disbursement. No moratorium is available.	Yes	Standard

Sr. No.	Name of lender	Type of facility	Date of sanction/ renewal	Amount sanctioned (₹ in lakh, unless otherwise stated)	Principal amount outstanding as on June 30, 2026 (as per IND AS and after adjustments for ancillary cost) (₹ in lakh, unless otherwise stated)*	Repayment date / schedule	Repayment clause	Credit rating, if applicable	Asset classification
40.	Indian Overseas Bank	Term Loan	27-May-26	25,000.00	25,000.00	31-May-31	door to door tenor of 60 months, repayable in 20 equal quarterly instalments of Rs. 12.50 crore each payable at the end of each quarter with Nil moratorium period.	Yes	Standard
41.	Karur Vasya Bank	Term Loan	25-Jun-26	5,000.00	5,000.00	30-Jun-29	door to door tenor of 3 years, 36 monthly instalments without any holding period.	Yes	Standard
42.	Unity Small Finance Bank	Term Loan	29-Jun-26	1,275.00	1,275.00	25-Sep-27	bullet repayment at the end of 15 months from the date of first disbursement	Yes	Standard
43.	NABARD	Term Loan	30-Jun-26	10,000.00	10,000.00	31-Mar-31	the loan shall be repaid in 19 quarterly instalments, 14 instalments are of 5%	Yes	Standard

Sr. No.	Name of lender	Type of facility	Date of sanction/ renewal	Amount sanctioned (₹ in lakh, unless otherwise stated)	Principal amount outstanding as on June 30, 2026 (as per IND AS and after adjustments for ancillary cost) (₹ in lakh, unless otherwise stated)*	Repayment date / schedule	Repayment clause	Credit rating, if applicable	Asset classification
							of loan amount and 5 instalments are of 6% of loan amount, starts from 30 September 2026		
44.	Jammu & Kashmir Bank	Term Loan	30-Jun-26	10,000.00	10,000.00	30-Jun-31	principal loan amount of Rs. 100.00 crore shall be repaid in 20 equal quarterly instalments which shall commence from the date of first drawdown.	Yes	Standard
45.	BOB TL3 CAR LOAN	Car Loan	31-Oct-22	139.50	79.40	13-Nov-29	83 equal monthly instalments of Rs. 2,20,569/- each and last instalment of Rs. 615479/-	NA	Standard
46.	BOB TERM LOAN 4 CAR	Car Loan	13-Jan-23	34.40	11.53	15-Jan-28	58 equal monthly instalments of Rs.	NA	Standard

Sr. No.	Name of lender	Type of facility	Date of sanction/ renewal	Amount sanctioned (₹ in lakh, unless otherwise stated)	Principal amount outstanding as on June 30, 2026 (as per IND AS and after adjustments for ancillary cost) (₹ in lakh, unless otherwise stated)*	Repayment date / schedule	Repayment clause	Credit rating, if applicable	Asset classification
							70,909/- each and last instalment of Rs. 51,047/-		
47.	BOB TERM LOAN 5 CAR	Car Loan	13-Jan-23	98.00	35.59	15-Jan-28	59 equal monthly instalments of Rs. 2,02,008/- each and last instalment of Rs. 2,63,185/-	NA	Standard
48.	BOB TERM LOAN A/C - 22040600005885	Car Loan	18-Apr-23	26.70	11.03	17-Apr-28	59 equal monthly instalments of Rs. 56,075/- each and last instalment Rs. 47,824/-	NA	Standard
49.	BOB TERM LOAN A/C - 22040600006032	Car Loan	29-Nov-23	27.50	18.99	28-Oct-30	payable in 84 structured instalments	NA	Standard
50.	BOB TERM LOAN A/C - 22040600006234	Car Loan	02-Jul-24	34.00	26.53	01-Sep-31	83 equal monthly instalments of Rs. 55,570/- each and last	NA	Standard

Sr. No.	Name of lender	Type of facility	Date of sanction/ renewal	Amount sanctioned (₹ in lakh, unless otherwise stated)	Principal amount outstanding as on June 30, 2026 (as per IND AS and after adjustments for ancillary cost) (₹ in lakh, unless otherwise stated)*	Repayment date / schedule	Repayment clause	Credit rating, if applicable	Asset classification
							instalment of Rs. 69,610/-		
51.	BOB TERM LOAN A/C - 22040600006492	Car Loan	27-May-25	13.98	12.27	27-May-32	83 equal monthly instalments of Rs. 22,351/- each and last instalment of Rs. 11,795/-	NA	Standard
52.	BOB TERM LOAN A/C - 22040600006495	Car Loan	27-May-25	23.82	18.82	29-May-32	83 equal monthly instalments of Rs. 38,083/- each and last instalment Rs. 19,048/-	NA	Standard
53.	PNB VEHICEL LOAN AC-098300NG00006221	Car Loan	19-Aug-25	44.00	39.80	18-Aug-32	83 equal monthly instalments of Rs. 68,251/- each and last instalment Rs. 2,237/-	NA	Standard
54.	PNB VEHICEL LOAN AC-098300NG00006276	Car Loan	20-Sep-25	120.00	109.72	25-Sep-32	83 equal monthly instalments of Rs. 1,86,139/- each and	NA	Standard

Sr. No.	Name of lender	Type of facility	Date of sanction/ renewal	Amount sanctioned (₹ in lakh, unless otherwise stated)	Principal amount outstanding as on June 30, 2026 (as per IND AS and after adjustments for ancillary cost) (₹ in lakh, unless otherwise stated)*	Repayment date / schedule	Repayment clause	Credit rating, if applicable	Asset classification
							last instalment Rs. 7,102/-		
Total				**4,70,782.90**	**3,36,550.60**	**-**			**-**

** Principal amount outstanding as on June 30, 2026 includes interest accrued but not due.*

Security: The Company has hypothecated security by way of first pari-passu charge on our Company's book debts and receivables in the range of 1.10 to 1.33 times of the outstanding amount.

Prepayment Penalty: A prepayment or pre-closure charge of up to ~2% (two percent) of the amount being prepaid shall be levied in the event of early repayment, except in certain cases including where such prepayment is made from the Borrower's cash accruals, own sources, or equity infusion amongst others, with a prior written notice to the Lender.

Penalty: Penalty of up to ~2% per annum in case of an overdue portion of the amount for the period of default in case of any delay default in payment of principal or interest or breach of terms and conditions of the loan agreements including non-submission of audited financials, book debt statement, end use certificates, diversion of funds, downgrading of external ratings, asset cover statement etc.

Events of Defaults: The facility documents executed by our Company stipulates certain events as "Events of Default", pursuant to which our Company may be required to immediately repay the entire loan facility availed by it and be subject to additional penalties by the relevant lenders. Such events include, but are not limited to:

a. any information provided by us to the lender is incorrect or untrue;

b. failure to create and perfect security as envisaged under the borrowing arrangement;

c. any other financial indebtedness of the Borrower is not paid when due;

d. occurrence of any event which is likely to prejudice, impair, imperil, depreciate or jeopardize any security or any part thereof;

e. any obligation of the Borrower under the finance document ceases to be valid and binding;

f. utilization of the loan for any purpose other than the purpose for which it was sanctioned; and

g. an application or a threat to make an application under the Insolvency and Bankruptcy Code, 2016 against our Company by any person.

Re-scheduling: None of the loan documents provides for rescheduling provision.

Working Capital Loans (WCL)/ Working Capital Demand Loans (WCDL)/ Cash Credit Facilities/ Overdraft Facilities availed from Banks / Financial Institutions:

(₹ in lakh, unless otherwise stated)

Sr. No.	Name of lender	Type of facility	Secured / unsecured	Date of sanction/ renewal	Amount sanctioned (₹ in lakh, unless otherwise stated)	Principal* amount outstanding as on June 30, 2026 (as per IND AS and after adjustments for ancillary cost) (₹ in lakh, unless otherwise stated)	Repayment date / Schedule	Credit rating, if applicable	Asset classification
1.	Bank of Baroda	Cash Credit	Secured	15-May-13	1,600.00	-2,256.38	Revolving	Yes, AA/Stable Outlook	Yes
2.	Punjab National Bank	Cash Credit	Secured	17-Feb-07	3,200.00	-4,561.28	Revolving	Yes, AA/Stable Outlook	Yes
3.	Union Bank of India	Cash Credit	Secured	24-Mar-17	2,500.00	1,190.99	Revolving	Yes, AA/Stable Outlook	Yes
4.	UCO Bank	Cash Credit	Secured	28-Mar-13	560.00	514.89	Revolving	Yes, AA/Stable Outlook	Yes

Sr. No.	Name of lender	Type of facility	Secured / unsecured	Date of sanction/ renewal	Amount sanctioned (₹ in lakh, unless otherwise stated)	Principal* amount outstanding as on June 30, 2026 (as per IND AS and after adjustments for ancillary cost) (₹ in lakh, unless otherwise stated)	Repayment date / Schedule	Credit rating, if applicable	Asset classification
5.	State Bank of India	Cash Credit	Secured	28-Jun-23	500.00	-9,119.53	Revolving	Yes, AA/Stable Outlook	Yes
6.	Indian Bank	Cash Credit	Secured	29-Dec-21	2,000.00	1,609.21	Revolving	Yes, AA/Stable Outlook	Yes
7.	Bank of Baroda	WCDL	Secured	15-May-13	2,400.00	2,400.00	Revolving	Yes, AA/Stable Outlook	Yes
8.	Punjab National Bank	WCDL	Secured	17-Feb-07	4,800.00	4,800.00	Revolving	Yes, AA/Stable Outlook	Yes
9.	UCO Bank	WCDL	Secured	28-Mar-13	840.00	840.00	Revolving	Yes, AA/Stable Outlook	Yes
10.	Indian Bank	WCDL	Secured	29-Dec-21	3,000.00	3,025.28	Revolving	Yes, AA/Stable Outlook	Yes
Total					**21,400.00**	**-1,556.82**	-	-	-

**Principal amount outstanding as on June 30, 2026, includes interest accrued but not due.*

Security: In terms of the CC and WCDL facilities, our Company has hypothecation security primarily by way of first pari-passu charge on our Company's book debts and receivables is 1.33 times the outstanding amount.

Penalty: Penal interest @ 2% p.a. on the total outstanding amount of the period of default in case of any delay/ default in payment of instalment of principal/interest/other monies on their respective due dates. Further, penal interest up to ~ 3% per annum for any breach of our Company's obligation, covenants and/or declarations.

Rescheduling: N.A.

(ii) Details of outstanding non-convertible debentures (Private Placement) as on June 30, 2026:

Our Company has issued on private placement basis, secured, redeemable, non-convertible debentures under various series of which ₹42,675.00 Lakh is outstanding as on June 30, 2026, the details of which are set forth below. The face value of the outstanding non-convertible debentures issued is ₹100,000 and ₹10,000.

(in ₹ lakh, unless otherwise stated)

Sr. No.	ISIN	Tenor /period of maturity	Coupon Rate	Issue Amount	Principal outstanding	Date of allotment	Redemption date / Schedule	Credit rating	Security
1.	INE420C07049	36 months	9.95%	5,000	5,000	27-Sep-23	26-Sep-26	Yes	Hypothecation of Book Debts
2.	INE420C07056	36 months	9.95%	1,000	1,000	16-Nov-23	15-Nov-26	Yes	Hypothecation of Book Debts
3.	INE420C07064	120 months	9.95%	1,970	1,970	15-Dec-23	15-Dec-33	Yes	Hypothecation of Book Debts
4.	INE420C07080	120 months	9.95%	1,971	1,971	18-Jan-24	17-Jan-34	Yes	Hypothecation of Book Debts
5.	INE420C07098	120 months	9.95%	2,034	2,034	27-Feb-24	26-Feb-34	Yes	Hypothecation of Book Debts
6.	INE420C07114	60 months	9.95%	2,700	2,700	03-May-24	03-May-29	Yes	Hypothecation of Book Debts
7.	INE420C07122	36 months	9.95%	2,500	2,500	31-Jul-24	30-Jul-27	Yes	Hypothecation of Book Debts
8.	INE420C07130	24 months	10.00%	5,000	5,000	03-Jun-25	03-Jun-27	Yes	Hypothecation of Book Debts
9.	INE420C07148	36 months	9.75%	3,400	3,400	08-Aug-25	08-Aug-28	Yes	Hypothecation of Book Debts
10.	INE420C07155	36 months	10.00%	5,000	5,000	10-Sep-25	10-Sep-28	Yes	Hypothecation of Book Debts

Sr. No.	ISIN	Tenor /period of maturity	Coupon Rate	Issue Amount	Principal outstanding	Date of allotment	Redemption date / Schedule	Credit rating	Security
11.	INE420C07163	36 months	8.50%	4,000	4,000	09-Dec-25	09-Dec-28	Yes	Hypothecation of Book Debts
12.	INE420C07171	24 months	8.45%	3,000	3,000	15-Dec-25	15-Dec-27	Yes	Hypothecation of Book Debts
13.	INE420C07189	30 months	9.25%	5,100	5,100	18-Mar-26	18-Sep-28	Yes	Hypothecation of Book Debts
Total				42,675	42,675				

a. *Penal interest of up to 2% per annum on the defaulted amount for the defaulting period if there is default in payment of principal redemption on the due dates;*

b. *Additional interest of 2% per annum or such higher rate as prescribed by law, payable on the principal amount of debt securities till the date of creation and perfection of the security interest if the security stipulated not created and perfected within timelines (before listing application to the Stock Exchange);*

c. *Additional interest up to 2% per annum over the coupon rate to the debenture holders from the date of allotment till the listing of debt securities if there is a failure to allot the NCDs within the timeline as prescribed under applicable law.*

Events of Default:

a. *Failure to pay the amounts due on relevant due dates under the NCDs by our Company;*

b. *Insolvency, reorganization, liquidation, suspension of payment of debts, winding up, illegality, cessation of business by our Company;*

c. *Winding up of the Issuer, including initiation of any proceedings;*

d. *Non-creation of any security, within the stipulated time frame;*

e. *Security ceasing to be valid or the minimum security cover falls below the stipulated security cover as defined under the Transaction documents;*

f. *Company ceasing or threatening to carry on its business;*

g. It is or becomes unlawful or illegal for our Company to perform or comply with any of its obligations under any Transaction Document; and

h. Any other breach of covenants, material adverse event, as defined in the Transaction Documents.

B. DETAILS OF OUTSTANDING UNSECURED LOAN FACILITIES AS ON JUNE 30, 2026:

Our Company's unsecured outstanding borrowings, on a standalone basis, as on June 30, 2026, amounts to ₹50,595.04 Lakh. The details of the unsecured borrowings are set out below:

(i) Local bill discounting as on June 30, 2026: Nil

(ii) Inter corporate deposits/ loans as on June 30, 2026: 7,235.32 Lakh

Sr. No.	Name of Lender	Type of Facility	Date of Sanction/ Renewal	Amount Sanctioned	Principal Amount Outstanding as on June 30, 2026	Repayment Date / Schedule	Credit Rating, if applicable
1	SACHI PROPERTIES PVT LTD	Inter Corporate Loan	05-07-2019	1,900.00	1,900.00	03-03-2028	NA
2	HOTEL LIBRARY CLUB PVT LTD	Inter Corporate Loan	27-06-2019	1,100.00	1,100.00	27-04-2028	NA
3	SACHI PROPERTIES PVT LTD	Inter Corporate Loan	25-03-2021	2,000.00	2,000.00	25-03-2028	NA
4	TEJAS FINANCIAL SERVICES INDIA PVT LTD	Inter Corporate Loan	24-02-2023	2,200.00	1,708.92	24-02-2028	NA
5	AAKASH BUILDROP PVT LTD	Inter Corporate Loan	20-07-2023	200.00	200.00	20-07-2028	NA
6	OPUS BUILDTECH PVT LTD	Inter Corporate Loan	27-03-2025	150.00	150.00	27-03-2031	NA
7	QUANTUM HI TECH	Inter Corporate Loan	24-02-2026	175.00	176.40	24-02-2031	NA
	Total			7,725.00	7,235.32		

(iii) Details of commercial paper issuances as on June 30, 2026:

As on June 30, 2026, the outstanding amount in respect of the commercial papers issued by our Company is ₹11,209.72 Lakh. The details of these commercial papers are set out below:

(₹ in lakh, unless otherwise stated)

Sr. No.	ISIN	Tenor / period of maturity (in days)	Coupon Rate	Amount outstanding as on June 30, 2026	Date of allotment	Redemption date / schedule	Credit rating	Secured / unsecured	Security	Series	Other details viz. details of Issuing and Paying Agent
1.	INE420C14250	180 days	9.00%	957.50	2026-04-02	2026-09-29	IVR A1+	Unsecured	NA	NA	Bank of Maharashtra
2.	INE420C14250	180 days	9.00%	4,787.52	2026-04-02	2026-09-29	IVR A1+	Unsecured	NA	NA	Bank of Maharashtra
3.	INE420C14250	180 days	9.00%	478.75	2026-04-02	2026-09-29	IVR A1+	Unsecured	NA	NA	Bank of Maharashtra
4.	INE420C14268	183 days	8.60%	958.66	2026-04-08	2026-10-08	IVR A1+	Unsecured	NA	NA	Bank of Maharashtra
5.	INE420C14268	183 days	8.60%	191.73	2026-04-08	2026-10-08	IVR A1+	Unsecured	NA	NA	Bank of Maharashtra
6.	INE420C14276	173 days	9.00%	479.54	2026-04-10	2026-09-30	IVR A1+	Unsecured	NA	NA	Bank of Maharashtra
7.	INE420C14284	180 days	8.70%	3,356.01	2026-05-08	2026-11-04	IVR A1+	Unsecured	NA	NA	Bank of Maharashtra
				11,209.72							

(iv) Short term and working capital loans availed from Banks as on June 30, 2026: Nil

1. *Sub-ordinate Debts:*

(₹ in lakh, unless otherwise stated)

Debenture Series	Issued Date	Issued Amount	Rate of Interest	Interest Periodicity	Maturity Date	Maturity Amount
Series-'PDL2020-12'	December 4 2020	100	12.00%	Monthly	December 3, 2030	100

Unsecured NCDs

(₹ in lakh, unless otherwise stated)

Sr No	Coupon Rate	O/S Principal of NCD	O/S as on June 30, 2026 (as per IndAS and after adjustment for ancillary costs)	Date of allotment	Redemption date	Credit rating	Security
1	12.00%	2,500.00	2,500.00	July-2021	July-2026	NA	NA
2	12.00%	9,400.00	9,400.00	Sep-2021	Sep-2026	NA	NA
3	9.00%	2,700.00	2,700.00	Feb-2022	Feb-2029	NA	NA
4	9.90%	1,400.00	1,400.00	Jul-2022	Jul-2032	NA	NA
5	12.00%	3,400.00	3,400.00	Jan-2023	Jan-2033	NA	NA
6	12.00%	830.00	830.00	Apr-2023	Apr-2033	NA	NA
7	12.00%	3,820.00	3,820.00	Dec-2023	Dec-2033	NA	NA
8	8.45%	5,500.00	5,500.00	Nov-2025	Nov-2027	NA	NA
9	8.50%	2,500.00	2,500.00	Nov-2025	Nov-2028	NA	NA
	Total	32,350.00	32,050.00				

2. *Perpetual Debts:* Nil

Events of Default under the financing arrangements:

In terms of the borrowing arrangements entered into by us, the occurrence of any of the following, among others, would constitute an event of default:

a. default in respect of payment of amounts due, in full or in part, under the borrowing arrangement;

b. any information provided by us to the lender is incorrect or untrue;

c. voluntary winding up, liquidation or dissolution of our affairs;

d. failure to create and perfect security as envisaged under the borrowing arrangement;

e. occurrence of any event which is likely to prejudice, impair, imperil, depreciate or jeopardize any security or any part thereof;

f. utilization of the loan for any purpose other than the purpose for which it was sanctioned; and

g. an application or a threat to make an application under the Insolvency and Bankruptcy Code, 2016 against our Company by any person.

Restrictive covenants under the financing arrangements:

Borrowing arrangements entered into by us typically contain various restrictive conditions and covenants mandating either the prior written consent and/or an intimation to our lenders.

An indicative list of such covenants is set forth below:

a. any change in the general nature of our business;

b. induct on its Board a person whose name appears in the list wilful defaulters (in accordance the extant guidelines issued by the RBI);

c. entering into any arrangement whereby our business operations are managed or controlled, directly or indirectly, by any other person; and

d. creating any charge, lien or encumbrance over our undertakings or any parts thereof (charged to the lenders) in favour of any financial institution, banks, company, firm or persons except as permitted by the lenders.

C. LOANS FROM DIRECTORS AND RELATIVES OF DIRECTORS: Nil

D. EXTERNAL COMMERCIAL BORROWINGS AS ON JUNE 30, 2026*:*

Sr. No.	Lender's Name	Amount sanctioned	Principal amount outstanding (₹ in lakh, unless otherwise stated)	Date of repayment/ schedule	Secured/ Unsecured
1	State Bank of India	14,215.50	14,215.50	30-Mar-29	Secured

E. OTHER CONFIRMATIONS

(i) The funds raised by our Company have been utilized as per the purpose mentioned in the respective agreements and / or financing documents.

(ii) List of top 10 holders of non-convertible securities in terms of value (on a cumulative basis) as on June 30, 2026:

(₹ in lakhs, unless otherwise stated)

Sr. No.	Name of the Holder	Category of Holder	Face Value (₹ lakh)	Amount Outstanding (₹ lakh)	Holding (% of Total Outstanding Non-Convertible Securities)
1	Kangra Central Co-op Bank Limited	Bank	1,00,000.00	6,000.00	11.84
2	Karur Vysya Bank Limited	Bank	1,00,000.00	5,000.00	9.87
3	Punjab State Cooperative Bank Limited	Bank	1,00,000.00	5,000.00	9.87
4	Ludhiana Central Co-operative Bank Limited	Bank	1,00,000.00	4,500.00	8.88
5	Nawanshahr Central Co-operative Bank Limited	Bank	1,00,000.00	2,000.00	3.95
6	S K Finance Limited	Body Corporate	1,00,000.00	1,500.00	2.96
7	Mangalam Worldwide Limited	Body Corporate	1,00,000.00	630.00	2.49
			10,000.00	6,300.00	

Sr. No.	Name of the Holder	Category of Holder	Face Value (₹ lakh)	Amount Outstanding (₹ lakh)	Holding (% of Total Outstanding Non-Convertible Securities)
8	B N Agritech Limited	Body Corporate	1,00,000.00	1,008.00	1.99
9	Anand Kumar	Individual	1,00,000.00	1,000.00	1.97
10	Aerotech Aviation Services Private Limited	Body Corporate	1,00,000.00	917.00	1.81

(iii) List of top 10 holders of commercial papers in terms of value (on a cumulative basis) as on June 30, 2026:

(₹ in lakhs, unless otherwise stated)

Sr. No.	Name of the holder	Category of holder	Face value of holding (₹)	Amount	Holding as a % of total outstanding commercial papers of the issuer
1.	The Vishweshwar Sahakari Bank Ltd	Shakari Bank	5.00	957.50	8.54%
2.	The Maharashtra State Co-op. Bank Ltd.	Co-op Bank	5.00	4,787.52	42.71%
3.	Lonawala Sahakari Bank Maryadit	Bank	5.00	478.75	4.27%
4.	The Akola Janata Commercial Co-operative Bank Limited	Co-op Bank	5.00	958.66	8.55%
5.	The Sarangpur Co-operative Bank Limited	Co-op Bank	5.00	191.73	1.71%
6.	Dattatraya Maharaj Kalambe Jaoli Sahakari Bank Ltd.	Sahakari Bank	5.00	479.54	4.28%
7.	Slice Small Finance Bank	Bank	5.00	3,356.01	29.94%
Total				11,209.72	100.00

(iv) ***The amount of corporate guarantee or letter of comfort issued by the Issuer along with name of the counterparty (like name of the subsidiary, joint venture entity, group company, etc.) on behalf of whom it has been issued, contingent liability including debt service reserve account guarantees/ any put option as of June 30, 2026:***

(₹ in lakh, unless otherwise stated)

Sr. No.	Name of Beneficiary	Nature of facility	Amount Sanctioned	Amount Guaranteed
1.	Nupur Finvest Pvt Ltd	Cash Credit	500.00	500.00
Total				500.00

(v) Details of any outstanding borrowings taken/ debt securities issued whether taken/ issued for (a) consideration other than cash, whether in whole or in part, (b) at a premium or discount, or (c) in pursuance of an option or not as on June 30, 2026: Nil

(vi) Details of the bank fund-based facilities/ rest of the borrowing (if any, including hybrid debt like Foreign Currency Convertible Bonds (FCCB), Optionally Convertible Debentures/ Preference Shares) from financial institutions or financial creditors as on June 30, 2026:

Sr. No.	Name of the Instrument	Type of Instrument	Amount issued	Principal amount outstanding	Date of repayment / schedule	Credit Rating	Secured/ Unsecured	Security
1	FCCBs	FCCBs	42,330.00	37,655.82	10-Dec-29	NA	Secured	Hypothecation of Book Debts

(vii) Details of any other contingent liabilities of our Company based on the last audited financial statements including amount and nature of liability:

Description	Amount in lakhs as on March 31, 2026
Income Tax Matters	575.47
Goods & Services Tax Matters	268.91
Corporate guarantee to wholly owned subsidiary Nupur Finvest Pvt. Ltd.*	1,125.60
Total	**1,969.98**

**The corporate guarantee has been issued on behalf of our wholly owned subsidiary, Nupur Finvest Private Limited, in favour of certain banks and financial institutions.*

Further, for details of the contingent liabilities of our Company in the last three financial years, please see section titled "*Financial Information*" on page 187.

(viii) Details of all defaults and/or delay in payments of interest and principal of any kind of term loans, debt securities, commercial paper (including technical delay) and other financial indebtedness including corporate guarantee or letters of comfort issued by our Company, in the preceding three years and the current financial year.

Nil

(ix) Details of default and non-payment of statutory dues for the preceding three financial years and the current financial year:

There have been no instances of non-payment or defaults in the payment of statutory dues by our Company in the preceding three financial years and the current financial year.

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION

Our Company, Directors, Promoter, Subsidiary, and Group Companies are subjected to various legal proceedings from time to time, mostly arising in the ordinary course of their business. As on the date of this Prospectus, except as disclosed below, there is no outstanding legal proceeding which has been considered material in accordance with our Company's policy in relation to the disclosure of material events framed in accordance with Regulation 30 of the SEBI Listing Regulations and adopted by the Board.

*Notwithstanding such Materiality Threshold (defined hereinafter) approved by the Board, solely for the purpose of the Issue, there are no outstanding: (i) criminal proceedings; (ii) actions by statutory / regulatory authorities; (iii) claims for any indirect and direct tax liability; and (iv) other litigations which are identified as material in terms of the resolution passed by the Operations and Finance Committee dated July 15, 2026, in relation to material litigations, each involving our Company, its Promoter, its Directors, and its Subsidiary (collectively, the "**Relevant Parties**").*

For the purpose of disclosure of outstanding litigation and defaults, our Company has considered the following litigations as 'material' litigations:

i. All outstanding criminal proceedings involving our Company, its Promoter, its Directors and its Subsidiary;

ii. All outstanding actions by regulatory authorities and statutory authorities (including any show cause notices by such authorities) involving our Company, its Promoter, its Directors and its Subsidiary;

iii. All outstanding civil proceedings, including tax matters (direct or indirect) and arbitration matters shall be considered 'material' if the monetary amount of claim by or against our Company, its Promoter, its Directors or its Subsidiary in any such pending proceeding is in excess of (i) 2% of the turnover of our Company as per the audited consolidated financial statements for the Fiscal 2026 ; or (ii) 2% of the net worth of our Company as per the audited consolidated financial statements for the Fiscal 2026; or (iii) 5% of the average of the absolute value of the profit or loss after tax of our Company as per the audited consolidated financial statements for the Fiscals 2026, 2025 and 2024, whichever is lower;

*2% of the turnover of our Company as per the audited consolidated financial statements for the Fiscal 2026 is ₹ 1,809.40 lakhs, 2% of the net worth of our Company as per the audited consolidated financial statements for the Fiscal 2026 is ₹ 3,505.70 lakhs and 5% of the average of absolute value of profit after tax of our Company, as per the audited consolidated financial statements for the Fiscals 2026, 2025 and 2024 is ₹ ₹ 1,027.20 lakhs. Accordingly, ₹ 1,027.20 lakhs, being 5% of the average of absolute value of profit after tax of our Company, as per the audited consolidated financial statements for the Fiscals 2026, 2025 and 2024, has been considered as the materiality threshold ("**Materiality Threshold**").*

iv. All the proceedings involving any of the abovementioned entities or any other person, in which the monetary liability is not quantifiable or any other outstanding litigation, the outcome of which may have a material adverse effect on the financial position of our Company, as may be decided by our Company; and

v. Details of any regulatory action, if any, or disciplinary action taken by SEBI or stock exchanges against our Promoter.

Except as disclosed hereinafter, there are no:

i. litigations or legal actions pending or taken by a department of the Government or a statutory authority or regulatory body against the Promoter during the last three years and any direction issued by such ministry or department or statutory authority or regulatory body upon conclusion of such litigation or legal action;

ii. defaults in or non-payment of any statutory dues by our Company for the preceding three financial years and current financial year;

iii. material frauds committed against our Company in the last three financial years and current financial year and actions taken by our Company in this regard, if any;

iv. outstanding proceedings initiated against our Company for any economic offences;

v. pending litigation involving our Company, the Promoter, Directors, Subsidiary, Group Companies, any other person, whose outcome could have material adverse effect on the financial position of our Company, which may affect the Issue or the investor's decision to invest or continue to invest in the debt securities;

vi. inquiry, inspections or investigations initiated or conducted under the securities laws or Companies Act, 2013 or any previous companies law in the last three years immediately preceding the year of issue of Issue Document in the case

of Company and its Subsidiary; and if there were any prosecutions filed (whether pending or not); fines imposed or compounding of offences done in the last three years immediately preceding the year of this Draft Shelf Prospectus for our Company and its Subsidiary; and

It is clarified that for the purposes of the above, pre-litigation notices received or sent by the Relevant Parties from third parties (excluding notices received from statutory, regulatory or tax authorities or notices threatening criminal action) shall not be evaluated for materiality until the Relevant Party is impleaded as a party in proceedings before any judicial/ arbitral forum.

Litigation involving our Company

Criminal litigation involving our Company

Criminal litigation against our Company

1. Our Company engaged Bhoop Singh Jatav ("**Complainant**") as a field officer. The Complainant lodged a first information report dated December 13, 2010 against the directors and officials of our Company namely Purushottam Agrawal and others ("**Accused**"), under Sections 420, 467, 468, 471, 504 and 120-B of the Indian Penal Code, 1860 and Section 3(1)(10) of the Scheduled Castes and Scheduled Tribes (Prevention of Atrocities) Act, 1989, alleging forgery, cheating, criminal conspiracy and caste-based insult in relation to loan transactions and borrower records. Upon investigation, the police submitted a final report ("**Report**") stating that no credible evidence was found against the Accused. The Chief Judicial Magistrate, Agra, ("**CJM**") *vide* order dated March 31, 2012, accepted the Report ("**CJM Order**"). The Complainant challenged the Order by filing a criminal revision petition before the Additional Sessions Judge, Agra ("**Sessions Court**"), contending that he was not granted an opportunity to object to the Report. The Sessions Court, *vide* judgment dated July 15, 2013, set aside the CJM Order and remanded the matter to the CJM for fresh consideration after giving the Complainant an opportunity to file a protest petition. Thereafter, the Complainant filed a protest petition before CJM dated October 17, 2013, seeking to set aside the Report, seeking cognizance and summoning against the Accused. The matter is currently pending.

Criminal litigation by our Company

1. Our Company has, in the ordinary course of business, initiated 334 cases against our borrowers under Section 138 of the Negotiable Instruments Act, 1881, in relation to dishonor of cheques. The aggregate amount involved in these proceedings is ₹ 2,975.24 lakhs. These matters are currently pending at various stages of adjudication before various courts in India.

2. Our Company has filed first information reports and/or criminal complaints against various individuals appointed as filed managers (collectively, the "**Accused**"), under the Indian Penal Code, 1860 or Bharatiya Nyaya Sanhita, 2023, as applicable, on account of default by the Accused to deposit the loan instalments collected from our borrowers in our bank account. The total number of cases is 45, and the amount involved in these cases aggregates to approximately ₹ 811.71 lakhs. These cases are currently pending at various stages of adjudication before various judicial forums.

3. Our Company has filed first information reports and/or criminal complaints against various individuals and entities, under the Indian Penal Code, 1860 or Bharatiya Nyaya Sanhita, 2023, as applicable, on account of default in complete repayment of the loan facilities awarded by our Company in their favour or non-fulfilment of the security obligations by guarantors of these loan facilities (collectively, the "**Accused**"). The total number of cases is 75, and the amount involved in these cases aggregates to approximately ₹20,769.45 lakhs. These cases are currently pending at various stages of adjudication before various judicial forums.

Material civil Litigations involving our Company

Civil litigation against our Company

As on date of this Draft Shelf Prospectus there are no outstanding civil litigations against our Company.

Civil litigation by our Company

1. Our Company sanctioned a loan of ₹570.00 lakhs in favour of Star Bazaar Private Limited ("**Borrower**"), against hypothecation of goods and personal guarantees of its directors and a sister concern ("**Loan**"). The Loan was agreed to be repaid in 24 instalments ₹28.86 lakhs of which the Borrower paid only 11 full instalments only, hence causing a default in the loan repayment. Further, the cheques issued in favour of our Company towards liquidating the Borrowers liability were also dishonoured. Following which, our Company invoked the arbitration clause under the loan agreement dated April 25, 2011, and initiated arbitral proceedings before a sole arbitrator. The sole arbitrator passed an *ex-parte* award dated August 28, 2015 ("**Award**") directing the Borrower and the guarantors to jointly and severally pay an aggregate amount of ₹1,380.73 lakhs along with interest at 18% per annum compounded monthly from the date of the Award until the date of payment. Thereafter, our Company filed a commercial execution petition before the

High Court of Delhi at New Delhi Original Civil Jurisdiction ("**High Court**") dated February 15, 2016, seeking execution and enforcement of the Award. Our Company also filed a commercial execution petition dated ("**EP 2**") before the High Court of Bombay, Ordinary Original Civil Jurisdiction ("**Bombay HC**") seeking execution and enforcement of the Award in respect of the mortgaged properties situated in Mumbai belonging to the Borrower's directors. The Bombay HC issued a warrant of attachment dated February 6, 2017 ("**Warrant**"), in respect of the EP 2. Subsequently, the Borrower and others filed chamber summons dated August 9, 2017, before the Bombay HC seeking to vacate the said Warrant, *inter alia* on the grounds that the Award had been challenged before the High Court under Section 34 of the Arbitration and Conciliation Act, 1996 ("**Proceedings**") and that the attached property was already mortgaged in favour of another entity. It is further noted that the High Court by its order dated March 29, 2017, recorded a settlement proposal made by our Company and accepted by the Borrower in the Proceedings, whereby our Company offered to exclude the penal charges and treat the cash collateral as repayment towards the outstanding dues. Separately, the High Court *vide* its order dated February 20, 2026, has appointed court receiver to auction sale of the mortgaged property located in New Delhi. The matters before both, the Bombay HC and the High Court are currently pending

2. Our Company sanctioned a loan of ₹320.00 lakhs in favour of DD Global Capital Private Limited ("**Borrower**"), against hypothecation of assets and corporate and personal guarantees of Renaissance Buildcon Company Private Limited, Reema Gambhir, and Sanjay Gambhir (together the "**Guarantors**") (the Borrower along with the Guarantors "**Respondents**") ("**Loan I**"). The Borrower defaulted in repayment of the said loan. Pursuant to such default with mutual understanding the parties decided to restructure the outstanding dues aggregating to ₹637.00 lakhs (inclusive of interest and late payment charges) under Loan I. Accordingly, our Company and the Borrower entered into five new loan agreements all dated June 31, 2010 ("**Loan Agreements**") ("**Loan II**"), against fresh hypothecation and guarantee deeds by the Guarantors. The loan amount under Loan II aggregating to ₹910.00 lakhs (inclusive of upfront interest at 30% per annum), was decided to be paid at once on June 7, 2011. The Borrower and the Guarantors failed to repay the said amount on the due date, and no payment was made towards the outstanding dues under Loan II. Following the default, our Company invoked the arbitration clause under the Loan Agreements by issuing a notice dated September 25, 2012, and initiated arbitral proceedings before a sole arbitrator. The sole arbitrator passed an award dated June 6, 2016, ("**Award**") directing the Respondents to jointly and severally pay and amount of ₹1,896.04 lakhs together with future interest at 18% per annum from the date of the Award until realization. Thereafter, our Company filed an execution petition dated, June 2, 2018, before the District Judge, Mohali, ("**Execution Petition 1**"). The District Judge, Mohali vide its order dated October 4, 2025, disposed of the Execution Petition 1 ("**Order**"). Our Company has filed a civil revision appeal dated March 9, 2026 against the Order before the Hon'ble High Court of Punjab & Haryana. Our Company has separately filed another execution petition dated 27 August, 2018, before the Court High of the Delhi at New Delhi, ("**Execution Petition 2**") seeking enforcement and execution of the Award, praying for a warrant of attachment and/or auction of sale of assets in relation to the hypothecated properties. The matters are currently pending.

3. Our Company had sanctioned a loan of an amount aggregating to ₹1,000.00 lakh in favour of Net 4 Communications Limited ("**Borrower**"), pursuant to two loan agreements each dated March 5, 2013 ("**Loan Agreements**"), against guarantees provided by two directors and four group entities of the Borrower including Net 4 India Limited ("**Guarantor**") ("**Loan**"). The Loan was to be repaid in 24 instalments out of which only 5 complete instalments were paid. The Borrower defaulted in repayment of the Loan. Following such default, our Company invoked the arbitration clause under the Loan Agreements and initiated arbitral proceedings before a sole arbitrator. The Borrower failed to appear before the arbitral tribunal despite issuing several notices. Accordingly, an *ex-parte* award, directing the Borrower and the guarantors to jointly and severally pay an aggregate amount of ₹1,961.98 lakhs with an interest per annum until realisation dated April 13, 2018 was issued **("Award").** Separately, corporate insolvency resolution process was initiated by another entity against the Guarantor and was admitted by the National Company Law Tribunal, Principal Bench, New Delhi ("**NCLT**") by *vide* order dated March 8, 2019 ("**NCLT Order**"). Pursuant to such NCLAT order, our Company filed a claim of ₹2,279.37 lakhs ("**Claim**") based on the Award, which was admitted. However, only 1% (i.e., ₹22.79 lakhs) of the claim under the approved by the NCLT through a resolution plan dated on August 18, 2023. Thereafter, an application dated February 1, 2024, was filed seeking liquidation of the Guarantor The matter is currently pending.

4. Our Company sanctioned aggregate loans of ₹600.00 lakhs in favour of Shilpa Beverages Private Limited ("**Borrower**"), under three loan agreements each dated July 20, 2011 ("**Loan Agreements**"), against security of cash, three immovable properties, collateral deposits and personal and corporate guarantees of its directors and a group entity, respectively ("**Loan**"). The cheques issued by the Borrower towards discharge of its liability under the Loan Agreements were dishonoured. The Borrower defaulted in repayment, of the Loan. Following such default, our Company invoked the arbitration clause under the Loan Agreements, and initiated arbitral proceedings before a sole arbitrator.. The sole arbitrator passed an award dated September 28, 2017 directing the Borrower and the guarantors to jointly and severally pay an aggregate amount of ₹1,549.49 lakhs along with post-award interest and costs **("Award")**. Thereafter, the Borrower filed a petition dated January 30, 2018, under section 34 of the Arbitration and Conciliation Act, 1996 before the High Court of Delhi, challenging the Award, primarily on such grounds including alleged lack of jurisdiction, excessive interest/late fee, non-adjustment of cash collateral, and alleged violation of RBI

guidelines. Separately, our Company has filed an execution petition before the Court of District Judge Thane ("**Court**") dated July 6, 2018 ("**Execution Petition**").While the Execution Petition is pending before the Court, the possession of the two hypothecated immovable properties located at Panvel, Raigad was taken by a recovery officer pursuant to recovery proceedings before Debts Recovery Tribunal III, Mumbai, ("**DRT**") in relation of execution of a recovery certificate issued in favor of another entity ("**Recovery Proceeding**"). Our Company filed two separate intervention applications each dated April 16, 2025 and October 10, 2025, before the DRT, against the guarantors of the two hypothecated immovable properties involved in the Recovery Proceedings. Further, the matters are currently pending.

5. Our Company sanctioned a loan of ₹1,500.00 lakhs in favour of Koutons Retail India Limited (**"Borrower"**), against mortgage of immovable properties, hypothecation of assets, post-dated cheques and personal guarantees of its directors and associates pursuant to a loan agreement dated March 25, 2010 (**"Loan Agreement"**) (**"Loan"**). The Borrower defaulted in repayment of the Loan. Our Company invoked the arbitration clause under the Loan Agreement and initiated arbitral proceedings before a sole arbitrator. The Borrower having gone into liquidation, our Company sought and obtained permission from the Delhi High Court under Section 446 of the Companies Act to continue the arbitration proceedings against the Borrower The sole arbitrator passed an award dated September 16, 2015 directing the Borrower and the guarantors to jointly and severally pay an aggregate amount of ₹7,094.02 lakhs along with the arbitration costs. (**"Award"**). Thereafter, our Company filed an execution petition dated March 9, 2016 before the Court of District Judge, Saharanpur, seeking execution and enforcement of the Award against Davinder Pal Singh Kohli, one of the guarantors (**"Execution Petition 1"**). Our Company filed another Execution Petition dated June 3, 2018 before the Court of Additional District Judge cum Special Commercial Court, Gurugram ("**Commercial Court**") seeking execution and enforcement of the Award (**"Execution Petition 2"**) (together with "**Execution Petition 2**", "**Execution Proceedings**"). The Execution Proceedings have been challenged before the Commercial Court. Objections have been filed under Section 47 of the Code of Civil Procedure, 1908 by the Borrower against the Execution Proceedings. The matter is currently pending

6. Our Company sanctioned three loans aggregating to ₹1,200.00 lakhs in favour of Sat Priya Mehamia Memorial Educational Trust (**"Borrower"**), through its trustee, pursuant to hypothecation and loan agreements each dated March 24, 2018. The loans were availed against mortgage of immovable properties and personal guarantees of the trustees and their family (together the "**Defaulters**").. Thereafter, our Company invoked arbitration clause of the loan agreements by notice dated December 27, 2023 ("**Arbitration Notice**"), seeking ₹1,200.00 lakhs and filed a petition dated January 22, 2024, under Section 9 of the Arbitration and Conciliation Act, 1996 ("**Arbitration Act**") before the High Court of Delhi ("**HC**") ("**Arbitration Petition 1**"). The HC directed by an order dated January 25, 2024 that status quo as to title and possession of the mortgaged properties be maintained and no third party interest be created therein ("**Delhi HC Order**"). Our Company also filed another petition dated March 19, 2024, under section 11(6) of the Arbitration and Conciliation Act, 1996 for appointment of an arbitrator, with the total amount claiming aggregating to ₹8,184.83 lakhs as on March 2, 2024 ("**Arbitration Petition 2**"). The HC *vide* its order dated April 3, 2024, disposed of both the Arbitration Petition 1 and Arbitration Petition 2 filed by our Company. The HC has further directed the Defaulters to deposit a sum of ₹2,195.00 lakhs and our Company to release the papers of mortgaged properties on deposit of the said amount. The Defaulter deposited the said amount with the HC following which our Company had released the papers of mortgaged properties. Further, the HC directed our Company to approach an Arbitral Tribunal for adjudication of claims of additional charges being made by our Company to the tune of our ₹5,472.00 lakhs. The HC finalized Delhi International Arbitration Centre for the adjudication and appointed a sole arbitrator. The HC *vide* order dated April 6, 2026, appointed Hon'ble Mr. Justice (Retd.) Kurian Joseph, Supreme Court of India as the sole arbitrator. While these proceedings are currently pending at the stage of arguments under section 31 & 16 of the Arbitration Act, the trustee of the Borrower has filed a writ petition under Article 226 of the Constitution of India dated April 3, 2024 ("**Writ Petition**") before the High Court of Delhi against the Reserve Bank of India, the Securities and Exchange Board of India, and our Company, alleging unfair lending practices and seeking independent inquiry against our Company. Our Company has preferred an application under section 8 of the Arbitration Act, in relation to the Writ Petition. All matters are currently pending.

7. Our Company sanctioned six loans aggregating to ₹2,910.00 lakhs in favour of Ankur Drugs and Pharma Limited ("**Borrower**"), pursuant to loan agreements dated June 28, 2010, and October 30, 2010 ("**Loan Agreements**"), against hypothecation of goods and personal guarantee of one of the Directors of the Borrower, Purnandu Shekharmal Jain, ("**Guarantor**"). The Loans were agreed to be repaid in 24 equal monthly instalments, of which the Borrower paid only two instalments under each of the Loan Agreements and thereafter defaulted in repaying the remaining instalments. The Borrower issued eight post-dated cheques aggregating to approximately ₹ 5,429.00 lakhs towards discharge of outstanding dues which were dishonored upon presentation. Following which, our Company invoked the arbitration clause under the Loan Agreements and initiated arbitral proceedings *vide* legal notice dated August 31, 2012. While the arbitration proceedings were ongoing before a sole arbitrator, the Borrower went into liquidation, accordingly the arbitration proceedings were continued solely against the Guarantor. The sole arbitrator passed an award dated June 2, 2018 ("A**ward**") in favour of our Company. The Award read with the correction order August 21, 2018, directed the Guarantor to pay, an amount of ₹ 3,242.12 lakhs to our Company. Thereafter, our Company filed an execution application dated January 14, 2020 before the High Court of Judicature at Bombay (Ordinary Original

Civil Jurisdiction) seeking attachment and sale of the Guarantor's movable and immovable properties. The matter is currently pending.

Our Company sanctioned twelve loans aggregating to ₹3,690.00 lakhs in favour of Varun Industries Limited ("**Borrower**"), pursuant to loan agreements dated October 4, 2011, December 2, 2011, January 19, 2012 and February 23, 2012, ("**Loan Agreements**") against, *inter alia*, personal guarantees of Kiran Kumar Navratanmal Mehta, Kailash Shriram Agarwal being directors of the Borrower (collectively "**Guarantors**"). The Borrower committed defaults in repayment of the loan. The post-dated cheques issued by the Borrower were dishonored. Following which, our Company invoked the arbitration clause under the Loan Agreements and initiated arbitral proceedings *vide* notice dated July 18, 2012, before a sole arbitrator. During the pendency of the arbitral proceedings, the Borrower received winding-up order dated September 30, 2014 by the Bombay High Court and, accordingly, the arbitral proceedings against the Borrower were kept in abeyance. However, the arbitral proceedings continued against the Guarantors. The sole arbitrator passed an award dated October 17, 2015 ("**Award**") directing the Guarantors to jointly and severally pay an amount of ₹3,386.95 lakhs together with *pendente lite* and future interest at 18% per annum until realization. Thereafter, our Company filed a commercial execution application on May 04, 2018, ("**Execution Petition**") before the High Court of Judicature at Bombay, Ordinary Original Civil Jurisdiction ("**Bombay HC**"), seeking execution and enforcement of the Award against the Guarantors and their movable and immovable properties, including by attachment and sale thereof. The Bombay HC pursuant to an order dated April 10, 2026 ("**Order**") dismissed the Execution Petition and declared the Award to be non-executable on the ground that the sole arbitrator's appointment was unilateral. Our Company has preferred a review petition before the Bombay HC *via* 28 April, 2026, seeking recall of the Order and restoration of the Execution Petition. The matter is currently pending.

8. Our Company sanctioned five loans aggregating to ₹1,250.00 lakhs in favour of Jay Polychem (India) Limited, ("**Borrower**") pursuant to five loan and guarantee agreements each dated August 29, 2011, ("**Loan Agreements**")against the personal guarantees of the guarantors, Jay Tel Mobile Private Limited, and two of the Borrower's directors Sandeep Singh Madhok and Mr. Satinder Singh Madhok (collectively "**Guarantors**"). The Borrower defaulted in repayment of the loans. Following which, our Company invoked the arbitration clause under the Loan Agreements and initiated arbitral proceedings before a sole arbitrator. The sole arbitrator passed an award dated July 31, 2015 ("**Award**") directing the borrower and the guarantors to pay an amount of ₹616.32 lakhs, with interest at 18% per annum in the event the said amount was not paid within one month from the date of the Award. Our Company challenged the Award *via* a petition under Section 34 of the Arbitration and Conciliation Act, 1996 before the High Court of Delhi ("**Delhi HC**") ("**Challenge Petition**"), seeking revision of the interest rate to *pendente lite* interest at 23.59%. The Delhi HC passed an order dated May 7, 2018, modifying the award to the limited extent of imposing *pendente lite interest* and granted liberty for fresh reference of the issue, to arbitration. Following which our Company initiated arbitration proceedings ("**Arbitration Proceedings**"). The Delhi HC by an order dated April 23, 2024, appointed a sole arbitrator in Arbitration Proceedings. Separately, our Company has filed an execution petition dated May 6, 2019, ("**EP1**") before the Delhi HC seeking execution and enforcement of the Award. Thereafter, the Delhi HC by order dated February 6, 2024, directed the Guarantors to file affidavits disclosing their lease arrangements and sources of income and directed their personal appearance. Our Company filed another execution petition, before the Court of A.D.J.-cum-Special Judge, Commercial Court, Gurugram ("**Gurugram Court**"), seeking execution and enforcement of the Award against certain immovable property of the Guarantors. Pursuant to which, the Gurugram Court by order dated August 9, 2021, ordered attachment of the Guarantors' immovable property, and the attachment was entered in the revenue records on October 5, 2021 ("**Attachment Order**"). However, an entity, Y.S. Ingredients LLP filed objections dated February 7, 2022, before the Gurugram Court seeking setting aside the Attachment Order ("**Objection**"), to which our Company filed a reply on February 21, 2022. Thereafter, by order dated April 21, 2023, the Gurugram Court dismissed the Objection. The matters are currently pending.

Outstanding actions by statutory or regulatory authorities against our Company

As on date of this Draft Shelf Prospectus there are no outstanding statutory or regulatory actions against our Company.

Tax Proceedings Involving Our Company

Nature of case	Number of cases	Amount in dispute/demand (*in ₹ lakhs*)*
Direct tax	8	575.47
Indirect tax	8	268.91
Total	**16**	**844.38**

Litigation involving our Promoter

Criminal litigation involving our Promoter

Criminal litigation filed by our Promoter

Nil

Criminal litigation filed against our Promoter

Sunil Purushottanm Agarwal ("**Noticee**"), our Managing Director, has been impleaded as party to a criminal complaint filed by Sierra Appliances Private Limited ("**Complainant**") before the Chief Metropolitan Magistrate, New Delhi ("**CMM Court**") ("**Complaint**") against Stellar Constellation Projects Private Limited ("**SCPLT**"), where he was associated as a director. SCPLT had launched a group housing project which involved sale of flats wherein booked flats would be handed over in finished condition on agreed upon date which was August 15, 2012 ("**Agreed date**") ("**Project**"). The Complainant was a investor, who booked a flat and invested an amount aggregating to ₹45.61 lakhs in the Project. The Complainant alleges that SCPLT failed to hand over possession of the flat by the Agreed Date. The Complaint further alleges, that: (i) SCPLT had fraudulently opened a bank account in its name in connivance with the Citizen Co-operative Bank Limited; (ii) SCPLT offered illegal possession of flats without obtaining a completion certificate, thereby violating the terms of the lease deed executed with the Greater Noida authority; (iii) structural safety certificates in relation to the flats were issued on the basis of false and fabricated representations; (iv) SCPLT had violated the conditions stipulated by the State Level Environment Impact Assessment Authority; and (v) SCPLT had illegally demanded money from investors towards car parking charges, two-wheeler parking and farmer compensation. The CMM Court issued summons to the SCPLT and the Noticee on October 29, 2021. The matter is currently pending.

Outstanding actions by statutory or regulatory authorities against our Promoter

There are no outstanding actions by statutory or regulatory authorities against our Promoter.

Tax Proceedings Involving Our Promoter

Nature of case	Number of cases	Amount in dispute/demand (*in ₹lakh*)*
Direct tax	2	Amount not Specified
Indirect tax	-	-
Total	**2**	Amount not Specified

Litigation involving our Directors (excluding our Promoter)

Criminal litigation involving our Directors

Criminal litigation filed by our Directors

Nil

Criminal litigation filed against our Directors

Nil

Outstanding actions by statutory or regulatory authorities against our Directors

Anoop Krishnan, one of our Directors, ("**Noticee**") had received a show cause notice dated October 19, 2023, ("**SCN**") from SEBI in the matter of Madhyam Agrivet Industries Limited (*formerly known as Prabhat Dairy Limited*) ("**MAIL**"), where he was an executive director from the period of July 30, 2018, to November 11, 2019. The SCN was issued under Sections 11(4A) and 11B(2) read with Section 15HB of the SEBI Act, 1992 and Section 23H of the Securities Contracts (Regulation) Act, 1956 for alleged violation of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Section 25(5) read with Section 21 of the Securities Contracts (Regulation) Act, 1956. the Noticee filed a reply on December 4, 2023 to the SCN, contending that during his tenure, permission for undertaking the alleged transactions as mentioned in the SCN ("**Transactions**") was not sought form the board of MAIL. Further, the Noticee stated that the Transactions relate to a period following his resignation from MAIL. The matter is currently pending

Tax Proceedings Involving Our Directors

Nature of case	Number of cases	Amount in dispute/demand (*in ₹ lakh*)*
Direct tax	Nil	Nil
Indirect tax	Nil	Nil
Total	Nil	Nil

Litigation involving our Subsidiary

Criminal litigation involving our Subsidiary

Criminal litigation against our Subsidiary

As on date of this Draft Shelf Prospectus there are no outstanding criminal litigations against our Subsidiary.

Criminal litigation by our Subsidiary

Our Subsidiary, Nupur Finvest Private Limited, has filed first information reports and/or criminal complaints against various individuals appointed as filed managers (collectively, the "**Accused**"), under the Indian Penal Code, 1860 or Bharatiya Nyaya Sanhita, 2023, as applicable, on account of default by the Accused to deposit the loan instalments collected from our borrowers in our bank account. The total number of cases is 7, and the amount involved in these cases aggregates to approximately ₹ 259.61 lakhs. These cases are currently pending at various stages of adjudication before various judicial forums.

Other pending material litigation involving our Subsidiary

Other pending material litigation against our Subsidiary

As on date of this Draft Shelf Prospectus there are no pending material litigations against our Subsidiary.

Other pending material litigation by our Subsidiary

As on date of this Draft Shelf Prospectus there are no pending material litigations by our Subsidiary.

Outstanding actions by statutory or regulatory authorities against our Subsidiary

Tax Litigation involving our Subsidiary

Nature of case	Number of cases	Amount in dispute/demand (*in ₹ lakh*)*
Direct tax	2	8.13
Indirect tax	-	-
Total	2	8.13

Litigation involving our Group Companies, which may have a material impact on our Company

None of our Group Companies, are involved in any litigations which may have a material impact on our Company.

Summary of outstanding litigations

Brief details of material outstanding litigation that have been initiated by and against us, our Promoter, our Directors, and our Subsidiary are set forth below:

Particulars	Criminal proceedings	Tax proceedings	Statutory or regulatory proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoter	Material civil litigations	Aggregate amount involved* (*₹ in lakhs*)
Company						
By the Company	454	Nil	Nil	Nil	7	20,80,731.95
Against the Company	1	16	Nil	Nil	Nil	844.38
Directors&						
By the Directors	Nil	Nil	Nil	Nil	Nil	Nil
Against the Directors	Nil	Nil	1	Nil	Nil	Nil
Promoter						
By the Promoter	Nil	Nil	Nil	Nil	Nil	Nil
Against the Promoter	1	2	Nil	Nil	Nil	-^
Subsidiary						
By the Subsidiary	7	Nil	1	Nil	Nil	259.61
Against the Subsidiary	Nil	2	Nil	Nil	Nil	8.13

** To the extent quantifiable.*
& Other than the Sunil Purushottanm Agarwal, who is also the Promoter of our Company.
^ The amount is not specified.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Company's Absolute Responsibility

"The Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Shelf Prospectus contains all information with regard to the Company and the Issue which is material in the context of the Issue, that the information contained in this Draft Shelf Prospectus is true and correct in all material aspects and is not misleading, that the opinions and intentions expressed herein are honestly stated and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading."

Authority for the Issue

At the meeting of the Board of Directors of our Company held on May 10, 2026 the Board of Directors approved the issuance of NCDs to the public. Further, the Board of Directors by resolution dated May 10, 2026 authorized the Operations and Finance Committee of our Company to overview and approve all Issue related tasks. Further, pursuant to a resolution dated July 16, 2026, our Operations and Finance Committee has approved this Draft Shelf Prospectus. The NCDs will be issued in one or more tranches up to the Shelf Limit, on terms and conditions as set out in the relevant Tranche Prospectus for any Tranche Issue, as may be decided by the Board of Directors.

Further, the present borrowing is within the borrowing limits of ₹ 9,00,000.00 lakhs under Section 180(1)(c) of the Companies Act, 2013 duly approved pursuant to resolution passed by our Board of Directors on July 21, 2025, and the resolution passed by the shareholders at the AGM held on September 29, 2025.

Prohibition by SEBI/ Eligibility of our Company for the Issue

Our Company, persons in control of our Company, Directors of our Company and/or our Promoter have not been restrained, prohibited or debarred by SEBI from accessing the securities market or dealing in securities and no such order or direction is in force. Further, no member of our promoter group has been prohibited or debarred by SEBI from accessing the securities market or dealing in securities due to fraud.

None of the Promoter or Directors of our Company is a promoter or director of another company which is debarred from accessing the securities market or dealing in securities by SEBI.

Our Company, our Directors and/or our Promoter have not been categorised as a Wilful Defaulter nor are they Promoter or Whole Time Directors in another company which is a Wilful Defaulter and are not in default of payment of interest or repayment of principal amount in respect of debt securities issued to the public, for a period of more than six-months.

None of our Promoter or Directors have been declared as a Fugitive Economic Offender.

None of our Company or our Directors or our Promoter, or person(s) in control of our Company was a promoter, director or person in control of any company which was delisted within a period of ten years preceding the date of this Draft Shelf Prospectus, in accordance with Clause 40 (1) (b) of Chapter V of the SEBI Delisting Regulations.

No regulatory action is pending against our Company or its Promoter or Directors before SEBI or the Reserve Bank of India.

Our Company confirms that there are no fines or penalties levied by SEBI or the Stock Exchange pending to be paid by our Company as on the date of this Draft Shelf Prospectus.

Further, it is confirmed that:

i. Our Company is in compliance with applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and any other guidelines so specified by SEBI;

ii. Our Company has a net worth of at least rupees five hundred crore, as per the audited balance sheet of the preceding financial year i.e. Fiscal 2026;

iii. Our Company has a consistent track record of operating profits for the last three financial years i.e. Fiscal 2026, Fiscal 2025 and Fiscal 2024;

iv. securities to be issued have been assigned a rating of not less than "AA-" category or equivalent by a credit rating agency registered with SEBI;

v. No regulatory action is pending against the issuer or its Promoter or Directors before SEBI or RBI.

vi. Our Company is not in default for:

a. the repayment of deposits or interest payable thereon; or

b. redemption of preference shares; or

c. redemption of debt securities and interest payable thereon; or

d. payment of dividend to any shareholder; or

e. repayment of any term loan or interest payable thereon, in the last three financial years and the current financial year.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THE OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED TO MEAN THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADEOR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MANAGER, TIPSONS CONSULTANCY SERVICES PRIVATE LIMITEDHAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT SHELF PROSPECTUS, THE LEAD MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, TIPSONS CONSULTANCY SERVICES PRIVATE LIMITED, HAVE FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED [•]WHICH READS AS FOLLOWS:

[•]

DISCLAIMER CLAUSE OF BSE

BSE LIMITED ("THE EXCHANGE") HAS, VIDE ITS APPROVAL DATED [•] GIVEN PERMISSION TO THIS COMPANY TO USE THE EXCHANGE'S NAME IN THIS OFFER DOCUMENT AS ONE OF THE STOCK EXCHANGE ON WHICH THIS COMPANY'S SECURITIES ARE PROPOSED TO BE LISTED. THE EXCHANGE HAS SCRUTINIZED THIS OFFER DOCUMENT FOR ITS LIMITED INTERNAL PURPOSE OF DECIDING ON THE MATTER OF GRANTING THE AFORESAID PERMISSION TO THIS COMPANY. THE EXCHANGE DOES NOT IN ANY MANNER:

A. WARRANT, CERTIFY OR ENDORSE THE CORRECTNESS OR COMPLETENESS OF ANY OF THE CONTENTS OF THIS OFFER DOCUMENT; OR

B. WARRANT THAT THIS COMPANY'S SECURITIES WILL BE LISTED OR WILL CONTINUE TO BE LISTED ON THE EXCHANGE; OR

C. TAKE ANY RESPONSIBILITY FOR THE FINANCIAL OR OTHER SOUNDNESS OF THIS COMPANY, ITS PROMOTERS, ITS MANAGEMENT OR ANY SCHEME OR PROJECT OF THIS COMPANY;

AND IT SHOULD NOT FOR ANY REASON BE DEEMED OR CONSTRUED THAT THIS OFFER DOCUMENT HAS BEEN CLEARED OR APPROVED BY THE EXCHANGE. EVERY PERSON WHO DESIRES TO APPLY FOR, OR OTHERWISE ACQUIRES ANY SECURITIES OF THIS COMPANY MAY DO SO PURSUANT TO INDEPENDENT INQUIRY, INVESTIGATION AND ANALYSIS AND SHALL NOT HAVE ANY CLAIM AGAINST THE EXCHANGE WHATSOEVER BY ANY REASON OF ANY LOSS WHICH MAY BE SUFFERED BY SUCH PERSON CONSEQUENT TO OR IN CONNECTION WITH SUCH SUBSCRIPTION/ACQUISITION WHETHER BY REASON OF ANYTHING STATED OR OMITTED TO BE STATED HEREIN OR FOR ANY OTHER REASON WHATSOEVER.DISCLAIMER CLAUSE OF RBI

A COPY OF THIS DRAFT SHELF PROSPECTUS HAS NOT BEEN FILED WITH OR SUBMITTED TO THE RESERVE BANK OF INDIA ("RBI"). IT IS DISTINCTLY UNDERSTOOD THAT THIS DRAFT SHELF PROSPECTUS SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED TO BE APPROVED OR VETTED

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DISCLAIMER CLAUSE OF THE CREDIT RATING AGENCIES

BRICKWORK RATINGS INDIA PRIVATE LIMITED

BRICKWORK RATINGS INDIA PVT. LTD. ("BWR"), A SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI") REGISTERED CREDIT RATING AGENCY AND ACCREDITED BY THE RESERVE BANK OF INDIA ("RBI"), OFFERS CREDIT RATINGS OF BANK LOAN FACILITIES, NON-CONVERTIBLE / CONVERTIBLE / PARTIALLY CONVERTIBLE DEBENTURES AND OTHER CAPITAL MARKET INSTRUMENTS AND BONDS, COMMERCIAL PAPER, PERPETUAL BONDS, ASSET-BACKED AND MORTGAGE-BACKED SECURITIES, PARTIAL GUARANTEES AND OTHER STRUCTURED / CREDIT ENHANCED DEBT INSTRUMENTS, SECURITY RECEIPTS, SECURITIZATION PRODUCTS, MUNICIPAL BONDS, ETC. (HEREAFTER REFERRED TO AS "INSTRUMENTS"). BWR ALSO RATES NGOS, EDUCATIONAL INSTITUTIONS, HOSPITALS, REAL ESTATE DEVELOPERS, URBAN LOCAL BODIES AND MUNICIPAL CORPORATIONS.

BWR WISHES TO INFORM ALL PERSONS WHO MAY COME ACROSS RATING RATIONALES AND RATING REPORTS PROVIDED BY BWR THAT THE RATINGS ASSIGNED BY BWR ARE BASED ON INFORMATION OBTAINED FROM THE ISSUER OF THE INSTRUMENT AND OTHER RELIABLE SOURCES, WHICH IN BWR'S BEST JUDGMENT ARE CONSIDERED RELIABLE. THE RATING RATIONALE / RATING REPORT & OTHER RATING COMMUNICATIONS ARE INTENDED FOR THE JURISDICTION OF INDIA ONLY. THE REPORTS SHOULD NOT BE THE SOLE OR PRIMARY BASIS FOR ANY INVESTMENT DECISION WITHIN THE MEANING OF ANY LAW OR REGULATION (INCLUDING THE LAWS AND REGULATIONS APPLICABLE IN EUROPE AND ALSO THE USA).

BWR ALSO WISHES TO INFORM THAT ACCESS OR USE OF THE SAID DOCUMENTS DOES NOT CREATE A CLIENT RELATIONSHIP BETWEEN THE USER AND BWR.

THE RATINGS ASSIGNED BY BWR ARE ONLY AN EXPRESSION OF BWR'S OPINION ON THE ENTITY / INSTRUMENT AND SHOULD NOT IN ANY MANNER BE CONSTRUED AS BEING A RECOMMENDATION TO EITHER, PURCHASE, HOLD OR SELL THE INSTRUMENT.

BWR ALSO WISHES TO ABUNDANTLY CLARIFY THAT THESE RATINGS ARE NOT TO BE CONSIDERED AS AN INVESTMENT ADVICE IN ANY JURISDICTION NOR ARE THEY TO BE USED AS A BASIS FOR OR AS AN ALTERNATIVE TO INDEPENDENT FINANCIAL ADVICE AND JUDGMENT OBTAINED FROM THE USER'S FINANCIAL ADVISORS. BWR SHALL NOT BE LIABLE TO ANY LOSSES INCURRED BY THE USERS OF THESE RATING RATIONALES, RATING REPORTS OR ITS CONTENTS. BWR RESERVES THE RIGHT TO VARY, MODIFY, SUSPEND OR WITHDRAW THE RATINGS AT ANY TIME WITHOUT ASSIGNING REASONS FOR THE SAME.

BWR'S RATINGS REFLECT BWR'S OPINION ON THE DAY THE RATINGS ARE PUBLISHED AND ARE NOT REFLECTIVE OF FACTUAL CIRCUMSTANCES THAT MAY HAVE ARISEN ON A LATER DATE. BWR IS NOT OBLIGED TO UPDATE ITS OPINION BASED ON ANY PUBLIC NOTIFICATION, IN ANY FORM OR FORMAT ALTHOUGH BWR MAY DISSEMINATE ITS OPINION AND ANALYSIS WHEN DEEMED FIT.

NEITHER BWR NOR ITS AFFILIATES, THIRD PARTY PROVIDERS, AS WELL AS THE DIRECTORS, OFFICERS, SHAREHOLDERS, EMPLOYEES OR AGENTS (COLLECTIVELY, "BWR PARTY") GUARANTEE THE ACCURACY, COMPLETENESS OR ADEQUACY OF THE RATINGS, AND NO BWR PARTY SHALL HAVE ANY LIABILITY FOR ANY ERRORS, OMISSIONS, OR INTERRUPTIONS THEREIN, REGARDLESS OF THE CAUSE, OR FOR THE RESULTS OBTAINED FROM THE USE OF ANY PART OF THE RATING RATIONALES OR RATING REPORTS. EACH BWR PARTY DISCLAIMS ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY, SUITABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE. IN NO EVENT SHALL ANY BWR PARTY BE LIABLE TO ANY ONE FOR ANY DIRECT, INDIRECT, INCIDENTAL, EXEMPLARY, COMPENSATORY, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES, COSTS, EXPENSES, LEGAL FEES, OR LOSSES (INCLUDING, WITHOUT LIMITATION, LOST INCOME OR LOST PROFITS AND OPPORTUNITY COSTS) IN CONNECTION WITH ANY USE OF ANY PART OF THE RATING RATIONALES AND/OR RATING REPORTS EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. HOWEVER, BWR OR ITS ASSOCIATES MAY HAVE OTHER COMMERCIAL TRANSACTIONS WITH THE COMPANY/ENTITY. BWR AND ITS AFFILIATES DO NOT ACT AS A FIDUCIARY.

BWR KEEPS CERTAIN ACTIVITIES OF ITS BUSINESS UNITS SEPARATE FROM EACH OTHER IN ORDER TO PRESERVE THE INDEPENDENCE AND OBJECTIVITY OF THE RESPECTIVE ACTIVITY. AS A RESULT, CERTAIN BUSINESS UNITS OF BWR MAY HAVE INFORMATION THAT IS NOT AVAILABLE TO OTHER BWR BUSINESS UNITS. BWR HAS ESTABLISHED POLICIES AND PROCEDURES TO MAINTAIN THE CONFIDENTIALITY OF CERTAIN NON-PUBLIC INFORMATION RECEIVED IN CONNECTION WITH EACH ANALYTICAL PROCESS.

BWR CLARIFIES THAT IT MAY HAVE BEEN PAID A FEE BY THE ISSUERS OR UNDERWRITERS OF THE INSTRUMENTS, FACILITIES, SECURITIES ETC., OR FROM OBLIGORS. BWR'S PUBLIC RATINGS AND ANALYSIS ARE MADE AVAILABLE ON ITS WEB SITE, WWW.BRICKWORKRATINGS.COM. MORE DETAILED INFORMATION MAY BE PROVIDED FOR A FEE. BWR'S RATING CRITERIA ARE ALSO GENERALLY MADE AVAILABLE WITHOUT CHARGE ON BWR'S WEBSITE.

THIS DISCLAIMER FORMS AN INTEGRAL PART OF THE RATINGS RATIONALES / RATING REPORTS OR OTHER PRESS RELEASES, ADVISORIES, COMMUNICATIONS ISSUED BY BWR AND CIRCULATION OF THE RATINGS WITHOUT THIS DISCLAIMER IS PROHIBITED.

BWR IS BOUND BY THE CODE OF CONDUCT FOR CREDIT RATING AGENCIES ISSUED BY THE SECURITIES AND EXCHANGE BOARD OF INDIA AND IS GOVERNED BY THE APPLICABLE REGULATIONS ISSUED BY THE SECURITIES AND EXCHANGE BOARD OF INDIA AS AMENDED FROM TIME TO TIME.

INFOMERICS VALUATION AND RATING LIMITED

INFOMERICS RATINGS ARE BASED ON INFORMATION PROVIDED BY THE ISSUER ON AN 'AS IS WHERE IS' BASIS. INFOMERICS CREDIT RATINGS ARE AN OPINION ON THE CREDIT RISK OF THE ISSUE / ISSUER AND NOT A RECOMMENDATION TO BUY, HOLD OR SELL SECURITIES. INFOMERICS RESERVES THE RIGHT TO CHANGE OR WITHDRAW THE CREDIT RATINGS AT ANY POINT IN TIME. INFOMERICS RATINGS ARE OPINIONS ON FINANCIAL STATEMENTS BASED ON INFORMATION PROVIDED BY THE MANAGEMENT AND INFORMATION OBTAINED FROM SOURCES BELIEVED BY IT TO BE ACCURATE AND RELIABLE. THE CREDIT QUALITY RATINGS ARE NOT RECOMMENDATIONS TO SANCTION, RENEW, DISBURSE OR RECALL THE CONCERNED BANK FACILITIES OR TO BUY, SELL OR HOLD ANY SECURITY. WE, HOWEVER, DO NOT GUARANTEE THE ACCURACY, ADEQUACY OR COMPLETENESS OF ANY INFORMATION WHICH WE ACCEPTED AND PRESUMED TO BE FREE FROM MISSTATEMENT, WHETHER DUE TO ERLY OR FRAUD. WE ARE NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS OR FOR THE RESULTS OBTAINED FROM THE USE OF SUCH INFORMATION. MOST ENTITIES WHOSE BANK FACILITIES/INSTRUMENTS ARE RATED BY US HAVE PAID A CREDIT RATING FEE, BASED ON THE AMOUNT AND TYPE OF BANK FACILITIES/INSTRUMENTS. IN CASE OF PARTNERSHIP/PROPRIETARY CONCERNS/ASSOCIATION OF PERSONS ("AOPS"), THE RATING ASSIGNED BY INFOMERICS IS BASED ON THE CAPITAL DEPLOYED BY THE PARTNERS/PROPRIETOR/ AOPS AND THE FINANCIAL STRENGTH OF THE FIRM AT PRESENT. THE RATING MAY UNDERGO CHANGE IN CASE OF WITHDRAWAL OF CAPITAL OR THE UNSECURED LOANS BROUGHT IN BY THE PARTNERS/PROPRIETOR/ AOPS IN ADDITION TO THE FINANCIAL PERFORMANCE AND OTHER RELEVANT FACTORS.

DISCLAIMER STATEMENT FROM THE LEAD MANAGER

THE LEAD MANAGER ACCEPT NO RESPONSIBILITY FOR STATEMENTS MADE OTHERWISE THAN IN THIS DRAFT SHELF PROSPECTUS, THE SHELF PROSPECTUS AND THE RELEVANT TRANCHE PROSPECTUS OR IN THE ADVERTISEMENT OR ANY OTHER MATERIAL ISSUED BY OR AT THE INSTANCE OF THE COMPANY AND THAT ANYONE PLACING RELIANCE ON ANY OTHER SOURCE OF INFORMATION WOULD BE DOING SO AT THEIR OWN RISK.

DISCLAIMER IN RESPECT OF JURISDICTION

THE ISSUE IS BEING MADE IN INDIA, TO INVESTORS FROM CATEGORY I, CATEGORY II, CATEGORY III AND CATEGORY IV. THIS DRAFT SHELF PROSPECTUS, THE SHELF PROSPECTUS AND THE RELEVANT TRANCHE PROSPECTUS WILL NOT, HOWEVER CONSTITUTE AN OFFER TO SELL OR AN INVITATION TO SUBSCRIBE FOR THE NCDS OFFERED HEREBY IN ANY JURISDICTION OTHER THAN INDIA TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE AN OFFER OR INVITATION IN SUCH JURISDICTION. ANY PERSON INTO WHOSE POSSESSION THIS DRAFT SHELF PROSPECTUS, THE SHELF PROSPECTUS AND THE RELEVANT TRANCHE PROSPECTUS COMES IS REQUIRED TO INFORM HIMSELF OR HERSELF ABOUT, AND TO OBSERVE, ANY SUCH RESTRICTIONS.

DISCLAIMER STATEMENT FROM THE ISSUER

THE ISSUER ACCEPTS NO RESPONSIBILITY FOR STATEMENTS MADE OTHER THAN IN THIS DRAFT SHELF PROSPECTUS, THE SHELF PROSPECTUS AND THE RELEVANT TRANCHE PROSPECTUS ISSUED BY OUR COMPANY IN CONNECTION WITH THE ISSUE OF THE NCDS AND ANYONE PLACING RELIANCE ON ANY OTHER SOURCE OF INFORMATION WOULD BE DOING SO AT HIS / HER / THEIR OWN RISK.

UNDERTAKING BY THE ISSUER

INVESTORS ARE ADVISED TO READ THE RISK FACTORS CAREFULLY BEFORE TAKING AN INVESTMENT DECISION IN THIS ISSUE. FOR TAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE OFFER INCLUDING THE RISKS INVOLVED. THE NCDs HAVE NOT BEEN RECOMMENDED OR APPROVED BY ANY REGULATORY AUTHORITY IN INDIA, INCLUDING THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) NOR DOES SEBI GUARANTEE THE ACCURACY OR ADEQUACY OF THIS DOCUMENT. SPECIFIC ATTENTION OF INVESTORS IS INVITED TO THE STATEMENT OF THE "*RISK FACTORS*" ON PAGE 16 OF THIS DRAFT SHELF PROSPECTUS.

OUR COMPANY, HAVING MADE ALL REASONABLE INQUIRIES, ACCEPTS RESPONSIBILITY FOR, AND CONFIRMS THAT THIS DRAFT SHELF PROSPECTUS CONTAINS ALL INFORMATION WITH REGARD TO THE ISSUER AND THE ISSUE, THAT THE INFORMATION CONTAINED IN THIS DRAFT SHELF PROSPECTUS IS TRUE AND CORRECT IN ALL MATERIAL ASPECTS AND IS NOT MISLEADING IN ANY MATERIAL RESPECT, THAT THE OPINIONS AND INTENTIONS EXPRESSED HEREIN ARE HONESTLY HELD AND THAT THERE ARE NO OTHER FACTS, THE OMISSION OF WHICH MAKE THIS DRAFT SHELF PROSPECTUS AS A WHOLE OR ANY OF SUCH INFORMATION OR THE EXPRESSION OF ANY SUCH OPINIONS OR INTENTIONS MISLEADING IN ANY MATERIAL RESPECT.

THE COMPANY HAS NO SIDE LETTER WITH ANY DEBT SECURITIES HOLDER EXCEPT THE ONE(S) DISCLOSED IN THIS DRAFT SHELF PROSPECTUS. ANY COVENANTS LATER ADDED SHALL BE DISCLOSED ON THE STOCK EXCHANGE WEBSITE WHERE THE NCDs ARE PROPOSED TO BE LISTED.

THE COMPANY UNDERTAKES THAT CHARGE SHALL BE CREATED IN FAVOUR OF THE DEBENTURE TRUSTEE AS PER THE TERMS OF ISSUE.

OUR COMPANY DECLARES THAT NOTHING IN THIS DRAFT SHELF PROSPECTUS IS CONTRARY TO THE PROVISIONS OF COMPANIES ACT, 2013 (18 OF 2013), THE SECURITIES CONTRACTS (REGULATION) ACT, 1956 AND THE SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992 AND THE RULES AND REGULATIONS MADE THEREUNDER.

Track record of past public issues handled by the Lead Manager

The track record of past issues handled by the Lead Manager, as required under SEBI NCS Regulations and SEBI circular number SEBI/HO/CFD/PoD-1/P/CIR/2023/157 dated September 26, 2023, are available at the following websites:

Name of Lead Manager	Website
Tipsons Consultancy Services Private Limited	https://www.tipsons.com/

Listing

The NCDs proposed to be offered through the Issue are proposed to be listed on the BSE. An application will be made to BSE for permission to deal in and for an official quotation of our NCDs. BSE has been appointed as the Designated Stock Exchange.

Our Company will use best efforts to ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange are taken within 3 (three) Working Days of the Issue Closing Date. For the avoidance of doubt, it is hereby clarified that in the event of non-subscription or failure to achieve minimum subscription to any one or more of the Series, such Series(s) of NCDs shall not be listed.

For the avoidance of doubt, it is hereby clarified that in the event of zero subscription to any one or more of the series, such NCDs with series shall not be listed.

If permissions to deal in and for an official quotation of our NCDs are not granted by BSE, our Company will forthwith repay, without interest, all moneys received from the applicants in pursuance of the relevant Tranche Prospectus

Our Company shall pay interest at 15% (fifteen) per annum or such rate as prescribed under applicable laws, if Allotment is not made and refund orders/allotment letters are not dispatched and/or demat credits are not made to investors within 2 Working Days of the Issue Closing Date or date of refusal of the Stock Exchange(s), whichever is earlier. In case listing permission is not granted by the Stock Exchange(s) to the Issuer and if such money is not repaid within the day the Issuer becomes liable to

repay it on such account, the Issuer and every officer in default shall, on and from expiry of such date, be liable to repay the money with interest at the rate of 15% as prescribed under Regulation 35(2) of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with Section 26 of the 2013 Act or such rate as prescribed under applicable laws, whichever is lower, provided that the beneficiary particulars relating to such Applicants as given by the Applicants is valid at the time of the upload of the demat credit.

Consents

Consents in writing of: (a) the Directors, (b) Company Secretary and Compliance Officer, (c) Chief Financial Officer, (d) Lead Manager, (e) the Registrar to the Issue, (f) Legal Counsel to the Issue; (g) Credit Rating Agencies; (h) Consortium Members*; (i) Public Issue Account Bank, Refund Bank and Sponsor Bank* (j) Lenders to our Company (k) Debenture trustee and (l) Infomerics Analytics & Research in relation to the Industry Report have been obtained from them and the same will be filed along with a copy of the Shelf Prospectus and relevant Tranche Prospectus(es) with the ROC as required under Section 26 and Section 31 of the Companies Act, 2013. Further, such consents have not been withdrawn up to the time of delivery of the Shelf Prospectus with the Stock Exchange.

* *The consents will be procured at the relevant Tranche Prospectus(es) stage.*

Our Company has appointed Axis Trustee Services Limited as the Debenture Trustee. Pursuant to their consent dated July 10, 2026 for its appointment along with a copy of the agreement executed by the Debenture Trustee in accordance with regulation 13 of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, has been uploaded on the website of our Company at https://paisalo.in/pdf/ncdIssue/Debenture%20Trustee%20Agreement/Debenture%20Trustee%20Agreement.pdf.

Our Company has received written consent dated July 16, 2026 from Manish Goyal & Co., Chartered Accountants Chartered Accountants to include their name as required under section 26 (1) of the Companies Act, 2013 read with SEBI NCS Regulations, in this Draft Shelf Prospectus, and as an "expert" as defined under section 2 (38) of the Companies Act, 2013 to the extent and in their capacity as our Previous Statutory Auditor, and in respect of their 2024 Consolidated Financial Statements , included in this Draft Shelf Prospectus, and such consent has not been withdrawn as on the date of this Draft Shelf Prospectus.

Our Company has received written consent dated July 16, 2026 from Saket Jain & Co. Chartered Accountants Chartered Accountants to include their name as required under section 26 (1) of the Companies Act, 2013 read with SEBI NCS Regulations, in this Draft Shelf Prospectus, and as an "expert" as defined under section 2 (38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditor, and in respect of their (i) 2026 Consolidated Financial Statements; (ii) 2025 Consolidated Financial Statements; and (iii) the report on statement of possible tax benefits dated July 16, 2026, included in this Draft Shelf Prospectus, and such consent has not been withdrawn as on the date of this Draft Shelf Prospectus.

Common form of Transfer

Our Company undertakes that there shall be a common form of transfer for the NCDs, if applicable and the provisions of the Companies Act, 2013 applicable as on the date of this Draft Shelf Prospectus and all applicable laws shall be duly complied with in respect of all transfer of debentures and registration thereof.

Filing of the Draft Shelf Prospectus

This Draft Shelf Prospectus has been filed with the designated Stock Exchange in terms of Regulation 27 of the SEBI NCS Regulations for dissemination on its website. This Draft Shelf Prospectus has also been displayed on the website of the Issuer and the Lead Manager.

Filing of the Shelf Prospectus and relevant Tranche Prospectus with the RoC

Our Company shall file the Shelf Prospectus and relevant Tranche Prospectus as per requirements of Regulation 41(1)(d) of SEBI NCS Regulations. The Shelf Prospectus and relevant Tranche Prospectus shall be filed with the RoC in accordance with Section 26 and Section 31 of the Companies Act, 2013.

Minimum Subscription

In terms of the SEBI NCS Regulations, for an issuer undertaking a public issue of debt securities the minimum subscription for public issue of debt securities shall be 75% of the Base Issue Size as specified in the relevant Tranche Prospectus. If our Company does not receive the minimum subscription of 75% of Base Issue Size as specified in the relevant Tranche Prospectus, the entire blocked Application Amount shall be unblocked in the relevant ASBA Account(s) of the Applicants within eight Working Days from the Issue Closing Date provided wherein, the Application Amount has been transferred to the Public Issue Account from the respective ASBA Accounts, such Application Amount shall be refunded from the Refund Account to the relevant ASBA Accounts(s) of the Applicants within eight Working Days from the Issue Closing Date, failing which our

Company will become liable to refund the Application Amount along with interest at the rate 15% (fifteen percent) per annum for the delayed period.

Under Section 39(3) of the Companies Act, 2013 and Rule 11(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 if the stated minimum subscription amount is not received within the specified period, the application money received is to be credited only to the bank account from which the subscription amount was remitted. To the extent possible, where the required information for making such refunds is available with our Company and/or Registrar, refunds will be made to the account prescribed. However, where our Company and/or Registrar does not have the necessary information for making such refunds, our Company and/or Registrar will follow the guidelines prescribed by SEBI in this regard included in the SEBI NCS Master Circular.

Debenture Redemption Reserve

In accordance with recent amendments to the Companies Act, 2013, and the Companies (Share Capital and Debentures) Rules 2014, read with the SEBI NCS Regulations, a listed company that intends to issue debentures to the public is no longer required to create a DRR for the purpose of redemption of debentures. Pursuant to the amendment to the Companies (Share Capital and Debentures) Rules 2014, notified on August 16, 2019, and as on the date of filing of this Draft Shelf Prospectus, our Company is not required to create DRR for the purpose of redemption of the NCDs. Accordingly, no debenture redemption reserve shall be created by our Company for the purpose of redemption of the NCDs or in connection with the Issue. Our Company shall, as per the Companies (Share Capital and Debentures) Rules 2014 and other laws applicable from time to time, invest or deposit, as the case may be, the applicable amounts, within the specified timelines, in respect of debentures maturing during the year ending on the 31st day of March of the next year, in any one or more methods of investments or deposits stipulated under the applicable law. Provided that the amount remaining invested or deposited, as the case may be, shall not at any time fall below the specified percentage, which is presently stipulated at 15% (fifteen percent) of the amount of the debentures maturing during the year ending on March 31 of the next year, in any of the following instruments or such other instruments as may be permitted under the applicable laws.

1. in deposits with any scheduled bank, free from any charge or lien;
2. in unencumbered securities of the Central Government or any State Government;
3. in unencumbered securities mentioned in sub-clause (a) to (d) and (ee) of section 20 of the Indian Trusts Act, 1882;
4. in unencumbered bonds issued by any other company which is notified under sub-clause (f) of section 20 of the Indian Trusts Act, 1882:

Provided further that the amount invested or deposited as above shall not be used for any purpose other than for redemption of debentures maturing during the year referred above.

Recovery Expense Fund

Our Company shall deposit cash or cash equivalents including bank guarantees towards the contribution to Recovery Expense Fund with the Designated Stock Exchange at the time of making the application of the listing of NCDs and submit relevant documents evidencing the same to the Debenture Trustee from time to time. Our Company shall ensure that the bank guarantees remain valid for a period of six months post the Redemption Date of the NCDs. Our Company shall keep the bank guarantees in force and renew the bank guarantees at least seven working days before its expiry, failing which the Designated Stock Exchange shall invoke such bank guarantee. For further details, please refer to the chapter titled "*General Information – Recovery Expense Fund*" on page 51.

Kindly note, any default committed by our Company in terms of the NCDs proposed to be issued shall be reckoned at each respective International Securities Identification Number level assigned to the respective Option(s)/Series of NCDs issued.

Settlement Guarantee Fund

Our Company will deposit amounts in the settlement guarantee fund, as applicable, in the manner as specified in the SEBI NCS Master Circular. This fund has been created under the SEBI NCS Master Circular to ensure upfront collection of charges from eligible issuers at the time of allotment of debt securities.

Reservation

No portion of the Issue has been reserved.

Underwriting

The Issue is not underwritten.

Disclosures in accordance with the SEBI Debenture Trustee Master Circular

Appointment of Debenture Trustee

Our Company has appointed the Debenture Trustee in accordance with the terms and conditions of the Debenture Trustee Agreement.

Terms and Conditions of Debenture Trustee Agreement

Fees charged by Debenture Trustee

The Debenture Trustee has agreed for one time acceptance fees of ₹6,25,000.00 plus applicable taxes. The one time acceptance fee and all applicable taxes would become payable within 30 days from the date of issuance of invoice or from the date of acceptance of the offer letter, whichever is earlier.

Debenture Trustee Agreement provides for, inter alia, the following terms and conditions:

Terms of carrying out due diligence

As per the SEBI Debenture Trustee Master Circular, the Debenture Trustee is required to exercise independent due diligence to ensure that the assets of the Issuer company are sufficient to discharge the interest and principal amount with respect to the debt securities of the Issuer at all times. Accordingly, the Debenture Trustee shall exercise due diligence as per the following process, for which our Company has consented to.

(a) The Debenture Trustee, either through itself or its agents /advisors/consultants, shall carry out requisite diligence to verify the status of encumbrance and valuation of the receivables and whether all permissions or consents (if any) as may be required to create the security as stipulated in the offer document /debenture trust deed, has been obtained. For the purpose of carrying out the due diligence as required under applicable laws, the Debenture Trustee, either through itself or its agents /advisors/consultants, shall have the power to examine the books of account of our Company and to have our Company's receivables inspected by its officers and/or external auditors/valuers/consultants/lawyers/technical experts/management consultants appointed by the Debenture Trustee. Prior to appointment of any agents, advisors, consultants, the Debenture Trustee shall obtain necessary confirmation from the said agents, advisors, or consultants that they do not have any conflict-of-interest in conducting the diligence under the transaction.

(b) Our Company shall provide all assistance to the Debenture Trustee to enable verification from the Registrar of Companies, Sub-registrar of Assurances (as applicable), CERSAI, depositories, information utility registered with Insolvency and Bankruptcy Board of India ("**IBBI**") or any other authority, as may be relevant, where the assets and/or encumbrances in relation to the assets of our Company or any third-party security provider for securing the Debentures, are registered / disclosed.

(c) Further, in the event that existing charge holders or any trustee on behalf of the existing charge holders have provided conditional consent / permissions to our Company to create further charge on the receivables , the Debenture Trustee shall also have the power to verify such conditions by reviewing the relevant transaction documents or any other documents executed between existing charge holders and our Company. The Debenture Trustee shall also have the power to intimate the existing charge holders about proposal of creation of further encumbrance and seeking their comments/ objections, if any.

(d) Without prejudice to the aforesaid, our Company shall ensure that it provides and procures all information, representations, confirmations and disclosures as may be required in the sole discretion of the Debenture Trustee to carry out the requisite diligence in connection with the issuance and allotment of the Debentures, in accordance with the applicable law.

(e) The Debenture Trustee shall have the power to independently appoint intermediaries, valuers, chartered accountant firms, practicing company secretaries, consultants, lawyers and other entities in order to assist in the diligence by the Debenture Trustee. All costs, charges, fees and expenses that are associated with and incurred in relation to the diligence as well as preparation of the reports/certificates/documentation, including but not limited to all out of pocket expenses towards legal or inspection costs, traveling and other costs shall be solely borne by the Debenture Trustee.

(f) The Debenture Trustee shall take necessary steps to bring the investor charter, as provided in DT Master Circular by way of:

1. Disseminating the investor charter on their website / through e-mail

2. Displaying the investor charter at prominent places in offices etc.

(g) The Debenture Trustee shall intimate the Stock Exchange and depositories the status of payment of the Debentures within 9 (nine) working days of the maturity / redemption date. In case the Issuer fails to intimate the status of payment of the Debentures within stipulated timelines, then Debenture Trustee shall seek status of payment from Issuer and/ or conduct independent assessment banks, investors, rating agencies, etc.) to determine the same.

Process of Due Diligence to be carried out by the Debenture Trustee

Due Diligence will be carried out as per the SEBI (Debenture Trustees) Regulations, 1993 and circulars issued by SEBI from time to time. This would broadly include the following:

(a) An independent chartered accountant ("**CA**") appointed by Debenture Trustee will conduct independent due diligence as per scope provided, regarding security offered by the Issuer.

(b) CA will ascertain, verify, and ensure that the assets offered as security by the Issuer are free from any encumbrances or necessary permission / consent / NOC has been obtained from all existing charge holders.

(c) CA will conduct independent due diligence on the basis of data / information provided by the Issuer.

(d) CA will, periodically undertake due diligence as envisaged in SEBI circulars depending on the nature of security.

(e) On basis of the CA's report / finding Due Diligence certificate will be issued by Debenture Trustee and will be filed with relevant Stock Exchange.

(f) Due Diligence conducted is premised on data / information made available to the Debenture Trustee appointed agency and there is no onus of responsibility on Debenture Trustee or its appointed agency for any acts of omission / commission on the part of the Issuer.

While the Debt Security is secured as per terms of the Issue Document and charge is held in favour of the Debenture Trustee, the extent of recovery would depend upon realization of asset value and the Debenture Trustee in no way guarantees / assures full recovery / partial of either principal or interest.

Other Confirmations

The Debenture Trustee confirms that it has undertaken the necessary due diligence in accordance with Applicable Law, including the SEBI (Debenture Trustees) Regulations, 1993, read with the SEBI Debenture Trustee Master Circular.

The Debenture Trustee undertakes that the NCDs shall be considered as secured only if the charged asset is registered with sub-registrar and Registrar of Companies or CERSAI and the Central Registry set up under the Security Interest (Enforcement) Rules, 2002, or is independently verifiable by the Debenture Trustee.

AXIS TRUSTEE SERVICES LIMITED HAS FURNISHED TO SEBI AND THE STOCK EXCHANGE, A DUE DILIGENCE CERTIFICATE DATED JULY 16, 2026, AS PER THE FORMAT SPECIFIED IN SCHEDULE IV-PART A AND CHAPTER II, CLAUSE 2.2.4 OF SEBI DEBENTURE TRUSTEE MASTER CIRCULAR AND THE SEBI NCS REGULATIONS, WHICH READS AS FOLLOWS:

We, the Debenture Trustee to the above-mentioned forthcoming Issue state as follows:

1. We have examined documents pertaining to the said issue and other such relevant documents, reports and certifications.

2. On the basis of such examination and of the discussions with the issuer, its directors and other officers, other agencies and of independent verification of the various relevant documents, reports and certifications,

   WE CONFIRM that:

   a) The Issuer has made adequate provisions for and/or has taken steps to provide for adequate security for the debt securities to be issued and listed. Not Applicable at this stage since security is to be created in tranches (As per SEBI Debenture Trustee Master Circular).

   b) The Issuer has obtained the permissions / consents necessary for creating security on the said property(ies).

   c) The Issuer has made all the relevant disclosures about the security and its continued obligations towards the holders of debt securities.

d) Issuer has adequately disclosed all consents/ permissions required for creation of further charge on assets in offer document and all disclosures made in the offer document with respect to creation of security are in confirmation with the clauses of debenture trustee agreement.

e) Issuer has disclosed all covenants proposed to be included in debenture trust deed (including any side letter, accelerated payment clause etc.), in the offer document. Covenant will be specified in the relevant Tranche prospectus for each tranche issue and the Debenture Trust Deed.

f) The Issuer has given an undertaking that charge shall be created in favour of debenture trustee as per terms of issue before filing of listing application.

We have satisfied ourselves about the ability of the Issuer to service the debt securities.

The Issuer has submitted the due diligence certificate from Debenture Trustee to the Stock Exchange as per format specified in Annexure IIA of the SEBI Debenture Trustee Master Circular and Schedule IV of the SEBI NCS Regulations.

Debenture Trust Deed

Our Company and the Debenture Trustee will execute a Debenture Trust Deed, inter alia, specifying the powers, authorities and obligations of the Debenture Trustee and us, as per the extant SEBI regulations applicable for the proposed NCD Issue.

Issue Related Expenses

The expenses for this Issue include, *inter alia*, lead management fees and selling commission to the Lead Manager, Consortium Members and intermediaries as provided for in the SEBI NCS Master Circular, fees payable to debenture trustees, the Registrar to the Issue, SCSBs' commission/ fees, fees payable to sponsor bank, printing and distribution expenses, legal fees, advertisement expenses, listing fees and any other expense directly related to the Issue. The Issue expenses and listing fees will be paid by the Issuer.

The estimated breakdown of the total expenses for the Issue shall be as specified in the relevant Tranche Prospectus. For further details see, "*Objects of the Issue*" on page 65.

Utilisation of Issue Proceeds

Our Board of Directors certifies that:

(i) all monies received out of the Issue of the NCDs to the public shall be transferred to a separate bank account maintained with a scheduled bank, as referred to in section 40(3) of the Companies Act;

(ii) details of all monies utilised out of the Issue referred to in sub-item (i) shall be disclosed under an appropriate separate head in our balance sheet indicating the purpose for which such monies were utilised;

(iii) details of all unutilised monies out of the Issue referred to in sub-item (i), if any, shall be disclosed under an appropriate separate head in our balance sheet indicating the form of financial assets in which such unutilised monies have been invested;

(iv) we shall utilize the Issue proceeds only upon creation of security as stated in this Draft Shelf Prospectus in the section titled *"Terms of the Issue"* on page 248 and after (a) permissions or consents, as required, for creation of charge have been obtained from the creditors; (b) receipt of the minimum subscription of 75% of the Base Issue Size as specified in the relevant Tranche Prospectus pertaining to the Issue; (c) completion of Allotment and unblocking process in compliance with Section 40 of the Companies Act, 2013; (d) creation of security and confirmation of the same in terms of NCDs and (e) receipt of listing and trading approval from BSE;

(v) the Issue proceeds shall not be utilized towards full or part consideration for the purchase or any other acquisition, *inter alia* by way of a lease, of any property;

(vi) the Issue proceeds shall not be utilized for providing loans to or acquisition of shares of any entity who is part of our Promoter Group or Group Companies;

(vii) the Issue proceeds shall be utilized in compliance with various guidelines, regulations and clarifications issued by RBI, SEBI or any other statutory authority from time to time. Further the Issue proceeds shall be utilised only for the purpose and objects stated in the Offer documents; and

(viii) If Allotment is not made, application monies will be unblocked in the ASBA Accounts within 2 (two) Working Days from the scheduled listing date or such lesser time as specified by SEBI, failing which interest will be due to be paid to the Applicants in accordance with applicable laws.

Private placement and/or public issue by our Company in the three years preceding the date of this Draft Shelf Prospectus

Except as disclosed below, our Company has not undertaken any private placement and/or public issue of securities in the three years preceding the date of this Draft Shelf Prospectus:

Statement of end use of proceeds from the issue of non-convertible debentures:

Date	Entity name	Particulars	Utilization of proceeds as per Offer documents	Actual utilization of proceeds		Nature of Issue
				(₹ in lakhs, unless otherwise stated)	Percentage (%)	
from April 01, 2026 till the date of this Draft Shelf Prospectus						
	Paisalo Digital Limited	Nil	Nil	Nil	Nil	Nil
			Total	Nil	Nil	Nil
During Fiscal 2026						
March 18, 2026	Paisalo Digital Limited	9.25% Secured Listed Rated NCD of Rs. 51 crores (ISIN:INE420C07189)	For Onward lending Purpose	5100	100	Private Placement
December 15, 2025	Paisalo Digital Limited	8.45% Secured Listed Rated NCD of Rs. 30 crores (ISIN:INE420C07171)	For Onward lending Purpose	3000	100	Private Placement
December 09, 2025	Paisalo Digital Limited	8.50%Secured Listed Rated NCD of Rs. 40 crores (ISIN:INE420C07163)	For Onward lending Purpose	4000	100	Private Placement
November 06, 2025	Paisalo Digital Limited	8.45% Unsecured Listed Rated NCD of Rs. 55 crores (ISIN:INE420C08021)	For Onward lending Purpose	5500	100	Private Placement
November 06 ,2025	Paisalo Digital Limited	8.50% Unsecured Listed Rated NCD of Rs. 25 crores (ISIN:INE420C08039)	For Onward lending Purpose	2500	100	Private Placement
September 10, 2025	Paisalo Digital Limited	10%Secured Listed Rated NCD of Rs. 50 crores (ISIN:INE420C07155)	For Onward lending Purpose	5000	100	Private Placement
August 08, 2025	Paisalo Digital Limited	9.75% Secured Listed Rated NCD of Rs. 34 crores (ISIN:INE420C07148)	For Onward lending Purpose	3400	100	Private Placement
June 03, 2025	Paisalo Digital Limited	10% Secured Listed Rated NCD of Rs. 50 crores (ISIN:INE420C07130)	For Onward lending Purpose	5000	100	Private Placement
			Total	33500	100	
During Fiscal 2025						
July 31, 2024	Paisalo Digital Limited	9.95% Secured Listed Rated NCD of Rs. 25 crores (ISIN:INE420C07122)	For Onward lending Purpose	2500	100	Private Placement
May 03, 2024	Paisalo Digital Limited	9.95% Secured Listed Rated NCD of Rs. 27 crores (ISIN:INE420C07114)	For Onward lending Purpose	2700	100	Private Placement
April 12, 2024	Paisalo Digital Limited	9.95% Secured Listed Rated NCD of Rs. 18 crores (ISIN:INE420C07106)	For Onward lending Purpose	1800	100	Private Placement
			Total	7000	100	
During Fiscal 2024						
February 27, 2024	Paisalo Digital Limited	9.95% Secured Listed Rated NCD of Rs. 20.34 crores (ISIN:INE420C07098)	For Onlending Purpose	2034	100	Private Placement
January 18, 2024	Paisalo Digital Limited	9.95% Secured Listed Rated NCD of Rs. 19.71 crores (ISIN:INE420C07080)	For Onlending Purpose	1971	100	Private Placement
December 28, 2023	Paisalo Digital Limited	9.95% Secured Listed Rated NCD of Rs. 18 crores (ISIN:INE420C07071)	For Onward lending Purpose	1800	100	Private Placement
December 15, 2023	Paisalo Digital Limited	9.95% Secured Listed Rated NCD of Rs. 19.70 crores (ISIN:INE420C07064)	For Onward lending Purpose	1970	100	Private Placement
December 08, 2023	Paisalo Digital Limited	12% Unsecured Unlisted NCD of Rs.46.20 crores	For Onward lending Purpose	4620	100	Private Placement

Date	Entity name	Particulars	Utilization of proceeds as per Offer documents	Actual utilization of proceeds		Nature of Issue
				(₹ in lakhs, unless otherwise stated)	Percentage (%)	
November 16, 2023	Paisalo Digital Limited	9.95% Secured Listed Rated NCD of Rs. 10 crores (ISIN:INE420C07056)	For Onward lending Purpose	1000	100	Private Placement
November 07, 2023	Paisalo Digital Limited	9.95% Unsecured Unlisted NCD of Rs.8.50 crores	For Onward lending Purpose	850	100	Private Placement
September 27, 2023	Paisalo Digital Limited	9.95% Secured Listed Rated NCD of Rs. 50 crores (ISIN:INE420C07049)	For Onward lending Purpose	5000	100	Private Placement
September 02, 2023	Paisalo Digital Limited	12% Unsecured Unlisted NCD of Rs. 5 crores	For Onward lending Purpose	500	100	Private Placement
April 29, 2023	Paisalo Digital Limited	12% Unsecured Unlisted NCD of Rs. 36.40 crores	For Onward lending Purpose	3640	100	Private Placement
April 13, 2023	Paisalo Digital Limited	10% Unsecured Unlisted NCD of Rs. 5 crores	For Onward lending Purpose	500	100	Private Placement
			Total	23885	100	

Statement of end use of proceeds from the issue of equity shares:

Entity name	Particulars	Utilization of proceeds as per Offer documents	Actual utilization of proceeds		Nature of Issue
			(₹ in lakhs, unless otherwise stated)	Percentage (%)	
from April 01, 2026 till the date of this Draft Shelf Prospectus					
Nil					
During Fiscal 2026					
Nil					
During Fiscal 2025					
Nil					
During Fiscal 2024					
Nil					

Public Issue of Debt and/or Equity by our Group Companies in the three years preceding the date of this Draft Shelf Prospectus:

Entity name	Particulars	Utilization of proceeds as per Offer documents	Actual utilization of proceeds		Nature of Issue
			(₹ in lakhs, unless otherwise stated)	Percentage (%)	
from April 01, 2026 till the date of this Draft Shelf Prospectus					
Nil	Nil	Nil	Nil	Nil	Nil
		Total	Nil	Nil	Nil
During Fiscal 2026					
Nil	Nil	Nil	Nil	Nil	Nil
		Total	Nil	Nil	Nil
During Fiscal 2025					
During Fiscal 2024					
Nil	Nil	Nil	Nil	Nil	Nil
		Total	Nil	Nil	Nil

Public Issue of Debt and/or Equity by our Subsidiaries in the three years preceding the date of this Draft Shelf Prospectus

Entity name	Particulars	Utilization of proceeds as per Offer documents	Actual utilization of proceeds		Nature of Issue
			(₹ in lakhs, unless otherwise stated)	Percentage (%)	
from April 01, 2026 till the date of this Draft Shelf Prospectus					
Nil	Nil	Nil	Nil	Nil	Nil
		Total	Nil	Nil	Nil
During Fiscal 2026					
Nil	Nil	Nil	Nil	Nil	Nil
		Total	Nil	Nil	Nil

Entity name	Particulars	Utilization of proceeds as per Offer documents	Actual utilization of proceeds		Nature of Issue
			(₹ in lakhs, unless otherwise stated)	Percentage (%)	
During Fiscal 2025					
During Fiscal 2024					
Nil	Nil	Nil	Nil	Nil	Nil
		Total	Nil	Nil	Nil

Delay in listing

There has been no delay in the listing of any non-convertible securities issued by our Company. In the event of failure to list securities issued pursuant to this Issue within such days from the date of closure of issue as may be specified by SEBI (scheduled listing date), all application moneys received or blocked in the public issue shall be refunded or unblocked forthwith within 2 (two) working days from the scheduled listing date to the Applicants through the permissible modes of making refunds and unblocking of funds. For delay in refund/unblocking of funds beyond the timeline as specified above, the Issuer shall be liable to pay interest at the rate of 15% (fifteen percent) per annum to the investors from the scheduled listing date till the date of actual payment.

Default in payment

In case of default (including delay) in payment of interest and/ or redemption of principal on the due dates for debt securities issued on private placement or public issue, additional interest of at least 2% p.a. over the coupon rate shall be payable by the issuer for the defaulting period.

Where our Company has defaulted in payment of interest or redemption of debt securities or in creation of security under a specific ISIN in accordance with the terms of the offer document, any distribution of dividend shall require approval of the debenture trustee.

Refusal of listing of any security of the Issuer during last three financial years and current financial year by any of the stock exchanges in India or abroad.

There has been no refusal of listing of any security of our Company during the last three financial years and current financial year prior to the date of this Draft Shelf Prospectus by any Stock Exchange in India or abroad.

Debentures or bonds and redeemable preference shares and other instruments issued by our Company and outstanding

As on June 30, 2026, our Company has outstanding non-convertible debentures. For further details see section titled "*Financial Indebtedness*" on page 189. Further there are no preference shares or other instruments issued by our Company, as on the date of this Draft Shelf Prospectus.

Dividend

Our Company has in place dividend distribution policy prepared in accordance with Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, as amended, approved by the Board of Directors of our Company.

The declaration and payment of dividends on our shares will be recommended by our Board of Directors and approved by our shareholders, at their discretion, and will depend on a number of factors, including but not limited to our profits, capital requirements and overall financial condition.

Following are the details of dividends paid or yet to be paid by our Company during the Fiscals 2026, 2025 and 2024, and for the period from April 1, 2026 to the filling of this Draft Shelf Prospectus respectively, on a standalone basis:

Particulars	From April 1, 2026 till date of the draft shelf prospectus	Fiscal 2026	Fiscal 2025	Fiscal 2024
Equity share capital (₹ in lakhs)	9,095.84	9,095.84	9,021.81	8,981.06
Face value Per Equity Share (₹) (a)	1	1	1	1
Dividend on Equity Shares (₹ per equity share) (b)	-	0.10	0.10	0.10
Total dividend on equity shares (₹ in lakhs)	-	909.52	902.12	898.04
Dividend declared rate (In %) (c=b/a)	-	10	10	10
Dividend tax (gross) on dividend (₹ in lakhs)	-	-	-	-

Note: 1. The dividends mentioned in the above table represents the dividend declared in that Fiscal year, which was paid in the subsequent fiscal year; and 2. The Board of Directors at its meeting held on May 10, 2026, recommended dividend of ₹ 0.10/- (@10%) per Equity Share of face value of ₹ 1each fully paid up for the financial year 2025-2026 to those shareholders whose names stand in the register of members on record date, subject to approval by shareholders of our Company at the ensuing AGM.

Following are the details of dividends paid or yet to be paid by our Company during the Fiscals 2026, 2025 and 2024, and for the period from April 1, 2026 to the filling of this Draft Shelf Prospectus respectively, on a consolidated basis:

Particulars	From April 1, 2026 till date of the draft shelf prospectus	Fiscal 2026	Fiscal 2025	Fiscal 2024
Equity share capital* (₹ in lakhs)	9,095.84	9,095.84	9,021.81	8,981.06
Face value per Equity Share (₹) (a)	1	1	1	1
Dividend on Equity Shares (₹ per equity share) (b)	-	0.10	0.10	0.10
Total dividend on equity shares (₹ in lakhs)	-	909.52	902.12	898.04
Dividend declared rate (in %) (c=b/a)	-	10	10	10
Dividend tax (gross) on dividend (₹ in lakhs)	-	-	-	-

Note: The dividends mentioned in the above table represents the dividend declared in that Fiscal year, which was paid in the subsequent fiscal year.

Revaluation of assets

Our Company has not revalued its assets in the last three years.

Mechanism for redressal of investor grievances

The Registrar Agreement dated July 16, 2026 between the Registrar to the Issue and our Company will provide for retention of records with the Registrar to the Issue for a period of at least eight years from the last date of dispatch of the Allotment Advice, demat credit and unblocking to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the Applicant, number of NCDs applied for, amount paid on application and the bank branch or collection center where the application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to either (a) the relevant Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant, or (b) the concerned Member of the Syndicate and the relevant Designated Branch of the SCSB in the event of an Application submitted by an ASBA Applicant at any of the Syndicate ASBA Centers, giving full details such as name, address of Applicant, Application Form number, series applied for, number of NCDs applied for, amount blocked on Application.

All grievances related to the UPI process may be addressed to the Stock Exchange, which shall be responsible for addressing investor grievances arising from applications submitted online through the App based / web interface platform of stock exchange or through their Trading Members. The Intermediaries shall be responsible for addressing any investor grievances arising from the applications uploaded by them in respect of quantity, price or any other data entry or other errors made by them.

The contact details of Registrar to the Issue are as follows:

Alankit Assignments Limited
Alankit House, 4E/2
Jhandewalan Extension
New Delhi-110 055
Telephone: 011 4254 1193
Fax: +91 11 4254 1202, +91 11 2355 2001
Email: rta@alankit.com
Investor Grievance ID: paisalo@alankit.com
Website: ipo.alankit.com
Contact Person: Kamal Garg
Compliance Officer: Harish Chanda Agarwal
SEBI Registration No.: INR000002532
CIN: U74210DL1991PLC042569

The Registrar shall endeavor to redress complaints of the investors within 21(Twenty One) days of receipt of the complaint during the currency of this MoU and continue to do so during the period it is required to maintain records under the Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 and our Company shall extend necessary co-operation to the Registrar for its complying with the said regulations. The Registrar shall provide a status report of investor complaints and grievances on a quarterly basis to our Company. Similar status reports should also be provided to our Company as and when required by our Company.

The details of the person appointed to act as Company Secretary and Compliance Officer for the purposes of the Issue are set out below:

Manendra Singh

Address: CSC, Pocket 52, Near Police Station,
CR Park, New Delhi – 110 019, India.
Tel: +91 1143518888
Email: cs@paisalo.in
Investors may contact the Registrar to the Issue or the Compliance Officer in case of any pre-issue or post Issue related issues such as non-receipt of Allotment Advice, demat credit, etc.

Details of Auditor to the Issuer:

Name of the Auditor	Address	Date of appointment
Saket Jain & Co. Chartered Accountants	192 Jaipur House, Agra-282002, Uttar Pradesh, India	September 23, 2024

Change in auditors of our Company during the last three financial years and current financial year

Except as disclosed below, there have been no changes in the auditors of our Company during the three financial years preceding the date of this Draft Shelf Prospectus and current financial year:

Name of the Auditor	Address	Date of appointment	Date of cessation (if applicable)	Date of resignation (if applicable)
Manish Goyal & Co., Chartered Accountants	F-6, First Floor, Friends Trade Centre, 66, Nehru Nagar, Agra - 282002	September 30, 2022	September 23, 2024	NA

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act, 2013, our Company will issue a statutory advertisement on or before the Issue Opening Date. This advertisement will be issued in compliance with Regulation 30(1) of SEBI NCS Regulations and shall contain the information as prescribed in the SEBI NCS Regulations and Section 30 of the Companies Act, 2013.

Material updates, if any, between the date of filing of the Draft Shelf Prospectus, the Shelf Prospectus and the relevant Tranche Prospectus with the RoC and the date of the release of the statutory advertisement will be included in the statutory advertisement.

The summary of reservations or qualifications or adverse remarks of auditors in the three financial years immediately preceding the year of issue of issue document, and of their impact on the financial statements and financial position of our Company, and the corrective steps taken and proposed to be taken by our Company for each of the said reservations or qualifications or adverse remarks

There are no reservations or qualifications or adverse remarks by our Statutory Auditors and previous statutory auditors included in the auditor's report on Audited Consolidated Financial Statements of the Issuer for the financial years ended March 31, 2026, March 31, 2025, and March 31, 2024, in accordance with Rule 11 (e) of the Companies (Audit and Auditors) Rules, 2014.

Trading

The Equity Shares of our Company are listed on NSE and BSE and the debt instruments are listed on BSE.

The secured, redeemable, non-convertible debentures of our Company are proposed to be listed on BSE. BSE shall be the designated stock exchange for the Issue.

Caution

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"Any person who:

(a) makes or abets making of an application in a fictitious name to a company for acquiring or subscribing for, its securities; or

(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

(c) otherwise induces directly or indirectly a company to allot, or register any transfer of securities to him, or any other person in a fictitious name shall be liable for action under section 447."

Disclaimer in respect of Jurisdiction

Exclusive jurisdiction for the purpose of the Issue is with the competent courts of jurisdiction in Mumbai, India.

Lending Policy.

For lending policy in relation to each of the products of our Company, please see "*Our Business*" on page 122.

A. Loans given by our Company

Our Company has not provided any loans/advances to associates, entities/persons relating to Board, KMPs, Senior Management or Promoter out of the issue proceeds of debentures issued by our Company.

B. Types of Loan

Classification of loans/advances given

The detailed breakup of the types of loans given by our Company as on March 31, 2026 is as follows:

(₹ in lakhs)

Sr. No.	Type of Loans	Amount
1.	Secured	5,59,588.68
2.	Unsecured	36,951.15
Total assets under management (AUM Standalone)		**5,96,539.84**

* *Information required at borrower level (and not by loan account as customer may have multiple loan accounts*

^ *Issuer is also required to disclose off balance sheet items*

C. Denomination of loans outstanding by LTV as on March 31, 2026

Sr. No.	LTV	Percentage of AUM
1.	Up to 25%	6.54
2.	25%-50%	6.16
3.	50%-75%	14.03
4.	75%-100%	11.32
5.	100%-125%	19.43
6.	125%-150%	28.68
7.	150%-175%	6.22
8.	175%-200%	6.16
9.	More than 200%	1.46
	Total	**100.00**

* *Our Company's lending policy does not evaluate loans based on LTV, given the nature of wholesale lending that our Company provides. Consequently, calculation based on LTV is not applicable to our Company.*

D. Sectoral Exposure as on March 31, 2026

S. No.	Segment wise break up of AUM	Percentage of AUM
1.	**Retail**	
(a)	Mortgages (home loans and loans against property)	Nil
(b)	Gold Loans	Nil
(c)	Vehicle Finance	3.10
(d)	MFI	Nil
(e)	MSME	Nil
(f)	Capital market funding (loans against shares, margin funding)	Nil
(g)	Others	Nil
	Agri & Allied Activities	6.19
	Income Generation loan	0.06
2.	**Wholesale**	
(a)	Infrastructure*	3.87
(b)	Real Estate (including builder loans)	0.83
(c)	Promoter funding	Nil
(d)	Any other sector (as applicable)	Nil
(e)	Others Business Loan	85.95
Total		**100.00**

* *Generation 0%, Renewable 0% Transmission 0%, Distribution 0% and Others 100%*

E. Denomination of the loans outstanding by ticket size as on March 31, 2026*

Sr No.	Ticket Size	Percentage of AUM
1	Upto Rs. 2 lakh	5.04

Sr No.	Ticket Size	Percentage of AUM
2	Rs. 2-5 lakh	2.82
3	Rs. 5 - 10 lakh	0.35
4	Rs. 10 - 25 lakh	2.09
5	Rs. 25 - 50 lakh	1.21
6	Rs. 50 lakh - 1 crore	1.38
7	Rs. 1 - 5 crore	78.16
8.	Rs. 5 - 25 crore	Nil
9.	Rs. 25 - 100 crore	Nil
10.	>Rs. 100 crore	Nil
	Total	**100.00**

F. Geographical classification of the borrowers as on March 31, 2026

Top 5 borrowers state wise

Sr. No.	Top 5 states	Percentage of AUM
1.	DELHI	29.28
2.	MAHARASHTRA	21.01
3.	Uttar Pradesh	14.58
4.	HARYANA	14.25
5.	RAJASTHAN	12.56
6.	DELHI	29.28
	Total	**91.68**

G. Details of loans overdue and classified as non-performing assets as on March 31,2026

(₹ in lakhs)

Movement of gross non-performing assets	Amount
Opening gross non-performing assets	4,700.29
– Additions during the year	382.07
– Reductions during the year	673.92
Closing balance of gross non-performing assets	4,408.44
Movement of net non-performing assets	**Amount**
Opening net non-performing assets	3,616.07
– Additions during the year	5.15
– Reductions during the year	102.77
Closing balance of net non-performing assets	3,518.45
Movement of provisions for non-performing assets	**Amount**
Opening balance	1,084.22
– Provisions made during the year	479.69
– Write-off / write-back of excess provisions	673.92
Closing balance	889.99

Note: The above has been computed basis EAD for credit impaired advances.

H. Segment-wise gross NPA as on March 31, 2026

No.	Segment wise break up of gross NPA	Gross NPA (%)*
1.	**Retail**	
a.	Mortgages (home loans and loans against property)	Nil
b.	Gold Loans	Nil
c.	Vehicle Finance	Nil
d.	MFI	Nil
e.	MSME	Nil
f.	Capital market funding (loans against shares, margin funding)	Nil
g.	Others	Nil
2.	**Wholesale**	
a.	Infrastructure	0.36
b.	Real Estate (including builder loans)	0.17
c.	Promoter funding	Nil
d.	Any other sector (as applicable)	Nil
e.	Others	0.23
Gross NPA		**0.76**

* *Gross NPA means percentage of NPAs to total advances in that sector*

I. Residual Maturity Profile of Assets and Liabilities as on March 31, 2026

(₹ in lakhs)

	Upto 14 days	Over 14 days to 1 month	Over 1 month & Upto 2 months	Over 2 months & Upto 3 months	Over 3 months & Upto 6 months	Over 6 month & upto 1 year	Over 1 year & Upto 3 years	Over 3 years & upto 5 years	Over 5 Years	Total
Deposits	—	—	—	—	—	—	—	—	—	—
Advances	9,129	14,109	22,611	22,944	64,785	1,37,794	2,35,319	64,527	9,949	**5,81,167**
Investments (Bank FDR)	7,601	—	—	—	—	—	300	—	—	**7,901**
Borrowings from Banks/FI	—	4,896	4,403	9,701	17,707	39,781	1,03,956	10,143	2,909	**1,93,496**
Market Borrowing	—	—	2,916	—	16,900	1,000	45,609	40,631	16,051	**1,23,107**
Foreign Currency Assets	—	—	—	—	—	—	—	—	—	—
Foreign Currency Liabilities	—	1,230	1,293	1,293	4,295	10,256	46,655	45,822	—	**1,10,844**

J. ***(a) Details of top 20 borrowers with respect to concentration of advances as on March 31, 2026***

(₹ in lakhs)

Particulars	Amount
Total advances to twenty largest borrowers	1,22,984.90
Percentage of Advances to twenty largest borrowers to Total Advances to our Company	21.16%

(b) Details of top 20 borrowers with respect to concentration of exposure as on March 31, 2026

(₹ in lakhs)

Particulars	Amount
Total exposure to twenty largest borrowers	1,22,984.90
Percentage of exposure to twenty largest borrowers to Total exposure to our Company	21.16%

K. Classification of loans/advances given to group companies as on March 31, 2026

Nil

S. No.	Name of borrower	Amount of advances/ exposures to such borrower (group company) (Rs. lakhs)(A)	Amount O/s
-	-	Nil	Nil

L. ALM Statement

The details of the ALM statement as on March 31, 2026, are provided as below:

Particulars	Up to one month	Over 6 months and Upto 1 year	Over 1 year and Upto 3 years	Over 3 years and Upto 5 years	Over 5 years	Total
A. OUTFLOWS						
Capital	-	-	-	-	9,095.84	**9,095.84**
Reserves & Surplus	-	-	-	-	1,68,196.19	**1,68,196.19**
Bonds & Notes	-	-	-	37,655.82	-	**37,655.82**
Borrowings	6,125.97	1,09,546.01	1,96,220.32	58,939.87	18,959.47	**3,89,791.64**
Current Liabilities & Provisions	1,524.87	12,617.64	283.93	-	-	**14,426.44**
Outflows On Account of Off-Balance Sheet Exposure	41.60	1,084.00	-	-	-	**1,125.60**
A. TOTAL OUTFLOWS (A)	**7,692.44**	**1,23,247.65**	**1,96,504.25**	**96,595.69**	**1,96,251.50**	**6,20,291.53**
A1. Cumulative Outflows	**7,692.44**	**1,30,940.09**	**3,27,444.34**	**4,24,040.03**	**6,20,291.53**	**6,20,291.53**
B. INFLOWS						
Cash	1,466.51	-	-	-	-	**1,466.51**
Balances With Banks	13,215.62	-	300.05	-	-	**13,515.67**
Investments	-	-	-	-	6,204.91	**6,204.91**
Advances	41,193.58	3,11,999.97	2,74,571.28	78,455.81	10,611.91	**7,16,832.55**
Gross Non-Performing Loans	49.53	647.12	3,511.81	199.99	-	**4,408.45**

Particulars	Up to one month	Over 6 months and Upto 1 year	Over 1 year and Upto 3 years	Over 3 years and Upto 5 years	Over 5 years	Total
Fixed Assets	-	-	-	-	8,408.80	**8,408.80**
Other Assets	732.27	4,947.51	1,980.30	730.00	13.20	**8,403.28**
Inflows On Account of Off-Balance Sheet Exposure	10,000.00	10,000.00	-	-	-	**20,000.00**
B. TOTAL INFLOWS (B)	**66,657.51**	**3,27,594.60**	**2,80,363.44**	**79,385.80**	**25,238.82**	**7,79,240.17**
C. Mismatch (B - A)	**58,965.07**	**2,04,346.95**	**83,859.19**	**-17,209.89**	**-1,71,012.68**	**1,58,948.64**
D. Cumulative Mismatch	**58,965.07**	**2,63,312.02**	**3,47,171.21**	**3,29,961.32**	**1,58,948.64**	**1,58,948.64**
E. Mismatch as % of Total Outflows	**766.53%**	**165.80%**	**42.68%**	**-17.82%**	**-87.14%**	**25.62%**
F. Cumulative Mismatch as % of Cumulative Total Outflows	**766.53%**	**201.09%**	**106.02%**	**77.81%**	**25.62%**	**25.62%**

SECTION VII - ISSUE RELATED INFORMATION

ISSUE STRUCTURE

The key common terms and conditions of the NCDs are as follows:

Issuer	Paisalo Digital Limited
Type of instrument/ Name of the security	Secured, rated, listed, redeemable, non-convertible debentures
Nature of the Instrument	Secured, rated, listed, redeemable, non-convertible debentures
Mode of the Issue	Public Issue
Seniority	Senior
Lead Manager	Tipsons Consultancy Services Private Limited
Debenture Trustee	Axis Trustee Services Limited
Depositories	NSDL and CDSL
Registrar	Alankit Assignments Limited
Issue	Public issue by our Company of up to 90,00,000 Secured, Rated, Listed, Redeemable, Non-Convertible Debentures of face value ₹1,000 each, amounting to ₹90,000 lakhs ("**Shelf Limit**"). The NCDs will be issued in one or more tranches up to the shelf limit, on terms and conditions including tranche Issue Size as set out in the relevant Tranche Prospectus for any tranche issue (each being a "**Tranche Issue**") which should be read together with the Draft Shelf Prospectus and the Shelf Draft Shelf Prospectus. This Issue is being made pursuant to the provisions of the SEBI NCS Regulations, the Companies Act, 2013 and rules made thereunder, each as amended to the extent notified and the SEBI NCS Master Circular.
Minimum Subscription	Minimum subscription is 75% of the Base Issue Size as specified in the relevant Tranche Prospectus
Issue Size	As specified in the relevant Tranche Prospectus for each Tranche Issue
Base Issue Size	As specified in the relevant Tranche Prospectus for each Tranche Issue
Option to Retain Oversubscription Amount	As specified in the relevant Tranche Prospectus for each Tranche Issue
Eligible Investors	Please see section titled "*Issue Procedure – Who can apply?"* on page 265.
Objects of the Issue/ Purpose for which there is a requirement of funds	Please see section titled "*Objects of the Issue*" on page 65.
Details of Utilization of the Proceeds	Please see section titled "*Objects of the Issue*" on page 65.
Coupon Rate on each category of investor*	As specified in the relevant Tranche Prospectus for each Tranche Issue
Step up/ Step Down Coupon rates	Not applicable.
Coupon type (fixed, floating or other structure)	As specified in the relevant Tranche Prospectus for each Tranche Issue
Coupon reset process (including rates, spread, effective date, interest rate cap and floor etc.)	As specified in the relevant Tranche Prospectus for each Tranche Issue
Frequency of coupon payment	As specified in the relevant Tranche Prospectus for each Tranche Issue
Coupon payment date	As specified in the relevant Tranche Prospectus for each Tranche Issue
Day count basis	Actual/ Actual.
Interest on application money	Not applicable.
Default Interest rate	Our Company shall pay interest, over and above the agreed coupon rate, in connection with any delay in allotment, refunds, listing, dematerialized credit, execution of Debenture Trust Deed, payment of interest, redemption of principal amount beyond the time limits prescribed under applicable statutory and/or regulatory requirements, at such rates as stipulated/ prescribed under applicable laws. Our Company shall pay at least 2% (two percent) per annum to the debenture holder, over and above the agreed coupon rate, till the execution of the trust deed if our Company fails to execute the trust deed within such period as prescribed under applicable law.
Tenor	As specified in the relevant Tranche Prospectus for each Tranche Issue
Disclosure of Interest / Dividend / redemption dates	As specified in the relevant Tranche Prospectus for each Tranche Issue
Redemption Date	As specified in the relevant Tranche Prospectus for each Tranche Issue
Redemption Amount	As specified in the relevant Tranche Prospectus for each Tranche Issue
Redemption Premium/ Discount	As specified in the relevant Tranche Prospectus for each Tranche Issue
Face Value	₹1,000 per NCD
Issue Price	₹1,000 per NCD
Discount at which security is issued and the effective yield as a result of such discount	Not applicable.
Premium/Discount at which security is redeemed and the effective yield as a result of such premium/discount	Not applicable.
Put date	As specified in the relevant Tranche Prospectus for each Tranche Issue

Put price	As specified in the relevant Tranche Prospectus for each Tranche Issue
Call date	As specified in the relevant Tranche Prospectus for each Tranche Issue
Call price	As specified in the relevant Tranche Prospectus for each Tranche Issue
Put notification time (Timelines by which the investor needs to intimate our Company before exercising the put)	As specified in the relevant Tranche Prospectus for each Tranche Issue
Call notification time (Timelines by which our Company needs to intimate the investor before exercising the call)	As specified in the relevant Tranche Prospectus for each Tranche Issue
Minimum Application size and in multiples of NCD thereafter	₹10,000 (10 NCDs) and in multiple of ₹1,000 (1 NCD) thereafter.
Market Lot / Trading Lot	The market lot will be 1 Debenture ("**Market Lot**"). Since the NCDs are being issued only in dematerialized form, the odd lots will not arise either at the time of issuance or at the time of transfer of NCDs.
Pay-in date	Application Date. The entire Application Amount is payable on Application.
Credit Ratings	The NCDs proposed to be issued under the Issue have been rated "BWR AA/ Stable" for an amount of ₹ ₹150,000.00 lakhs by Brickwork Ratings India Private Limited vide its rating letters dated April 20, 2026, and press release for rating rationale dated April 20, 2026 and "IVR AA/Stable" for an amount of ₹ 205,900.00 lakhs by Infomerics Valuation and Rating Limited vide its rating letter dated May 5, 2026, and press release for rating rationale dated May 13, 2026. The ratings given by Brickwork Ratings India Private Limited and Infomerics Valuation and Rating Limited remain valid as on the date of this Draft Shelf Prospectus and shall remain valid as on the date of issue, allotment and listing of the NCDs on BSE Limited. Securities with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such securities carry very low credit risk. The rating is not a recommendation to buy, sell or hold securities and investors should take their own decision. The rating m
Listing	The NCDs are proposed to be listed on BSE. The NCDs shall be listed within 3 (three) Working Days from the Issue Closing Date. BSE has been appointed as the Designated Stock Exchange.
Modes of payment	Please see section titled "*Issue Structure – Terms of Payment"* on page 246.
Issuance mode of the Instrument**	In dematerialised form only
Trading mode of the instrument**	In dematerialised form only
Issue opening date	As specified in the relevant Tranche Prospectus for each Tranche Issue
Issue closing date***	As specified in the relevant Tranche Prospectus for each Tranche Issue
Date of earliest closing of the Issue, if any	As specified in the relevant Tranche Prospectus for each Tranche Issue
Issue Timing	As specified in the relevant Tranche Prospectus for each Tranche Issue
Record date	The record date for payment of interest in connection with the NCDs or repayment of principal in connection therewith shall be 15 (fifteen) days prior to the date on which interest is due and payable, and/or the date of redemption or such other date as may be determined by the Board of Directors or the Operations and Finance Committeeor such other Committee (as may be authorised by the Board in this regard from time to time) in accordance with the applicable law. Provided that trading in the NCDs shall remain suspended between the aforementioned Record Date in connection with redemption of NCDs and the date of redemption or as prescribed by the stock exchanges, as the case may be. In case Record Date falls on a day when stock exchanges are having a trading holiday, the immediate preceding trading day or a date notified by our Company to the stock exchanges, will be deemed as the Record Date
Settlement mode of instrument	Please see section titled "*Terms of the Issue - Payment on Redemption*" on page 260.
All covenants of the Issue (including side letters, accelerated payment clause, etc.)	As specified in the relevant Tranche Prospectus and the Debenture Trust Deed. Any covenants later added shall be disclosed on the websites of the Stock Exchange, where the NCDs are proposed to be listed.
Description regarding security (where applicable) including type of security (movable/ immovable/ tangible etc.) type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of security/ likely date of creation of security, minimum security cover, revaluation	The principal amount of the NCDs to be issued in terms of this Draft Shelf Prospectus, the Shelf Prospectus, and the relevant Tranche Prospectus together with all interest due on the NCDs, as well as all costs, charges, all fees, remuneration of Debenture Trustee and expenses payable in respect thereof shall be secured by way of an exclusive charge, by way of hypothecation created on loan receivables of our Company. The security shall be created upfront prior to making application for the listing of debentures and perfected within 30 days from the date of creation. Our Company shall maintain a security cover of at least 1.10 times the entire secured obligations throughout the tenure of the NCDs. We have received necessary consents from the relevant lenders, debenture trustees and security trustees for creating an exclusive charge in favour of the Debenture Trustee in relation to the NCDs, as applicable.
Early Redemption Event(s)	As specified in the relevant Tranche Prospectus for each Tranche Issue
Early Redemption	As specified in the relevant Tranche Prospectus for each Tranche Issue
Replacement of security, interest of the debenture holder over and above the	Please see the "*Terms of the Issue – Security*" on page 248.

coupon rate as specified in the Debenture Trust Deed and disclosed this Draft Shelf Prospectus	Our Company shall maintain a minimum 110% security cover on the outstanding principal amounts and interest thereon.
Security Cover	Our Company shall maintain a 110% Security Cover at all times until the Final Settlement Date.
Condition precedent to the Issue	The Issuer shall provide/ confirm to the Debenture Trustee: • A certified true copy of the latest charter documents of the Issuer, certified as correct, complete and in full force and effect by the appropriate officer; • Certified true copies of relevant board resolutions and Board or Operations and Finance Committee resolutions; • Credit rating letters from the Credit Rating Agency; • Consent letter from the Debenture Trustee; • Execution of Transaction documents; and • In-principle approval from the Stock Exchange. The description above is indicative and a complete list of conditions precedent will be specified in the Debenture Trust Deed.
Condition subsequent to the Issue	The following are the conditions subsequent which our Company shall fulfil on or after the Deemed Date of Allotment to the satisfaction of the Debenture Trustee: • Evidence of payment of stamp duty in connection with the issuance of NCDs; • Filing of form CHG-9 with the RoC in accordance with the Companies Act, 2013 and other filings in relation to the perfection of the security; • Evidence of corporate actions for approving and allotting the NCDs; • Credit of the relevant NCDs in the specified dematerialized account(s) of the investors; • Evidence of listing of the NCDs on the Stock Exchange; • Filing of a return of allotment on the issue of the NCDs in Form PAS-3 pursuant to the Companies (Prospectus and Allotment of Securities) Rules, 2014 with the Registrar of Companies; and • Certificate from the Statutory Auditor confirming the complete utilization of the Issue proceeds. The description above is indicative and a complete list of conditions subsequent will be specified in the Debenture Trust Deed.
Events of default (including manner of voting/conditions of joining Inter Creditor Agreement)	Please refer to the section titled "*Terms of the Issue – Events of Default (including manner of voting/ conditions of joining Inter Creditor Agreement)*" on page 249.
Creation of recovery expense fund	Our Company shall create a recovery expense fund in the manner as specified by SEBI in SEBI Debenture Trustee Master Circular as amended from time to time and Regulation 11 of SEBI NCS Regulations and inform the Debenture Trustee regarding the creation of such fund. The Recovery expense fund may be utilized by Debenture Trustee, in the event of default by our Company under the terms of the Debenture Trust Deed, and the Applicable Laws, for taking appropriate legal action to enforce the security Kindly note, any default committed by our Company in terms of the NCDs proposed to be issued shall be reckoned at each respective International Securities Identification Number level assigned to the respective Option(s)/Series of NCDs issued
Conditions for breach of covenants (as specified in Debenture Trust Deed)	Upon occurrence of any default in the performance or observance of any term, covenant, condition or provision contained in the Debenture Trust Deed, the Debenture Trustee shall take necessary actions as mentioned in the Debenture Trust Deed and the relevant Tranche Prospectus.
Deemed Date of Allotment	The date on which the Board of Directors/the Operation and Finance Committee approves the Allotment of the NCDs for this Issue or such date as may be determined by the Board of Directors / the Operation and Finance Committee and notified to the Designated Stock Exchange. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs shall be available to the Debenture Holders from the Deemed Date of Allotment.
Roles and responsibilities of the Debenture Trustee	As per SEBI (Debenture Trustee) Regulations, 1993, SEBI NCS Regulations, Companies Act, the Listing Agreement, and the Debenture Trust Deed, each as amended from time to time. Please see section titled "*Terms of the Issue – Trustees for the NCD Holders*" on page 249.
Risk factors pertaining to the Issue	Please see section titled "*Risk Factors*" on page 16.
Provisions related to Cross Default Clause	As specified in the Debenture Trust Deed and the relevant Tranche Prospectus.
Governing law and Jurisdiction	The governing law and jurisdiction for the purpose of the Issue shall be Indian law, and the competent courts of jurisdiction in Mumbai, India respectively.
Working day convention / Day Count Convention/ Effect of holidays on payment.	If the Interest Payment Date falls on a day other than a Working Day, the interest payment shall be made by our Company on the immediately succeeding Working Day and calculation of such interest payment shall be as per original schedule as if such Interest Payment Date

	were a Working Day. Further, the future Interest Payment Dates shall remain intact and shall not be changed because of postponement of such interest payment on account of it failing on a non-Working Day. If Redemption Date (also being the last Interest Payment Date) falls on a day that is not a Working Day, the Redemption Amount shall be paid by our Company on the immediately preceding Working Day along with interest accrued on the NCDs until but excluding the date of such payment. Payment of interest will be subject to the deduction of tax as per Income Tax Act or any statutory modification or re-enactment thereof for the time being in force. In case the Maturity Date (also being the last Interest Payment Date) does not fall on a Working Day, the payment will be made on the immediately preceding Working Day, along with coupon/interest on the NCDs until but excluding the date of such payment.

Notes:

* *If there is any change in Coupon Rate pursuant to any event including elapse of certain time period or downgrade in rating, then such new Coupon Rate and events which lead to such change should be disclosed to the Stock Exchange.*

** *In terms of Regulation 7 of the SEBI NCS Regulations, our Company will undertake this public issue of the NCDs in dematerialized form. Trading in NCDs shall be compulsorily in dematerialized form.*

*** *The Issue shall remain open for subscription on Working Days from 10:00 a.m. to 5:00 p.m. (Indian Standard Time) during the period as indicated in the relevant Tranche Prospectus for each Tranche Issue. Our Company may, in consultation with the Lead Manager, consider closing the relevant Tranche Issue on such earlier date or extended date (subject to a minimum period of 2 (two) working days and a maximum period of 10 (ten) working days from the date of opening of the Issue and subject to not exceeding thirty days from filing of the relevant Tranche Prospectus with RoC, including any extensions), as may be decided by the Board of Directors or the Operations and Finance Committee, subject to relevant approvals, in accordance with the Regulation 33A of the SEBI NCS Regulations. In the event of an early closure or extension of the Issue, our Company shall ensure that notice of the same is provided to the prospective investors through an advertisement in an English daily national newspaper with wide circulation and a regional daily with wide circulation where the registered office of our Company is located (in all the newspapers or electronic modes such as online newspapers or websites of the Issuer or the stock exchange in which pre-issue advertisement for opening of the Issue has been given on or before such earlier or initial date of Issue closure). On the Issue Closing Date, the Application Forms will be accepted only between 10:00 a.m. and 3:00 p.m. (Indian Standard Time) and uploaded until 5 p.m. (Indian Standard Time) or such extended time as may be permitted by the Stock Exchange. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5:00 p.m. (Indian Standard Time) on the Issue Closing Date. For further details please see "Issue Related Information" on page 243.*

Application (including Application under the UPI Mechanism) and any further changes to the Applications shall be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time, "IST") during the Issue Period as mentioned above by the Members of the Syndicate, Trading Members and Designated Branches of SCSBs, except that on the Issue Closing Date when the Applications and any further changes in details in Applications, if any, shall be accepted only between 10.00 a.m. and 3.00 p.m. (IST) and shall be uploaded until 5.00 p.m. (IST) or such extended time as permitted by the Stock Exchange. Additionally, an Investor may also submit the Application Form through the app or web interface of the Stock Exchange. It is clarified that the Applications not uploaded in the Stock Exchange platform would be rejected. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5:00 PM on the Issue Closing Date.

Due to limitation of time available for uploading the Applications on the Issue Closing Date, the Applicants are advised to submit their Applications one day prior to the Issue Closing Date and, in any case, no later than 3.00 p.m. (IST) on the Issue Closing Date. All times mentioned in this Draft Shelf Prospectus are Indian Standard Time. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, as is typically experienced in public offerings, some Applications may not get uploaded due to lack of sufficient time. Such Applications that cannot be uploaded will not be considered for Allocation under the Issue. Applications will be accepted only on Business Days, i.e., Monday to Friday (excluding any public holiday). Neither our Company, nor the Lead Manager, nor any Member of the Syndicate, Trading Members or Designated Branches of SCSBs is liable for any failure in uploading the Applications due to faults in any software/hardware system or otherwise. Please note that, within each category of Investors, the Basis of Allotment under the Issue will be on date priority basis, however, from the date of oversubscription and thereafter, the allotments will be made to the applicants on proportionate basis. For further details please see section titled "Issue Related Information" on page 243.

For the list of documents executed/ to be executed, please see section titled "Material Contracts and Documents for Inspection" on page 308.

Please see section titled "Issue Procedure" on page 264 for details of category wise eligibility and allotment in the Issue.

The details pertaining to the illustrative cash flows of our Company in accordance with the SEBI NCS Master Circular will be specified in the relevant Tranche Prospectus.

While the NCDs are secured to the tune of 110% of the principal and interest thereon in favour of Debenture Trustee, it is the duty of the Debenture Trustee to monitor the security is maintained, however, the possibility of recovery of 100% of the amount shall depend on the market scenario prevalent at the time of enforcement of the security.

Debt securities shall be considered as secured only if the charged asset is registered with Sub-registrar and Registrar of Companies and the Central Registry set up under the Security Interest (Enforcement) Rules, 2002, as applicable, or is independently verifiable by the debenture trustee.

Specified Terms of the NCDs

As specified in the relevant Tranche Prospectus for each Tranche Issue.

Terms of payment

The entire face value per NCDs applied for will be blocked in the relevant ASBA Account maintained with the SCSB or under UPI mechanism (only for Retail Individual Investors and high net worth individuals), as the case may be, in the bank account of the Applicants that is specified in the ASBA Form at the time of the submission of the Application Form. In the event of Allotment of a lesser number of NCDs than applied for, our Company shall unblock the additional amount blocked upon application in the ASBA Account, in accordance with the terms specified in "*Terms of the Issue – Manner of Payment of Interest/ Refund/Redemption*" on page 258.

Participation by any of the Investor classes as mentioned in this Draft Shelf Prospectus in the Issue will be subject to applicable statutory and/or regulatory requirements. Applicants are advised to ensure that applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and/or regulatory provisions.

The NCDs have not been and will not be registered, listed or otherwise qualified in any jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. In particular, the NCDs have not been and will not be registered under the U.S. Securities Act, 1933, as amended (the "**Securities Act**") or the securities laws of any state of the United States and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Our Company has not registered and does not intend to register under the U.S. Investment Company Act, 1940 in reliance on section 3(c)(7) thereof. This Draft Shelf Prospectus may not be forwarded or distributed to any other person and may not be reproduced in any manner whatsoever, and in particular, may not be forwarded to any U.S. Person or to any U.S. address.

Applications may be made in single or joint names (not exceeding three). Applications should be made by Karta in case the Applicant is an HUF. If the Application is submitted in joint names, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the depository account held in joint names. If the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form.

This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form. Please ensure that such Applications contain the PAN of the HUF and not of the Karta.

In the case of joint Applications, all payments will be made out in favour of the first Applicant. All communications will be addressed to the first named Applicant whose name appears in the Application Form and at the address mentioned therein.

Day Count Convention

Interest shall be computed on an actual/actual basis i.e., on the principal outstanding on the NCDs as per the SEBI NCS Master Circular.

Effect of holidays on payments

If the date of payment of interest does not fall on a Working Day, then the interest payment will be made on succeeding Working Day, however the calculation for payment of interest will be only till the originally stipulated Interest Payment Date. The dates of the future interest payments would be as per the originally stipulated schedule. Payment of interest will be subject to the deduction of tax as per Income Tax Act or any statutory modification or re-enactment thereof for the time being in force. In case the Redemption Date (also being the last Interest Payment Date) does not fall on a Working Day, the payment will be made on the immediately preceding Working Day, along with coupon/interest accrued on the NCDs until but excluding the date of such payment.

Applicants are advised to ensure that they have obtained the necessary statutory and/or regulatory permissions / consents/approvals in connection with applying for, subscribing to, or seeking Allotment of NCDs pursuant to the Issue.

For further details, see the section titled "*Issue Procedure*" on page 264.

TERMS OF THE ISSUE

Authority for the Issue

At the meeting of the Board of Directors of our Company held on May 10, 2026, the Board of Directors approved the issuance of NCDs to the public. Further, the Board of Directors by resolution dated May 10, 2026, authorized the Operations and Finance Committee of our Company to overview and approve all Issue related tasks. Further, pursuant to a resolution dated July 16, 2026, our Operations and Finance Committee has approved this Draft Shelf Prospectus. The NCDs will be issued in one or more tranches up to the Shelf Limit, on terms and conditions as set out in the relevant Tranche Prospectus for any Tranche Issue, as may be decided by the Board of Directors.

Further, the present borrowing is within the borrowing limits of ₹ 9,00,000.00 lakhs under Section 180(1)(c) of the Companies Act, 2013 duly approved pursuant to resolution passed by our Board of Directors on July 21, 2025 and the resolution passed by the shareholders at the AGM held on September 29, 2025.

Principal Terms & Conditions of the Issue

The NCDs being offered as part of the Issue are subject to the provisions of the SEBI NCS Regulations, SEBI NCS Master Circular, the relevant provisions of the Companies Act, 2013, the Memorandum and Articles of Association of our Company, the terms of this Draft Shelf Prospectus, the Shelf Prospectus and the relevant Tranche Prospectus, the Abridged Prospectus, the Application Forms, the terms and conditions of the Debenture Trust Agreement and the Debenture Trust Deed, other applicable statutory and/or regulatory requirements including those issued from time to time by SEBI, the Government of India/NSE, RBI, and/or other statutory/regulatory authorities relating to the offer, issue and listing of securities and any other documents that may be executed in connection with the NCDs.

Ranking of NCDs

The NCDs would constitute secured obligations of our Company and shall rank *pari passu* inter se, and subject to any obligations and applicable statutory and/or regulatory requirements, shall also, with regard to the amount invested, thereof shall be secured by way of an exclusive charge, by way of hypothecation created on loan receivables of our Company. The security shall be created upfront prior to making application for the listing of debentures and perfected within 30 days from the date of creation. Our Company shall maintain a security cover of at least 1.10 times the entire secured obligations throughout the tenure of the NCDs. We have received necessary consents from the relevant lenders, debenture trustees and security trustees for creating an exclusive charge in favour of the Debenture Trustee in relation to the NCDs, as applicable. The NCDs proposed to be issued under the Issue and all earlier issues of debentures outstanding in the books of our Company having corresponding assets as security, shall rank *pari passu* without preference of one over the other except that priority for payment shall be as per applicable date of redemption. Our Company has obtained permissions or consents, as required, from the debenture trustees /existing creditors for the Issue.

Security

The principal amount of the NCDs to be issued in terms of this Draft Shelf Prospectus, the Shelf Prospectus, and the relevant Tranche Prospectus together with all interest due on the NCDs, as well as all costs, charges, all fees, remuneration of Debenture Trustee and expenses payable in respect thereof shall be secured by way of an exclusive charge, by way of hypothecation created on loan receivables of our Company. The security shall be created upfront prior to making application for the listing of debentures and perfected within 30 days from the date of creation. Our Company shall maintain a security cover of at least 1.10 times the entire secured obligations throughout the tenure of the NCDs. We have received necessary consents from the relevant lenders, debenture trustees and security trustees for creating an exclusive charge in favour of the Debenture Trustee in relation to the NCDs, as applicable.

The NCDs shall be considered as secured only if the charged asset is registered with sub-registrar and/or RoC and the Central Registry set up under the Security Interest (Enforcement) Rules, 2002, as applicable, or is independently verifiable by the Debenture Trustee. Without prejudice to the aforesaid, in the event our Company fails to execute the Debenture Trust Deed within a timeline specified under Regulation 18 of SEBI NCS Regulations, our Company shall pay interest of at least 2% p.a. over and above the agreed coupon rate, to each NCD Holder, till the execution of the Debenture Trust Deed. The security shall be created prior to making the listing application for the NCDs with the Stock Exchange.

Our Company, pursuant to the SEBI Debenture Trustee Master Circular has entered into the Debenture Trustee Agreement with the Debenture Trustee and in furtherance thereof intends to enter into the Debenture Trust Deed, terms of which will govern the powers, authorities and obligations of the Debenture Trustee. Our Company proposes to complete the execution and filing of the Debenture Trust Deed within the stipulated timeframe and shall utilize the funds only after the stipulated security has been created. Under the terms of the Debenture Trust Deed, our Company will covenant with the Debenture Trustee that it will pay the NCD Holders the principal amount on the NCDs on the relevant Redemption Date and also that it will pay the interest due on NCDs on the rate specified in this Draft Shelf Prospectus and in the Debenture Trust Deed. The Debenture Trust Deed

will also provide that our Company may withdraw any portion of the security and replace with another asset of the same or a higher value and shall ensure that the minimum security cover shall be maintained until the redemption of the NCDs.

Debenture Redemption Reserve

In accordance with recent amendments to the Companies Act, 2013, and the Companies (Share Capital and Debentures) Rules 2014, read with Regulation 16 of the SEBI NCS Regulations, a listed company that intends to issue debentures to the public is no longer required to create a DRR for the purpose of redemption of debentures. Pursuant to the amendment to the Companies (Share Capital and Debentures) Rules 2014, notified on August 16, 2019, and as on the date of filing of this Draft Shelf Prospectus, our Company is not required to create DRR for the purpose of redemption of the NCDs. Accordingly, no debenture redemption reserve shall be created by our Company for the purpose of redemption of the NCDs or in connection with the Issue. Our Company shall, as per the Companies (Share Capital and Debentures) Rules 2014 and other laws applicable from time to time, invest or deposit, as the case may be, the applicable amounts, within the specified timelines, in respect of debentures maturing during the year ending on the 31st day of March of the next year, in any one or more methods of investments or deposits stipulated under the applicable law. Provided that the amount remaining invested or deposited, as the case may be, shall not at any time fall below the specified percentage, which is presently stipulated at 15% (fifteen percent) of the amount of the debentures maturing during the year ending on March 31 of the next year, in any of the following instruments or such other instruments as may be permitted under the applicable laws.

1. in deposits with any scheduled bank, free from any charge or lien;
2. in unencumbered securities of the Central Government or any State Government;
3. in unencumbered securities mentioned in sub-clause (a) to (d) and (ee) of section 20 of the Indian Trusts Act, 1882;
4. in unencumbered bonds issued by any other company which is notified under sub-clause (f) of section 20 of the Indian Trusts Act, 1882:

Provided further that the amount invested or deposited as above shall not be used for any purpose other than for redemption of debentures maturing during the year referred above.

Right to recall or redeem prior to maturity

Not Applicable

Face Value

The face value of each NCD shall be ₹1,000.

Trustees for the NCD Holders

Our Company has appointed Axis Trustee Services Limited to act as the Debenture Trustee for the NCD Holders in terms of Regulation 8 of the SEBI NCS Regulations and Section 71 (5) of the Companies Act, 2013 and the rules prescribed thereunder. Our Company and the Debenture Trustee will execute a Debenture Trust Deed, *inter alia*, specifying the powers, authorities and obligations of the Debenture Trustee and us. The NCD Holder(s) shall, without further act or deed, be deemed to have irrevocably given their consent to the Debenture Trustee or any of its agents or authorized officials to do all such acts, deeds, matters and things in respect of or relating to the NCDs as the Debenture Trustee may in its absolute discretion deem necessary or require to be done in the interest of the NCD Holder(s). Any payment made by us to the Debenture Trustee on behalf of the NCD Holder(s) shall discharge us *pro tanto* to the NCD Holder(s).

The Debenture Trustee will protect the interest of the NCD Holders in the event of default by us in regard to timely payment of interest and repayment of principal and they will take necessary action at our cost.

We and the Debenture Trustee will execute a Debenture Trust Deed, inter alia, specifying the powers, authorities and obligations of the Debenture Trustee and us. The NCD Holder(s) shall, without further act or deed, be deemed to have irrevocably given their consent to the Debenture Trustee or any of its agents or authorised officials to do all such acts, deeds, matters and things in respect of or relating to the NCDs as the Debenture Trustee may in its absolute discretion deem necessary or require to be done in the interest of the NCD Holder(s). Any payment made by us to the Debenture Trustee on behalf of the NCD Holder(s) shall discharge us pro tanto to the NCD Holder(s).

Events of Default (including manner of voting/conditions of joining Inter Creditor Agreement)

Upon occurrence of any of the events of default listed below, the Debenture Trustee may at its discretion, or if so requested in writing by any NCD Holder give notice to our Company specifying the event of default.

On and at any time after the occurrence of an event of default listed below and issue of notice of event of default to our Company, the Debenture Trustee shall (on the instructions of the holders of at least three-fourths of the outstanding amount of the NCDs or with the sanction of a special resolution passed at a meeting of the NCD Holders or as may be required under applicable laws) be entitled to *inter alia* declare the NCDs and/or any particular series of NCDs, in whole or in part, due and repayable immediately or on such date(s) as may be prescribed by the Debenture Trustee. Upon occurrence of an event of default, the Debenture Trustee shall follow the process including seeking consent from the NCD Holders for enforcement of security and/or entering into inter creditor agreement as per the applicable provisions of Chapter X of the SEBI Debenture Trustee Master Circular.

The description below is indicative and a complete list of events of default and its consequences will be specified in the Debenture Trust Deed.

Indicative list of events of default:

(i) Default in payment of interest and principal amount on the NCDs;

(ii) Default in performance of covenants and conditions in the Transaction Documents;

(iii) Misrepresentation;

(iv) Material adverse effect;

(v) Failure to create security to secure the NCDs and/or to maintain the required security cover and/or the Security being in jeopardy;

(vi) Ceasing to carry on all or substantially all of the business and/or revocation or suspension or cancellation of any material authorisations and/or licenses;

(vii) Cross acceleration; and

(viii) Insolvency, winding up, bankruptcy or similar process.

In terms of the SEBI NCS Regulations, in case of multiple International Securities Identification Number ("**ISIN**") which may have been issued under the same prospectus, any default committed by the Issuer shall be reckoned at the ISIN level, as all terms and conditions of issuance of security are same under each individual ISIN. Our Company shall, so long as the NCDs are outstanding, not declare any dividend to the shareholders (including holders of preference shares) in any year until our Company has paid or made satisfactory provision for the payment of the instalments of principal and interest due on the NCDs.

In accordance with the SEBI Debenture Trustee Master Circular, in case of 'Default' by Issuers of listed debt securities", post the occurrence of a "default", the consent of the NCD Holders for entering into an inter-creditor agreement (the "**ICA**")/enforcement of security shall be sought by the debenture trustee after providing a notice to the investors in the manner stipulated under applicable law. Further, the meeting of the NCD Holders shall be held within the period stipulated under applicable law. In case(s) where majority of investors express their consent to enter into the ICA, the debenture trustee shall enter into the ICA on behalf of the investors upon compliance with the conditions as stipulated in the abovementioned circular. In case consents are not received for signing the ICA, the debenture trustee shall take further action, if any, as per the decision taken in the meeting of the investors. The consent of the majority of investors shall mean the approval of not less than 75% of the investors by value of the outstanding debt and 60% of the investors by number at the ISIN level.

It is hereby confirmed, in case of an occurrence of a "default", the Debenture Trustee shall abide and comply with the procedures mentioned in the SEBI Debenture Trustee Master Circular.

Appointment of Nominee Director

(a) The Debenture Trustee shall have a right to appoint a nominee director, in accordance with the Debenture Trustees Regulations, on the board of directors of our Company (hereinafter referred to as the "Nominee Director") upon the occurrence of any of the Event of Defaults on any of the following:

   i. 2 (two) consecutive defaults in the payment of interest to the Debenture Holders; or

   ii. any default in creation of security for the Debentures; or

   iii. any default on the part of our Company in redemption of the Debentures.

(b) The Nominee Director shall not be liable to retire by rotation nor required to hold any qualification shares.

(c) Our Company shall appoint the person nominated by the debenture trustee(s) in terms of clause (e) of sub-regulation (1) of regulation 15 of the Debenture Trustees Regulations, as a director on its Board of Directors at the earliest and not later than one month from the date of receipt of nomination from the debenture trustee(s) as to appointment of Nominee Director.

(d) If so required, our Company shall take all steps necessary to amend its articles of association, to give effect to this Clause within the timelines prescribed under the Applicable Law.

NCD Holder not a Shareholder

The NCD Holders will not be entitled to any of the rights and privileges available to the equity and/or preference shareholders of our Company, except to the extent of the right to receive the annual reports of our Company and such other rights as may be prescribed under the Companies Act, 2013 and the rules prescribed thereunder and the SEBI Listing Regulations.

Rights of NCD Holders

Some of the significant rights available to the NCD Holders are as follows:

1. The NCDs shall not, except as provided in the Companies Act, 2013, our Memorandum and Articles of Association and/or the Debenture Trust Deed, confer upon the holders thereof any rights or privileges available to our Company's members/shareholders including, without limitation, the right to attend and/or vote at any general meeting of our Company's members/shareholders. However, if any resolution affecting the rights attached to the NCDs is to be placed before the members/shareholders of our Company, the said resolution will first be placed before the concerned registered NCD Holders for their consideration.

2. In terms of Section 136 (2) of the Companies Act, 2013, holders of NCDs shall be entitled to a copy of the balance sheet and copy of trust deed at the Registered Office of our Company during business hours.

3. Subject to the above and the applicable statutory/regulatory requirements and terms of the Debenture Trust Deed, including requirements of other applicable statutory and/or regulatory requirements, the rights, privileges and conditions attached to the NCDs may be varied, modified and/or abrogated with the consent in writing of the holders of at least three-fourths of the outstanding amount of the NCDs or with the sanction of a special resolution passed at a meeting of the concerned NCD Holders, provided that nothing in such consent or resolution shall be operative against us, where such consent or resolution modifies or varies the terms and conditions governing the NCDs, if the same are not acceptable to us.

4. Subject to applicable statutory/regulatory requirements and terms of the Debenture Trust Deed, the registered NCD Holder or in case of joint-holders, the one whose name stands first in the register of debenture holders shall be entitled to vote in respect of such NCDs, either in person or by proxy, at any meeting of the concerned NCD Holders and every such holder shall be entitled to one vote on a show of hands and on a poll, his/her voting rights on every resolution placed before such meeting of the NCD Holders shall be in proportion to the outstanding nominal value of NCDs held by him/her.

5. The NCDs are subject to the provisions of the SEBI NCS Regulations, the Companies Act, 2013, the Memorandum and Articles of Association of our Company, the terms of the Draft Shelf Prospectus, this Draft Shelf Prospectus, the relevant Tranche Prospectus, the Application Forms, the terms and conditions of the Debenture Trust Deed, requirements of other applicable statutory and/or regulatory requirements relating to the issue and listing, of securities and any other documents that may be executed in connection with the NCDs.

6. For the NCDs issued in dematerialized form, the Depositories shall also maintain the up-to-date record of holders of the NCDs in dematerialized Form. For NCDs in dematerialized form, all interest and principal sums becoming due and payable in respect of the NCDs will be paid to the person for the time being appearing in the register of beneficial owners of the Depository. In terms of Section 88(3) of the Companies Act, 2013, the register and index of beneficial of NCDs maintained by a Depository for any NCDs in dematerialized form under Section 11 of the Depositories Act shall be deemed to be a Register of NCD Holders for this purpose. The same shall be maintained at the registered office of our Company under Section 94 of the Companies Act, 2013 unless the same has been moved to another location after obtaining the consent of the NCD holders. Subject to the SEBI RTA Master Circular, a register of NCD Holders holding NCDs in physical form pursuant to rematerialisation will be maintained in accordance with Section 88 of the Companies Act, 2013 and all interest and principal sums becoming due and payable in respect of the NCDs will be paid to the registered holder thereof for the time being or in the case of joint-holders, to the person whose name stands first in the Register of NCD Holders as on the Record Date.

7. Subject to compliance with applicable laws, the NCDs can be rolled over only with the consent of the holders of at least 75% (by value) of the outstanding amount of the NCDs after providing 15 days prior notice for such roll over and in accordance with the SEBI NCS Regulations. Our Company shall redeem the debt securities of all the debt

securities holders, who have not given their positive consent to the roll-over. The roll-over of NCDs shall be as per Regulation 39 of the SEBI NCS Regulations.

The aforementioned rights of the NCD holders are merely indicative. The final rights of the NCD holders will be as per the terms of this Draft Shelf Prospectus and the Debenture Trust Deed.

Nomination facility to NCD Holder

In accordance with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014 ("**Rule 19**") read with the Section 72 of the Companies Act, 2013, the sole NCD holder, or first NCD holder, along with other joint NCD Holders' (being individual(s)), may nominate, in the **Form No. SH.13,** any one person with whom, in the event of the death of Applicant the NCDs were Allotted, if any, will vest. Where the nomination is made in respect of the NCDs held by more than one person jointly, all joint holders shall together nominate in **Form No.SH.13** any person as nominee. A nominee entitled to the NCDs by reason of the death of the original holder(s), will, in accordance with Rule 19 and Section 56 of the Companies Act, 2013, be entitled to the same benefits to which he or she will be entitled if he or she were the registered holder of the NCDs. Where the nominee is a minor, the NCD holder(s) may make a nomination to appoint, in **Form No. SH.14**, any person to become entitled to NCDs in the event of the holder's death during minority. A nomination will stand rescinded on a sale/transfer/alienation of NCDs by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. When the NCDs are held by two or more persons, the nominee shall become entitled to receive the amount only on the demise of all such NCD Holders. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or with the Registrar to the Issue.

NCD Holder(s) are advised to provide the specimen signature of the nominee to us to expedite the transmission of the NCD(s) to the nominee in the event of demise of the NCD Holder(s). The signature can be provided in the Application Form or subsequently at the time of making fresh nominations. This facility of providing the specimen signature of the nominee is purely optional.

In accordance with Rule 19 read with the applicable provisions of the Companies Act 2013, any person who becomes a nominee by virtue of the Rule 19 read with the applicable provisions of the Companies Act 2013, will on the production of such evidence as may be required by the Board, elect either:

- to register himself or herself as holder of NCDs; or
- to make such transfer of the NCDs, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the NCDs, and if the notice is not complied with, within a period of 90 days, our Board may thereafter withhold payment of all interests or other monies payable in respect of the NCDs, until the requirements of the notice have been complied with.

A nomination may be cancelled or varied by nominating any other person in place of the present nominee, by the NCD Holder who has made the nomination, by giving a notice of such cancellation or variation in the prescribed manner as per applicable laws. The cancellation or variation shall take effect from the date on which the notice of such variation or cancellation is received.

Since the allotment of NCDs will be made only in dematerialized mode, there is no need to make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the Applicant would prevail. If the investors require changing their nomination, they are requested to inform their respective Depository Participant. Applicants who have opted for rematerialisation of NCDs and are holding the NCDs in the physical form should provide required details in connection with their nominee to our Company.

Jurisdiction

Exclusive jurisdiction for the purpose of the Issue is with the competent courts of jurisdiction in New Delhi, India.

Application in the Issue

Applicants shall apply in the Issue in dematerialised form only, through a valid Application Form filled in by the Applicant along with attachment, as applicable. Further, Applications in the Issue shall be made through the ASBA facility only (including Applications made by UPI Investors under the UPI Mechanism).

In terms of Regulation 7 of the SEBI NCS Regulations, our Company will make public issue of the NCDs in the dematerialised form only.

However, in the terms of Section 8(1) of the Depositories Act, our Company at the request of the Investors who wish to hold the NCDs in physical form will rematerialise the NCDs. However, trading of the NCDs shall be compulsorily in dematerialised form only.

Form of Allotment and Denomination of NCDs

As per the SEBI NCS Regulations, the trading of the NCDs on the Stock Exchange shall be in dematerialized form only in multiples of 1 (one) NCD ("**Market Lot**"). Allotment in the Issue to all Allottees, will be in electronic form i.e. in dematerialised form and in multiples of one NCD.

In respect of consolidated certificates, we will, only upon receipt of a request from the NCD Holder, split such consolidated certificates into smaller denominations subject to the minimum of Market Lot. No fees would be charged for splitting of NCD certificates in Market Lots, but stamp duty payable, if any, would be borne by the NCD Holder. The request for splitting should be accompanied by the original NCD certificate which would then be treated as cancelled by us.

For details of allotment see "*Issue Procedure*" beginning on page 264.

Transfer/Transmission of NCD(s)

The NCDs shall be transferred subject to and in accordance with the rules/procedures as prescribed by NSDL/CDSL and the relevant DPs of the transfer or transferee and any other applicable laws and rules notified in respect thereof. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, interest will be paid/redemption will be made to the person, whose name appears in the register of debenture holders maintained by the Depositories. In such cases, claims, if any, by the transferees would need to be settled with the transferor(s) and not with the Issuer or Registrar.

In the absence of the same, interest will be paid/redemption will be made to the person, whose name appears in the register of debenture holders maintained by the Depositories. In such cases, claims, if any, by the transferees would need to be settled with the transferor(s) and not with the Issuer or Registrar. The seller should give delivery instructions containing details of the buyer's DP account to his depository participant.

Please see section titled "*Terms of the Issue – Interest*" on page 255 for the implications on the interest applicable to NCDs held by Individual Investors on the Record Date and NCDs held by Non-Individual Investors on the Record Date.

Pursuant to the SEBI LODR IV Amendment, NCDs held in physical form, pursuant to any rematerialisation, as above, cannot be transferred except by way of transmission or transposition, from December 4, 2018. However, any trading of the NCDs issued pursuant to the Issue shall be compulsorily in dematerialized form only.

Title

In case of:

- the NCDs held in the dematerialised form, the person for the time being appearing in the record of beneficial owners maintained by the Depository; and
- the NCD held in physical form, pursuant to any rematerialisation, the person for the time being appearing in the Register of Debenture Holders as Debenture Holder shall be treated for all purposes by our Company, the Debenture Trustee, the Depositories and all other persons dealing with such person as the holder thereof and its absolute owner for all purposes regardless of any notice of ownership, trust or any interest in it or any writing on, theft or loss of the Consolidated NCD Certificate issued in respect of the NCDs and no person will be liable for so treating the Debenture Holder.

Procedure for rematerialisation of NCDs

Subject to the SEBI RTA Master Circular, NCD Holders who wish to hold the NCDs in physical form may do so by submitting a request to their DP at any time after Allotment in accordance with the applicable procedure stipulated by the DP, in accordance with the Depositories Act and/or rules as notified by the Depositories from time to time. Holders of the NCDs who propose to rematerialize their NCDs, would have to mandatorily submit details of their bank mandate along with a copy of any document evidencing that the bank account is in the name of the holder of such NCDs and their Permanent Account Number to our Company and the Depository Participant. No proposal for rematerialisation of NCDs would be considered if the aforementioned documents and details are not submitted along with the request for such rematerialisation.

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018 ("**SEBI LODR IV Amendment**"), NCDs held in physical form, pursuant to any rematerialisation, as above, cannot be transferred

except by way of transmission or transposition, from December 4, 2018. However, any trading of the NCDs issued pursuant to the Issue shall be compulsorily in dematerialized form only.

Register of NCD Holders

No transfer of title of a NCD will be valid unless and until entered on the Register of NCD Holders (for re materialized NCDs) or the register and index of NCD Holders maintained by the Depository prior to the Record Date. In the absence of transfer being registered, interest and/or Redemption Amount, as the case may be, will be paid to the person, whose name appears first in the Register of NCD Holders maintained by the Depositories and/or our Company and/or the Registrar, as the case may be. In such cases, claims, if any, by the purchasers of the NCDs will need to be settled with the seller of the NCDs and not with our Company or the Registrar. The provisions relating to transfer and transmission and other related matters in respect of our Company's shares contained in the Articles of Association of our Company and the Companies Act shall apply, mutatis mutandis (to the extent applicable) to the NCDs as well.

Restriction on transfer of NCDs

There are no restrictions on transfers and transmission of NCDs allotted pursuant to the Issue. NCDs held in physical form, pursuant to any re-materialisation, as above, cannot be transferred. However, any trading of the NCDs issued pursuant to the Issue shall be compulsorily in dematerialized form only.

Succession

Where NCDs are held in joint names and one of the joint holders dies, the survivor(s) will be recognized as the NCD Holder(s). It will be sufficient for our Company to delete the name of the deceased NCD Holder after obtaining satisfactory evidence of his death. Provided, a third person may call on our Company to register his name as successor of the deceased NCD Holder after obtaining evidence such as probate of a will for the purpose of proving his title to the debentures. In the event of demise of the sole or first holder of the Debentures, our Company will recognise the executors or administrator of the deceased NCD Holders, or the holder of the succession certificate or other legal representative as having title to the Debentures only if such executor or administrator obtains and produces probate or letter of administration or is the holder of the succession certificate or other legal representation, as the case may be, from an appropriate court in India. The directors of our Company in their absolute discretion may, in any case, dispense with production of probate or letter of administration or succession certificate or other legal representation.

In case of death of NCD Holders who are holding NCDs in dematerialized form, third person is not required to approach our Company to register his name as successor of the deceased NCD Holder. The successor of the deceased NCD Holder shall approach the respective Depository Participant for this purpose and submit necessary documents as required by the Depository Participant.

Where a non-resident Indian becomes entitled to the NCDs by way of succession, the following steps have to be complied with:

1. Documentary evidence to be submitted to the Legacy Cell of the RBI to the effect that the NCDs were acquired by the non-resident Indian as part of the legacy left by the deceased NCD Holder.

2. Proof that the non-resident Indian is an Indian national or is of Indian origin.

3. Such holding by a non-resident Indian will be on a non-repatriation basis.

Joint holders

Where two or more persons are holders of any NCD(s), they shall be deemed to hold the same as joint holders with benefits of survivorship subject to other provisions contained in the Articles.

Procedure for Re-materialization of NCDs

Debenture Holders who wish to hold the NCDs in physical form may do so by submitting a request to their DP at any time after Allotment in accordance with the applicable procedure stipulated by the DP, in accordance with the Depositories Act and/or rules as notified by the Depositories from time to time. Holders of NCDs who propose to dematerialise their NCDs, would have to mandatorily submit details of their bank mandate along with a copy of any document evidencing that the bank account is in the name of the holder of such NCDs and their Permanent Account Number to our Company and the DP. No proposal for rematerialisation of NCDs would be considered if the aforementioned documents and details are not submitted along with the request for such rematerialisation.

Indicative Timeline

An indicative timetable in respect of the Issue is set out below:

Event	Indicative Date
Issue Closing Date	T#
Finalisation of Basis of Allotment with the Designated Stock Exchange	Before 9:00 p.m. on T+1 day
Initiation of refunds /unblocking of funds from ASBA Account	9:30 a.m. on T+2 day
Credit of debt securities to demat accounts of Allottees	Before 6:00 p.m. on T+2 day
Commencement of trading of the debt securities on the Stock Exchanges	T+3 day

UPI mandate end time and date shall be at 5.00 p.m. on Bid/Offer Closing Date.

Period of subscription

ISSUE SCHEDULE	
ISSUE OPENS ON	As specified in the relevant Tranche Prospectus for each Tranche Issue*
ISSUE CLOSES ON	As specified in the relevant Tranche Prospectus for each Tranche Issue*
PAY IN DATE	Application Date. The entire Application Amount is payable on Application.
DEEMED DATE OF ALLOTMENT	The date on which the Board Directors/ our Operations and Finance Committee approves the Allotment of the NCDs for this Issue or such other date as may be determined by the Board of Directors / the Operation and Finance Committee and notified to the Designated Stock Exchange. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs shall be available to the Debenture Holders from the Deemed Date of Allotment.

* *The Issue shall remain open for subscription on Working Days from 10:00 a.m. to 5:00 p.m. (Indian Standard Time) during the period as indicated in the relevant Tranche Prospectus for each Tranche Issue. Our Company may, in consultation with the Lead Manager, consider closing the relevant Tranche Issue on such earlier date or extended date (subject to a minimum period of 2 (two) working days and a maximum period of 10 (ten) working days from the date of opening of the Issue and subject to not exceeding thirty days from filing of the relevant Tranche Prospectus with RoC, including any extensions), as may be decided by the Board of Directors or the Operations and Finance Committee, subject to relevant approvals, in accordance with the Regulation 33A of the SEBI NCS Regulations. In the event of an early closure or extension of the Issue, our Company shall ensure that notice of the same is provided to the prospective investors through an advertisement in an English daily national newspaper with wide circulation and a regional daily with wide circulation where the registered office of our Company is located (in all the newspapers or electronic modes such as online newspapers or websites of the Issuer or the stock exchange in which pre-issue advertisement for opening of the Issue has been given on or before such earlier or initial date of Issue closure). On the Issue Closing Date, the Application Forms will be accepted only between 10:00 a.m. and 3:00 p.m. (Indian Standard Time) and uploaded until 5 p.m. (Indian Standard Time) or such extended time as may be permitted by the Stock Exchange. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5:00 p.m. (Indian Standard Time) on the Issue Closing Date. For further details please see "General Information" on page 46.Application (including Application under the UPI Mechanism) and any further changes to the Applications shall be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time, "IST") during the Issue Period as mentioned above by the Members of the Syndicate, Trading Members and Designated Branches of SCSBs, except that on the Issue Closing Date when the Applications and any further changes in details in Applications, if any, shall be accepted only between 10.00 a.m. and 3.00 p.m. (IST) and shall be uploaded until 5.00 p.m. (IST) or such extended time as permitted by the Stock Exchange. Additionally, an Investor may also submit the Application Form through the app or web interface of the Stock Exchange. It is clarified that the Applications not uploaded in the Stock Exchange platform would be rejected.*

Due to limitation of time available for uploading the Applications on the Issue Closing Date, the Applicants are advised to submit their Applications one day prior to the Issue Closing Date and, in any case, no later than 3.00 p.m. (IST) on the Issue Closing Date. All times mentioned in this Draft Shelf Prospectus are Indian Standard Time. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, as is typically experienced in public offerings, some Applications may not get uploaded due to lack of sufficient time. Such Applications that cannot be uploaded will not be considered for Allocation under the Issue. Applications will be accepted only on Business Days, i.e., Monday to Friday (excluding any public holiday). Neither our Company, nor the Lead Manager, nor any Member of the Syndicate, Trading Members or Designated Branches of SCSBs is liable for any failure in uploading the Applications due to faults in any software/hardware system or otherwise. Please note that, within each category of Investors, the Basis of Allotment under the Issue will be on date priority basis, however, from the date of oversubscription and thereafter, the allotments will be made to the applicants on proportionate basis.

Interest

As specified in the relevant Tranche Prospectus for each Tranche Issue.

Basis of payment of Interest

The Tenor, Coupon Rate / Yield and Redemption Amount applicable for each Series of NCDs shall be determined at the time of Allotment of NCDs pursuant to the relevant Tranche Prospectus. NCDs once allotted under any particular Series of NCDs shall continue to bear the applicable Tenor, Coupon/Yield and Redemption Amount as at the time of original Allotment irrespective of the category of NCD Holder on any Record Date, and such tenor, coupon/ yield and redemption amount as at the time of original allotment will not be impacted by trading of any series of NCDs between the categories of persons or entities in the secondary market.

Mode of payment of Interest to NCD Holders

We may enter into an arrangement with one or more banks in one or more cities for direct credit of interest to the account of the Investors. In such cases, interest, on the interest payment date, would be directly credited to the account of those Investors who have given their bank mandate.

We may offer the facility of NACH, NEFT, RTGS, Direct Credit and any other method permitted by RBI and SEBI from time to time to help NCD Holders. The terms of this facility (including towns where this facility would be available) would be as prescribed by RBI. Please see section titled "*Terms of the Issue – Manner of Payment of Interest/Refund/Redemption*" at page 258.

Amount of interest payable shall be rounded off to the nearest Rupee. In the event, the interest / payout of total coupon / redemption amount is a fraction and not an integer, such amount will be rounded off to the nearest integer. By way of illustration if the redemption amount is ₹ 1,837.50 then the amount shall be rounded off to ₹ 1,838.00.

Taxation

Income tax is deductible at source at the rates in force (presently,10%, subject to applicable law) on interest on debentures held by resident investors (other thanexempt entities as prescribed under applicable law), at the time of credit / payment, provided that the aggregate amount of such interest exceeds ₹10,000 during the Tax Year, as per the provisions of Section 393 of the IT Act. Further, tax will be deductedat source at a reduced rate, or no tax will be deducted at source in the following cases:

a. When the Assessing Officer issues a certificate on an application by a Debenture Holder on satisfaction that the total income of the Debenture holder justifies no/lower deduction of tax at source as per the provisions of section 395(1) of the IT Act of the IT Act; and that a valid certificate is filed with our Company before the prescribed date of closure of books for payment of debenture interest;

b. When the resident Debenture Holder with Permanent Account Number ('PAN') (not being a company or a firm) submits a declaration as per the provisions of section 393(6) of the IT Act in the prescribed Form 121 verified in the prescribed manner to the effect that the tax on his estimated total income of the tax year in which such income is to be included in computing his total income will be NIL. However, under section 393(6) of the IT Act, Form 121 cannot be submitted nor considered for exemption from tax deduction at source if income in the nature referred to in sections, 393(1) (Table: Sl. No. 7), 393(3) (Table: Sl. No. 6), 392(7), Section 393(1)[Table: Sl.No.5(i)], Section 393(1)[Table: Sl.No.5(ii.D(a))], Section 393(1)[Table: Sl.No.5(ii.D(b))],Section 393(1)[Table: Sl.No.1(i)], Section 393(1)[Table: Sl.No.8(i)], Section 393(1)[Table: Sl.No.2(ii.D(a))], Section 393(1)[Table: Sl.No.2(ii.D(b))] or Section 393(1)[Table: Sl.No.4(i)] as the case may be or the aggregate of the amounts of such incomes credited or paid or likely to be credited or paid during the tax year in which such income is to be included exceeds the maximum amount which is not chargeable to income tax;

c. Senior citizens, who are 60 or more years of age at any time during the financial year, enjoy the special privilege to submit a self-declaration in the prescribed Form 121 for non-deduction of tax at source in accordance with the provisions of section 393(6) of the IT Act even if the aggregate income credited or paid or likely to be credited or paid exceeds the maximum amount not chargeable to tax, provided that the tax due on the estimated total income of the year concerned will be Nil; and

d. In all other situations, tax would be deducted at source as per prevailing provisions of the IT Act.

Form No.121 with PAN/ Form No.15H with PAN/ Certificate issued under section 395(1) of the IT Act pursuant to the electronic filing of Form 128, has to be filed with our Company before the prescribed date of closure of books for payment of debenture interest without any withholding tax.

The aforesaid documents, as may be applicable, should be submitted at the office of the Registrar to the Issue quoting 7 (seven) days prior to the Record Date to ensure non-deduction/lower deduction of tax at source from interest on the NCD. The investors need to submit Form 121/128/certificate in original with the Assessing Officer for each Fiscal during the currency of the NCD to ensure non-deduction or lower deduction of tax at source from interest on the NCD.

A valid tax exemption certificate/document, if any, must be lodged at the office of the Registrar to the Issue at least sevendays prior to the Record Date or as specifically required, failing which tax applicable on interest will be deducted at source on accrual thereof in the Issuer's books and/or on payment thereof, in accordance with the provisions of the IT Act and/or any other statutory modification, enactment or notification as the case may be. A tax deduction certificate will be issued for the amount of tax so deducted For further details, please see the section "*Statement of Possible Tax Benefits*" on page 68.

If the date of interest payment falls on a Saturday, Sunday or a public holiday in Mumbai or any other payment centre notified in terms of the Negotiable Instruments Act, 1881, then interest would be paid on the next working day. Payment of interest would be subject to the deduction as prescribed in the I.T. Act or any statutory modification or re-enactment thereof for the time being in force.

Subject to the terms and conditions in connection with computation of applicable interest on the Record Date as stated in the section titled "*Issue Procedure*" on page 264. Please note that in case the NCDs are transferred and/or transmitted in accordance with the provisions of the relevant Tranche Prospectus read with the provisions of the Articles of Association of our Company, the transferee of such NCDs or the transferee of the deceased holder of NCDs, as the case may be, shall be entitled to any interest which may have accrued on the NCDs.

Registrar to the Issue

Alankit Assignments Limited

Address: Alankit House, 1E/13
Jhandewalan Extension
New Delhi-110 055
Tel: 011-4254-1193
Fax: +91-11-4254 1201, +91-11-2355 2001
Email: rta@alankit.com
Investor Grievance ID: paisalo@alankit.com
Website: ipo.alankit.com/
Contact Person: Kamal Garg
Investor Grievance Email: paisalo@alankit.com
Compliance Officer: Harish Chandra Agarwal
SEBI Registration No: INR000002532
CIN: U74210DL1991PLC042569

Contact details of our Company

Contact Person: **Manendra Singh**
Address: CSC, Pocket 52, Near Police Station,
CR Park, New Delhi – 110 019, India.
Telephone: +91 11 43518888
Email: cs@paisalo.in

Day Count Convention

Interest shall be computed on an actual/actual basis on the principal outstanding on the NCDs as per the SEBI NCS Master Circular.

Effect of holidays on payments

If the Interest Payment Date falls on a day other than a Working Day, the interest payment shall be made by our Company on the immediately succeeding Working Day and calculation of such interest payment shall be as per original schedule as if such Interest Payment Date were a Working Day. Further, the future Interest Payment Dates shall remain intact and shall not be changed because of postponement of such interest payment on account of it falling on a non -Working Day. Payment of interest will be subject to the deduction of tax as per Income Tax Act or any statutory modification or re - enactment thereof for the time being in force, as applicable.

If Redemption Date (also being the last Interest Payment Date) falls on a day that is not a Working Day, the Redemption Amount shall be paid by our Company on the immediately preceding Working Day along with interest accrued on the NCDs until but excluding the date of such payment.

Illustration for guidance in respect of the day count convention and effect of holidays on payments:

The illustration for guidance in respect of the day count convention and effect of holidays on payments, as required by SEBI NCS Master Circular will be disclosed in the relevant Tranche Prospectus.

Maturity and Redemption

As specified in the relevant Tranche Prospectus.

Put / Call Option

As specified in the relevant Tranche Prospectus.

Application Size

Each Application should be for a minimum of ₹10,000 (10 NCDs) and in multiples of ₹1,000 (1 NCD) thereafter. Applicants can apply for any or all types of NCDs offered hereunder (any/all series) provided the Applicant has applied for minimum application size using the same Application Form.

Applicants are advised to ensure that applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions.

Terms of Payment

The entire issue price of ₹[•] per NCD is payable on application itself. In case of allotment of lesser number of NCDs than the number of NCDs applied for, our Company shall instruct the SCSBs to unblock the excess amount blocked on application in accordance with the terms of the Shelf Prospectus and relevant Tranche Prospectus.

Manner of Payment of Interest/Refund/Redemption

The manner of payment of interest / refund / redemption in connection with the NCDs is set out below*:

The bank details will be obtained from the Depositories for payment of interest / redemption amount as the case may be. Holders of the NCDs, are advised to keep their bank account details as appearing on the records of the Depository Participant updated at all points of time. Please note that failure to do so could result in delays in credit of interest/redemption amounts at the Applicant's sole risk, and the Lead Manager, our Company or the Registrar shall have no responsibility and undertake no liability for the same.

In case of NCDs held in physical form, on account of rematerialisation, the bank details will be obtained from the documents submitted to our Company along with the rematerialisation request. For further details, please see "*Terms of the Issue – Procedure for Re-materialization of NCDs*" on page 253.

The Registrar to the Issue will issue requisite instructions to the relevant SCSBs to un-block amounts in the ASBA Accounts of the Applicants representing the amounts to unblocked for the Applicants.

* *In the event, the interest / payout of total coupon / redemption amount is a fraction and not an integer, such amount will be rounded off to the nearest integer. By way of illustration if the redemption amount is ₹ 1,837.50 then the amount shall be rounded off to ₹ 1,838.*

The mode of interest / refund / redemption payments shall be undertaken in the following order of preference:

1. **Direct Credit**

Investors having their bank account with the Refund Bank, shall be eligible to receive refunds, if any, through direct credit. The refund amount, if any, would be credited directly to their bank account with the Refund Banker.

2. **NACH**

National Automated Clearing House which is a consolidated system of ECS. Payment would be done through NACH for Applicants having an account at one of the centres specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including Magnetic Ink Character Recognition ("MICR") code wherever applicable from the depository. Payments through NACH are mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where applicant is otherwise disclosed as eligible to get payments through NEFT or Direct Credit or RTGS.

3. **RTGS**

Applicants having a bank account with a participating bank and whose interest payment/ refund/ redemption amounts exceed ₹ 200,000, or such amount as may be fixed by RBI from time to time, have the option to receive payments through RTGS. Such eligible Applicants who indicate their preference to receive interest payment/ refund/ redemption through RTGS are required to provide the IFSC code in the Application Form or intimate our Company and the Registrar to the Issue at least seven days prior to the Record Date. Charges, if any, levied by the Applicant's bank receiving the credit would be borne by the Applicant. In the event the same is not provided, interest payment/ refund/ redemption shall be made through NACH subject to availability of complete bank account details for the same as stated above.

4. **NEFT**

Payment of interest/ refunds/ redemption shall be undertaken through NEFT wherever the Applicants' banks have been assigned the Indian Financial System Code ("IFSC"), which can be linked to a MICR, if any, available to that particular bank branch. The IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Applicants have registered their nine digit MICR number and their bank account number while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of interest/ refund/ redemption will be made to the applicants through this method.

5. **Registered Post/Speed Post**

For all other Applicants, including those who have not updated their bank particulars with the MICR code, the interest payment / redemption amount shall be paid by way of interest/ redemption warrants dispatched through speed post/ registered post only to Applicants that have provided details of a registered address in India.

Please note that applicants are eligible to receive payments through the modes detailed in (i), (ii), (iii), and (iv) herein above provided they provide necessary information for the above modes and where such payment facilities are allowed / available.

Please note that our Company shall not be responsible to the holder of NCD, for any delay in receiving credit of interest / refund / redemption so long as our Company has initiated the process of such request in time.

In case of ASBA Applicants, the Registrar to the Issue will issue requisite instructions to the relevant SCSBs to un-block amounts in the ASBA Accounts of the Applicants representing the amounts to be refunded to the Applicants.

The Registrar to the Issue shall instruct the relevant SCSB or in case of Bids by Retail Individual Investors and high net worth individuals applying through the UPI Mechanism to the Sponsor Bank, to revoke the mandate and to unblock the funds in the relevant ASBA Account to the extent of the Application Amount specified in the Application Forms for withdrawn, rejected or unsuccessful or partially successful Applications within 2 (two) Working Days of the Issue Closing Date of the relevant Tranche Issue.

Manner of Payment of Interest / Unblocking

The manner of payment of interest / unblocking in connection with the NCDs is set out below:

The bank details will be obtained from the Depositories for payment of Interest / unblocking / redemption as the case may be. Applicants are advised to keep their bank account details as appearing on the records of the depository participant updated at all points of time. Please note that failure to do so could result in delays in credit of Interest/ Redemption Amounts at the Applicant's sole risk, and the Lead Manager, our Company or the Registrar shall have no responsibility and undertake no liability for the same.

In case of NCDs held in physical form, on account of rematerialisation, the bank details will be obtained from the documents submitted to our Company along with the rematerialisation request. For further details, please see section titled "*Terms of the Issue – Procedure for Rematerialization of NCDs*" on page 253.

Printing of Bank Particulars on Interest/redemption Warrants

As a matter of precaution against possible fraudulent encashment of interest/ redemption warrants due to loss or misplacement, the particulars of the Applicant's bank account are mandatorily required to be given for printing on the orders/ warrants. In relation to NCDs held dematerialised form, these particulars would be taken directly from the depositories. In case of NCDs held in physical form on account of rematerialisation, the Investors are advised to submit their bank account details with our Company / Registrar at least fifteen (15) days prior to the Record Date failing which the orders / warrants will be dispatched to the postal address of the holder of the NCD as available in the records of our Company. Bank account particulars will be printed on the warrants which can then be deposited only in the account specified.

Right to Recall or Redeem NCDs prior to Maturity

Not Applicable

Buy Back of NCDs

Our Company may, at its sole discretion, from time to time, consider, subject to applicable statutory and/or regulatory requirements, buyback of NCDs, upon such terms and conditions as may be decided by our Company.

Our Company may from time to time invite the NCD Holders to offer the NCDs held by them through one or more buy- back schemes and/or letters of offer upon such terms and conditions as our Company may from time to time determine, subject to applicable statutory and/or regulatory requirements. Such NCDs which are bought back may be extinguished, re-issued and/or resold in the open market with a view of strengthening the liquidity of the NCDs in the market, subject to applicable statutory and/or regulatory requirements.

Form and Denomination of NCDs

In case of NCDs held in physical form on account of rematerialisation, a single certificate will be issued to the NCD Holder for the aggregate amount of the NCDs held ("**Consolidated Certificate**"). The Applicant can also request for the issue of NCD certificates in denomination of one NCD ("**Market Lot**"). In case of NCDs held under different Options, by an NCD Holder, separate Consolidated Certificates will be issued to the NCD Holder for the aggregate amount of the NCDs held under each Option.

It is, however, distinctly to be understood that the NCDs pursuant to this Issue shall be traded only in dematerialized form.

In respect of Consolidated Certificates, only upon receipt of a request from the NCD Holder, the Consolidated Certificates would be split into smaller denominations, subject to the minimum of Market Lot. No fee would be charged for splitting of NCD certificates in Market Lots, but stamp duty payable, if any, would be borne by the NCD Holder. The request for splitting should be accompanied by the original NCD certificate, which would then be treated as cancelled.

Procedure for redemption by NCD Holders

The procedure for redemption is set out below:

NCDs held in physical form on account of re-materialization

No action would ordinarily be required on the part of the NCD Holder at the time of redemption and the redemption proceeds would be paid to those NCD Holders whose names stand in the register of debenture holders maintained by us on the Record Date fixed for the purpose of Redemption. However, our Company may require that the NCD certificate(s), duly discharged by the sole holder/all the joint-holders (signed on the reverse of the NCD certificates) be surrendered for redemption on maturity and should be sent by the NCD Holders by Registered Post with acknowledgment due or by hand delivery to our office or to such persons at such addresses as may be notified by us from time to time. NCD Holders may be requested to surrender the NCD certificates in the manner as stated above, not more than three months and not less than one month prior to the redemption date so as to facilitate timely payment.

We may at our discretion redeem the NCDs without the requirement of surrendering of the NCD certificates by the NCD Holders. In case we decide to do so, the NCD Holders need not submit the NCD certificates to us and the redemption proceeds would be paid to those NCD Holders whose names stand in the register of debenture holders maintained by us on the Record Date fixed for the purpose of redemption of NCDs. In such case, the NCD certificates would be deemed to have been cancelled.

NCDs held in electronic form

No action is required on the part of NCD Holder(s) at the time of redemption of NCDs.

Payment on redemption

The manner of payment of redemption is set out below:

NCDs held in physical form on account of re-materialization

The payment on redemption of the NCDs will be made by way of cheque/pay order/ electronic modes. However, if our Company so requires, the aforementioned payment would only be made on the surrender of NCD certificates, duly discharged by the sole holder/ all the joint holders (signed on the reverse of the NCD certificates). Dispatch of cheques/ pay orders, etc. in respect of such payment will be made on the redemption date or (if so, requested by our Company in this regard) within a period of 30 days from the date of receipt of the duly discharged NCD certificate.

In case we decide to do so, the redemption proceeds in the manner stated above would be paid on the redemption date to those NCD Holders whose names stand in the register of debenture holders maintained by us on the Record Date fixed for the purpose of Redemption. Hence the transferees, if any, should ensure lodgement of the transfer documents with us at least 15 (fifteen) days prior to the Record Date. In case the transfer documents are not lodged with us at least 15 (fifteen) days prior to the Record Date and we dispatch the redemption proceeds to the transferor, claims in respect of the redemption proceeds should be settled amongst the parties inter se and no claim or action shall lie against us or the Registrar.

Our liability to NCD Holders towards their rights including for payment or otherwise shall stand extinguished from the redemption in all events and when we dispatch the redemption amounts to the NCD Holders.

Further, we will not be liable to pay any interest, income or compensation of any kind from the date of redemption of the NCD(s).

NCDs held in electronic form

On the redemption date, redemption proceeds would be paid by cheque /pay order / electronic mode to those NCD Holders whose names appear on the list of beneficial owners given by the Depositories to us. These names would be as per the Depositories' records on the Record Date fixed for the purpose of redemption. These NCDs will be simultaneously extinguished to the extent of the amount redeemed through appropriate debit corporate action upon redemption of the corresponding value of the NCDs. It may be noted that in the entire process mentioned above, no action is required on the part of NCD Holders.

Our liability to NCD Holder(s) towards his/their rights including for payment or otherwise shall stand extinguished from the date of redemption in all events and when we dispatch the redemption amounts to the NCD Holder(s).

Further, we will not be liable to pay any interest, income or compensation of any kind from the date of redemption of the NCD(s).

In the event, the interest / payout of total coupon / redemption amount is a fraction and not an integer, such amount will be rounded off to the nearest integer. By way of illustration if the redemption amount is ₹1,837.5, then the amount shall be rounded off to ₹1,838.

Right to Reissue NCD(s)

Subject to the provisions of the Companies Act, 2013, if any and SEBI NCS Regulation, where we have fully redeemed or repurchased any NCD(s), we shall have and shall be deemed always to have had the right to keep such NCDs in effect without extinguishment thereof, for the purpose of resale or reissue and in exercising such right, we shall have and be deemed always to have had the power to resell or reissue such NCDs either by reselling or reissuing the same NCDs or by issuing other NCDs in their place. The aforementioned right includes the right to reissue original NCDs.

Sharing of Information

Our Company may, at its option, use on our own, as well as exchange, share or part with any financial or other information about the NCD Holders available with us, with our subsidiaries, if any and affiliates and other banks, financial institutions, credit bureaus, agencies, statutory bodies, as may be required and neither we or our affiliates nor their agents shall be liable for use of the aforesaid information.

Notices

All notices to the NCD Holder(s) required to be given by us or the Debenture Trustee shall be published in one English language newspaper having wide circulation and one regional language daily newspaper in Mumbai and/or will be sent by speed post/ courier or through email or other electronic media to the Registered Holders of the NCD(s) from time to time.

Issue of duplicate NCD certificate(s)

If NCD certificate(s), issued pursuant to rematerialisation, is/ are mutilated or defaced or the cages for recording transfers of NCDs are fully utilised, the same may be replaced by us against the surrender of such certificate(s). Provided, where the NCD certificate(s) are mutilated or defaced, the same will be replaced as aforesaid only if the certificate numbers and the distinctive numbers are legible.

If any NCD certificate is destroyed, stolen or lost then upon production of proof thereof to our satisfaction and upon furnishing such indemnity/ security and/or documents as we may deem adequate, duplicate NCD certificates shall be issued. Upon issuance of a duplicate NCD certificate, the original NCD certificate shall stand cancelled.

Future Borrowings

The Issuer will be entitled to borrow/raise loans or avail of financial assistance in whatever form as also to issue debentures/ NCDs/other securities in any manner having such ranking in priority, pari passu or otherwise, subject to applicable consents, approvals or permissions that may be required under any statutory/regulatory/contractual requirement.

Impersonation

As a matter of abundant caution, attention of the Investors is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"Any person who- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447 of the Companies Act, 2013."

The liability prescribed under Section 447 of the Companies Act 2013 for fraud involving an amount of at least ₹ 10.0 lakhs or 1.00% of the turnover of our Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount. In case the fraud involves (i) an amount which is less than ₹ 10.0 lakhs or 1.00% of the turnover of our Company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to ₹ 50.0 lakhs or with both.

Pre-closure

Our Company, in consultation with the Lead Manager reserves the right to close the Issue at any time prior to the Issue Closing Date, subject to receipt of minimum subscription or as may be specified in the relevant Tranche Prospectus. Our Company shall allot NCDs with respect to the Applications received until the time of such pre-closure in accordance with the Basis of Allotment as described hereinabove and subject to applicable statutory and/or regulatory requirements. In the event of such early closure of the Issue, our Company shall ensure that public notice of such early closure is published on or before such early date of closure is published on or before such early date of closure or the Issue Closing Date, as applicable, through advertisement(s) in all those newspapers in which pre-issue advertisement have been given.

If our Company does not receive the minimum subscription of 75% of Base Issue Size, as specified in the relevant Tranche Prospectus prior to the Issue Closing Date the entire Application Amount shall be unblocked in the relevant ASBA Account(s) of the Applicants within 8 (eight) working days from the Issue Closing Date, provided wherein, the Application Amount has been transferred to the Public Issue Account from the respective ASBA Accounts, such Application Amount shall be refunded from the Refund Account to the relevant ASBA Accounts(s) of the Applicants within 2 (two) working days from the Issue Closing Date, failing which our Company will become liable to refund the Application Amount along with interest at the rate 15 (fifteen) percent per annum for the delayed period.

Minimum subscription

In terms of the SEBI NCS Regulations, for an issuer undertaking a public issue of non-convertible securities the minimum subscription for such public issue of non-convertible securities shall be 75% of the Base Issue Size as specified in the relevant Tranche Prospectus. If our Company does not receive the minimum subscription of 75% of the Base Issue Size as specified in the relevant Tranche Prospectus, prior to the Issue Closing Date the entire Application Amount shall be unblocked in the relevant ASBA Account(s) of the Applicants within eight Working Days from the Issue Closing Date or such time as may be specified by SEBI failing which our Company will become liable to refund the Application Amount along with interest at the rate 15% per annum for the delayed period.

Under Section 39(3) of the Companies Act, 2013 and Rule 11(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 if the stated minimum subscription amount is not received within the specified period, the application money received is to be credited only to the bank account from which the subscription was remitted. To the extent possible, where the required information for making such refunds is available with our Company and/or the Registrar, refunds will be made to the account prescribed. However, where our Company and/or the Registrar does not have the necessary information for making such refunds, our Company and/or the Registrar will follow the guidelines prescribed by SEBI in this regard included in the SEBI NCS Master Circular.

Utilisation of Application Amount

The sum received in respect of the Issue will be kept in separate bank account(s) and we will have access to such funds only upon allotment of the NCDs, execution of Debenture Trust Deed and on receipt of listing and trading approval from the Stock Exchange as per applicable provisions of law(s), regulations and approvals.

Utilisation of Issue Proceeds

(a) The allotment letter shall be issued, or application money shall be refunded in accordance with the Applicable Law failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period.

(b) All monies received pursuant to the issue of NCDs to public shall be transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013.

(c) Details of all monies utilised out of Issue referred to in sub-item (a) shall be disclosed under an appropriate separate head in our Balance Sheet indicating the purpose for which such monies had been utilized.

(d) Details of all unutilised monies out of issue of NCDs, if any, referred to in sub-item (a) shall be disclosed under an appropriate separate head in our Balance Sheet indicating the form in which such unutilised monies have been invested.

(e) Our Company shall utilize the Issue proceeds only upon (i) receipt of minimum subscription; (ii) completion of Allotment in compliance with Section 40 of the Companies Act, 2013; (ii) receipt of listing and trading approval from Stock Exchange and (iii) only upon execution of the documents for creation of security and debenture trust deed.

(f) The Issue proceeds shall not be utilized towards full or part consideration for the purchase or any other acquisition, *inter alia* by way of a lease, of any immovable property.

(g) Details of all utilized and unutilized monies out of the monies collected in the previous issue made by way of public offer shall be disclosed and continued to be disclosed in the balance sheet till the time any part of the proceeds of such previous issue remains unutilized indicating the purpose for which such monies have been utilized and the securities or other forms of financial assets in which such unutilized monies have been invested.

(h) The Issue proceeds shall be utilised in compliance with various guidelines, regulations and clarifications issued by RBI, SEBI or any other statutory authority from time to time. Further the Issue proceeds shall be utilised only for the purpose and objects stated in the Offer documents.

(i) Allotment is not made, application monies will be refunded/unblocked in the ASBA Accounts within 2(two) Working Days from the Issue Closing Date or such lesser time as specified by SEBI, failing which interest will be due to be paid to the Applicants in accordance with applicable laws.

Listing

The NCDs offered through this Draft Shelf Prospectus and the relevant Tranche Prospectus are proposed to be listed on the BSE. Our Company has obtained an 'in-principle' approval for the Issue from the BSE vide their letter [•] dated [•]. For the purposes of the Issue, BSE shall be the Designated Stock Exchange.

Our Company will use best efforts to ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange is taken within two Working Days of the Issue Closing Date. For the avoidance of doubt, it is hereby clarified that in the event of non-subscription to any one or more of the series, such serie(s) of NCDs shall not be listed. If permissions to deal in and for an official quotation of our NCDs are not granted by the Stock Exchange, our Company will forthwith repay, without interest, all moneys received from the applicants in pursuance of the Shelf Prospectus and relevant Tranche Prospectus.

Guarantee/Letter of Comfort

The Security proposed for the Issue is not backed by a guarantee or letter of comfort or any other document and/or letter with similar intent.

Arrangers

No arrangers have been appointed for this Issue.

Monitoring and Reporting of Utilisation of Issue Proceeds

There is no requirement for appointment of a monitoring agency in terms of the SEBI NCS Regulations. The Audit Committee shall monitor the utilization of the proceeds of the Issue. For the relevant Fiscals commencing from Fiscal 2027, our Company will disclose in our financial statements, the utilization of the net proceeds of the Issue under a separate head along with details, if any, in relation to all such proceeds of the Issue that have not been utilized thereby also indicating investments, if any, of such unutilized proceeds of the Issue.

Payment of Interest

If Allotment is not made within the prescribed time period under applicable law, the entire subscription amount will be unblocked within the time prescribed under applicable law, failing which interest may be due to be paid to the Applicants, for the delayed period, as prescribed in applicable law. Our Company shall not be liable to pay any interest on monies liable to be refunded in case of (a) invalid applications or applications liable to be rejected, (b) applications which are withdrawn by the Applicant and/or (c) monies paid in excess of the amount of NCDs applied for in the Application Form. For further details, see "*Issue Procedure - Rejection of Applications*" beginning on page 285.

Lien

Our Company will have the right of set-off and lien, present as well as future on the moneys due and payable to the NCD Holder, to the extent of all outstanding dues, if any by the NCD Holder to our Company.

Lien on Pledge of NCDs

Subject to applicable law, our Company, at its discretion, may record a lien on pledge of NCDs if such pledge of NCDs is accepted by any bank or institution for any loan provided to the NCD Holder against pledge of such NCDs as part of the funding.

Delay in Allotment

Our Company shall pay interest at 15% (fifteen percent) per annum if allotment is not made and refund orders/allotment letters are not dispatched and/or demat credits are not made to investors within two Working Days of the Issue Closing Date or date of refusal of the Stock Exchange(s), whichever is earlier.

ISSUE PROCEDURE

*This section applies to all Applicants. Specific attention of all Applicants is invited to the SEBI NCS Master Circular, which provides, inter-alia, that for all public issues of debt securities all Applicants shall mandatorily use the ASBA facility for participating in the Issue. ASBA Applicants and Applicants applying through the Direct Online Application Mechanism (as defined hereinafter) should note that the ASBA process and the Direct Online Application Mechanism involve application procedures that are different from the procedure applicable to all other Applicants. Please note that all Applicants are required to pay the full Application Amount or ensure that the ASBA Account has sufficient credit balance such that the entire Application Amount can be blocked by the SCSB while making an Application. Further in terms of the SEBI NCS Master Circular retail individual investor and high net-worth individual investor may use the Unified Payment Interface ("**UPI**") to participate in the public issue for an amount up to ₹500,000 (₹2,00,000 for retail individual investors)through the app/web interface of the Stock Exchange or through intermediaries (Syndicate Members, Registered Stock Brokers, Registrar and Transfer Agent and Depository Participants). Further all retail individual investors and high net worth individual investors applying through intermediaries (viz. syndicate members, registered stock brokers, registrar to an issue and transfer agent and depository participants), where the application amount is upto ₹ 5,00,000 (₹2,00,000 for retail individual investors), shall only use UPI for the purpose of blocking of funds and provide his/ her bank account linked UPI ID in the bid-cum-application form submitted with intermediaries. However, individual investors shall continue to have the choice of availing other modes (viz. through SCSBs and Stock Exchange Platform) for making an application in the public issue.*

Applicants should note that they may submit their Applications (including in cases where Applications are being made under the UPI mechanism) at (i) the Designated Branches of the SCSBs or (ii) at the Collection Centres, i.e. to the respective Members of the Consortium at the Specified Locations, the Trading Members at the Broker Centres, the CRTA at the Designated RTA Locations or CDP at the Designated CDP Locations or (iii) through BSE Direct, the app and/or web based interface/platform of the Stock Exchange, as applicable. For further information, please see "Issue Procedure - Submission of Completed Application Forms" on page 352.

Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Shelf Prospectus. Applicants are advised to make their independent investigations and ensure that their Application do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable law or as specified in the relevant Tranche Prospectus.

Please note that this section has been prepared based on the SEBI NCS Master Circular and the notifications issued by BSE in relation to the UPI Mechanism, each as amended, from time to time. Pursuant to the amendments to the SEBI NCS Master Circular dated October 15, 2025, the timelines for listing of non- convertible debentures have been revised from T+6 to T+3, where "T" is the issue closing date.

Specific attention is drawn to the SEBI NCS Master Circular which provides for allotment in public issues of debt securities to be made on the basis of the date of upload of each application into the electronic book of the Stock Exchange, as opposed to the date and time of upload of each such application.

Further, our Company, the Lead Manager and the Consortium Member do not accept any responsibility for any adverse occurrence consequent to the implementation of the UPI Mechanism for application in the Issue.

THE DESIGNATED INTERMEDIARIES (OTHER THAN TRADING MEMBERS), SCSBs AND OUR COMPANY SHALL NOT BE RESPONSIBLE OR LIABLE FOR ANY ERRORS OR OMISSIONS ON THE PART OF THE TRADING MEMBERS IN CONNECTION WITH THE RESPONSIBILITIES OF SUCH TRADING MEMBERS INCLUDING BUT NOT LIMITED TO COLLECTION AND UPLOAD OF APPLICATION FORMS IN THE ISSUE ON THE ELECTRONIC APPLICATION PLATFORM PROVIDED BY THE STOCK EXCHANGE. FURTHER, THE STOCK EXCHANGE SHALL BE RESPONSIBLE FOR ADDRESSING INVESTOR GRIEVANCES ARISING FROM APPLICATION THROUGH TRADING MEMBERS REGISTERED WITH THE STOCK EXCHANGE.

Please note that for the purposes of this section, the term "*Working Day*" shall mean all days on which commercial banks in Mumbai, are open for business. In respect of announcement or Issue Period, working day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business,. Further, in respect of the time period between the Issue Closing Date and the listing of the NCDs on the Stock Exchange, working day shall mean all trading days of the Stock Exchange for NCDs, excluding Saturdays, Sundays and bank holidays, as specified by SEBI.

PROCEDURE FOR APPLICATION

Availability of this Draft Shelf Prospectus, the Shelf Prospectus, Abridged Prospectus and Application Forms

Please note that only ASBA Applicants shall be permitted to make an application for the NCDs.

Please note that there is a single Application Form for Applicants who are Persons Resident in India.

Physical copies of the Abridged Prospectus containing the salient features of the Shelf Prospectus, the relevant Tranche Prospectus(es) together with Application Form may be obtained from:

a. Our Company's Registered Office and Corporate Office;

b. Offices of the Lead Manager/Syndicate Members/ Offices of the Consortium Members;

c. the CRTA at the Designated RTA Locations;

d. the CDPs at the Designated CDP Locations;

e. Trading Members at the Broker Centres;

f. Designated Branches of the SCSBs; and

g. Office of the Consortium Member.

Electronic copies of this Draft Shelf Prospectus, the Shelf Prospectus and relevant Tranche Prospectus along with the downloadable version of the Application Form will be available on the websites of the Lead Manager, the Stock Exchange, SEBI and the SCSBs.

Electronic Application Forms may be available for download on the website of the Stock Exchange and on the websites of the SCSBs that permit submission of Application Forms electronically. A unique application number ("**UAN**") will be generated for every Application Form downloaded from the website of the Stock Exchange. Our Company may also provide Application Forms for being downloaded and filled at such website as it may deem fit. In addition, brokers having online demat account portals may also provide a facility of submitting the Application Forms virtually online to their account holders.

Trading Members of the Stock Exchange can download Application Forms from the website of the Stock Exchange. Further, Application Forms will be provided to Trading Members of the Stock Exchange at their request.

UPI Investors making an Application upto ₹5 lakhs, using the UPI Mechanism, must provide the UPI ID in the relevant space provided in the Application Form. Application Forms that do not contain the UPI ID are liable to be rejected. UPI Investors applying using the UPI Mechanism may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of SEBI.

Who can apply?

The following categories of persons are eligible to apply in the Issue:

Category I – Institutional Investors

- Public financial institutions, scheduled commercial banks and multilateral and bilateral development financial institutions which are authorised to invest in the NCDs;
- Provident funds of minimum corpus of ₹ 2,500.00 lakhs, pension funds and gratuity funds of minimum corpus of ₹ 2,500.00 lakhs, registered with the Pension Fund Regulatory and Development Authority which are authorised to invest in the NCDs;
- Alternative investment funds, subject to investment conditions applicable to them under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012; as amended
- Resident venture capital funds registered with SEBI;
- Insurance companies registered with the IRDAI;
- State industrial development corporations;
- Insurance funds set up and manged by the Indian army, navy or the air force of the Union of India;
- Department of Posts, India;
- Insurance funds set up and Department of Posts, India;
- Systemically important non-banking financial companies registered with RBI;

- National Investment Fund (set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India and published in the Gazette of India); and
- Mutual Funds registered with SEBI; and
- or as specified under the relevant Tranche Prospectus.

Category II – Non Institutional Investors

- Companies falling within the meaning of Section 2(20) of the Companies Act 2013; statutory bodies corporation and societies registered under the applicable laws in India and authorised to invest in the NCDs;
- Co-operative banks and regional rural banks;
- Trust including public/private charitable/religious trusts which are authorised to invest in the NCDs;
- Educational institutions and associations of persons and/or bodies established pursuant to or registered under any central or state statutory enactment; which are authorised to invest in the NCDs;
- Scientific and/or industrial research organisations, which are authorised to invest in the NCDs;
- Partnership firms in the name of the partners; Limited liability partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008 (No. 6 of 2009);
- Association of persons; and
- Any other incorporated and/ or unincorporated body of persons or as specified under the relevant Tranche Prospectus.

Category III - High Net-worth Individual, ("HNIs"), Investors

Resident Indian individuals or Hindu Undivided Families through the Karta applying for an amount aggregating to above ₹ 2,00,000 across all options of NCDs in the Issue and shall include Resident Indian individuals or Hindu Undivided Families through the Karta, who have submitted bid for an amount not more than ₹ 500,000 in any of the bidding options in the Issue (including HUFs applying through their Karta and does not include NRIs) though UPI Mechanism.

Category IV - Retail Individual Investors

Resident Indian individuals or Hindu Undivided Families through the Karta applying for an amount aggregating up to and including ₹ 2,00,000 across all options of NCDs in the Issue and shall include Retail Individual Investors, who have submitted bid for an amount not more than ₹ 2,00,000 in any of the bidding options in the Issue (including HUFs applying through their Karta and does not include NRIs) though UPI Mechanism.

For Applicants applying for NCDs, the Registrar shall verify the above on the basis of the records provided by the Depositories based on the DP ID Client ID and where applicable the UPI ID provided by the Applicants in the Application Form and uploaded onto the electronic system of the Stock Exchange by the Members of the Syndicate or the Trading Members, as the case may be.

Please note that it is clarified that Persons Resident outside India shall not be entitled to participate in the Issue and any applications from such persons are liable to be rejected.

Participation of any of the aforementioned categories of persons or entities is subject to the applicable statutory and/or regulatory requirements in connection with the subscription to Indian securities by such categories of persons or entities. Applicants are advised to ensure that Application made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions. Applicants are advised to ensure that they have obtained the necessary statutory and/or regulatory permissions/consents/approvals in connection with applying for, subscribing to, or seeking Allotment of NCDs pursuant to the Issue.

The Lead Manager or Consortium Member and its respective associates and affiliates are permitted to subscribe in the Issue.

Who are not eligible to apply for NCDs?

The following categories of persons, and entities, shall not be eligible to participate in the Issue and any Application from such persons and entities are liable to be rejected:

i. Minors without a guardian name* (A guardian may apply on behalf of a minor. However, Application by minors must be made through Application Forms that contain the names of both the minor Applicant and the guardian);

ii. Foreign nationals, NRI *inter-alia* including any NRIs who are (i) based in the USA, and/or (ii) domiciled in the USA, and/or (iii) residents/citizens of the USA, and/or (iv) subject to any taxation laws of the USA;

iii. Persons resident outside India and other foreign entities;

iv. Foreign Portfolio Investors;

v. Foreign Venture Capital Investors;

vi. Qualified Foreign Investors;

vii. Overseas Corporate Bodies**; and

viii. Persons ineligible to contract under applicable statutory/regulatory requirements.

* *Applicant shall ensure that guardian is competent to contract under Indian Contract Act, 1872*

** *The concept of Overseas Corporate Bodies (meaning any company, partnership firm, society and other corporate body or overseas trust irrevocably owned/held directly or indirectly to the extent of at least 60% by NRIs), which was in existence until 2003, was withdrawn by the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies) Regulations, 2003. Accordingly, OCBs are not permitted to invest in the Issue.*

Based on the information provided by the Depositories, our Company shall have the right to accept Application Forms belonging to an account for the benefit of a minor (under guardianship). In case of such Application, the Registrar to the Issue shall verify the above on the basis of the records provided by the Depositories based on the DP ID and Client ID provided by the Applicants in the Application Form and uploaded onto the electronic system of the Stock Exchange.

Please see *"Issue Procedure - Rejection of Applications*" on page 285 for information on rejection of Applications.

Method of Application

In terms of the SEBI NCS Master Circular, an eligible Investor desirous of applying in the Issue can make Applications through the ASBA mechanism only. Applicants are requested to note that in terms of the SEBI NCS Master Circular, SEBI has mandated issuers to provide, through a recognised stock exchange which offers such a facility, an online interface enabling direct application by investors to a public issue of debt securities with an online payment facility ("**Direct Online Application Mechanism**"). In this regard, SEBI has, through the SEBI NCS Master Circular, directed recognized Stock Exchange in India to put in necessary systems and infrastructure for the implementation of the SEBI NCS Master Circular and the Direct Online Application Mechanism infrastructure for the implementation of the SEBI NCS Master Circular and the Direct Online Application Mechanism. Further, SEBI vide the SEBI NCS Master Circular has directed the stock exchanges in India to formulate and disclose the operational procedure for making an application through the app/web based interface developed by them in order for investors to apply in public issue on their websites.

All Applicants shall mandatorily apply in the Issue either through:

1. the ASBA process (including UPI Investors). Applicants intending to subscribe in the Issue shall submit a duly filled Application Form to any of the Designated Intermediaries; or

2. UPI Investors having a valid UPI ID, through the app/web-based interface platform of the Stock Exchange (BSE Direct) wherein the application would automatically be uploaded onto the Stock Exchange's bidding platform and the amount will be blocked using the UPI Mechanism.

3. Additionally, certain SEBI registered UPI handles which can be accessed at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43, may also be used for making an Application through the UPI Mechanism.

For RIBs/HNIs using UPI Mechanism, the Stock Exchange shall share the bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIBs/HNIs for blocking of funds.

Application process through physical Application Form

Applicants opting for the physical mode of Application process, should submit the Application Form (including for Applications under the UPI Mechanism) only at the Collection Centres, i.e. to the respective Members of the Syndicate at the Specified Locations, the SCSBs at the Designated Branches, the registered broker at the Broker Centres, the RTAs at the Designated RTA Locations or CDPs at the Designated CDP Locations. Kindly note that Application Forms submitted by Applicants at the Specified Locations will not be accepted if the SCSB with which the ASBA Account, as specified in the Application Form is maintained has not named at least one branch at that location for the Designated Intermediaries for deposit of the Application Forms. A list of such branches is available on SEBI's website *for Applications under the UPI Mechanism* at https://www.sebi.gov.in.

The relevant Designated Intermediaries, upon receipt of Application Forms from ASBA Applicants (including for Applications under the UPI Mechanism), shall upload the details of these Application Forms to the online platform of the Stock Exchange and submit the Application Forms (except Application Forms submitted by UPI Investors under the UPI Mechanism) with the SCSB with whom the relevant ASBA Accounts are maintained. An Applicant shall submit the Application Form, which shall be stamped at the relevant Designated Branch of the SCSB, with the SCSB and can also be submitted to be the Designated Intermediaries at the Specified Locations. The SCSB shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form. For Applicants submitting the physical application Form who wish to block the funds in their respective UPI linked bank account through the UPI Mechanism, post uploading of the details of the Application Forms into the online platform of the Stock Exchange, the Stock Exchange shall share the Application details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate a UPI Mandate Request to such UPI Investors for blocking of funds.

Pursuant to SEBI Circular No: SEBI/HO/DDHS/DDHS-PoD-1/P/CIR/2024/128 dated September 24, 2024, all individual investors applying in public issues where the application amount is up to ₹5,00,000 shall use UPI and shall also provide their UPI ID in the bid cum application form submitted with any of the entities mentioned herein below:

1. a syndicate member;
2. a stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity);
3. a depository participant (whose name is mentioned on the website of the stock exchange as eligible for this activity);
4. a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for this activity).

Our Company, the Directors, affiliates, associates and their respective directors and officers, Lead Manager and the Registrar to the Issue shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to ASBA Applications accepted by the Designated Intermediaries, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts. It shall be presumed that for Applications uploaded by SCSBs (other than UPI Applications), the Application Amount payable on Application has been blocked in the relevant ASBA Account and for Applications by UPI Investors under the UPI Mechanism, uploaded by Designated Intermediaries, the Application Amount payable on Application has been blocked under the UPI Mechanism.

APPLICATION PROCESS THROUGH APP/WEB BASED INTERFACE OF THE STOCK EXCHANGE – *BSE DIRECT*

SEBI, vide the SEBI NCS Master Circular, has introduced an additional mode for application in the Issue through online (app / web) interface/platform of the Stock Exchange. In furtherance to the same, the Stock Exchange has extended the facility of '**BSE Direct**', which is a web based and a mobile app-based platform for making an Application in the Issue where the funds can be blocked through the UPI Mechanism. BSE Direct platform can be accessed at **https://www.bsedirect.com** and can be accessed through the mobile app available (for android phone users only) on the Google Playstore.

Please note that Applications in the Issue, through the 'BSE Direct' platform, can only be made by UPI Investors, i.e., Applicants who make an Application in the Issue for an amount upto ₹5 lakhs only.

BSE Limited, the Designated Stock Exchange, has *vide* notifications dated December 28, 2020, notified the detailed operational procedure for making an Application, under the UPI Mechanism, using BSE Direct. The detailed operational instructions and guidelines issued by the Stock Exchange can be accessed on the Stock Exchange's website https://www.bseindia.com/.

Operational Instructions and Guidelines

Certain relevant operational instructions and guidelines, for using BSE Direct to make an Application in the Issue, are listed below:

a. **General Instructions**

i. Applicants are required to preregister themselves with BSE Direct. For the detailed process of registration and Applications under the BSE Direct Platform, see "*Issue Procedure - Process of Registration and Application on BSE Direct Platform/Mobile App*" on page 270.

ii. Applicants can access BSE Direct platform via internet at https://www.bsedirect.com or through the mobile app (on android phones only) called BSE Direct which can be downloaded from the Google Playstore.

iii. The Stock Exchange shall make this Draft Shelf Prospectus, the Shelf Prospectus, relevant Tranche Prospectus and the Issue related details available on its website under the 'Forthcoming Issues' a day prior to

the Issue Opening Date and the details of the Issue shall also be made available on the Issue page of BSE Direct.

iv. The BSE Direct platform, offers a facility of making a direct application through the web based platform or the mobile app with a facility to block funds upto ₹5 lakhs through the UPI Mechanism.

v. The mode of allotment for Applications made through the BSE Direct platform, shall mandatorily be in dematerialised form only.

b. **Order Entry Parameters**

Pursuant to the SEBI NCS Master Circular and other relevant SEBI circulars, the following operating parameters shall be made available for making an Application in the Debt IPO Segment. Applicants are requested to note the following general instructions:

i. The Issue symbol will remain same across all series/options;

ii. Applicants can enter order for a single Application having different series within one order entry screen.

iii. Before submission of the Application, the Applicant should have created an UPI ID with a maximum length of 45 characters including the handle (example: investorId@bankname)

Applicants can only submit an Application with the UPI Mechanism as the payment mode. The Applications which are successfully accepted will be allotted a bid id or order no.

c. **Modification and cancellation of orders**

i. An Applicant shall not be allowed to add or modify the Application except for modification of either DP ID/Client ID, or PAN but not both.

ii. The Applicant can withdraw the bid(s) submitted under a single Application and reapply.

iii. The part cancellation of bid in a single Application will not be permitted.

d. **Re-initiation of Bids**

i. If the Applicant has not received the UPI Mandate *vide* an SMS or on the mobile app, associated with the UPI ID linked bank account, they will have the option to re-initiate the bid which is pending for confirmation.

ii. The facility of re-initiation/ resending the UPI Mandate shall be available only till 5 pm on the day of bidding.

iii. The Designated Intermediaries shall be permitted to use the re-initiation of Application option only once.

e. **Acceptance of the UPI Mandate**

i. An Applicant will be required to accept the UPI Mandate by 5:00 pm on the third Working Day from the day of bidding on the Stock Exchange platform except for the second last and last day of the Issue Period or any other modified closure date of the Issue Period in which case, they shall be required to accept the UPI Mandate by 5:00 pm on the Issue Closing Date ("Cut-Off Time") and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. Further, modification/cancellation of Bids (if any) shall be allowed in parallel during the Issue Period until the Cut-Off Time. As our Company reserves the right to close the Issue prior to the Issue Closing Date, hence is advisable that the Applicants should accept the UPI mandate by 5:00 pm on the Working Day subsequent to date of submission of the Application on BSE Direct.

ii. The transaction will be treated completed only after the UPI Mandate is accepted by the Applicant and the transaction is authorised by entering of their respective UPI PIN and successful blocking of fund through ASBA process by the Applicant's bank.

iii. If the Applicant fails to accept the mandate within stipulated timelines, their Application will not be considered for allocation.

iv. Applicants are required to check the status of their Applications with regards to the UPI Mandate acceptance and blocking of fund in the UPI Report for completion of the transaction.

v. Please note that the display of status of acceptance of the UPI Mandate/fund blocking shall be solely based on the data received from the Sponsor Bank.

f. **Order book and Modification**

i. The order book will be available in the Debt module of the Stock Exchange in real time basis.

ii. An Applicant shall be allowed to modify selected fields such as their DP ID/Client ID or PAN (Either DP ID/Client ID or PAN can be modified but not both) up to 5 pm on T day for a validated bid (T being issue closing date).

g. **Applicant's responsibilities**

i. Applicants shall check the Issue details before making an Application.

ii. Applicants shall only be able to make an Application for an amount upto ₹5 lakhs.

iii. Applicants shall have only UPI as the payment mechanism with ASBA.

iv. Applicants must check and understand the UPI Mandate acceptance and the fund blocking process before making an Application.

v. The receipt of SMS for UPI Mandate acceptance depends upon the system response/ integration of UPI on the Debt Public Issue System.

vi. Applicants must check their respective mobiles for an SMS or the mobile app, associated with the UPI ID linked bank account, for receipt of the UPI Mandate.

vii. Applicants must accept the UPI Mandate request within stipulated timelines.

viii. Applicants must note that the transaction will be treated completed only after the UPI Mandate is accepted by the Applicant and the transaction is authorised by entering of their respective UPI PIN and successful blocking of fund through ASBA process by the Applicant's bank.

ix. If the Applicant fails to accept the mandate within stipulated timelines, their Application will not be considered for allocation.

x. Applicants are required to check the status of their Applications with regards to the UPI Mandate acceptance and blocking of fund in the UPI Report for completion of the transaction.

Our Company, the Directors, affiliates, associates and their respective directors and officers, Lead Manager, the Registrar to the Issue or the Stock Exchange shall not be liable or responsible in the event an Applicant fails to receive the UPI Mandate acceptance request on their mobile or they fail to accept the UPI Mandate within the stipulated time period or due to any technical/other reasons

Process of Registration and Application on BSE Direct Platform/Mobile App

a. **Process of Registration for Investor**

i. To make an Application on the BSE Direct platform/ mobile app an Applicant is required to register themselves with the platform/mobile app.

ii. At the time of registration, the Applicant shall be required to select the option of "New Registration Without Broker" and enter their respective PAN along with details of their demat account (i.e., DP ID and Client ID) and UPI ID.

iii. The Stock Exchange shall verify the PAN and demat account details entered by the Applicant with the Depository, within one Working Day.

iv. The Applicant shall be required to accept the terms and conditions and also enter the correct 'One Time Password' ("**OTP**") sent on their respective mobile phones and email IDs to complete the registration process.

v. Upon the successful OTP confirmation, the Applicant's registration request shall be accepted, and a reference number shall be provided to them for checking their registration status.

vi. At the time of demat account verification, the Stock Exchange shall also validate Applicant's client type (investor category) present in demat account.

vii. An Applicant's registration shall be rejected if an incorrect investor category and/or demat account details have been entered.

viii. Post the verification of the demat account, the Stock Exchange shall activate the Applicant's profile for making an Application and also provide a user ID (which is PAN) and password for login onto the BSE Direct platform.

ix. An Applicant shall be able to view their respective details including their demat account, by accessing the tab 'My Profile'.

x. To modify their details, an Applicant must login to the BSE Direct portal and click on 'My profile'.

xi. The Stock Exchange shall revalidate the modified details with Depository.

xii. No modification request shall be accepted during the Issue Period if the Applicant has made an Application in the Issue.

xiii. To re-generate a new password, the Applicant can use the 'Forget Password' option.

xiv. Existing investors who are already registered for "GSec AND T-Bills investment", can also use the facility for applying in the Issue by using the UPI Mechanism for blocking of funds for Applications with a value upto ₹5 lakhs.

b. **Process to place Bid via BSE Direct platform/ mobile app**

i. The Issue, during the Issue Period, shall be opened for subscription and will be available for making an Application through the BSE Direct platform/ mobile app.

ii. Upon successful login, an Applicant can select the Issue to make an Application.

iii. The details of PAN and DP ID and Client ID will be populated based on the registration done by the Applicant.

iv. Before submission of the Application, an Applicant would be required to create a UPI ID with a maximum length of 45 characters including the handle (Example: investorId@bankname)

v. An Applicant shall be required to enter a valid UPI ID, in the UPI ID field.

vi. An Applicant must select the series/option along with number of NCDs being applied for in the Issue.

vii. Applicants must check the Issue details before making an Application.

viii. Applicant will only be able to make an Application for an amount of upto ₹5 lakhs.

ix. Applicants shall only have UPI as a payment mechanism with ASBA.

x. Applicants must check and understand the UPI Mandate acceptance and blocking of fund process before making an Application.

For details of the blocking process post the Application details being entered into the bidding platform of the Stock Exchange, see "*Issue Procedure – Submission of Applications - for Applications under the UPI Mechanism*" on page 275.

c. **SMS from the Exchange**

i. Post completion of the blocking process, the Stock Exchange shall send an SMS to the Applicant regarding submission of the Application at the end of day, during the Issue Period.

d. **Modification and Cancellation of Orders**

i. An Applicant shall not be allowed to add or modify the bid(s) of the Application except for modification of either DP ID/Client ID, or PAN but not both.

ii. An Applicant can withdraw the bid(s) submitted under a single Application and reapply. However, part cancellation of bid in a single Application is not permitted.

e. **Re-initiation of Bid**

i. If the Applicant has not received the UPI Mandate vide an SMS or on the mobile app, associated with the UPI ID linked bank account, they will have the option to re-initiate the bid which is pending for confirmation, after the lapse of reasonable time.

ii. The Designated Intermediaries shall be permitted to use the re-initiation of Application option only once.

For details of the process of the UPI Mandate acceptance, see "*Issue Procedure – Operational Instructions and Guidelines - Acceptance of the UPI Mandate*" on page 269.

Our Company, the Directors, affiliates, associates and their respective directors and officers, Lead Manager, the Registrar to the Issue or the Stock Exchange shall not be liable or responsible in the event an Applicant fails to receive the UPI Mandate acceptance request on their mobile or they fail to accept the UPI Mandate within the stipulated time period or due to any technical/other reasons. Since the process of making an Application through BSE Direct is based on notifications issued by the Stock Exchange, Applicants are requested to check the website of the Stock Exchange for any further notifications by the Stock Exchange amending, supplementing, updating or revising the process of Applications through BSE Direct.

APPLICATIONS BY VARIOUS APPLICANT CATEGORIES

Details for Applications by certain categories of Applicants including documents to be submitted are summarized below.

Applications by Mutual Funds

Pursuant to the SEBI Master Circular for Mutual Funds bearing reference number SEBI/HO/24/13/11(1)2026-IMD-POD-1/I/7602/2026 dated March 20, 2026 ("**SEBI Mutual Funds Master Circular**"), mutual funds are required to ensure that the total exposure of debt schemes of mutual funds in a particular sector shall not exceed 20% of the net assets value of the scheme. Further, the additional exposure limit provided for financial services sector not exceeding 10% of net assets value of scheme shall be allowed only by way of increase in exposure to HFCs. However, the overall exposure in HFCs shall not exceed the sector exposure limit of 20% of the net assets of the scheme Further, the group level limits for debt schemes and the ceiling be fixed at 10% of net assets value extendable to 15% of net assets value after prior approval of the board of trustees.

A separate Application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such Applications shall not be treated as multiple Applications. Applications made by the AMCs or custodians of a mutual fund shall clearly indicate the name of the concerned scheme for which Application is being made. In case of Applications made by Mutual Fund registered with SEBI, a certified copy of their SEBI registration certificate must be submitted with the Application Form. **Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor.**

Application by Systemically Important Non-Banking Financial Companies

Systemically Important Non- Banking Financial Company, a non-banking financial company registered with the Reserve Bank of India and having a net-worth of more than five hundred crore rupees as per the last audited financial statements can apply in the Issue based on their own investment limits and approvals. The Application Form must be accompanied by a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s). **Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor**.

Application by Commercial Banks, Co-operative Banks and Regional Rural Banks

Commercial banks, co-operative banks and regional rural banks can apply in the Issue based on their own investment limits and approvals. The Application Form must be accompanied by certified true copies of their (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Application Form. **Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor.**

Pursuant to SEBI NCS Master Circular, SCSBs making Applications on their own account using ASBA Facility, should have a separate account in their own name with any other SEBI registered SCSB. Further, such account shall be used solely for the purpose of making Application in public issues and clear demarcated funds should be available in such account for applications.

Application by Insurance Companies

In case of Applications made by insurance companies registered with the Insurance Regulatory and Development Authority of India ("**IRDAI**"), a certified copy of certificate of registration issued by IRDAI must be lodged along with Application Form.

Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefore.

Insurance companies participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by the IRDAI from time to time to time including the IRDA (Investment) Regulations, 2000.

Application by Indian Alternative Investment Funds

Applications made by Alternative Investment Funds eligible to invest in accordance with the Securities and Exchange Board of India (Alternative Investment Fund) Regulations, 2012, as amended (the "**SEBI AIF Regulations**") for Allotment of the NCDs must be accompanied by certified true copies of SEBI registration certificate. The Alternative Investment Funds shall at all times comply with the requirements applicable to it under the SEBI AIF Regulations and the relevant notifications issued by SEBI. **Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor.**

Applications by associations of persons and/or bodies established pursuant to or registered under any central or state statutory enactment

In case of Applications made by 'Associations of Persons' and/or bodies established pursuant to or registered under any central or state statutory enactment, must submit a (i) certified copy of the certificate of registration or proof of constitution, as applicable, (ii) power of attorney, if any, in favour of one or more persons thereof, (iii) such other documents evidencing registration thereof under applicable statutory/regulatory requirements. Further, any trusts applying for NCDs pursuant to the Issue must ensure that (a) they are authorized under applicable statutory/regulatory requirements and their constitution instrument to hold and invest in debentures, (b) they have obtained all necessary approvals, consents or other authorisations, which may be required under applicable statutory and/or regulatory requirements to invest in debentures, and (c) Applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions. **Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.**

Applications by Trusts

In case of Applications made by trusts, settled under the Indian Trusts Act, 1882, as amended, or any other statutory and/or regulatory provision governing the settlement of trusts in India, must submit a (i) certified copy of the registered instrument for creation of such trust, (ii) power of attorney, if any, in favour of one or more trustees thereof, (iii) such other documents evidencing registration thereof under applicable statutory/regulatory requirements. Further, any trusts applying for NCDs pursuant to the Issue must ensure that (a) they are authorized under applicable statutory/regulatory requirements and their constitution instrument to hold and invest in debentures, (b) they have obtained all necessary approvals, consents or other authorisations, which may be required under applicable statutory and/or **regulatory requirements to invest in debentures, and (c) Applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions. Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.**

Applications by Public Financial Institutions or Statutory Corporations, which are authorised to invest in the NCDs

The Application must be accompanied by certified true copies of: (i) any act/ rules under which they are incorporated; (ii) board resolution authorising investments; and (iii) specimen signature of authorised person. **Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.**

Applications by Provident Funds, Pension Funds, Superannuation Funds and Gratuity Fund, which are authorized to invest in the NCDs

The Application must be accompanied by certified true copies of incorporation/ registration under any act/rules under which they are incorporated. **Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor.**

Applications by National Investment Fund

The Application must be accompanied by certified true copies of: (i) resolution authorising investment and containing operating instructions; and (ii) specimen signature of authorized person. **Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor.**

Companies, bodies corporate and societies registered under the applicable laws in India

The Application must be accompanied by certified true copies of the registration under the act/ rules under which they are incorporated. **Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.**

Applications by Indian Scientific and/or industrial research organizations, which are authorized to invest in the NCDs

The Application must be accompanied by certified true copies of the registration under the act/ rules under which they are incorporated. **Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.**

Applications by Partnership firms formed under applicable Indian laws in the name of the partners and Limited Liability Partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008

The Application must be accompanied by certified true copies of certified copy of certificate of the partnership deed or registration issued under the Limited Liability Partnership Act, 2008, as applicable. **Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.**

Applications under Power of Attorney

In case of Applications made pursuant to a power of attorney by Applicants who are Institutional Investors or Non-Institutional Investors, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, with a certified copy of the memorandum of association and articles of association and/or bye laws must be submitted with the Application Form. In case of Applications made pursuant to a power of attorney by Applicants, a certified copy of the power of attorney must be submitted with the Application Form. **Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor. Our Company, in its absolute discretion, reserves the right to relax the above condition of attaching the power of attorney with the Application Forms subject to such terms and conditions that our Company and the Lead Manager may deem fit.**

Brokers having online demat account portals may also provide a facility of submitting the Application Forms online to their account holders. Under this facility, a broker receives an online instruction through its portal from the Applicant for making an Application on his/ her behalf. Based on such instruction, and a power of attorney granted by the Applicant to authorise the broker, the broker makes an Application on behalf of the Applicant.

APPLICATIONS FOR ALLOTMENT OF NCDs

This section is for the information of the Applicants proposing to subscribe to the Issue. The Lead Manager and our Company are not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Shelf Prospectus. Investors are advised to make their independent investigations and to ensure that the Application Form is correctly filled up.

Our Company, our Directors, affiliates, associates and their respective directors and officers, the Lead Manager and the Registrar to the Issue shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to Applications (including Applications under the UPI Mechanism) accepted by and/or uploaded by and/or accepted but not uploaded by Trading Members, registered brokers, CDPs, RTAs and SCSBs who are authorised to collect Application Forms from the Applicants in the Issue, or Applications accepted and uploaded without blocking funds in the ASBA Accounts by SCSBs or failure to block the Application Amount under the UPI Mechanism.. It shall be presumed that for Applications uploaded by SCSBs (other than UPI Applications), the Application Amount payable on Application has been blocked in the relevant ASBA Account and for Applications by UPI Investors under the UPI Mechanism, uploaded by Designated Intermediaries, the Application Amount payable on Application has been blocked under the UPI Mechanism.

The list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive Application Forms from the Members of the Syndicate is available on the website of SEBI (https://www.sebi.gov.in) and updated from time to time or any such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Application Forms from the Syndicate at Specified Locations, see the website of the SEBI (https://www.sebi.gov.in) as updated from time to time or any such other website as may be prescribed by SEBI from time to time. The list of registered brokers at the Broker Centres, CDPs at the Designated CDP Locations or the RTAs at the Designated RTA Locations, respective lists of which, including details such as address and telephone number, are available at the website of the Stock Exchange at www.bseindia.com. The list of branches of the SCSBs at the Broker Centres, named by the respective SCSBs to receive deposits of the Application Forms from the registered brokers will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

Submission of Applications

Applications can be submitted through either of the following modes:

a. Physically or electronically to the Designated Branches of the SCSB(s) with whom an Applicant's ASBA Account is maintained. In case of Application in physical mode, the Applicant shall submit the Application Form at the relevant Designated Branch of the SCSB(s). The Designated Branch shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account and shall also verify that the signature on the Application Form matches with the Investor's bank records, as mentioned in the Application Form, prior to uploading such Application into the electronic system of the Stock Exchange. **If sufficient funds are not available in the ASBA Account, the respective Designated Branch shall reject such Application and shall not upload such Application in the electronic system of the Stock Exchange.** If sufficient funds are available in the ASBA Account, the Designated Branch shall block an amount equivalent to the Application Amount and upload details of the Application in the electronic system of the Stock Exchange. The Designated Branch of the SCSBs shall stamp the Application Form and issue an acknowledgement as proof of having accepted the Application.

   In case of Application being made in the electronic mode, the Applicant shall submit the Application either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for application and blocking funds in the ASBA Account held with SCSB, and accordingly registering such Application.

b. Physically through the Designated Intermediaries at the respective Collection Centres. Kindly note that above Applications submitted to any of the Designated Intermediaries will not be accepted if the SCSB where the ASBA Account is maintained, as specified in the Application Form, has not named at least one branch at that Collection Center where the Application Form is submitted (a list of such branches is available at https://www.sebi.gov.in).

c. A UPI Investor making an Application in the Issue under the UPI Mechanism, where the Application Amount is upto ₹5 lakhs, can submit his Application Form physically to a SCSB or a Designated Intermediary. The Designated Intermediary shall upload the application details along with the UPI ID on the Stock Exchange's bidding platform using appropriate protocols. Kindly note that in this case, the Application Amount will be blocked through the UPI Mechanism.

d. A UPI Investor may also submit the Application Form for the Issue through BSE Direct, wherein the Application will be automatically uploaded onto the Stock Exchange's bidding platform and an amount equivalent to the Application Amount shall be blocked using the UPI Mechanism.

Upon receipt of the Application Form by the Designated Intermediaries, an acknowledgement shall be issued by the relevant Designated Intermediary, giving the counter foil of the Application Form to the Applicant as proof of having accepted the Application. Thereafter, the details of the Application shall be uploaded in the electronic system of the Stock Exchange. Post which:

a. ***for Applications other than under the UPI Mechanism*** - the Application Form shall be forwarded to the relevant branch of the SCSB, in the relevant Collection Center, named by such SCSB to accept such Applications from the Designated Intermediaries (a list of such branches is available at https://www.sebi.gov.in). Upon receipt of the Application Form, the relevant branch of the SCSB shall perform verification procedures including verification of the Applicant's signature with his bank records and check if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form. **If sufficient funds are not available in the ASBA Account, the relevant Application Form is liable to be rejected.** If sufficient funds are available in the ASBA Account, the relevant branch of the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form.

b. ***for Applications under the UPI Mechanism*** – once the Application details have been entered in the bidding platform through Designated Intermediaries or BSE Direct, the Stock Exchange shall undertake validation of the PAN and Demat account combination details of the Applicant with the Depository. The Depository shall validate the PAN and Demat account details and send response to the Stock Exchange which would be shared by the Stock Exchange with the relevant Designated Intermediary through its platform, for corrections, if any. Post uploading of the Application details on the Stock Exchange's platform, the Stock Exchange shall send an SMS to the Applicant regarding submission of the Application. Post undertaking validation with the Depository, the Stock Exchange shall, on a continuous basis, electronically share the bid details along with the Applicants UPI ID, with the Sponsor Bank appointed by our Company. The Sponsor Bank shall then initiate a UPI Mandate Request on the Applicant. The request raised by the Sponsor Bank, would be electronically received by the Applicant as an SMS or on the mobile app, associated with the UPI ID linked bank account. The Applicant shall then be required to authorise the UPI Mandate Request. Upon successful validation of block request by the Applicant, the information would be electronically received by the Applicants' bank, where the funds, equivalent to Application Amount, would get blocked in the Applicant's ASBA Account. The status of block request would also be shared with the Sponsor Bank, which in turn would be shared with the Stock Exchange. The block request status would also be displayed on the Stock Exchange platform for information of the Designated Intermediary.

The Application Amount shall remain blocked in the ASBA Account until approval of the Basis of Allotment and consequent transfer of the amount against the Allotted NCDs to the Public Issue Account(s), or until withdrawal/failure of the Issue or until withdrawal/ rejection of the Application Form, as the case may be.

Applicants must note that:

a. Application Forms will be available with the Designated Branches of the SCSBs and with the Designated Intermediaries at the respective Collection Centres; and electronic Application Forms will be available on the websites of the SCSBs and the Stock Exchange at least one day prior to the Issue Opening Date. Physical Application Forms will also be provided to the Trading Members of the Stock Exchange at their request. The Application Forms would be serially numbered. Further, the SCSBs will ensure that the Draft Shelf Prospectus, this Draft Shelf Prospectus and the relevant Tranche Prospectus is made available on their websites. The physical Application Form submitted to the Designated Intermediaries shall bear the stamp of the relevant Designated Intermediary. In the event the Application Form does not bear any stamp, the same shall be liable to be rejected.

b. The Designated Branches of the SCSBs shall accept Application Forms directly from Applicants only during the Issue Period. The SCSBs shall not accept any Application Forms directly from Applicants after the closing time of acceptance of Applications on the Issue Closing Date. However, the relevant branches of the SCSBs at Specified Locations can accept Application Forms from the Designated Intermediaries, after the closing time of acceptance of Applications on the Issue Closing Date, if the Applications have been uploaded. For further information on the Issue programme, please see "*General Information – Issue Programme*" on page 53.

Physical Application Forms directly submitted to SCSBs should bear the stamp of SCSBs, if not, the same are liable to be rejected.

Please note that Applicants can make an Application for Allotment of NCDs in the dematerialised form only.

INSTRUCTIONS FOR FILLING-UP THE APPLICATION FORM

General Instructions

A. General instructions for completing the Application Form

- Applications must be made in prescribed Application Form only;
- Applicants should ensure that their Application Form is submitted either at a Designated Branch of a SCSB where the ASBA Account is maintained or with the Members of the Syndicate or Trading Members of the stock exchange at the Specified Cities, and not directly to the escrow collecting banks (assuming that such bank is not a SCSB) or to our Company or the Registrar to the Issue.
- Applications through Syndicate ASBA, before submitting the physical Application Form to the Members of the Syndicate or Trading Members of the stock exchange, ensure that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at-least one branch in that Specified City for the Members of the Syndicate or Trading Members of the stock exchange, as the case may be, to deposit ASBA Forms (A list of such branches is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes)
- Application Forms must be completed in block letters in English, as per the instructions contained in the Draft Shelf Prospectus, this Draft Shelf Prospectus and relevant Tranche Prospectus, the Abridged Prospectus and the Application Form.
- Applications should be in single or joint names and not exceeding three names, and in the same order as their Depository Participant details (in case of Applicants applying for Allotment of the Bonds in dematerialised form) and Applications should be made by Karta in case the Applicant is an HUF. Please ensure that such Applications contain the PAN of the HUF and not of the Karta. If the Application is submitted in joint names, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the depository account held in joint names.
- Applicants must apply for Allotment in dematerialised form and must provide details of valid and active DP ID, Client ID and PAN clearly and without error. On the basis of such Applicant's active DP ID, Client ID and PAN provided in the Application Form, and as entered into the electronic Application system of Stock Exchange by SCSBs, the Members of the Syndicate at the Syndicate ASBA Application Locations and the Trading Members, as the case may be, the Registrar will obtain from the Depository the Demographic Details. Invalid accounts suspended accounts or where such account is classified as invalid or suspended may not be considered for Allotment of the NCDs.

- The minimum number of Applications and minimum application size shall be specified in this Draft Shelf Prospectus and the relevant Tranche Prospectus. Applicants may apply for one or more series of NCDs Applied for in a single Application Form.

- Applications must be for a minimum of 10 (Ten) NCDs and in multiples of 1 NCD thereafter. For the purpose of fulfilling the requirement of minimum application size of 10 (Ten) NCDs, an Applicant may choose to apply for 10 (Ten) NCDs or more in a single Application Form.

- If the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form.

- Applications should be made by Karta in case of HUFs. Applicants are required to ensure that the PAN details of the HUF are mentioned and not those of the Karta;

- Thumb impressions and signatures other than in English/Hindi/Gujarati/Marathi or any other languages specified in the 8th Schedule of the Constitution needs to be attested by a Magistrate or Notary Public or a Special Executive Magistrate under his/her seal;

- No separate receipts will be issued for the money payable on the submission of the Application Form. However, the Lead Managers, Consortium Members, Trading Members of the Stock Exchange or the Designated Branches of the SCSBs, as the case may be, will acknowledge the receipt of the Application Forms by stamping and returning to the Applicants the acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Application Form for the records of the Applicant. Applicants must ensure that the requisite documents are attached to the Application Form prior to submission and receipt of acknowledgement from the relevant Lead Managers, Consortium Members, Trading Members of the Stock Exchange or the Designated Branch of the SCSBs, as the case may be.

- The Designated Intermediaries or the Designated Branches of the SCSBs, as the case may be, will acknowledge the receipt of the Application Forms by stamping and returning to the Applicants the acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Application Form for the records of the Applicant. Applicants must ensure that the requisite documents are attached to the Application Form prior to submission and receipt of acknowledgement from the relevant Designated Intermediaries or the Designated Branch of the SCSBs, as the case may be.

- Every Applicant should hold valid Permanent Account Number (PAN) and mention the same in the Application Form and submit the same. Applicant without PAN is liable to be rejected, irrespective of the amount.

- All Applicants are required to tick the relevant column of "Category of Investor" in the Application Form.

- ASBA will be the default "Mode of Application" as per the SEBI NCS Master Circular.

- Applicants should correctly mention the ASBA Account number and ensure that funds equal to the Application Amount are available in the ASBA Account before submitting the Application Form to the Designated Branch and also ensure that the signature in the Application Form matches with the signature in Applicant's bank records, otherwise the Application is liable to be rejected.

- Applicants must provide details of valid and active DP ID, UPI ID (in case applying through UPI mechanism), Client ID and PAN clearly and without error. On the basis of such Applicant's active DP ID, UPI ID (in case applying through UPI mechanism), Client ID and PAN provided in the Application Form, and as entered into the electronic Application system of Stock Exchange by SCSBs, the Designated Intermediaries, the Registrar will obtain from the Depository the Demographic Details. Invalid accounts suspended accounts or where such account is classified as invalid or suspended may not be considered for Allotment of the NCDs. If the ASBA Account holder is different from the Applicant, the Application Form should be signed by the ASBA Account holder, in accordance with the instructions provided in the Application Form. Not more than five Applications can be made from one single ASBA Account

- For Applicants, the Applications in physical mode should be submitted to the SCSBs or a members of the consortium or to the Trading Members of the Stock Exchange on the prescribed Application Form. SCSBs may provide the electronic mode for making Application either through an internet enabled banking facility or such other secured, electronically enabled mechanism for Application and blocking funds in the ASBA Account;

- Application Forms should bear the stamp of the Members of the consortium, Trading Members of the Stock Exchange, Designated Intermediaries and/or Designated Branch of the SCSB. Application Forms which do not bear the stamp will be rejected.

- Applicant should correctly mention the ASBA Account number and UPI ID in case applying through UPI Mechanism and ensure that funds equal to the Application Amount are available in the ASBA Account before submitting the Application Form and ensure that the signature in the Application Form matches with the signature in the Applicant's bank records.

The series, mode of allotment, PAN, demat account no. etc. should be captured by the relevant Lead Managers, Consortium Members, Trading Members of the Stock Exchange in the data entries as such data entries will be considered for allotment.

Applicants should note that neither the Designated Intermediaries nor SCSBs, as the case may be, will be liable for error in data entry due to incomplete or illegible Application Forms.

Our Company would allot the series of NCDs, as specified in the relevant Tranche Prospectus to all valid Applications, wherein the Applicants have not indicated their choice of the relevant series of NCDs.

B. Applicant's Beneficiary Account and Bank Account Details

ALL APPLICANTS APPLYING FOR ALLOTMENT OF THE NCDS SHOULD MENTION THEIR DP ID, UPI ID (IN CASE APPLYING THROUGH UPI MECHANISM), CLIENT ID AND PAN IN THE APPLICATION FORM. APPLICANTS MUST ENSURE THAT THE DP ID, UPI ID, CLIENT ID AND PAN GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE DP ID, UPI ID, CLIENT ID AND PAN AVAILABLE IN THE DEPOSITORY DATABASE. IF THE BENEFICIARY ACCOUNT IS HELD IN JOINT NAMES, THE APPLICATION FORM SHOULD CONTAIN THE NAME AND PAN OF BOTH THE HOLDERS OF THE BENEFICIARY ACCOUNT AND SIGNATURES OF BOTH HOLDERS WOULD BE REQUIRED IN THE APPLICATION FORM.

Applicants applying for Allotment in dematerialized form must mention their DP ID ,Client ID, PAN and UPI ID (in case applying through UPI Mechanism) in the Application Form and ensure that the name provided in the Application Form is exactly the same as the name in which the Beneficiary Account is held. In case the Application Form for Allotment in dematerialized form is submitted in the first Applicant's name, it should be ensured that the Beneficiary Account is held in the same joint names and in the same sequence in which they appear in the Application Form. In case the DP ID, Client ID and PAN mentioned in the Application Form for Allotment in dematerialized form and entered into the electronic system of the Stock Exchange do not match with the DP ID, Client ID and PAN available in the Depository database or in case PAN is not available in the Depository database, the Application Form for Allotment in dematerialized form is liable to be rejected. Further, Application Forms submitted by Applicants applying for Allotment in dematerialized form, whose beneficiary accounts are inactive, will be rejected.

On the basis of the DP ID and Client ID provided by the Applicant in the Application Form for Allotment in dematerialized form and entered into the electronic system of the Stock Exchange, the Registrar to the Issue will obtain from the Depositories the Demographic Details of the Applicant including PAN, address, bank account details for printing on refund orders/sending refunds through electronic mode, Magnetic Ink Character Recognition ("**MICR**") Code and occupation. These Demographic Details would be used for giving Allotment Advice and refunds (including through physical refund warrants, direct credit, NACH, NEFT and RTGS), if any, to the Applicants. Hence, Applicants are advised to immediately update their Demographic Details as appearing on the records of the DP and ensure that they are true and correct, and carefully fill in their Beneficiary Account details in the Application Form. Failure to do so could result in delays in dispatch/credit of refunds to Applicants and delivery of Allotment Advice at the Applicants' sole risk, and neither our Company, the Lead Managers, Trading Members of the Stock Exchange, Public Issue Account Bank(s), SCSBs, Registrar to the Issue nor the Stock Exchange will bear any responsibility or liability for the same.

Applicants should note that in case the DP ID, Client ID and PAN mentioned in the Application Form, as the case may be and entered into the electronic Application system of the Stock Exchange by the Members of the Consortium or the Designated Intermediaries, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database or in case PAN is not available in the Depository database, the Application Form is liable to be rejected and our Company, the Members of the Consortium and the other Designated Intermediaries shall not be liable for losses, if any.

The Demographic Details would be used for correspondence with the Applicants including mailing of the Allotment Advice and printing of bank particulars on the refund orders, or for refunds through electronic transfer of funds, as applicable. Allotment Advice and physical refund orders (as applicable) would be mailed at the address of the Applicant as per the Demographic Details received from the Depositories. Applicants may note that delivery of refund

orders/ Allotment Advice may get delayed if the same once sent to the address obtained from the Depositories are returned undelivered. In such an event, the address and other details given by the Applicant in the Application Form would be used only to ensure dispatch of refund orders. Please note that any such delay shall be at such Applicants sole risk and neither our Company, the Lead Managers, Trading Members. By signing the Application Form of the Stock Exchange, Public Issue Account Banks, SCSBs, Registrar to the Issue nor the Stock Exchange shall be liable to compensate the Applicant for any losses caused to the Applicant due to any such delay or liable to pay any interest for such delay. In case of refunds through electronic modes as detailed in the relevant Tranche Prospectus, refunds may be delayed if bank particulars obtained from the Depository Participant are incorrect.

In case of Applications made under power of attorney, our Company in its absolute discretion, reserves the right to permit the holder of Power of Attorney to request the Registrar that for the purpose of printing particulars on the refund order and mailing of refund orders/ Allotment Advice, the demographic details obtained from the Depository of the Applicant shall be used. By signing the Application Form, the Applicant would have deemed to have authorized the Depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records. The Demographic Details given by Applicant in the Application Form would not be used for any other purpose by the Registrar to the Issue except in relation to the Issue.

With effect from August 16, 2010, the beneficiary accounts of Applicants for whom PAN details have not been verified shall be suspended for credit and no credit of NCDs pursuant to the Issue will be made into the accounts of such Applicants. Application Forms submitted by Applicants whose beneficiary accounts are inactive shall be rejected. Furthermore, in case no corresponding record is available with the Depositories, which matches the three parameters, namely, DP ID, Client ID and PAN, then such Application are liable to be rejected.

Applicants should note that the NCDs will be allotted to all successful Applicants only in dematerialized form. The Application Forms which do not have the details of the Applicant's depository account, including DP ID, Client ID and PAN and UPI ID (for retail individual investor and high net worth individual Applicants bidding using the UPI mechanism), shall be treated as incomplete and will be rejected.

C. Permanent Account Number (PAN)

The Applicant should mention his or her Permanent Account Number (PAN) allotted under the IT Act. For minor Applicants, applying through the guardian, it is mandatory to mention the PAN of the minor Applicant. However, Applications on behalf of the Central or State Government officials and the officials appointed by the courts in terms of the SEBI RTA Master Circular and Applicants residing in the state of Sikkim who in terms of a SEBI Master Circular on Know Your Client (KYC) Norms for the Securities Market bearing reference number SEBI/HO/MIRSD/SECFATF/P/CIR/2023/169 dated October 12, 2023 ("**SEBI KYC Circular**") may be exempt from specifying their PAN for transacting in the securities market. In accordance with the SEBI RTA Master Circular issued by SEBI, the PAN would be the sole identification number for the participants transacting in the securities market, irrespective of the amount of transaction. Any Application Form, without the PAN is liable to be rejected, irrespective of the amount of transaction. It is to be specifically noted that the Applicants should not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground.

However, the exemption for the Central or State Government and the officials appointed by the courts and for investors residing in the State of Sikkim is subject to the Depository Participants' verifying the veracity of such claims by collecting sufficient documentary evidence in support of their claims. At the time of ascertaining the validity of these Applications, the Registrar to the Issue will check under the Depository records for the appropriate description under the PAN field i.e., either Sikkim category or exempt category.

D. Joint Applications

Applications can be made in joint names (not exceeding three). In the case of joint Applications, all payments will be made out in favour of the first Applicant. All communications will be addressed to first named in the Application whose name appears in the Application Form and at the address mentioned therein. If the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form

E. Additional/ Multiple Applications

An Applicant is allowed to make one or more Applications for the NCDs, for the same or other Options of NCDs, subject to a minimum application size of ₹ 10,000 and in multiples of ₹ 1,000 thereafter as specified in the relevant Tranche Prospectus. In case of zero coupon NCDs the application price as mentioned in relevant Tranche Prospectus is payable on application itself. Any Application for an amount below the aforesaid minimum application size will be deemed as an invalid application and shall be rejected. However, multiple Applications by the same individual

Applicant aggregating to a value exceeding ₹ 2,00,000 shall be deem such individual Applicant to be a HNI Applicant and all such Applications shall be grouped in the HNI Portion, for the purpose of determining the basis of allotment to such Applicant. However, any Application made by any person in his individual capacity and an Application made by such person in his capacity as a karta of a Hindu Undivided family and/or as Applicant (second or third Applicant), shall not be deemed to be a multiple Application. For the purposes of allotment of NCDs under the Issue, Applications shall be grouped based on the PAN, i.e., Applications under the same PAN shall be grouped together and treated as one Application. Two or more Applications will be deemed to be multiple Applications if the sole or first Applicant is one and the same. For the sake of clarity, two or more applications shall be deemed to be a multiple Application for the aforesaid purpose if the PAN of the sole or the first Applicant is one and the same.

F. Unified Payments Interface (UPI)

Pursuant to the SEBI NCS Master Circular, the UPI Mechanism is an applicable payment mechanism for public debt issues (in addition to the mechanism of blocking funds maintained with SCSBs under ASBA) for applications by retail individual bidders and high net worth individuals through Designated Intermediaries. All SCSBs offering the facility of making applications in public issues shall also provide the facility to make applications using UPI. Our Company will be required to appoint one SCSB as a Sponsor Bank to act as a conduit between the Stock Exchange and National Payments Corporation of India in order to facilitate the collection of requests and/or payment instructions of the investors.

Do's and Don'ts

Applicants are advised to take note of the following while filling and submitting the Application Form:

Do's

1. Check if you are eligible to apply as per the terms of this Draft Shelf Prospectus, the Shelf Prospectus and relevant Tranche Prospectus and applicable law, rules, regulations, guidelines and approvals.

2. Read all the instructions carefully and complete the Application Form in the prescribed form.

3. Ensure that you have obtained all necessary approvals from the relevant statutory and/or regulatory authorities to apply for, subscribe to and/or seek Allotment of NCDs pursuant to the Issue.

4. Ensure that the DP ID, the Client ID and the PAN mentioned in the Application Form, which shall be entered into the electronic system of the Stock Exchange are correct and match with the DP ID, Client ID and PAN available in the Depository database. Ensure that the DP ID, Client ID, PAN and UPI ID (wherever applicable) are correct and the depository account is active as Allotment of the Equity Shares will be in dematerialized form only. The requirement for providing Depository Participant details is mandatory for all Applicants.

5. Ensure that you have mentioned the correct ASBA Account number (for all Applicants other than UPI Investors applying using the UPI Mechanism) in the Application Form. Further, UPI Investors using the UPI Mechanism must also mention their UPI ID.

6. UPI Investors applying using the UPI Mechanism shall ensure that the bank, with which they have their bank account, where the funds equivalent to the application amount are available for blocking, is certified by NPCI before submitting the ASBA Form to any of the Designated Intermediaries.

7. UPI Investors applying using the UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. UPI Investors shall ensure that the name of the app and the UPI handle which is used for making the application appears on the list displayed on the SEBI website. An application made using incorrect UPI handle or using a bank account of an SCSB or bank which is not mentioned on the SEBI website is liable to be rejected.

8. Ensure that the Application Form is signed by the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) in case the Applicant is not the ASBA account holder. Applicants (except UPI Investors making an Application using the UPI Mechanism) should ensure that they have an account with an SCSB and have mentioned the correct bank account number of that SCSB in the Application Form. UPI Investors applying using the UPI Mechanism should ensure that they have mentioned the correct UPI- linked bank account number and their correct UPI ID in the Application Form.

9. Ensure that you have funds equal to the Application Amount in the ASBA Account before submitting the Application Form to the respective Designated Branch of the SCSB, or to the Designated Intermediaries, as the case may be.

10. UPI Investors making an Application using the UPI Mechanism, should ensure that they approve the UPI Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to Application Amount and subsequent debit of funds in case of Allotment, in a timely manner.

11. UPI Investors making an Application using the UPI Mechanism shall ensure that details of the Application are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using their UPI PIN. Upon the authorization of the mandate using their UPI PIN, the UPI Investor may be deemed to have verified the attachment containing the application details of the UPI Investor making and Application using the UPI Mechanism in the UPI Mandate Request and have agreed to block the entire Application Amount and authorized the Sponsor Bank to issue a request to block the Application Amount mentioned in the ASBA Form in their ASBA Account.

12. UPI Investors making an Application using the UPI Mechanism should mention valid UPI ID of only the Applicants (in case of single account) and of the first Applicant (in case of joint account) in the ASBA Form.

13. UPI Investors making an Application using the UPI Mechanism, who have revised their Application subsequent to making the initial Application, should also approve the revised UPI Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to the revised Application Amount in their account and in case of Allotment in a timely manner.

14. Ensure that the Application Forms are submitted at the Designated Branches of SCSBs or the Collection Centres provided in the Application Forms, bearing the stamp of the relevant Designated Intermediary/ Designated Branch of the SCSB.

15. Before submitting the Application Form with the Designated Intermediaries ensure that the SCSB, whose name has been filled in the Application Form, has named a branch in that relevant Collection Centre.

16. Ensure that you have been given an acknowledgement as proof of having accepted the Application Form.

17. Ensure that signatures other than in the languages specified in the Eighth Schedule to the Constitution of India is attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal.

18. In case of an HUF applying through its Karta, the Applicant is required to specify the name of an Applicant in the Application Form as 'XYZ Hindu Undivided Family applying through PQR', where PQR is the name of the Karta. However, the PAN number of the HUF should be mentioned in the Application Form and not that of the Karta.

19. Ensure that the Applications are submitted to the Designated Intermediaries or Designated Branches of the SCSBs, as the case may be, before the closure of application hours on the Issue Closing Date. For further information on the Issue programme, please see "*General Information – Issue Programme*" on page 53.

20. **Permanent Account Number:** Each of the Applicants should provide their PAN. Application Forms in which the PAN is not provided will be rejected. Except for Application (i) on behalf of the Central or State Government and officials appointed by the courts, and (ii) (subject to SEBI KYC Circular) from the residents of the state of Sikkim, each of the Applicants should provide their PAN. Application Forms in which the PAN is not provided will be rejected. The exemption for the Central or State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.

21. Ensure that if the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form.

22. All Applicants should choose the relevant option in the column "Category of Investor" in the Application Form.

23. Choose and mark the option of NCDs in the Application Form that you wish to apply for.

24. In terms of SEBI NCS Master Circular, SCSBs making applications on their own account using ASBA facility, should have a separate account in their own name with any other SEBI registered SCSB. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for Applications.

Don'ts:

1. Do not apply for lower than the minimum Application size.

2. Do not pay the Application Amount in cash, by cheque, by money order or by postal order or by stock invest.

3. Do not send Application Forms by post. Instead submit the same to the Designated Intermediaries or Designated Branches of the SCSBs, as the case may be.

4. Do not submit the Application Form to any non-SCSB bank or our Company.

5. Do not apply through an Application Form that does not have the stamp of the relevant Designated Intermediary or the Designated Branch of the SCSB, as the case may be.

6. Do not fill up the Application Form such that the NCDs applied for exceeds the Issue Size and/or investment limit or maximum number of NCDs that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations.

7. Do not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground.

8. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID (wherever applicable) or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue.

9. Do not submit the Application Form without ensuring that funds equivalent to the entire Application Amount are available for blocking in the relevant ASBA Account or in the case of UPI Investors making and Application using the UPI Mechanism, in the UPI-linked bank account where funds for making the Application are available.

10. Do not submit Applications on plain paper or on incomplete or illegible Application Forms.

11. Do not apply if you are not competent to contract under the Indian Contract Act, 1872.

12. Do not submit an Application in case you are not eligible to acquire NCDs under applicable law or your relevant constitutional documents or otherwise.

13. Do not submit Applications to a Designated Intermediary at a location other than Collection Centres.

14. Do not submit an Application that does not comply with the securities law of your respective jurisdiction.

15. Do not apply if you are a person ineligible to apply for NCDs under the Issue including Applications by Persons Resident Outside India, NRI (inter-alia including NRIs who are (i) based in the USA, and/or, (ii) domiciled in the USA, and/or, (iii) residents/citizens of the USA, and/or, (iv) subject to any taxation laws of the USA).

16. Do not make an Application of the NCD on multiple copies taken of a single form.

17. Payment of Application Amount in any mode other than through blocking of Application Amount in the ASBA Accounts shall not be accepted in the Issue.

18. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by UPI Investors using the UPI Mechanism.

19. Do not submit more than five Application Forms per ASBA Account.

Please also see "*Issue Procedure – Operational Instructions and Guidelines - Applicant's Responsibilities*" on page 270.

Kindly note that Applications submitted to the Designated Intermediaries will not be accepted if the SCSB where the ASBA Account, as specified in the Application Form, is maintained has not named at least one branch at that location for the Designated Intermediaries, to deposit such Application Forms (A list of such branches is available at https://www.sebi.gov.in).

Please see *"Issue Procedure – Rejection of Applications*" on page 285 for information on rejection of Applications.

TERMS OF PAYMENT

The Application Forms will be uploaded onto the electronic system of the Stock Exchange and deposited with the relevant branch of the SCSB at the Collection Centres, named by such SCSB to accept such Applications from the Designated Intermediaries, as the case may be (a list of such branches is available at https://www.sebi.gov.in).

For Applications other than those under the UPI Mechanism, the relevant branch of the SCSB shall perform verification procedures and block an amount in the ASBA Account equal to the Application Amount specified in the Application. For

Applications under the UPI Mechanism, i.e., upto ₹5 lakhs, the Stock Exchange shall undertake validation of the PAN and Demat account combination details of the Applicant with the Depository. The Depository shall validate the PAN and Demat account details and send response to the Stock Exchange which would be shared by the Stock Exchange with the relevant Designated Intermediary through its platform, for corrections, if any. The blocking of funds in such case (not exceeding ₹5 lakhs) shall happen under the UPI Mechanism.

The entire Application Amount for the NCDs is payable on Application only. The relevant SCSB shall block an amount equivalent to the entire Application Amount in the ASBA Account at the time of upload of the Application Form. In case of Allotment of lesser number of NCDs than the number applied, the Registrar to the Issue shall instruct the SCSBs or the Sponsor Bank (as the case maybe) to unblock the excess amount in the ASBA Account.

For Applicants, the Applications in physical mode should be submitted to the SCSBs or a member of the Syndicate or to the Trading Members of the stock exchanges on the prescribed Application Form. SCSBs may provide the electronic mode for making Application either through an internet enabled banking facility or such other secured, electronically enabled mechanism for Application and blocking funds in the ASBA Account.

For Applications submitted under the UPI Mechanism, post the successful validation of the UPI Mandate Request by the Applicant, the information would be electronically received by the Applicants' bank, where the funds, equivalent to Application Amount, would get blocked in the Applicant's ASBA Account.

Applicants should ensure that they have funds equal to the Application Amount in the ASBA Account before submitting the Application. An Application where the corresponding ASBA Account does not have sufficient funds equal to the Application Amount at the time of blocking the ASBA Account is liable to be rejected.

A UPI Investor applying through the UPI Mechanism should ensure that, they check the relevant SMS generated for the UPI Mandate Request and all other steps required for successful blocking of funds in the UPI linked bank account, which includes accepting the UPI Mandate Request by 5:00 pm on the third Working Day from the day of bidding on the Stock Exchange (except on the second last and last day of the Issue Period, where the UPI Mandate Request not having been accepted by 5:00 pm of the Issue Closing date), have been completed.

The Application Amount shall remain blocked in the ASBA Account until approval of the Basis of Allotment and consequent transfer of the amount against the Allotted NCDs to the Public Issue Account(s), or until withdrawal/ failure of the Issue or until withdrawal/ rejection of the Application Form, as the case may be. Once the Basis of Allotment is approved, and upon receipt of intimation from the Registrar, the controlling branch of the SCSB shall, on the Designated Date, transfer such blocked amount from the ASBA Account to the Public Issue Account. The balance amount remaining after the finalisation of the Basis of Allotment shall be unblocked by the SCSBs or the Sponsor Bank (in case of Applications under the UPI Mechanism) on the basis of the instructions issued in this regard by the Registrar to the respective SCSB or the Sponsor Bank, within 2 (two) Working Days of the Issue Closing Date. The Application Amount shall remain blocked in the ASBA Account until transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application, as the case may be.

SUBMISSION OF COMPLETED APPLICATION FORMS

Mode of Submission of Application Forms	To whom the Application Form has to be submitted
ASBA Applications	i. If using physical Application Form, (a) to the Designated Intermediaries at relevant Collection Centres, or (b) to the Designated Branches of the SCSBs where the ASBA Account is maintained; or ii. If using electronic Application Form, to the SCSBs, electronically through internet banking facility, if available.
Applications under the UPI Mechanism	i. Through the Designated Intermediary, physically or electronically, as applicable; or ii. Through BSE Direct.

No separate receipts will be issued for the Application Amount payable on submission of Application Form. However, the Designated Intermediaries will acknowledge the receipt of the Application Forms by stamping the date and returning to the Applicants an Acknowledgement Slips which will serve as a duplicate Application Form for the records of the Applicant.

Electronic Registration of Applications

a. The Designated Intermediaries and Designated Branches of the SCSBs, as the case may be, will register the Applications (including those under the UPI Mechanism) using the on-line facilities of the Stock Exchange. **The Members of Syndicate, our Company and the Registrar to the Issue or the Lead Manager is not responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the Applications accepted by the SCSBs, (ii) the Applications uploaded by the SCSBs, (iii) the Applications accepted but not uploaded by the SCSBs, (iv) with respect to Applications accepted and uploaded by the SCSBs without blocking funds in the ASBA Accounts, (v) any Applications accepted and uploaded and/or not uploaded by the Trading Members of**

the Stock Exchange or (vi) any Application made under the UPI Mechanism, accepted or uploaded or failed to be uploaded by a Designated Intermediary or through the app/web based interface of the Stock Exchange and the corresponding failure for blocking of funds under the UPI Mechanism.

In case of apparent data entry error by the Designated Intermediaries or Designated Branches of the SCSBs, as the case may be, in entering the Application Form number in their respective schedules other things remaining unchanged, the Application Form may be considered as valid and such exceptions may be recorded in minutes of the meeting submitted to the Designated Stock Exchange. However, the option, mode of allotment, PAN, demat account no. etc. should be captured by the relevant Designated Intermediaries or Designated Branches of the SCSBs in the data entries as such data entries will be considered for Allotment/rejection of Application.

b. The Stock Exchange will offer an electronic facility for registering Applications for the Issue. This facility will be available on the terminals of Designated Intermediaries and the SCSBs during the Issue Period. The Designated Intermediaries can also set up facilities for off-line electronic registration of Applications subject to the condition that they will subsequently upload the off-line data file into the on-line facilities for Applications on a regular basis, and before the expiry of the allocated time on the Issue Closing Date. On the Issue Closing Date, the Designated Intermediaries and the Designated Branches of the SCSBs shall upload the Applications till such time as may be permitted by the Stock Exchange. This information will be available with the Designated Intermediaries and the Designated Branches of the SCSBs on a regular basis. Applicants are cautioned that a high inflow of high volumes on the last day of the Issue Period may lead to some Applications received on the last day not being uploaded and such Applications will not be considered for allocation. For further information on the Issue programme, please see "*General Information – Issue Programme*" on page 53.

c. With respect to Applications submitted directly to the SCSBs at the time of registering each Application, the Designated Branches of the SCSBs shall enter the requisite details of the Applicants in the on-line system including:

- Application Form number
- PAN (of the first Applicant, in case of more than one Applicant)
- Investor category and sub-category
- DP ID
- Client ID
- UPI ID (if applicable)
- Option of NCDs applied for
- Number of NCDs Applied for in each option of NCD
- Price per NCD
- Bank code for the SCSB where the ASBA Account is maintained
- Bank account number
- Location
- Application amount

d. With respect to Applications submitted to the Designated Intermediaries, at the time of registering each Application, the requisite details of the Applicants shall be entered in the on-line system including:

- Application Form number
- PAN (of the first Applicant, in case of more than one Applicant)
- Investor category and sub-category
- DP ID
- Client ID

- UPI ID (if applicable)
- Option of NCDs applied for
- Number of NCDs Applied for in each option of NCD
- Price per NCD
- Bank code for the SCSB where the ASBA Account is maintained
- Bank account number
- Location
- Application amount

e. A system generated acknowledgement (TRS) will be given to the Applicant as a proof of the registration of each Application. **It is the Applicant's responsibility to obtain the acknowledgement from the Designated Intermediaries and the Designated Branches of the SCSBs, as the case may be. The registration of the Application by the Designated Intermediaries and the Designated Branches of the SCSBs, as the case may be, does not guarantee that the NCDs shall be allocated/ Allotted by our Company. The acknowledgement will be non-negotiable and by itself will not create any obligation of any kind.**

f. **Applications can be rejected on the technical grounds listed below or if all required information is not provided or the Application Form is incomplete in any respect.** The permission given by the Stock Exchange to use its network and software of the online system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, the Lead Manager are cleared or approved by the Stock Exchange; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Shelf Prospectus; nor does it warrant that the NCDs will be listed or will continue to be listed on the Stock Exchange.

g. **Only Applications that are uploaded on the online system of the Stock Exchange shall be considered for allocation/ Allotment**. The Designated Intermediaries and the Designated Branches of the SCSBs shall capture all data relevant for the purposes of finalizing the Basis of Allotment while uploading Application data in the electronic systems of the Stock Exchange. In order that the data so captured is accurate the Designated Intermediaries and the Designated Branches of the SCSBs will be given up to at 5:00 p.m. on the Issue Closing Date to modify/ verify certain selected fields uploaded in the online system during the Issue Period after which the data will be sent to the Registrar for reconciliation with the data available with the NSDL and CDSL.

REJECTION OF APPLICATIONS

Applications would be liable to be rejected on the technical grounds listed below or if all required information is not provided or the Application Form is incomplete in any respect. The Board of Directors and/or the Debenture Trustee thereof, reserves its full, unqualified and absolute right to accept or reject any Application in whole or in part and in either case without assigning any reason thereof.

Application may be rejected on one or more technical grounds, including but not restricted to:

a. Application by persons not competent to contract under the Indian Contract Act, 1872, as amended, (other than minors having valid Depository Account as per Demographic Details provided by Depositories);

b. Applications accompanied by cash, draft, cheques, money order or any other mode of payment other than amounts blocked in the Applicants' ASBA Account maintained with an SCSB;

c. Applications not being signed by the sole/joint Applicant(s);

d. Investor Category in the Application Form not being ticked;

e. Application Amount blocked being higher or lower than the value of NCDs Applied for. However, our Company may Allot NCDs up to the number of NCDs Applied for, if the value of such NCDs Applied for exceeds the minimum Application size;

f. Applications where a registered address in India is not provided for the non-Individual Applicants;

g. In case of partnership firms (except LLPs), NCDs applied for in the name of the partnership and not the names of the individual partner(s);

h. Minor Applicants (applying through the guardian) without mentioning the PAN of the minor Applicant;

i. PAN not mentioned in the Application Form., except for Applications by or on behalf of the Central or State Government and the officials appointed by the courts and by investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participants. In case of minor Applicants applying through guardian when PAN of the Applicant is not mentioned;

j. In case of minor Applicants applying through guardian, when PAN of the Applicant is not mentioned;

k. DP ID, Client ID or UPI ID (wherever applicable) not mentioned in the Application Form;

l. GIR number furnished instead of PAN;

m. Applications by OCBs;

n. Applications for an amount below the minimum Application size;

o. Submission of more than five ASBA Forms per ASBA Account;

p. Applications by persons who are not eligible to acquire NCDs of our Company in terms of applicable laws, rules, regulations, guidelines and approvals;

q. Applications under power of attorney or by limited companies, corporate, trust etc. submitted without relevant documents;

r. Applications accompanied by stock invest/ cheque/ money order/ postal order/ cash;

s. Signature of sole Applicant missing, or in case of joint Applicants, the Application Forms not being signed by the first Applicant (as per the order appearing in the records of the Depository);

t. Applications by persons debarred from accessing capital markets, by SEBI or any other appropriate regulatory authority;

u. Application Forms not being signed by the ASBA Account holder, if the account holder is different from the Applicant;

v. Signature of the ASBA Account holder on the Application Form does not match with the signature available on the SCSB bank's records where the ASBA Account mentioned in the Application Form is maintained;

w. Application Forms submitted to the Designated Intermediaries or to the Designated Branches of the SCSBs does not bear the stamp of the SCSB and/or the Designated Intermediary, as the case may be;

x. ASBA Applications not having details of the ASBA Account or the UPI-linked Account to be blocked;

y. In case no corresponding record is available with the Depositories that matches the parameters namely, DP ID, Client ID, UPI ID and PAN;

z. Inadequate funds in the ASBA Account to enable the SCSB to block the Application Amount specified in the Application Form at the time of blocking such Application Amount in the ASBA Account or no confirmation is received from the SCSB for blocking of funds;

aa. SCSB making an Application (a) through an ASBA account maintained with its own self or (b) through an ASBA Account maintained through a different SCSB not in its own name or (c) through an ASBA Account maintained through a different SCSB in its own name, where clear demarcated funds are not present or (d) through an ASBA Account maintained through a different SCSB in its own name which ASBA Account is not utilised solely for the purpose of applying in public issues;

bb. Applications for amounts greater than the maximum permissible amount prescribed by the regulations and applicable law;

cc. Authorization to the SCSB for blocking funds in the ASBA Account not provided;

dd. Applications by any person outside India;

ee. Applications not uploaded on the online platform of the Stock Exchange;

ff. Applications uploaded after the expiry of the allocated time on the Issue Closing Date, unless extended by the Stock Exchange, as applicable;

gg. Application Forms not delivered by the Applicant within the time prescribed as per the Application Form, the relevant Tranche Prospectus and as per the instructions in the Application Form and the Shelf Prospectus;

hh. Applications by Applicants whose demat accounts have been 'suspended for credit' pursuant to the circular issued by SEBI on July 29, 2010 bearing number CIR/MRD/DP/22/2010;

ii. Applications providing an inoperative demat account number;

jj. Applications submitted to the Designated Intermediaries other than the Collection Centres or at a Branch of a SCSB which is not a Designated Branch;

kk. Applications submitted directly to the Public Issue Bank (except in case the ASBA Account is maintained with the said bank as a SCSB);

ll. Investor category not ticked;

mm. In case of cancellation of one or more orders (series) within an Application, leading to total order quantity falling under the minimum quantity required for a single Application

nn. A UPI Investor applying through the UPI Mechanism, not having accepted the UPI Mandate Request by 5:00 pm on the third Working Day from the day of bidding on the stock exchange except on the second last and last day of the Issue Period, where the UPI Mandate Request not having been accepted by 5:00 pm on the last day of the Tranche I Issue Period; and

oo. A non-UPI Investor making an Application under the UPI Mechanism, i.e., an Application for an amount more than ₹5 lakhs.

For information on certain procedures to be carried out by the Registrar to the Issue for finalization of the Basis of Allotment, please see "*Information for Applicants*" below.

Information for Applicants

Upon the closure of the Issue, the Registrar to the Issue will reconcile the compiled data received from the Stock Exchange and all SCSBs and match the same with the Depository database for correctness of DP ID, Client ID, UPI ID (where applicable) and PAN. The Registrar to the Issue will undertake technical rejections based on the electronic details and the Depository database and prepare list of technical rejection cases. In case of any discrepancy between the electronic data and the Depository records, our Company, in consultation with the Designated Stock Exchange, the Lead Manager and the Registrar to the Issue, reserves the right to proceed as per the Depository records for such Applications or treat such Applications as rejected.

Based on the information provided by the Depositories, our Company shall have the right to accept Applications belonging to an account for the benefit of a minor (under guardianship).

In case of Applications for a higher number of NCDs than specified for that category of Applicant, only the maximum amount permissible for such category of Applicant will be considered for Allotment.

BASIS OF ALLOTMENT

Basis of Allotment for NCDs

As specified in the relevant Tranche Prospectus for each Tranche Issue.

Allocation Ratio

As specified in the relevant Tranche Prospectus for each Tranche Issue.

Retention of oversubscription

As specified in the relevant Tranche Prospectus for each Tranche Issue.

Unblocking of Funds for withdrawn, rejected or unsuccessful or partially successful Applications

As specified in the relevant Tranche Prospectus for each Tranche Issue.

ISSUANCE OF ALLOTMENT ADVICE

Our Company shall ensure dispatch of Allotment Advice and/ or give instructions for credit of NCDs to the beneficiary account with Depository Participants upon approval of Basis of Allotment. The Allotment Advice for successful Applicants will be mailed by speed post/registered post to their addresses as per the Demographic Details received from the Depositories.

Our Company shall use best efforts to ensure that all steps for completion of the necessary formalities for commencement of trading at the Stock Exchange where the NCDs are proposed to be listed are taken within 2 (two) Working Days from the Issue Closing Date.

Allotment Advices shall be issued or Application Amount shall be unblocked within the prescribed timeline from the Issue Closing Date as may be specified by SEBI or else the Application Amount shall be unblocked in the ASBA Accounts or the UPI linked bank accounts (for Applications under the UPI Mechanism) of the Applicants forthwith.

Our Company will provide adequate funds required for dispatch of Allotment Advice to the Registrar to the Issue.

OTHER INFORMATION

Withdrawal of Applications during the Issue Period

Applicants can withdraw their Applications until the Issue Closing Date. In case an Applicant wishes to withdraw the Application during the Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite.

In case of Applications (other than under the UPI Mechanism) were submitted to the Designated Intermediaries, upon receipt of the request for withdrawal from the Applicant, the relevant Designated Intermediary, as the case may be, shall do the requisite, including deletion of details of the withdrawn Application Form from the electronic system of the Stock Exchange and intimating the Designated Branch of the SCSB to unblock of the funds blocked in the ASBA Account at the time of making the Application. In case of Applications (other than under the UPI Mechanism) submitted directly to the Designated Branch of the SCSB, upon receipt of the request for withdraw from the Applicant, the relevant Designated Branch shall do the requisite, including deletion of details of the withdrawn Application Form from the electronic system of the Stock Exchange and unblocking of the funds in the ASBA Account, directly.

Withdrawal of Applications after the Issue Period

In case an Applicant wishes to withdraw the Application after the Issue Closing Date or early closure date, the same can be done by submitting a withdrawal request to the Registrar to the Issue prior to the finalization of the Basis of Allotment.

Revision of Applications

As per the notice No: 20120831-22 dated August 31, 2012 issued by the BSE, cancellation of one or more orders (series) within an Application is permitted during the Issue Period as long as the total order quantity does not fall under the minimum quantity required for a single Application. Please note that in case of cancellation of one or more orders (series) within an Application, leading to total order quantity falling under the minimum quantity required for a single Application will be liable for rejection by the Registrar.

Applicants may revise/ modify their Application details during the Issue Period, as allowed/permitted by the Stock Exchange, by submitting a written request to the Designated Intermediary and the Designated Branch of the SCSBs, as the case may be. For Applications made under the UPI Mechanism, an Applicant shall not be allowed to add or modify the details of the Application except for modification of either DP ID/Client ID, or PAN ID but not both. However, the Applicant may withdraw the Application and reapply.

However, for the purpose of Allotment, the date of original upload of the Application will be considered in case of such revision/ modification. In case of any revision of Application in connection with any of the fields which are not allowed to be modified on the electronic Application platform of the Stock Exchange as per the procedures and requirements prescribed by the Stock Exchange, Applicants should ensure that they first withdraw their original Application and submit a fresh Application. In such a case the date of the new Application will be considered for date priority for Allotment purposes.

Revision of Applications is not permitted after the expiry of the time for acceptance of Application Forms on the Issue Closing Date. However, in order that the data so captured is accurate, the Designated Intermediaries and/ or the Designated Branches of the SCSBs will be given up at 5:00 p.m. on the Issue Closing Date to modify/ verify certain selected fields uploaded in the online system during the Issue Period, after which the data will be sent to the Registrar for reconciliation with the data available with the NSDL and CDSL. Please also see, "*Issue Procedure – Operational Instructions and Guidelines - Modification and cancellation of orders*" on page 269.

Depository Arrangements

Our Company has made depository arrangements with NSDL and CDSL for issue and holding of the NCDs in authorized form. In this context:

1. Tripartite Agreement dated November 13, 2000 , and between us, the Registrar to the Issue and CDSL for offering depository option to the Applicants.

2. Tripartite Agreement dated November 14, 2000 , and between us, the Registrar to the Issue and NSDL for offering depository option to the Applicants.

3. An Applicant must have at least one beneficiary account with any of the Depository Participants (DPs) of NSDL or CDSL prior to making the Application.

4. NCDs Allotted to an Applicant in the electronic form will be credited directly to the Applicant's respective beneficiary account(s) with the DP.

5. Non-transferable Allotment Advice/ unblocking intimations will be directly sent to the Applicant by the Registrar to the Issue.

6. It may be noted that NCDs in electronic form can be traded only on Stock Exchange having electronic connectivity with NSDL or CDSL. The Stock Exchange have connectivity with NSDL and CDSL.

7. Interest or other benefits with respect to the NCDs held in dematerialized form would be paid to those NCD holders whose names appear on the list of beneficial owners given by the Depositories to us as on Record Date. In case of those NCDs for which the beneficial owner is not identified by the Depository as on the Record Date/ book closure date, we would keep in abeyance the payment of interest or other benefits, till such time that the beneficial owner is identified by the Depository and conveyed to us, whereupon the interest or benefits will be paid to the beneficiaries, as identified, within a period of 30 days.

8. The trading of the NCDs on the floor of the Stock Exchange shall be in dematerialized form in multiples of One NCD only.

Allottees will have the option to dematerialize the NCDs Allotted under the Issue as per the provisions of the Companies Act, 2013 and the Depositories Act.

For further information relating to Applications for Allotment of the NCDs in dematerialized form, please see the section titled "*Issue Procedure*" on page 264.

PLEASE NOTE THAT TRADING OF NCDs ON THE FLOOR OF THE STOCK EXCHANGE SHALL BE IN DEMATERIALISED FORM ONLY IN MULTIPLE OF ONE NCD.

Allottees will have the option to re-materialize the NCDs Allotted under the Issue as per the provisions of the Companies Act, 2013 and the Depositories Act.

Communications

All future communications in connection with Applications made in the Issue (except the Applications made through the Trading Members of the Stock Exchange) should be addressed to the Registrar to the Issue, quoting the full name of the sole or first Applicant, Application Form number, Applicant's DP ID and Client ID, Applicant's PAN, number of NCDs applied for, ASBA Account number in which the amount equivalent to the Application Amount was blocked or the UPI ID (for UPI Investors who make the payment of Application Amount through the UPI Mechanism), date of the Application Form, name and address of the Designated Intermediary or Designated Branch of the SCSBs, as the case may be, where the Application was submitted.

Applicants may contact our Compliance Officer and Company Secretary or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems such as non-receipt of Allotment Advice or credit of NCDs in the respective beneficiary accounts, as the case may be.

Interest in case of Delay

Our Company undertakes to pay interest, in connection with any delay in allotment, demat credit and unblocking, beyond the time limit as may be prescribed under applicable statutory and/or regulatory requirements, at such rates as stipulated under such applicable statutory and/or regulatory requirements.

Undertaking by the Issuer

Statement by the Board:

(a) All monies received pursuant to the Issue of NCDs to public shall be transferred to a separate bank account as referred to in sub-section (3) of section 40 of the Companies Act, 2013.

(b) Details of all monies utilized out of Issue referred to in sub-item (a) shall be disclosed under an appropriate separate head in our Balance Sheet indicating the purpose for which such monies had been utilized.

(c) Details of all unutilized monies out of issue of NCDs, if any, referred to in sub-item (a) shall be disclosed under an appropriate separate head in our Balance Sheet indicating the form in which such unutilized monies have been invested.

(d) Details of all utilized and unutilized monies out of the monies collected in the previous issue made by way of public offer shall be disclosed and continued to be disclosed in the balance sheet till the time any part of the proceeds of such previous issue remains unutilized indicating the purpose for which such monies have been utilized, and the securities or other forms of financial assets in which such unutilized monies have been invested.

(e) Execution of Debenture Trust Deed. Further, as per Regulation 18 of SEBI NCS Regulations, in the event the Issuer fails to execute the Debenture Trust Deed within a timeline specified under Regulation 18 of SEBI NCS Regulations, the Issuer shall pay interest of at least 2% p.a. over and above the agreed coupon rate, to each NCD Holder, till the execution of the Debenture Trust Deed.

(f) We shall utilize the Issue proceeds only upon creation of security as stated in the relevant Tranche Prospectus in the section titled "*Terms of the Issue*" on page 248 and after (a) permissions or consents for creation of an exclusive charge have been obtained from the creditors who have exclusive charge over the assets sought to be provided as Security; (b) receipt of the minimum subscription of 75% of the Base Issue amount as specified in the relevant Tranche Prospectus; (c) completion of Allotment and refund process in compliance with Section 40 of the Companies Act, 2013; (d) creation of security and confirmation of the same in terms of NCDs and (e) receipt of listing and trading approval from the Stock Exchange.

(g) The Issue proceeds shall not be utilized towards full or part consideration for the purchase or any other acquisition, *inter alia* by way of a lease, of any immovable property, dealing of equity of listed companies or lending/investment in group companies.

(h) The Issue proceeds shall be utilised for the purpose of onward lending, financing, and for repayment of interest and principal of existing borrowings of our Company.

(i) The allotment letter shall be issued, or application money shall be unblocked within 2 days from the closure of the Issue or such lesser time as may be specified by SEBI, or else the application money shall be refunded to the applicants forthwith, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period.

Other Undertakings by our Company

Our Company undertakes that:

(a) Complaints received in respect of the Issue will be attended to by our Company expeditiously and satisfactorily.

(b) Necessary cooperation to the relevant credit rating agency(ies) will be extended in providing true and adequate information until the obligations in respect of the NCDs are outstanding.

(c) Our Company will take necessary steps for the purpose of getting the NCDs listed within the specified time, i.e., within 3 (three) Working Days of the Issue Closing Date.

(d) Funds required for dispatch of Allotment Advice will be made available by our Company to the Registrar to the Issue.

(e) Our Company will forward details of utilization of the proceeds of the Issue, duly certified by the Current Statutory Auditor, to the Debenture Trustee as per the specified timelines.

(f) Our Company will provide a compliance certificate to the Debenture Trustee on an annual basis in respect of compliance with the terms and conditions of the Issue as contained in the relevant Tranche Prospectus.

(g) We shall make necessary disclosures/reporting under any other legal or regulatory requirement as may be required by our Company from time to time.

(h) We undertake that the assets on which charge is created meets the hundred percent security cover or higher security cover and are free from any encumbrances and in cases where the assets are already charged to secure a debt, the permission or consent to create an exclusive charge on the assets of the issuer has been obtained from the earlier creditor.

(i) Our Company will disclose the complete name and address of the Debenture Trustee in its annual report and on its website.

(j) We shall create a recovery expense fund in the manner as specified by SEBI from time to time and will inform the Debenture Trustee about the same.

The allotment of NCDs will be done on a first come, first serve basis. In case of an oversubscription, allotments to the maximum extent, as possible, will be made on a first-come first-serve basis and thereafter on proportionate basis, i.e. full allotment of the NCDs to the Applicants on a first come first basis up to the date falling 1 (one) day prior to the date of oversubscription and proportionate allotment of NCDs to the applicants from the date of oversubscription and thereafter (based on the date of upload of each Application on the electronic platform of the Stock Exchange, in each Portion). On the successful allotment of the NCDs, the Issue proceeds will be released to the issuer to use in pursuance of the objects specified in this Draft Shelf Prospectus.

SECTION VIII – KEY PROVISIONS OF ARTICLES OF ASSOCIATION

ARTICLES OF ASSOCIATION

OF

PAISALO DIGITAL LIMITED (Incorporated under the Companies Act, 1956)

UNDER THE COMPANIES ACT, 2013 (A COMPANY LIMITED BY SHARES)

ARTICLES OF ASSOCIATION OF

PAISALO DIGITAL LIMITED

1. Subject as hereinafter provided the regulations contained in Table `F' in the First Schedule to the Companies Act, 2013 (hereinafter called "the Act") shall apply to this Company. All references herein contained to any specified Regulations of Table `F' shall be inclusive and in case of any conflict between the provisions herein contained and the incorporated regulations of Table `F' the provisions herein shall prevail.

2. These regulations for the management of our Company and for the observance by the members thereto and their representatives shall be subject to deletions, alterations or additions made pursuant to the statutory powers under the Companies Act, 2013 from time to time.

INTERPRETATION

3. In these regulations, the following words and expressions shall have the following meanings, unless excluded by the subject or context:

(a) "the Act" means the Companies Act, 2013.or the Companies Act, 1956, as may be in force at any given point of time, and shall be deemed to includes rules, regulations, notifications, guidelines, circulars or clarifications made, issued / given thereunder from time to time.

(b) "The Articles" means these Articles of Association as originally framed or altered and prevailing from time to time.

(c) "The Board' or `The Board of Directors' means the collective body of the Directors for the time being of the company.

(d) "Board Meeting" means a Meeting of the Directors duly called, constituted and held or as the case may be, the Directors assembled at a Board either in person or through video conferencing or other audio visual means as may be prescribed or the requisite number of Directors entitled to pass a circular resolution in accordance with these Articles.

(e) 'The Company" or "This Company" means PAISALO DIGITAL LIMITED.

(f) "Directors" means the Directors for the time being of the Company or as the case may be the Directors assembled at a Board Meeting.

(g) "The Managing Director" means the Managing Directors appointed as such for the time being of the Company.

(h) "In writing", includes printing, Lithography, typewriting and any other usual substitutes for writing.

(i) "Month" shall mean calendar month.

(j) "The Office" means the Registered Office of the Company.

(k) "Electronic mode" means any mode as may be defined under Act 2013 and under relevant rules thereto.

(l) "Financial Statement" in relation to a company includes:-

(i) a balance sheet as at the end of the financial year;

(ii) a profit and loss account for the financial year;

(iii) cash flow statement for the financial year;

(iv) a statement of changes in equity; and

(v) any explanatory note annexed to, or forming part of, any document referred to in sub-clause (i) to (iv).

(m) "Paid up" shall include Credited as fully paid-up.

(n) "Persons" shall include any corporation as well as individuals.

(o) "Proxy" includes attorney duly constituted under a Power of Attorney.

(p) "These Presents" or "Regulations" means these Articles of Association as originally framed or altered from time to time and in force for the time being and include the Memorandum of Association where the context so requires.

(q) "The Register" shall mean the Register of Members to be kept as required under the provisions of the Act.

(r) "Sweat equity shares" means such equity shares as are issued by the company to its directors or employees at a discount or for consideration, other than cash, for their providing know how or making available rights in the nature of intellectual property rights or value additions, by whatever name called.

(s) Words importing the masculine gender shall include the feminine gender and vice versa.

(t) Words importing the singular shall include the plural, and words importing the plural shall include the singular.

(u) "Section' means Section of the Companies Act, 2013.

4. Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company.

SHARE CAPITAL AND VARIATION OF RIGHTS

5. Subject to the provisions of the Act and these Articles, the shares in the capital of the Company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.

5A. Mode of further issue of securities:

Subject to the provisions of applicable laws, further issue of Shares or other securities may be made in any manner whatsoever as the Board may determine including by way of public issue through prospectus, private placement, preferential offer, rights issue, bonus issue, qualified institutional placement or in any other manner or mode that the Board may deem fit in accordance with applicable Law.

5B. Issue of Warrant or other Convertible Securities:

(a) Subject to the provisions of applicable laws, the Board or a committee thereof duly authorized by the Board, may, subject to the consent of the Members of the Company in accordance with Applicable Law, issue and allot warrants or other convertible securities convertible into equity shares of the Company on such rate, terms and conditions to the existing shareholders, general public, to the promoter, directors, bodies corporate, banks, financial institutions, overseas corporate bodies, non-resident Indians or such other persons from time to time as it may deem fit.

(b) Subject to the provisions of applicable laws, the Board or a committee thereof duly authorized by the Board shall be authorized to make provisions as to the allotment and issue of warrants/convertible securities and in particular may determine to whom the same shall be offered whether at par or at premium from time to time.

(c) Subject to the provisions of applicable laws, the Board or a committee thereof duly authorized by the Board, may convert warrants/convertible securities into the equity shares at such rates (including premium), terms and conditions as may be determined by the Board and in accordance with the Applicable Law, as per the discretion of the Board.

(d) Subject to the provisions of applicable laws, the Board or a committee thereof duly authorized by the Board, may from time to time subject to the terms on which any convertible securities convertible into equity shares

may have been issued may call upon the holders of such securities in respect of the balance amount unpaid on the convertible securities held by them respectively at the time of providing option for conversion of such convertible securities into the equity shares of the Company and shall be payable at such fixed times by the convertible security holder who shall pay the amount of the call made on them at time and places appointed by the Board

5C. Allotment of Shares for consideration other than cash:

Subject to the provisions of applicable laws, the Board or a committee thereof duly authorized by the Board, may issue and allot Shares or other securities in the capital of the Company on payment or part payment for any property or assets of any kind whatsoever sold or transferred, goods or machinery supplied or for services rendered to the Company in the conduct of its business and any Shares or other securities which may be so allotted and may be issued as fully paid-up or partly paid-up, otherwise than for cash and if so issued be deemed to be fully paid up or partly paid up Shares or other security, as the case may be.

6. **(a)** Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided,—

(i) one certificate for all his shares without payment of any charges; or

(ii) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.

(b) Every certificate shall specify the shares to which it relates and the amount paid-up thereon.

(c) In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

7. **(a)** If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.

(b) The provisions of Articles (6) and (7) shall mutatis mutandis apply to debentures of the company.

8. The Company shall be entitled to dematerialise its shares of any class, debentures and other securities pursuant to the Depositories Act, 1996, and to offer its shares, debentures and other securities for issue in dematerialised form.

9. All the shares in the capital of the company, other than those hold in dematerialised form, shall be numbered consecutively.

10. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

11. **(a)** The Company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent. or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.

(b) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.

(c) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

12. **(a)** If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the Company is being wound up, be varied with the consent in writing of the

holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

(b) To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

13. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.

14. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the Company before the issue of the shares may, by special resolution, determine.

15. **(a)** Subject to the provisions of the Act, the Company may issue sweat Equity Shares of a class of Shares already issued to its directors or employees at a discount or for consideration other than cash for their providing know-how or making available rights in the nature of intellectual property rights or value additions by whatever name called. The rights, limitations, restrictions and provisions as are for the time being applicable to Equity Shares shall be applicable to such Sweat Equity Share issued by the Company.

(b) To train or pay for the training in India or abroad of any of the Company's and its subsidiary's employees or to recruit and employ Indian or foreign experts in the interest of or in furtherance of the objects of the Company. To grant option, SAR, shares or other benefits, in accordance with the provisions of the Act and as may be permitted by Securities and Exchange Board of India or Reserve Bank of India, as the case may be."

LIEN

16. **(a)** The Company shall have a first and paramount lien—

(i) on every share and security (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share/security; and

(ii) on all shares and securities (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the Company:

Provided that the Board of directors may at any time declare any share and security to be wholly or in part exempt from the provisions of this clause.

(b) The Company's lien, if any, on a share and security shall extend to all dividends payable and bonuses declared from time to time in respect of such shares & securities.

17. The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien: Provided that no sale shall be made—

(a) unless a sum in respect of which the lien exists is presently payable; or

(b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

18. **(a)** To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.

(b) The purchaser shall be registered as the holder of the shares and securities comprised in any such transfer.

(c) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

19. **(a)** The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

(b) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale

CALLS ON SHARES AND SECURITIES

20. **(a)** The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares and securities (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

(b) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares and securities.

(c) A call may be revoked or postponed at the discretion of the Board.

21. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.

22. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

23. **(a)** If a sum called in respect of a share and security is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine.

(b) The Board shall be at liberty to waive payment of any such interest wholly or in part.

24. **(a)** Any sum which by the terms of issue of a share and security becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share and security or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

(b) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

25. The Board—

(a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares and securities held by him; and

(b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the Company in general meeting shall otherwise direct, twelve per cent. per annum, as may be agreed upon between the Board and the member paying the sum in advance.

TRANSFER OF SHARES AND SECURITIES

26. **(a)** The instrument of transfer of any share and securities in the Company shall be executed by or on behalf of both the transferor and transferee.

(b) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

27. The Board may, subject to the right of appeal conferred by Section 58 decline to register—

(a) the transfer of a share and securities, not being a fully paid share and securities, to a person of whom they do not approve; or

(b) any transfer of shares and securities on which the Company has a lien.

28. The Board may decline to recognise any instrument of transfer unless—

(a) the instrument of transfer is in the form as prescribed in rules made under sub-section (*1*) of section 56;

(b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

(c) the instrument of transfer is in respect of only one class of shares and securities.

29. On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time and for more than forty-five days in the aggregate in any year.

TRANSMISSION OF SHARES AND SECURITIES

30. **(a)** On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the Company as having any title to his interest in the shares and securities.

(b) Nothing in clause (*i*) shall release the estate of a deceased joint holder from any liability in respect of any share and security which had been jointly held by him with other persons.

31. **(a)** Any person becoming entitled to a share and security in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—

(i) to be registered himself as holder of the share and security; or

(ii) to make such transfer of the share and security as the deceased or insolvent member could have made.

(b) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

32. **(a)** If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.

(b) If the person aforesaid shall elect to transfer the share and security, he shall testify his election by executing a transfer of the share.

(c) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares and securities shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

33. A person becoming entitled to a share and security by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share and security, except that he shall not, before being registered as a member in respect of the share and security, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share and security, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

FORFEITURE OF SHARES AND SECURITY

34. If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.

35. The notice aforesaid shall—

(a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

(b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

36. If the requirements of any such notice as aforesaid are not complied with, any share and security in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

37. **(a)** A forfeited share and security may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

(b) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit

38. **(a)** A person whose shares and security have been forfeited shall cease to be a member in respect of the forfeited shares and security, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares and security.

(b) The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares and security.

39. **(a)** A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share and security in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share and security;

(b) The Company may receive the consideration, if any, given for the share and security on any sale or disposal thereof and may execute a transfer of the share and security in favour of the person to whom the share is sold or disposed of;

(c) The transferee shall thereupon be registered as the holder of the share and security; and

(d) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share and security be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share and security.

40. The provisions of these regulations as to forfeiture shall apply in the case of non payment of any sum which, by the terms of issue of a share and security, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

ALTERATION OF CAPITAL

41. The Company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

42. Subject to the provisions of section 61, the Company may, by ordinary resolution—

(a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

(b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;

(c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;

(d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person

43. Where shares are converted into stock—

(a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

(c) such of the regulations of the Company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stock-holder" respectively.

44. The Company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law—

(a) its share capital;

(b) any capital redemption reserve account; or

(c) any security premium account.

CAPITALISATION OF PROFITS

45. **(a)** The Company in general meeting may, upon the recommendation of the Board, resolve—

(i) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and

(ii) that such sum be accordingly set free for distribution in the manner specified in clause (*ii*) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(b) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in the Act, either in or towards—

(i) paying up any amounts for the time being unpaid on any shares held by such members respectively;

(ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;

(iii) partly in the way specified in sub-clause (*i*) and partly in that specified in sub-clause (*ii*);

(iv) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares;

(v) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.

46. **(a)** Whenever such a resolution as aforesaid shall have been passed, the Board shall—

(i) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and

(ii) generally do all acts and things required to give effect thereto.

(b) The Board shall have power—

(i) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and

(ii) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;

(c) Any agreement made under such authority shall be effective and binding on such members.

BUY-BACK OF SHARES

47. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities.

CESSATION OF MEMBERS

48. In case the directors consider that the continuance of any person as a member of the company is detrimental to the interest of the company they may in their discretion if authorised by a special resolution passed by the company at the General Meeting call upon the said person or persons to transfer his or her or their representative share or shares in accordance with the provisions of these articles and from the date the transfer of shares becomes effective under the aforesaid resolution, the said persons shall ipso facto cease to be a member or members of the company and become disentitled to any of the rights, privileges and benefits as such member of the company.

NOMINATION OF SHARE AND SECURITY

49. **(a)** Subject to the provisions of section 72 of the Companies Act. 2013 every shareholder or debentureholder of the company, may at any time, nominate in the prescribed manner a person to whom his/her shares in. or debentures of the company shall vest in the event of his/her death.

(b) Where the shares in, or debentures of the company are held by more than one person jointly, the jointholders may together nominate, in the prescribed manner, a person to whom all the rights in the shares or debentures of the company as the case may be, shall vest in the event of the death of all the joint holders.

(c) Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, in respect of such shares in or debentures of the company where the nomination made in the prescribed manner purports to confer on any of the right to vest the shares in or debentures of the company, the nominee shall, on the death of the shareholder or debentureholder, as the case may be, on the death of the joint holders, become entitled to all the rights in such shares or debentures or as the case may be, all the joint holders, in relation to such shares or debentures, to the exclusion of all other person, unless the nomination is varied or cancelled in the prescribed manner.

(d) Where the nominee is minor, it shall be lawful for the holder of the shares or debentures, to make the nomination to appoint, in the prescribed manner, any person to become entitled to shares in or debentures of the company, in the event of his/her death, during the minority.

50. A nominee, upon production of such evidence as may be required by the Board as per the relevant laws and subject as hereinafter provided, elect either:—

(a) To be registered himself/herself as holder of the share or debenture, as the case may be;

(b) To make such transfer of the share or debenture, as the case may be. as the deceased share holder or debenture holder, could have made:

(c) If the nominee elects to be registered as holder of the share or debenture, himself/herself, as the case may be he/she shall deliver or send to the company, a notice in writing signed by him/her stating that he/she so elects and such notice shall be accompanied with the death certificate of the deceased shareholder or debenture holder as the case may be;

(d) A nominee shall be entitled to the same dividends and other advantage to which he/she would be entitled to if he/she was the registered holder of the share or debenture except that he/she shall not, before being registered as a member in respect of his/her share or debenture, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company. Provided further that Board may, at any time, give notice requiring any such person to elect either to be registered himself/herself or to transfer the share or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonus or other money payable or rights accruing in respect of such share or debenture, until the requirements of the notice have been complied with.

MEETINGS

General Meeting

51. All general meetings other than annual general meeting shall be called extraordinary general meeting.

52. **(a)** The Board may, whenever it thinks fit, call an extraordinary general meeting.

(b) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the Company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

Proceedings at General Meetings

53. **(a)** No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

(b) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.

54. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.

55. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.

56. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

Adjournment of Meeting

57. **(a)** The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.

(b) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(c) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

(d) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

Voting Rights

58. Subject to any rights or restrictions for the time being attached to any class or classes of shares—

(a) on a show of hands, every member present in person shall have one vote; and

(b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.

59. **(a)** A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once. A member who has already voted by electronic means shall not be entitled to vote on the same business again in any other manner whether on a poll or otherwise.

(b) At any general meeting, a resolution put to the vote of the meeting shall, unless a poll is demanded under section 109 of the Act or the voting is carried out electronically, be decided on a show of hands.

(c) A declaration by the chairman of the meeting of the passing of a resolution or otherwise by show of hands and an entry to that effect in the books containing the minutes of the meeting of the company shall be conclusive evidence of the fact of passing of such a resolution or otherwise.

60. **(a)** In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

(b) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

61. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

62. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

63. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.

64. **(a)** No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

(b) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

Proxy

65. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

66. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

67. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

BOARD OF DIRECTORS

Board of Director

68. The number of the directors and the names of the first directors shall be determined in writing by the subscribers of the memorandum or a majority of them. The First Directors of the Company shall be:

(a) Mr. Purushottam Agarwal

(b) Mr. Sunil Agarwal

69. **(a)** The number of Directors shall not be less than three and more than fifteen unless otherwise determine by the Company in the General Meeting.

(b) The company shall appoint such number of Independent directors as are required by the Act and other applicable laws. The company and Independent directors shall abide by the provisions specified in Schedule IV of the Act.

(c) The company shall appoint at least one woman director as provided under section 149(1) of the Act.

(d) The Board of Directors shall appoint the person nominated by the debenture trustee(s) in terms of clause (e) of regulation 15(1) of the SEBI (Debenture Trustees) Regulations, 1993 as a Director on the Board. Such appointment of a Director shall be subject to the provisions of Debenture Trust Deed, Companies Act, 2013, Reserve Bank of India (RBI) Regulations, SEBI Regulations and all other applicable provisions of law.

70. **(a)** The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

(b) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—

(i) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or

(ii) in connection with the business of the company.

71. The Board may pay all expenses incurred in getting up and registering the company.

72. The Company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may thinks fit respecting the keeping of any such register.

73. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

74. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

75. **(a)** Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.

(b) Such person shall hold office only up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a director at that meeting subject to the provisions of the Act.

Proceedings of the Board

76. **(a)** The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

(b) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

(c) The Board of Directors shall be entitled to hold its meeting through Video Conferencing or other audio visual means, and in conducting the Board Meetings through such Video Conferencing or other audio visual means the procedures and the precautions as laid down in the relevant Rules shall be adhered to with regard to every Meeting conducted through Video Conferencing or other audio visual means. The scheduled venue of the Meetings shall be deemed to be in India, for the purpose of specifying the place of the said meeting and for all recordings of the proceedings at the meeting.

77. **(a)** Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

(b) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

78. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.

79. **(a)** The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.

(b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.

80. **(a)** The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.

(b) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

81. **(a)** A committee may elect a Chairperson of its meetings.

(b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

82. **(a)** A committee may meet and adjourn as it thinks fit.

(b) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote

83. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

84. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

Powers of Board

85. Subject to the provision of the Act the directors of the company shall have all the powers of the company except, so far as they stand restricted or regulated by the provisions of the Companies Act, or by these Articles.

86. Without prejudice to the generality of the powers conferred upon the directors, whether by the provision of law for the time being in force and/or applicability of the Articles of Table 'F' and/or the provision of these presents or otherwise the Board shall be entitled to exercise all such powers and do all such acts, and these things as the company authorises them to execute or do, but it is hereby expressly declared that the directors shall have the following powers:—

(a) To purchase or otherwise acquire for the company any property whether movable or immovable and rights and privileges which the company is authorised to acquire on such prices and generally on such terms and conditions as they think fit.

(b) At their discretion to pay for any property, rights or privileges acquired by or services rendered to the company either wholly or partially in cash or shares or in bonds or other securities of the Company and such share may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon any such bonds or other securities may be either specifically charged upon all or any part of the property of the company and its uncalled capital or not so charged.

(c) To accept from any member on such terms and conditions as shall be agreed and so far as may be permissible in law, surrender of his shares in the company or any part thereof, subject to the provisions of the Companies Act. 2013.

(d) To institute, conduct, defend, compound or abandon any legal proceedings by or against the company or its officers or otherwise concerning the affairs of the company and also to compound and allow time for payment or satisfaction of any debts or dues and/or any claims or demands by or against the company.

(e) To refer to any claims or demands by or against the company to arbitration and observe, perform and carry out the awards.

(f) To make and give receipts, release and other discharges for money or property payable or deliverable to the company and for the claims and the demands of the company and to determine who shall be entitled to sign on the company's behalf, bills, notes, receipt, acceptance, endorsement, cheques, release, contracts and documents.

(g) From time to time to provide for the management or the affairs of the company in such manner as they think fit and in particular to appoint any person(s) to be the Attorney or agents of the company with such powers (including power to sub-delegate) and upon such terms and remuneration as may be thought fit.

(h) Subject to the provisions of the Companies Act, 2013 to invest and deal with any of the moneys of the company not immediately required for the purposes thereof in such securities (not being shares in this company) and in such manner as they may think fit and from time to time vary or realise such investments

(i) To borrow or raise, secure the payment of the sum or money for the purpose of the company in such manner and upon such terms and conditions as they shall think fit by mortgage, pledge, hypothecation or otherwise charged upon all or any of the company's property both present and future including the uncalled capital and to purchase, redeem or pay off such securities.

(j) To give to any person employed by the company a commission on the profits of any particular business or transaction or a share in the net profits of the company and such payment shall be treated as part of the working expenses of the company.

(k) To enter into such negotiations and rescind and vary, all such contracts and execute and do all such acts, deeds and things in the name and on behalf of the company as they may consider expedient for or in relation to any of the matter aforesaid or otherwise for the purpose of the company.

(l) To subscribe for, purchase, accept, take, hold or otherwise acquire share in any company, society or undertaking the object of which shall either wholly or in part be similar to those of this company or such as may be likely to promote or advance the business in the interest of the company.

(m) To provide for the welfare of the employees (including directors) of the company or its predecessors in business and the wife, widow and family or the dependents of connections of such persons by building or contributing to the building of houses or dwelling quarters or by grant of money, pensions, gratuities, allowances, bonus, profits sharing bonus or benefit or any other payments or by creating and from time to time subscribing or contributing to provident fund or other associations, institutions, funds, profit sharing or other scheme or trust and by providing or subscribing, contributing, towards places of instruction and recreation, hospital, dispensaries as the Board shall think fit, subject to the provisions of the Companies Act, 2013.

(n) The Board may consider and decide Book Closure/Record Date for the purpose of payment of dividend/issue of right and/or bonus shares or for any other purpose as Board may deem fit as per provisions of the Act.

87. The Board shall ensure that the company spends, in every financial year, such amount and in such manner as may be required by the Act in pursuance of its Corporate Social Responsibility Policy; Provided that if the company is unable to spend such amount in any financial year, the Board shall in its report made under clause (o) of sub-section (3) of section 134, specify the reasons for not spending the amount.

Delegation of Powers

88. Subject to the provisions of Act, the Board of directors may delegate any of their powers to any committee consisting of such member or members of their body as they think it and/or the Managing Director/ Whole-time Director, or any other officer or authorised representative of the company. A committee so formed or the Managing Director/Whole-time Director or any other officer or authorised representative of the company shall in the exercise of the power so delegated confirm to any regulations that may from time to time be imposed upon it or him by the Board of directors.

CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER

89. Subject to the provisions of the Act—

(a) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may thinks fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;

(b) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

90. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

91. The Managing Director/Whole-Time Director(s)/Manager shall be entitled to such salary as may be determined by the Board of directors from time to time and out of pocket expenses incurred in connection with the business of the company and such traveling and other expenses as may be permitted by the Board of directors from time to time.

92. The remuneration of the Managing Director(s)/Whole-time Director(s)/Manager/CEO/CFO under the proceeding as aforesaid shall be in addition to any sum of money that the Managing Director(s)/Whole-time Director(s)/ Manager/CEO/CFO may be entitled to as an ordinary director of the company.

93. Subject to the general supervision and control of the Board of directors, the Managing Director/ Whole-time Director(s)/Manager/CEO shall have all the powers of the Board of directors of the company, unless such powers have to be exercised by the Board under the provisions of law and in particular the Managing Director/Whole-time Director/CEO is authorised to execute, sign, enter into and to execute all. such contracts, conveyances, lease, assignments, assurances, deeds, agreements, instruments in connection with all movable and immovable properties of the Company and in relation to the business of the company and to enter into all agreements, negotiations and make representation to the Government both State and Central, Financial Institution, Public bodies, banks, etc, and shall

sign, execute all necessary applications and documents, as may be required or deemed fit and proper requisite from time to time. He may settle any account or reckoning whatsoever on behalf of the company.

DIVIDENDS AND RESERVE

94. The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

95. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.

96. **(a)** The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit.

(b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

97. **(a)** Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.

(b) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

(c) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

98. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the company.

99. **(a)** Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

(b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

100. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.

101. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

102. No dividend shall bear interest against the company.

ACCOUNTS

103. **(a)** The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.

(b) No member (not being a director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorised by the Board or by the Company in general meeting.

WINDING UP

104. Subject to the provisions of Chapter XX of the Act and rules made thereunder—

105. **(a)** If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

(b) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

(c) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

INDEMNITY

106. Every officer of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

SECRECY

107. Every Director, Auditor, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other persons employed in the business of the company shall if so required by the directors before entering upon his duties sign a declaration pledging himself to observe strict secrecy, respecting all transactions of the company with its customers and state of accounts with individual and in matters relating thereto and shall on such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so by the directors or by any meeting or by a Tribunal of law and except so far as may be necessary in order to comply with any of the provisions in these presents contained.

SECTION IX – MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts which are or may be deemed material have been entered into or are to be entered into by our Company. These contracts and the documents for inspection referred to hereunder, may be inspected at the Registered and Corporate Office of our Company between 10:00 am to 5:00 pm on any Working Day from the date of the filing of this Draft Shelf Prospectus with the Stock Exchange till the date of closure of the Issue.

MATERIAL CONTRACTS

1. Issue Agreement dated July 16, 2026 between our Company and the Lead Manager.

2. Registrar Agreement and Letter of Indemnity dated July 16, 2026 between our Company and the Registrar to the Issue.

3. Debenture Trustee Agreement dated July 16, 2026 between our Company and the Debenture Trustee.

4. Tripartite agreement dated November 13, 2000, between our Company, the Registrar to the Issue and CDSL.

5. Tripartite agreement dated November 14, 2000, between our Company, the Registrar to the Issue and NSDL.

6. Public Issue Account and Sponsor Bank Agreement dated [●] between our Company, the Lead Manager, Registrar to the Issue and Public Issue Account Bank, Refund Bank and the Sponsor Bank.

7. Consortium Agreement dated [●] between our Company, Lead Manager and Consortium Members.

8. Debenture Trust Deed cum Deed of Hypothecation to be entered between the Debenture Trustee and our Company, in agreed form.

MATERIAL DOCUMENTS

1. Certified copies of Memorandum and Articles of Association of our Company, as amended to date.

2. Certificate of incorporation of our Company dated March 05, 1992, issued to our Company, under the name "*S.E. Investments Private Limited*" by the Registrar of Companies, Uttar Pradesh at Kanpur.

3. Fresh certificate of incorporation dated March 01, 1995, issued to our Company, under the name "*S. E. Investments Private Limited*" by the Registrar of Companies, Uttar Pradesh at Kanpur for conversion from a private limited company to a public limited company.

4. Fresh certificate of incorporation dated January 12, 2018, issued to our Company, under the name "*Paisalo Digital Limited*" by the Registrar of Companies, Delhi.

5. Certificate of registration dated January 12, 2004, issued to our Company in the name of S.E. Investments Limited by the Reserve Bank of India

6. Certificate of registration dated February 8, 2018, issued to our Company in the name of Paisalo Digital Limited by the Reserve Bank of India.

7. Registered Office of our Company was shifted to the State of Delhi *vide* order dated May 22, 2003, issued by the Registrar of the Companies, NCT of Delhi and Haryana..

8. Copy of the resolution passed by our Board of Directors on May 10, 2025 and shareholders dated September 29, 2025, on the overall borrowing and security creation limits of the Board of Directors under Section 180(1)(c) of the Companies Act, 2013.

9. Copy of the resolution passed by the Board of Directors on May 10, 2026 approving the issue of NCDs.

10. Copy of the resolution passed by the Operations and Finance Committee at its meeting held on July 16, 2026 approving this Draft Shelf Prospectus.

11. Credit Rating Letter dated April 20, 2026, by Brickwork Ratings India Private Limited Acuite Ratings & Research Limited assigning a rating of *"BWR AA/ Stable"* for the Issue with rating rationale and press release dated April 4, 2026.

12. Credit Rating Letter dated May 5, 2026, by Infomerics Valuation and Rating Limited assigning a rating of *"IVR AA/Stable*" for the Issue with rating rationale and press release dated May 13, 2026.

13. Consents of the Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Lead Manager to the Issue, Legal Counsel to the Issue, Credit Rating Agencies, certain lenders to our Company, Registrar to the Issue, Consortium Member*, Public Issue Account Bank, Refund Bank and Sponsor Bank* and the Debenture Trustee for the NCDs to include their names in this Draft Shelf Prospectus in their respective capacity.

    ** The consents will be procured at the relevant Tranche Prospectus(es) stage*

14. Consent of Infomerics Analytics and Research dated July 15, 2026 as the agency issuing the "*Industry report – Consumer Lending Industry*" dated July 15, 2026.

15. The industry report titled "*Industry report* Consumer Lending Industry" dated July 15, 2026, issued by Infomerics Analytics and Researchin connection with the Issue.

16. Consent dated July 16, 2026 from Manish Goyal & Co., Chartered Accountants Chartered Accountants to include their name as required under section 26 (1) of the Companies Act, 2013 read with SEBI NCS Regulations, in this Draft Shelf Prospectus, and as an "expert" as defined under section 2 (38) of the Companies Act, 2013 to the extent and in their capacity as our Previous Statutory Auditor, and in respect of their 2024 Consolidated Financial Statements, included in this Draft Shelf Prospectus, and such consent has not been withdrawn as on the date of this Draft Shelf Prospectus.

17. Consent dated July 16, 2026 from Saket Jain & Co. Chartered Accountants Chartered Accountants to include their name as required under section 26 (1) of the Companies Act, 2013 read with SEBI NCS Regulations, in this Draft Shelf Prospectus, and as an "expert" as defined under section 2 (38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditor, and in respect of their (i) 2026 Consolidated Financial Statements; (ii) 2025 Consolidated Financial Statements; and (iii) the report on statement of possible tax benefits dated July 16, 2026 , included in this Draft Shelf Prospectus, and such consent has not been withdrawn as on the date of this Draft Shelf Prospectus.

18. The report on statement of possible tax benefits dated July 16, 2026.

19. Annual Reports of our Company for the financial years ended March 31, 2026, March 31, 2025 and March 31, 2024.

20. Due diligence certificate dated [•] filed by Tipsons Consultancy Services Private Limited with SEBI.

21. Due diligence certificate dated July 16, 2026 filed by the Debenture Trustee to the Issue with SEBI and the Stock Exchange.

22. In-principle listing approval from BSE by its letter no. [•] dated [•].

DECLARATION

I, a Director of the Company, hereby certify that all applicable legal requirements in connection with the Issue and the Company, including under the Companies Act, 2013, and the rules made thereunder, the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, the Securities Contracts (Regulation) Act, 1956 and the rules made thereunder, the Securities and Exchange Board of India Act, 1992 and the rules and regulations made thereunder, each as amended, and the rules/ regulations/guidelines/ circulars issued by the Government of India, the Securities and Exchange Board of India and other competent authorities in this respect, from time to time, have been duly complied with and that no statement made in this Draft Shelf Prospectus contravenes any such requirements. I hereby confirm that the compliance with the Securities and Exchange Board India Act, 1992 or rules and regulations made there under does not imply that payment of dividend or interest or repayment of debt securities, is guaranteed by the Central Government.

I further certify that all the disclosures and statements made in this Draft Shelf Prospectus are true, accurate, correct and complete in all material respects, are in conformity with Companies Act, 2013, Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, the Securities Contracts (Regulation) Act, 1956, and the rules made thereunder including the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Securities and Exchange Board of India Act, 1992 or rules made there under, regulations or guidelines or circulars issued, as the case may be and do not omit disclosure of any material information that may make the statements made herein, in the light of circumstances in which they were made, misleading and that this Draft Shelf Prospectus does not contain any misstatements. Furthermore, all the monies received under this Issue, shall be used only for the purposes and objects indicated in this Draft Shelf Prospectus. Whatever is stated in this Draft Shelf Prospectus, and in the attachments thereto, is true, correct and complete and no information material to the subject matter of this Draft Shelf Prospectus has been suppressed or concealed and is as per the original records maintained by our Promoter subscribing to the Memorandum of Association and Articles of Association. I further certify that the contents of this Draft Shelf Prospectus have been perused by the Board of Directors, and the final and ultimate responsibility of the contents mentioned herein shall also lie with the Board of Directors.

Signed by the Director of our Company

_____

Sunil Purushottanm Agarwal
Managing Director
DIN: 00006991

Date: July 16, 2026
Place: Delhi

DECLARATION

I, a Director of the Company, hereby certify that all applicable legal requirements in connection with the Issue and the Company, including under the Companies Act, 2013, and the rules made thereunder, the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, the Securities Contracts (Regulation) Act, 1956 and the rules made thereunder, the Securities and Exchange Board of India Act, 1992 and the rules and regulations made thereunder, each as amended, and the rules/ regulations/guidelines/ circulars issued by the Government of India, the Securities and Exchange Board of India and other competent authorities in this respect, from time to time, have been duly complied with and that no statement made in this Draft Shelf Prospectus contravenes any such requirements. I hereby confirm that the compliance with the Securities and Exchange Board India Act, 1992 or rules and regulations made there under does not imply that payment of dividend or interest or repayment of debt securities, is guaranteed by the Central Government.

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Signed by the Director of our Company

_____

Santanu Agarwal
Deputy Managing Director
DIN: 07069797

Date: July 16, 2026
Place: Delhi

DECLARATION

I, a Director of the Company, hereby certify that all applicable legal requirements in connection with the Issue and the Company, including under the Companies Act, 2013, and the rules made thereunder, the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, the Securities Contracts (Regulation) Act, 1956 and the rules made thereunder, the Securities and Exchange Board of India Act, 1992 and the rules and regulations made thereunder, each as amended, and the rules/ regulations/guidelines/ circulars issued by the Government of India, the Securities and Exchange Board of India and other competent authorities in this respect, from time to time, have been duly complied with and that no statement made in this Draft Shelf Prospectus contravenes any such requirements. I hereby confirm that the compliance with the Securities and Exchange Board India Act, 1992 or rules and regulations made there under does not imply that payment of dividend or interest or repayment of debt securities, is guaranteed by the Central Government.

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Signed by the Director of our Company

_____

Harish Singh
Executive Director
DIN: 00039501

Date: July 16, 2026
Place: Agra

DECLARATION

I, a Director of the Company, hereby certify that all applicable legal requirements in connection with the Issue and the Company, including under the Companies Act, 2013, and the rules made thereunder, the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, the Securities Contracts (Regulation) Act, 1956 and the rules made thereunder, the Securities and Exchange Board of India Act, 1992 and the rules and regulations made thereunder, each as amended, and the rules/ regulations/guidelines/ circulars issued by the Government of India, the Securities and Exchange Board of India and other competent authorities in this respect, from time to time, have been duly complied with and that no statement made in this Draft Shelf Prospectus contravenes any such requirements. I hereby confirm that the compliance with the Securities and Exchange Board India Act, 1992 or rules and regulations made there under does not imply that payment of dividend or interest or repayment of debt securities, is guaranteed by the Central Government.

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Signed by the Director of our Company

_____

Anoop Krishna
Executive Director
DIN: 08068261

Date: July 16, 2026
Place: Mumbai

DECLARATION

I, a Director of the Company, hereby certify that all applicable legal requirements in connection with the Issue and the Company, including under the Companies Act, 2013, and the rules made thereunder, the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, the Securities Contracts (Regulation) Act, 1956 and the rules made thereunder, the Securities and Exchange Board of India Act, 1992 and the rules and regulations made thereunder, each as amended, and the rules/ regulations/guidelines/ circulars issued by the Government of India, the Securities and Exchange Board of India and other competent authorities in this respect, from time to time, have been duly complied with and that no statement made in this Draft Shelf Prospectus contravenes any such requirements. I hereby confirm that the compliance with the Securities and Exchange Board India Act, 1992 or rules and regulations made there under does not imply that payment of dividend or interest or repayment of debt securities, is guaranteed by the Central Government.

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Signed by the Director of our Company

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Vinod Kumar
Executive Director
DIN: 10230437

Date: July 16, 2026
Place: Mumbai

DECLARATION

I, a Director of the Company, hereby certify that all applicable legal requirements in connection with the Issue and the Company, including under the Companies Act, 2013, and the rules made thereunder, the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, the Securities Contracts (Regulation) Act, 1956 and the rules made thereunder, the Securities and Exchange Board of India Act, 1992 and the rules and regulations made thereunder, each as amended, and the rules/ regulations/guidelines/ circulars issued by the Government of India, the Securities and Exchange Board of India and other competent authorities in this respect, from time to time, have been duly complied with and that no statement made in this Draft Shelf Prospectus contravenes any such requirements. I hereby confirm that the compliance with the Securities and Exchange Board India Act, 1992 or rules and regulations made there under does not imply that payment of dividend or interest or repayment of debt securities, is guaranteed by the Central Government.

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Signed by the Director of our Company

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Raman Aggarwal
Independent Director
DIN: 00116103

Date: July 16, 2026
Place: Delhi

DECLARATION

I, a Director of the Company, hereby certify that all applicable legal requirements in connection with the Issue and the Company, including under the Companies Act, 2013, and the rules made thereunder, the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, the Securities Contracts (Regulation) Act, 1956 and the rules made thereunder, the Securities and Exchange Board of India Act, 1992 and the rules and regulations made thereunder, each as amended, and the rules/ regulations/guidelines/ circulars issued by the Government of India, the Securities and Exchange Board of India and other competent authorities in this respect, from time to time, have been duly complied with and that no statement made in this Draft Shelf Prospectus contravenes any such requirements. I hereby confirm that the compliance with the Securities and Exchange Board India Act, 1992 or rules and regulations made there under does not imply that payment of dividend or interest or repayment of debt securities, is guaranteed by the Central Government.

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Signed by the Director of our Company

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Nisha Jolly
Independent Director
DIN: 08717762

Date: July 16, 2026
Place: Delhi

DECLARATION

I, a Director of the Company, hereby certify that all applicable legal requirements in connection with the Issue and the Company, including under the Companies Act, 2013, and the rules made thereunder, the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, the Securities Contracts (Regulation) Act, 1956 and the rules made thereunder, the Securities and Exchange Board of India Act, 1992 and the rules and regulations made thereunder, each as amended, and the rules/ regulations/guidelines/ circulars issued by the Government of India, the Securities and Exchange Board of India and other competent authorities in this respect, from time to time, have been duly complied with and that no statement made in this Draft Shelf Prospectus contravenes any such requirements. I hereby confirm that the compliance with the Securities and Exchange Board India Act, 1992 or rules and regulations made there under does not imply that payment of dividend or interest or repayment of debt securities, is guaranteed by the Central Government.

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Signed by the Director of our Company

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Vijuy Ronjan
Independent Director
DIN: 09345384

Date: July 16, 2026
Place: Noida

DECLARATION

I, a Director of the Company, hereby certify that all applicable legal requirements in connection with the Issue and the Company, including under the Companies Act, 2013, and the rules made thereunder, the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, the Securities Contracts (Regulation) Act, 1956 and the rules made thereunder, the Securities and Exchange Board of India Act, 1992 and the rules and regulations made thereunder, each as amended, and the rules/ regulations/guidelines/ circulars issued by the Government of India, the Securities and Exchange Board of India and other competent authorities in this respect, from time to time, have been duly complied with and that no statement made in this Draft Shelf Prospectus contravenes any such requirements. I hereby confirm that the compliance with the Securities and Exchange Board India Act, 1992 or rules and regulations made there under does not imply that payment of dividend or interest or repayment of debt securities, is guaranteed by the Central Government.

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Signed by the Director of our Company

_____

Dharmendra Singh Gangwar
Independent Director
DIN: 08299862

Date: July 16, 2026
Place: Delhi

DECLARATION

I, a Director of the Company, hereby certify that all applicable legal requirements in connection with the Issue and the Company, including under the Companies Act, 2013, and the rules made thereunder, the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, the Securities Contracts (Regulation) Act, 1956 and the rules made thereunder, the Securities and Exchange Board of India Act, 1992 and the rules and regulations made thereunder, each as amended, and the rules/ regulations/guidelines/ circulars issued by the Government of India, the Securities and Exchange Board of India and other competent authorities in this respect, from time to time, have been duly complied with and that no statement made in this Draft Shelf Prospectus contravenes any such requirements. I hereby confirm that the compliance with the Securities and Exchange Board India Act, 1992 or rules and regulations made there under does not imply that payment of dividend or interest or repayment of debt securities, is guaranteed by the Central Government.

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Signed by the Director of our Company

_____

Jitendra Kumar Ojha
Independent Director
DIN: *11028354*

Date: July 16, 2026
Place: Delhi

ANNEXURE I – CREDIT RATINGS, RATIONALE AND PRESS RELEASES

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BRICKWORK RATINGS

Brickwork Ratings India Private Limited
Licensed by SEBI. Accredited by RBI.
3rd Floor, Raj Alkaa Park, Kalena Agrahara
Bannerghatta Road, Bengaluru 560 076
Phone: +91 80 4040 9999

BWR/BLR//CRC/HS/0552/2026-27 **20 April 2026**

Mr Santanu Agarwal
Deputy Managing Director
Paisalo Digital Limited
CSC Pocket 52
Near Police Station CR Park
New Delhi - 110019

Dear Sir,

Sub: Rating of the Bank Loan Facilities of Paisalo Digital Limited amounting to Rs 4500 Crores (Rupees Forty Five Hundred Crores Only) and Review of Ratings of the Proposed NCD issues amounting to Rs. 1500 Crores (Rupees Fifteen Crores Only) with a tenure of upto 5 years from the date of issue and Review of Rating for Commercial paper amounting to Rs 540 Crores (Rupees Five hundred and Forty Crores) (proposed and existing) with a tenor of up to 364 days from the date of issue.

Thank you for giving us an opportunity for rating the Bank loans/NCDs/CPs facilities proposed/sanctioned to the Company. Based on your information and clarifications, we are pleased to assign the following rating to Paisalo Digital Limited bank loan/NCD/CP facilities aggregating to Rs 6540 Crores (Rupees Six Thousand Five Hundred and Forty Crores Only)

Facility/Instruments	**Amount (Rs in Crs)**	**Tenure**	**Rating ***
Fund-Based Bank Loans	4500.00	Long Term	BWR AA/ Stable
NCDs	1500.00	Long Term	BWR AA/Stable
Commercial Paper	540.00	Short Term	BWR A1+
Total	**6540.00**	**Rupees Six thousand Five Hundred and Forty Crores Only**	

*Please refer to our website www.brickworkratings.com for the definition of the ratings.
**Bank Loan facility details are furnished in Annexure I
***NCD/CP/FD facility details are furnished in Annexure II

The Ratings are valid for twelve months from the date of publication of the rating rationale, 20 April 2026, subject to the terms and conditions that were agreed upon in your mandate dated 25 March 2026 and any other relevant correspondence, if any and Brickwork Ratings standard disclaimer appended at the end of this letter.

Brickwork Ratings will monitor the rated bank loan/NCD/CP facilities throughout the validity period of the rating. You are required to submit information periodically, as detailed in Annexure-III, for the purpose of surveillance/review. You are also required to keep us informed of any information/ development that may affect your Company's finances/performance without any delay

Please inform us promptly if any developments arise that could affect your company's financial performance.

BRICKWORK™ RATINGS

Brickwork Ratings India Private Limited
Licensed by SEBI. Accredited by RBI.
3rd Floor, Raj Alkaa Park, Kalena Agrahara
Bannerghatta Road, Bengaluru 560 076
Phone: +91 80 4040 9999

Paisalo Digital Limited

***NCD Instruments with this rating are considered to have a high degree of Safety regarding the timely servicing of financial obligations. These instruments carry very low credit risks.

If the NCD is proposed, the issuer undertakes to furnish the details of ISIN number, instrument details like amount, coupon rate, periodicity, repayment due dates, listing details, etc, within a reasonable time as per SEBI /RBI guidelines.

Non-submission of No Default Statement (NDS) on a monthly basis will result in publishing your Company's name on our website under "NDS not submitted".

"Please note that if the NDS is not submitted for three consecutive months, and if we are unable to validate your timely debt servicing through other sources, your rating will be migrated to the 'Issuer Not Cooperating' (INC) category. This transition will occur within five working days of the third consecutive month of non-submission

BWR may in its judgement migrate your rating to INC category before the expiry of three consecutive months of non-receipt of NDS".

Rating Rationale issued by BWR in this regard is enclosed for your information. Endorsing a copy of this letter along with a copy of the said Rating Rationale to your bankers for their information and records.

Looking forward to your cooperation in maintaining the transparency and integrity of the rating process.

Best Regards

Hemant Sagare
[Director - Ratings]

Note: Rating Rationale of all accepted ratings are published on the Brickwork Ratings website. Please refer to our website at www.brickworkratings.com. *If you cannot view the rationale, inform us at brickworkhelp@brickworkratings.com.*

Paisalo Digital Limited
ANNEXURE I
Details of Bank Loan Facilities rated by BWR:

Sr. No	Name of the bank/ lender	Facilities	Long Term (Rs. Crs)	Short term (Rs. Crs)	Total (Rs. Crs)	Complexity of the Instrument*
1	South Indian Bank	Term Loan	6.24	-	6.24	Simple
2	Canara Bank	Term Loan	317.65	-	317.65	Simple
3	Indian Overseas Bank	Term Loan	345.00	-	345.00	Simple
4	Bank of Maharashtra	Term Loan	308.48	-	308.48	Simple
5	Bank of Maharashtra	CC/WCDL	200.00	-	200.00	Simple
6	IREDA	Term Loan	178.57	-	178.57	Simple
7	Bank of India	Term Loan	75.00	-	75.00	Simple
8	Dhanlaxmi Bank	Term Loan	17.19	-	17.19	Simple
9	Unity Small Finance Bank	Term Loan	99.5	-	99.5	Simple
10	State Bank of India	Term Loan	671.08	-	671.08	Simple
11	State Bank of India	CC/WCDL	5.00	-	5.00	Simple
12	State Bank of India	CEL	250.00	–	250.00	Simple
13	Karur Vysya Bank	Term Loan	43.06	-	43.06	Simple
14	Punjab and Sind Bank	Term Loan	100.00	-	100.00	Simple
15	Jammu and Kashmir Bank	Term Loan	100.00	-	100.00	Simple
16	Indian Bank	Term Loan	140.00	-	140.00	Simple
17	Indian Bank	CC/WCDL	50.00	-	50.00	Simple
18	Bank of Baroda	Term Loan	30.00	-	30.00	Simple
19	Bank of Baroda	CC/WCDL	40.00	–	40.00	Simple
20	Punjab National Bank	CC/WCDL	120.00	-	120.00	Simple
21	Union Bank of India	Term loan	62.45	-	62.45	Simple
22	Union Bank of India	CC/WCDL	25.00	-	25.00	Simple
23	UCO Bank	Term Loan	13.42	-	13.42	Simple

24	UCO Bank	CC/WCDL	14.00	-	14.00	Simple
25	IDBI Bank	CC/WCDL	25.00	-	25.00	Simple
26	IDBI Bank	Term Loan	1.39	-	1.39	Simple
	Total		**3238.08**		**3238.08**	
	Proposed Loan	Term Loan	1261.92		1261.92	Simple
	Total		**4500.00**		**4500.00**	

*For more information, visit **www.brickworkratings.com/download/ComplexityLevels.pdf**

ANNEXURE II
INSTRUMENT (NCD/Bonds/CP/FDs) DETAILS :

S. No	Instrument	Issue Date	Current o/s (Rs in Crs)	Coupon Rate (%)	Maturity Date	ISIN	Complexity
1	NCD	Proposed	NA	-	-	-	Simple
2	Commercial Paper	02-Apr-2026	62.24	9.00%	29-Sept-2026	INE420C14250	Simple
3	Commercial paper	08- Apr-2026	11.50	8.60%	08-Oct-2026	INE420C14268	Simple
4	Commercial Paper	10-Apr-2026	4.79	9.00%	30-Sep-2026	INE420C14276	Simple
5	Commercial Paper	Proposed CP	461.47	NA	NA	NA	-

*For more information, visit **www.brickworkratings.com/download/ComplexityLevels.pdf**

Annexure-III

The following documents/ information should be submitted to BWR:

1. Confirmation that the Company has fully complied with the term as and conditions of the sanction letter.
2. Certified copies of periodical Inventories, book debts, and bills receivable statements submitted to the bank.
3. Confirmation about the payment of the instalment and interest upon payment.
4. Schedule of Term Loan instalments and interest due, along with payments made to date.
5. Certified copies of Quarterly Information Statements (QIS) and Half Yearly Information Statements (HYIS) submitted to the bank.
6. Certified copies of Quarterly Financial Statements (QFS) for the current fiscal year
7. Certified copies of the Banks' Statements of Accounts every quarter.
8. Quarterly / Half- yearly financial statements (unaudited or with limited review) and Annual financial statements (provisional as well as audited).
9. Information on any delays or defaults in servicing bank loans, letters of credit, letters of guarantee, NCDs, bonds and other borrowings, by the Company as at the end of March, June, September and December each year.

10. Information on any delays or defaults in debt obligations of subsidiaries or other group companies, at the end of March, June, September and December each year.
11. Certified copies of the monthly/quarterly book debt and receivable statements submitted to the bank.
12. Any other statement/information as requested by sent to dat@brickworkratings.com.

DISCLAIMER

Brickwork Ratings India Pvt. Ltd. (BWR), a Securities and Exchange Board of India [SEBI] registered Credit Rating Agency and accredited by the Reserve Bank of India [RBI], offers credit ratings of Bank Loan facilities, Non-convertible / convertible / partially convertible debentures and other capital market instruments and bonds, Commercial Paper, perpetual bonds, asset-backed and mortgage-backed securities, partial guarantees and other structured / credit enhanced debt instruments, Security Receipts, Securitization Products, Municipal Bonds, etc. [hereafter referred to as "Instruments"]. BWR also rates NGOs, Educational Institutions, Hospitals, Real Estate Developers, Urban Local Bodies and Municipal Corporations.

BWR wishes to inform all persons who may come across Rating Rationales and Rating Reports provided by BWR that the ratings assigned by BWR are based on information obtained from the issuer of the instrument and other reliable sources, which in BWR's best judgment are considered reliable. The Rating Rationale / Rating Report & other rating communications are intended for the jurisdiction of India only. The reports should not be the sole or primary basis for any investment decision within the meaning of any law or regulation (including the laws and regulations applicable in Europe and also the USA).

BWR also wishes to inform that access or use of the said documents does not create a client relationship between the user and BWR.

The ratings assigned by BWR are only an expression of BWR's opinion on the entity / instrument and should not in any manner be construed as being a recommendation to either, purchase, hold or sell the instrument.

BWR also wishes to abundantly clarify that these ratings are not to be considered as an investment advice in any jurisdiction nor are they to be used as a basis for or as an alternative to independent financial advice and judgment obtained from the user's financial advisors. BWR shall not be liable to any losses incurred by the users of these Rating Rationales, Rating Reports or its contents. BWR reserves the right to vary, modify, suspend or withdraw the ratings at any time without assigning reasons for the same.

BWR's ratings reflect BWR's opinion on the day the ratings are published and are not reflective of factual circumstances that may have arisen on a later date. BWR is not obliged to update its opinion based on any public notification, in any form or format although BWR may disseminate its opinion and analysis when deemed fit.

*Neither BWR nor its affiliates, third party providers, as well as the directors, officers, shareholders, employees or agents (collectively, **"BWR Party"**) guarantee the accuracy, completeness or adequacy of the Ratings, and no BWR Party shall have any liability for any errors, omissions, or interruptions therein, regardless of the cause, or for the results obtained from the use of any part of the Rating Rationales or Rating Reports. Each BWR Party disclaims all express or implied warranties, including, but not limited to, any warranties of merchantability, suitability or fitness for a particular purpose or use. In no event shall any BWR Party be liable to any one for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs) in connection with any use of any part of the Rating Rationales and/or Rating Reports even if advised of the possibility of such damages. However, BWR or its associates may have other commercial transactions with the company/entity. BWR and its affiliates do not act as a fiduciary.*

BWR keeps certain activities of its business units separate from each other in order to preserve the independence and objectivity of the respective activity. As a result, certain business units of BWR may have information that is not available to other BWR business units. BWR has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with each analytical process.

BWR clarifies that it may have been paid a fee by the issuers or underwriters of the instruments, facilities, securities etc., or from obligors. BWR's public ratings and analysis are made available on its web site, www.brickworkratings.com. More detailed information may be provided for a fee. BWR's rating criteria are also generally made available without charge on BWR's website.

This disclaimer forms an integral part of the Ratings Rationales / Rating Reports or other press releases, advisories, communications issued by BWR and circulation of the ratings without this disclaimer is prohibited.

BWR is bound by the Code of Conduct for Credit Rating Agencies issued by the Securities and Exchange Board of India and is governed by the applicable regulations issued by the Securities and Exchange Board of India as amended from time to time.

BRICKWORK RATINGS

RATING RATIONALE

20 April 2026

Paisalo Digital Limited

Brickwork Ratings (BWR) assigns the long-term rating for fund-based bank loan facilities of Rs. 4500.00 Crores, reaffirms the long-term rating for the proposed Non-Convertible Debentures (NCDs) of Rs. 1500.00 Crores and reaffirms the short-term rating for the Commercial Paper (CPs) of Rs. 540.00 Crores of Paisalo Digital Limited.

Particulars

Facilities/ Instruments*	Amount (Rs. Crs)		Tenure	Rating#	
	Previous	Present		Previous (20 March 2026)	Present
Fund-Based Bank Loans &	0.00	**4500.00**	Long Term	-	**BWR AA/ Stable (Assignment)**
Non Convertible Debenture (Proposed)	1500.00	**1500.00**	Long Term	BWR AA / Stable (Reaffirmation)	**BWR AA / Stable (Reaffirmation)**
Commercial Paper^	540.00	**540.00**	Short Term	BWR A1+ (Assignment)	**BWR A1+ (Reaffirmation)**
Total	2040.00	**6540.00**	**Rs Six Thousand Five Hundred and Forty Crores Only**		

#Please refer to the BWR website **www.brickworkratings.com/** for the definition of the ratings
*Details of rated facilities/ instruments are captured in Annexure I and II, respectively
^ Out of the rated commercial paper of Rs 540.00 Crores, CP of Rs.82.00 Crores was raised.
& Details of proposed and sanctioned bank loan facilities are shared at Annexure I

RATING ACTION / OUTLOOK: ASSIGNMENT / REAFFIRMATION/ STABLE

Brickwork Ratings (BWR) assigns the long-term rating at BWR AA/ Stable for the Bank loan facilities of Rs 4500.00 Crores, reaffirms the long-term rating at BWR AA/Stable for the proposed Non Convertible Debenture of Rs 1500.00 Crores and reaffirms the short-term rating at BWR A1+ for the commercial paper of Rs 540 Crores, of Paisalo Digital Limited (PDL or the Company). BWR has relied upon the information/ clarification provided by PDL's management, the latest three years'audited financials of PDL, projected financials for the ensuing two years of PDL and the information available from the public sources.

The rating assigned/ reaffirmed to the various instruments/ facilities of PDL continues to factor in the company's established and scalable franchise, strong capitalisation profile, experienced board and management team. The company has demonstrated a steady track record of operations through its innovative co-lending model and artificial intelligence (AI) led digital transformation. The rating is bolstered by PDL's comfortable liquidity position and its ability to maintain healthy asset quality metrics. However, these strengths are partially offset by the moderate scale of operations relative to larger peers; the company's ability to maintain asset quality while pursuing growth will be monitorable. The proposed NCDs/ CPs/Bank loan facilities shall be utilised exclusively for growth in the loan book

portfolio, comprising micro, small, and medium enterprises (MSMEs) and the small business segment.
The rating outlook has been assigned/maintained as "Stable" by BWR as it believes that Paisalo Digital Limited's business risk profile will be maintained over the medium term. The 'Stable' outlook indicates a low likelihood of rating change over the medium term. The rating outlook may be revised to 'Positive' if there is a sustained improvement in its performance beyond its current estimates/projections. The rating outlook may be revised to 'Negative' if the financial risk profile is likely to weaken over the near term.

KEY COVENANTS OF THE INSTRUMENT/FACILITY RATED:
The proposed rated instruments shall have terms similar to existing raised NCDs (not rated by BWR) of the Company. The Proposed rated instruments shall be listed, Senior, Secured, Redeemable, Taxable, Transferable and will be in the nature of long-term Non-Convertible Debentures (NCDs). These instruments will be issued in multiple tranches during FY 2026-27, with each tranche to have a tenure of five years from the date of issuance. These will be raised at a fixed coupon rate payable annually and redeemed in full at maturity.

The proposed rated instrument of Commercial Paper of Rs. 540.00 Crores shall be raised in one or multiple tranches for a minimum tenor of 30 days and a maximum of 364 days. The repayment shall be made in full at the end of the tenure. The issuances of Commercial paper shall be utilised for meeting the business growth purposes. The Company has raised CPs amounting to Rs. 82.00 Crores, out of the rated amount of Rs. 540.00 Crores. Details of CP's raised are shared at Annexure II

Bank Loan Facilities: The terms of sanction of the rated facilities include standard covenants normally stipulated for such facilities

KEY RATING DRIVERS

Credit Strengths-:
Established Franchise with strong lenders of the country to support Scalable Distribution: Paisalo Digital Limited operates across rural, semi-urban and urban India with a hybrid technology-enabled credit distribution model. The company operates across 22 states with a physical and semi-digital distribution infrastructure. It has 402 branches, 3,041 distribution points, and 1,429 business correspondent (BC) locations. The BC network is primarily derived from long-standing relationships with major banks like the State Bank of India (SBI) and Bank of India, with SBI being the oldest partner. Its model blends traditional field force reach with digital underwriting and collection workflows, enabling disciplined credit delivery and deep market penetration. Its zero-capex distribution expansion through OEM/dealer partnerships enhances scalability while improving asset traceability.

Comfortable Capitalisation Profile: With the company raising capital during FY2024–25 and 9MFY2025–26, its tangible net worth (net of deferred expenses and revaluation reserves) improved to ₹1,518 crore as on 31 March 2025 and further to ₹1,706 crore as on 31 December 2025, from ₹1,326 crore as on 31 March 2024. The total CRAR and Tier 1 capital ratios are comfortable at 39% and 29%, respectively, against the minimum requirements of 15% as on 31 March 2025, while overall leverage was maintained at a moderate 2.2x, reflecting a prudent capital structure. The current capitalisation levels are

considered adequate to support the company's medium-term growth objectives. In FY2024–25, it raised approximately ₹70 crore through listed, secured, rated NCDs on a private placement basis, followed by an additional ₹335 crore raised in FY 25-26 through issuance of NCDs.

Experienced promoters and marquee investors: The company is primarily promoted by Mr. Sunil Purushottam Agarwal and the promoter group entity, Equilibrated Venture Flow Private Limited, which together hold a significant controlling stake, reflecting continued promoters' commitment and strategic oversight. Over the years, PDL has had participation from reputed domestic institutional investors, including insurance companies and institutional shareholders such as SBI Life Insurance Company Limited, along with other financial institutions. The diversified shareholding profile, coupled with repeated access to debt and capital markets through NCD issuances and foreign currency instruments, underscores investor confidence in the company's business model and growth strategy.

Experienced Board and Management team: The company has a strong team of five independent directors and three Executive Directors with substantial industry experience from the field of banking and finance, supporting the Deputy Managing Director, Mr Santanu Agarwal and the Managing Director and Chief Executive Officer, Mr Sunil Agrawal, in overseeing the business of the company. The Company has a defined and supportive senior management team, experienced in the field of finance, leading the segments of business strategy, finance, operations, information systems, risk, recovery and compliance.

Steady improving earning profile with further scope for improvement: The company's Operating Expenses to AUM have shown a gradual moderation, declining from 2.97% as on 31 March 2024 to 2.85% as on 31 March 2025, and further to 2.54% as on 31 December 2025. With the increase in loan book by 14% to Rs. 5232 crores as on 31 March 2025 from Rs 4586 crores as on 31 March 2024, interest income has increased by 23% as on 31 March 2025 when compared to interest income of Rs 535 Crores as on 31 March 2024 and similarly as loan book is further increased by 5% to Rs 5508 crores as on 31 December 2025, interest income increased by 18% to Rs 682 crores as on 31 December 2025.
Overall profitability has remained relatively stable, with return indicators broadly maintained at around 25% since FY 2024. However, earnings during the period were partly impacted by higher impairment costs, arising from marginal weakening in asset quality and elevated credit provisions. The company's Net Interest Margin (NIM) had, however, improved steadily from 5.78% as on 31 March 2024 to 6.35% as on 31 March 2025, and to 6.63% as on 31 December 2025, indicating improved portfolio yields, better pricing discipline, and an optimised funding mix.

Credit Risks-:
Moderation in Asset Quality: The company's 30+ days past due (DPD) increased from around 2.08% of the portfolio as on 31 March 2025 to approximately 3.15% as on 31 December 2025. In absolute terms, 30+ DPD increased from ₹99.38 crore to ₹165.97 crore during the same period. Absolute 30+ DPD levels increased across business loan, JLG and co-lending segments. The rise is partly attributable to rapid portfolio growth and seasoning of newer geographies. Although delinquency levels remain within manageable levels compared to certain microfinance-focused peers, sustained upward movement in early

bucket delinquencies could exert pressure on profitability through higher credit costs. Continued monitoring of collection efficiency and state-wise concentration will remain critical.

Scalability of the loan book portfolio, albeit improving to be monitorable: The total loan book has demonstrated consistent and healthy growth, expanding from ₹3,493 crore as on 31 March 2023 to ₹5,508 crore as on 31 December 2025, registering a CAGR of approximately 24.9% during FY2023–FY2025. Notwithstanding the strong growth trajectory, the company's overall scale remains moderate relative to larger and more established NBFC peers. Sustained portfolio expansion, geographic diversification, and deepening of co-lending partnerships will be key to achieving meaningful scale benefits over the medium term. The ability of the company to manage its growth in the loan book portfolio while improving the collections and reducing slippages from the stage 1 and 2 book over the medium term shall be monitorable.

ANALYTICAL APPROACH AND APPLICABLE RATING CRITERIA: CONSOLIDATED

To arrive at its ratings, BWR has considered the consolidated financials Paisalo Digital Limited. PDL's wholly owned subsidiary Nupur Finvest Private Limited, a registered Base Layer Non– Deposit taking Non–Banking Finance Company, is considered for the consolidation. BWR has applied its rating methodology as detailed in the Rating Criteria (hyperlinks provided at the end of this rationale).

RATING SENSITIVITIES

The rating sensitivities indicate the likelihood of improvement or weakening of the rating and/or outlook upon achieving/ breaching all the parameters stated herein, respectively.

Positive:

- Increasing assets under management of 25% over and above its estimates for the next year.
- Improvement in the overall credit risk profile from the current levels, maintaining a stable asset quality with GNPA ratios below 0.5% and a substantial improvement in the earnings profile, on a sustained basis.

Negative:

- Gearing (Debt/Equity) ratio exceeding 3.0x on a sustained basis, even with the capital infusion
- Weakening of the asset quality with NNPA ratios above 1.5% and weakening operating performance (ROMA of less than 3%)

LIQUIDITY: STRONG

The Company had positive cumulative mismatches across the buckets upto 5 years as per its asset liability management statement as of 31 Dec 2025. As on 31 Dec 2025, the company had unencumbered cash and bank balances (including liquid investments) of Rs. 75.40 crores. The Company has scheduled repayment obligations of Rs. 809 crores for the period from April 2026 to Mar 2027. Its collections for the 12 months ending 31 Dec 2025 were Rs. 2446 crores. Continuation of collections at these minimal similar levels in the coming 12 months seems adequate to meet its near to medium-term debt obligations as of 31 Dec 2025.

The Company as of 31 Dec 2025, had unutilised bank limits of Rs 27 crores. As against the LCR of 1.00 times (or 100%) company maintained an LCR of 6 times as of 31 Dec 2025

ENVIRONMENTAL, SOCIAL, GOVERNANCE - ESG PRACTICES

The company demonstrates a satisfactory ESG profile, supported by its environmental, social, and governance practices.

For financial sector entities, governance remains a key differentiating factor within the ESG framework, and the company has taken steps to strengthen its sustainability and governance processes.

During FY2024–25, the company conducted a formal Materiality Assessment involving both internal and external stakeholders to identify and prioritise key ESG issues relevant to its operations. In addition, it undertook climate risk assessments for two of its key locations, reflecting its initial steps toward integrating climate-related considerations into its risk management framework. From a social perspective, the company's lending model contributes to financial inclusion, with around 90% of its borrowers comprising women customers, thereby supporting entrepreneurship and livelihood generation among underserved segments.

Overall, the company's ESG initiatives and governance practices provide comfort regarding its long-term sustainability and stakeholder orientation.

ABOUT THE ENTITY

Paisalo Digital Limited, formerly known as S. E. Investments Limited ("SEIL"), is a 1992-established leading debt financing Systemically Important Non-Deposit Accepting NBFC–SI-ND as per certificate of registration No. B-14.02997 dated 08 January.2014 with RBI. The Company's digital mode of financing self – employed underserved/underpenetrated, using technology with a high-touch, hi-tech model, enabled it to register strong growth. The company, incorporated as a Private limited company on 5 March 1992, was converted into a public limited company on 1 March 1995. The company operates across 22 states with a robust physical and semi-digital distribution infrastructure. It has 402 branches, 3,041 distribution points, and 1,429 business correspondent (BC) locations. The organisation employs approximately 3,147 personnel as of 31 Dec 2025.`

KEY FINANCIAL INDICATORS (Consolidated)

Key Financial Indicators	Units	FY23 (31 Mar 2023)	FY24 (31 Mar 2024)	FY25 (31 Mar 2025)	9MFY26 (31 Dec 2025)
Result Type		**Audited**	**Audited**	**Audited**	**Unaudited and Reviewed**
Asset under Management	Rs in Crs	3493	4586	5232	5508
Total income	Rs in Crs	473	659	771	682
Net Interest Income	Rs in Crs	206	265	332	365
Profit After Tax	Rs in Crs	93	179	200	165
Net Interest Margin	%	5.90%	5.78%	6.35%	6.63%
Tangible Networth	Rs in Crs	1150	1337	1544	1706
Return on Managed Assets	%	2.66%	3.90%	3.82%	4.00%*
Gearing	times	1.80x	2.43x	2.39x	2.23x
GNPA	%	0.25%	0.21%	0.99%	0.83%
NNPA	%	0.02%	0.02%	0.76%	0.66%
CRAR	%	40.34%	35.92%	39.16%	38.30%

***annualised**

KEY FINANCIAL INDICATORS (Standalone -PDL)

Key Financial Indicators	Units	FY23 (31 Mar 2023)	FY24 (31 Mar 2024)	FY25 (31 Mar 2025)	9MFY26 (31 Dec 2025)
Result Type		**Audited**	**Audited**	**Audited**	**Unaudited and Reviewed**
AUM (standalone)	Rs in Crs	3220	4332	5029	5392
Total income	Rs in Crs	423	605	734	662
Profit After Tax	Rs in Crs	92	177	198	163
Networth	Rs in Crs	1161	1321	1526	1687
Gearing	times	1.58x	1.87x	2.25x	2.21x

STATUS OF NON-COOPERATION WITH OTHER CREDIT RATING AGENCY *(IF ANY):*
There is no non-cooperation with any other CRA

ANY OTHER INFORMATION: NA

RATING HISTORY FOR THE PREVIOUS THREE YEARS [including withdrawal and suspended]

Sr No	Instrument / Facilities	Current Rating April 2026			Rating History		
		Type	Amount (Rs. Crs.)	Rating	2026	2025	2024
1	Bank Loan Facilities (proposed and raised)	Long Term	4500.00	BWR AA/ Stable (Assignment)	-	-	-
2	Non Convertible Debentures (Proposed)	Long Term	1500.00	BWR AA/ Stable (Reaffirmation)	BWR AA /Stable (Reaffirmation) 20-Mar-2026 BWR AA /Stable (Assignment) 12-Mar-2026	-	-
3	Commercial Paper (Proposed and raised)	Short Term	540.00	BWR A1+ (Reaffirmation)	BWR A1+ (Assignment) 20-Mar-2026	-	-
	Total		6540.00	Rupees Six Thousand Five Hundred Forty Crores only			

COMPLEXITY LEVELS OF THE INSTRUMENTS: Simple

For more information, visit www.brickworkratings.com/download/ComplexityLevels.pdf

Hyperlink/Reference to applicable Criteria

- General
- NBFC Criteria
- Approach to Financial Ratios
- Consolidation of Companies
- Short Term Debt
- Commercial paper

Analytical Contacts	
Sonali Mittal **Associate Director - Ratings** sonali.mittal@brickworkratings.com	**Hemant Sagare** **Director - Ratings** hemant.sagare@brickworkratings.com
	media@brickworkratings.com

Paisalo Digital Limited

ANNEXURE I
Details of Bank Loan Facilities rated by BWR:

Sr. No	Name of the bank/ lender	Facilities	Long Term (Rs. Crs)	Short term (Rs. Crs)	Total (Rs. Crs)	Complexity of the Instrument*
1	South Indian Bank	Term Loan	6.24	-	6.24	Simple
2	Canara Bank	Term Loan	317.65	-	317.65	Simple
3	Indian Overseas Bank	Term Loan	345.00	-	345.00	Simple
4	Bank of Maharashtra	Term Loan	308.48	-	308.48	Simple
5	Bank of Maharashtra	CC/WCDL	200.00	-	200.00	Simple
6	IREDA	Term Loan	178.57	-	178.57	Simple
7	Bank of India	Term Loan	75.00	-	75.00	Simple
8	Dhanlaxmi Bank	Term Loan	17.19	-	17.19	Simple
9	Unity Small Finance Bank	Term Loan	99.5	-	99.5	Simple
10	State Bank of India	Term Loan	671.08	-	671.08	Simple
11	State Bank of India	CC/WCDL	5.00	-	5.00	Simple
12	State Bank of India	CEL	250.00	–	250.00	Simple
13	Karur Vysya Bank	Term Loan	43.06	-	43.06	Simple
14	Punjab and Sind Bank	Term Loan	100.00	-	100.00	Simple
15	Jammu and Kashmir Bank	Term Loan	100.00	-	100.00	Simple
16	Indian Bank	Term Loan	140.00	-	140.00	Simple
17	Indian Bank	CC/WCDL	50.00	-	50.00	Simple
18	Bank of Baroda	Term Loan	30.00	-	30.00	Simple
19	Bank of Baroda	CC/WCDL	40.00	–	40.00	Simple
20	Punjab National Bank	CC/WCDL	120.00	-	120.00	Simple
21	Union Bank of India	Term loan	62.45	-	62.45	Simple
22	Union Bank of India	CC/WCDL	25.00	-	25.00	Simple

23	UCO Bank	Term Loan	13.42	-	13.42	Simple
24	UCO Bank	CC/WCDL	14.00	-	14.00	Simple
25	IDBI Bank	CC/WCDL	25.00	-	25.00	Simple
26	IDBI Bank	Term Loan	1.39	-	1.39	Simple
	Total		**3238.08**		**3238.08**	-
	Proposed Loan	Term Loan	1261.92		1261.92	Simple
	Total		**4500.00**		**4500.00**	-

***For more information, visit www.brickworkratings.com/download/ComplexityLevels.pdf**

ANNEXURE II
INSTRUMENT (NCD/Bonds/CP/FDs) DETAILS :

S. No	Instrument	Issue Date	Current o/s (Rs in Crs)	Coupon Rate (%)	Maturity Date	ISIN	Complexity
1	NCD	Proposed	NA	-	-	-	Simple
2	Commercial Paper	02-Apr-2026	62.24	9.00%	29-Sept-2026	INE420C14250	Simple
3	Commercial paper	08- Apr-2026	11.50	8.60%	08-Oct-2026	INE420C14268	Simple
4	Commercial Paper	10-Apr-2026	4.79	9.00%	30-09-2026	INE420C14276	Simple
5	Commercial Paper	Proposed CP	461.47	NA	NA	NA	-

***For more information, visit www.brickworkratings.com/download/ComplexityLevels.pdf**

ANNEXURE- III
List of Entities Consolidated

Name of Entity	% Ownership	Extent of Consolidation	Rationale for Consolidation
M/s Nupur Finvest Limited	100	Full	100% subsidiary of Paisalo Digital Limited

List of instruments and regulators

As required by SEBI CRA Circular dated Feb 10, 2026, a list of activities or instruments falling under the purview of various FSRs, along with the names of respective FSRs, is being disclosed below:

Instrument/Activity	Regulator
Listed/Proposed to be listed bonds/debentures/preference share (all securities)	SEBI
Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities)	MCA
Listed PTCs / Securitisation Notes (originated by entities regulated by RBI) [1]	SEBI
Listed PTCs / Securitisation Notes (originated by entities not regulated by RBI)-[1]	SEBI
Unlisted PTCs / Securitisation Notes (originated by entities regulated by RBI)-[1]	RBI
Listed Commercial Paper and NCDs with original maturity less than 1 year	RBI
Unlisted Commercial Paper and NCDs with original maturity less than 1 year	RBI
Loan Facilities (Fund/Non-Fund Based) from Bank/NBFCs/NHB/FIs -[2]	RBI
External Commercial Borrowings and other similar borrowings	RBI
Certificates of Deposit	RBI
Fixed Deposits raised by NBFC's, Banks, HFCs, Fis	RBI
Fixed Deposits raised by corporates other than NBFCs, Banks, HFCs, Fis	MCA
Inter Corporate Deposits/Loans extended by Corporates	MCA
Borrowing programme - [3]	-
Issuer Ratings [4]	-
Credit Ratings for Capital Protection Oriented Schemes (by Mutal Funds and AIFs)	SEBI
Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
Listed Security Receipts	SEBI
Unlisted Security Receipts	RBI
Independent Credit Evaluation (ICE)	RBI
Expected Loss Ratings (for Loan Facilities (Fund/Non-Fund Based) from Bank/NBFCs/NHB/Fis)	RBI
Expected Loss Ratings (Listed/Proposed to be listed bonds/debentures/preference share (all securities))	SEBI
Expected Loss Ratings (Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities))	~~MCA~~
Unlisted PTCs / Securitisation Notes (originated by entities not regulated by RBI) -[1]	Investor-side Regulator such as IRDAI, PFRDA[5]
Monitoring Agency	SEBI
Research activities, incidental to rating, such as research for Economy, Industries and Companies [6]	NA

- Includes securitisation transactions involving assignee payout, acquirer's payout.
- Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.
- The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), etc. The regulator of the instrument may accordingly be SEBI, RBI or MCA and can only be determined upon issuance. In PRs subsequent to issuance(s), BWR shall separately capture the rated quantum details along with names of respective regulators.
- There is no instrument being rated, and hence, Regulator of the Instrument is not applicable.
- These ratings were assigned during the regulatory regime prior to the introduction of SEBI CRA Circular dated Feb 10, 2026, and accordingly, investor side regulators have been included.
- Permitted by SEBI vide SEBI Master Circular for CRAs

Grievance Management: For any grievances relating to the rating of instruments regulated by SEBI, please contact sebigrievance@brickworkratings.com. Kindly note that for activities or instruments falling under the purview of FSRs other than SEBI, the grievance/dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available

For any grievances relating to the rating of instruments regulated by other FSR (Financial Sector Regulators), please contact grievance@brickworkratings.com

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Brickwork Ratings (BWR), a Securities and Exchange Board of India [SEBI] registered Credit Rating Agency and accredited by Reserve Bank of India [RBI]. BWR is the 5th agency to get a credit rating registration in India in 2009 and its corporate office in Bengaluru. It has a country-wide presence with representatives in 150+ locations. Canara Bank is Brickwork's strategic partner and promoter.

Brickwork offers credit ratings of Bank Loan, Non- convertible / convertible / partially convertible debentures and other capital market instruments and bonds, Commercial Paper, perpetual bonds, asset-backed and mortgage-backed securities, partial guarantees and other structured / credit enhanced debt instruments, Security Receipts, Securitisation Products, Municipal Bonds, etc. BWR has also rated NGOs, Educational Institutions, Hospitals, Urban Local Bodies and Municipal Corporations.

Disclaimer

Nature of Ratings & Information: BWR ratings are opinions on the relative ability of an entity/instrument to meet its financial obligations and are based on information obtained from issuers and other sources believed to be reliable. BWR does not conduct audits, due diligence, or independent verification of such informatio and does not guarantee its accuracy, adequacy, or completeness. Ratings are current only as of the date of publication and may be revised based on new or unavailable information.

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Infomerics Ratings

INFOMERICS VALUATION AND RATING LTD.

Integrated Financial Omnibus Metrics Research of International Corporate Systems

(Formerly Infomerics Valuation And Rating Pvt. Ltd.)

Mr. Sunil Purushottanm Agarwal

Managing Director

Paisalo Digital Limited

101, CSC, Pocket 52, CR Park,

Near Police Station, New Delhi – 110019

May 05, 2026

Dear Sir,

Reclassification of rating assigned to the Bank facilities/NCD/CPs of Paisalo Digital Limited

After taking into account all the relevant recent developments including operational and financial performance of your company for FY2025 (Audited) and 9MFY26 financial results:

1. Our Rating Committee has assigned the following ratings:

Total Bank Loan Facilities Rated	**Rs. 4500.00 Crore**	**Regulator^**
Long Term Rating	**IVR AA/Stable (Rating reaffirmed)**	**RBI**
^Kindly note that for activities or instruments falling under the purview of FSRs other than SEBI, the grievance/dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.		

Instrument	Amount (Rs. crore)	Ratings	Rating Action	Regulator^
NCD	2059.00	IVR AA/Stable	Rating reaffirmed	SEBI
CPs	540.00	IVR A1+	Rating reaffirmed	RBI
Total	**2599.00 (Rupees Two Thousand Five Hundred and Ninety-Nine Crore Only)**			
^Kindly note that for activities or instruments falling under the purview of FSRs other than SEBI, the grievance/dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.				

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Phone No. : 022 - 62396023, 62396053 E-mail : info@infomerics.com, Website : www.infomerics.com
CIN : U32202DL1986PLC024575

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2. Details of the rated facilities are provided in Annexure I and list of activities / instruments and names of regulators are given in Annexure II.
3. For rating symbols for long term and short-term rating, definitions, criteria and methodologies please refer to our website www.infomerics.com.
4. The press release for the rating(s) will be communicated to you shortly.
5. If the proposed long term / short term facility (if any) is not availed within a period of six months / three months respectively from the date of this letter, then the rating may please be revalidated from us before availing the facility.
6. The above rating is normally valid for a period of one year from the date of the rating committee (that is **August 01, 2026).**
7. A formal surveillance/review of the rating is normally conducted within 12 months from the date of initial rating/last review of the rating. However, INFOMERICS reserves the right to undertake a surveillance/review of the rating more than once a year if in the opinion of INFOMERICS, circumstances warrant such surveillance/review.
8. Further in terms of the mandate executed with us, you have undertaken to comply with the following: -

a) Inform INFOMERICS before availing any new bank facility/ies and/or of any changes in the terms, conditions and/or size of the facilities rated.

b) Furnish all material information and any other information in a timely manner as may be required by INFOMERICS, for monitoring the Rating assigned during the tenure of the bank facilities rated by INFOMERICS.

c) Co-operate with and enable INFOMERICS to arrive at and maintain a true and fair rating and in particular, provide INFOMERICS with true, adequate, accurate, fair, and timely information for the purpose.

d) Inform INFOMERICS, in writing, of any other developments which may have a direct or indirect impact on the entity's debt servicing capability including any proposal for re-schedulement or postponement of the repayment programs of the dues/ debts of the entity with any lender (s)/ investor (s) immediately.

9. **You shall provide us a No Default Statement as at the last date of the month on the first date of succeeding month without fail**. The NDS shall be mailed every month to nds@Infomerics.com and to the mail id of the undersigned.

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10. **You shall provide the quarterly performance results/quarterly operational data (being submitted to Banks) to us within 6 weeks from the close of each calendar quarter for our review/monitoring.**
11. You shall furnish all material information and any other information called for by INFOMERICS in a timely manner, for monitoring the rating assigned by INFOMERICS.
12. In the event of failure on your part in furnishing such information, to carry out continuous monitoring of the rating of the bank facilities, INFOMERICS shall carry out the review/annual surveillance on the basis of best available information throughout the lifetime of such bank facilities as per the policy of INFOMERICS.
13. INFOMERICS reserves the right to withdraw/revise/reaffirm the rating assigned on the basis of new information. INFOMERICS is also entitled to publicise/disseminate such withdrawal/revision in the assigned rating in any manner considered appropriate by it, without reference to you.
14. Please note that INFOMERICS ratings are not recommendations to buy, sell or hold any security or to sanction, renew, disburse or recall the bank facilities. INFOMERICS do not take into account the sovereign risk, if any, attached to the foreign currency loans, and the ratings are applicable only to the rupee equivalent of these loans.
15. In case you require any clarification, you are welcome to communicate with us in this regard.

Thanking you,
With Regards,

Milan Purohit
Rating Analyst
milan.purohit@infomerics.com

Amey Joshi
Director - Ratings
amey.joshi@infomerics.com

Disclaimer: Infomerics ratings are independent opinions on the credit risk of the issue/issuer as of the date they are assigned and do not constitute statements of fact or recommendations to buy, hold or sell securities. The rating reflects Infomerics' opinion on the relative credit risk of the rated instrument or entity at the time it is assigned. Infomerics reserves the right to change or withdraw the credit ratings at any point in time. Infomerics ratings are based on information and data provided by the issuer or obtained from sources believed by Infomerics to be accurate and reliable. Infomerics does not conduct any audit, due diligence or independent verification of the rated issuer or of the information provided to it unless specifically required under applicable regulatory guidelines. The credit ratings are not recommendations to sanction, renew, disburse. or recall the concerned bank facilities. While reasonable care has been taken to ensure the accuracy of the information herein, it is provided on an 'as is' basis and to the maximum extent permitted by law without warranty of any kind. Infomerics makes no representation or warranty, express or implied, regarding the accuracy, adequacy, timeliness, or completeness of any information contained in this report. All entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank

Continuation Sheet No.

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Annexure I

Lender Name	Name of Facility/ /Security	ISIN	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook	Listing Status	Regulator^	Complexity Indicator
Bank of Baroda	Cash Credit	-	5 May, 2013	-	Revolving	16.00	IVR AA/Stable	NA	RBI	Simple
Bank of Baroda	WCDL	-	5 May, 2013	-	Revolving	24.00	IVR AA/Stable	NA	RBI	Simple
Punjab National Bank	Cash Credit	-	17 February, 2007	-	Revolving	32.00	IVR AA/Stable	NA	RBI	Simple
Punjab National Bank	WCDL	-	17 February, 2007	-	Revolving	48.00	IVR AA/Stable	NA	RBI	Simple
Union Bank of india	Cash Credit	-	24 March, 2017	-	Revolving	25.00	IVR AA/Stable	NA	RBI	Simple
UCO Bank	Cash Credit	-	28 March, 2013	-	Revolving	5.60	IVR AA/Stable	NA	RBI	Simple
UCO Bank	WCDL	-	28 March, 2013	-	Revolving	8.40	IVR AA/Stable	NA	RBI	Simple
IDBI Bank	Cash Credit	-	17 February, 2015	-	Revolving	7.00	IVR AA/Stable	NA	RBI	Simple

IDBI Bank	WCDL	-	17 February, 2015	-	Revolving	18.00	IVR AA/Stable	NA	RBI	Simple
State Bank of India	Cash Credit	-	28 June, 2023	-	Revolving	5.00	IVR AA/Stable	NA	RBI	Simple
Indian Bank	Cash Credit	-	29 December, 2021	-	Revolving	20.00	IVR AA/Stable	NA	RBI	Simple
Indian Bank	WCDL	-	29 December, 2021	-	Revolving	30.00	IVR AA/Stable	NA	RBI	Simple
Bank of Baroda	Term Loans	-	31 July, 2024	-	31 December, 2026	22.50	IVR AA/Stable	NA	RBI	Simple
Union Bank of India	Term Loans	-	29 September, 2023	-	28 February, 2029	30.60	IVR AA/Stable	NA	RBI	Simple
Union Bank of India	Term Loans	-	29 September, 2023	-	29 March, 2029	29.40	IVR AA/Stable	NA	RBI	Simple
UCO Bank	Term Loans	-	24 February, 2025	-	24 April, 2027	11.50	IVR AA/Stable	NA	RBI	Simple
IDBI Bank	Term Loans	-	30 June, 2023	-	30 December, 2026	1.25	IVR AA/Stable	NA	RBI	Simple
State Bank of India	Term Loans	-	30 July, 2025	-	31 May, 2029	18.46	IVR AA/Stable	NA	RBI	Simple
State Bank of India	Term Loans	-	27 March, 2023	-	31 March, 2028	139.62	IVR AA/Stable	NA	RBI	Simple
State Bank of India	Term Loans	-	14 July, 2023	-	30 June, 2028	44.57	IVR AA/Stable	NA	RBI	Simple
State Bank of India	Term Loans	-	29 May, 2024	-	31 May, 2029	205.53	IVR AA/Stable	NA	RBI	Simple
State Bank of India	Term Loans	-	28 August, 2025	-	31 August, 2030	390.52	IVR AA/Stable	NA	RBI	Simple

Indian Bank	Term Loans	-	28 July, 2025	-	31 July, 2030	90.00	IVR AA/Stable	NA	RBI	Simple
Indian Bank	Term Loans	-	11 February, 2026	-	28 Februar, 2031	50.00	IVR AA/Stable	NA	RBI	Simple
Indian Bank	Term Loans	-	30 March, 2026	-	31 March, 2031	200.00	IVR AA/Stable	NA	RBI	Simple
South Indian Bank	Term Loans	-	30 March, 2026	-	31 March, 2028	5.99	IVR AA/Stable	NA	RBI	Simple
Canara Bank	Term Loans	-	1 March, 2023	-	15 March, 2028	28.75	IVR AA/Stable	NA	RBI	Simple
Canara Bank	Term Loans	-	14 June, 2023	-	15 June, 2028	65.00	IVR AA/Stable	NA	RBI	Simple
Canara Bank	Term Loans	-	24 June, 2024	-	24 June, 2029	31.52	IVR AA/Stable	NA	RBI	Simple
Canara Bank	Term Loans	-	16 June, 2025	-	30 June, 2030	83.20	IVR AA/Stable	NA	RBI	Simple
Canara Bank	Term Loans	-	06 Decembe r, 2025	-	31 Decembe r, 2030	93.28	IVR AA/Stable	NA	RBI	Simple
IREDA	Term Loans	-	15 February, 2024	-	31 March, 2032	171.43	IVR AA/Stable	NA	RBI	Simple
Indian Overse as Bank	Term Loans	-	18 Decembe r, 2023	-	31 Decembe r, 2028	41.25	IVR AA/Stable	NA	RBI	Simple
Indian Overse as Bank	Term Loans	-	27 June, 2024	-	30 June, 2029	81.25	IVR AA/Stable	NA	RBI	Simple
Indian Overse as Bank	Term Loans	-	29 March, 2025	-	30 March, 2030	200.00	IVR AA/Stable	NA	RBI	Simple

Bank of Maharashtra	Term Loans	-	22 December, 2023	-	31 December, 2026	22.16	IVR AA/Stable	NA	RBI	Simple
Bank of Maharashtra	Term Loans	-	26 September, 2024	-	30 September, 2029	138.98	IVR AA/Stable	NA	RBI	Simple
Bank of Maharashtra	Term Loans	-	08 August, 2025	-	31 August, 2030	135.00	IVR AA/Stable	NA	RBI	Simple
Bank of Maharashtra	Term Loans	-	09 March, 2026	-	31 March, 2031	200.00	IVR AA/Stable	NA	RBI	Simple
Bank of India	Term Loans	-	07 October, 2024	-	26 October, 2029	70.00	IVR AA/Stable	NA	RBI	Simple
Dhanlaxmi Bank	Term Loans	-	14 October, 2024	-	06 November, 2028	17.19	IVR AA/Stable	NA	RBI	Simple
Unity Small Finance Bank	Term Loans	-	25 April, 2025	-	31 October, 2026	50.00	IVR AA/Stable	NA	RBI	Simple
Unity Small Finance Bank	Term Loans	-	30 June, 2025	-	31 January, 2027	6.00	IVR AA/Stable	NA	RBI	Simple
Unity Small Finance Bank	Term Loans	-	22 July, 2025	-	31 January, 2027	12.00	IVR AA/Stable	NA	RBI	Simple
Unity Small Finance Bank	Term Loans	-	10 September, 2025	-	31 March, 2027	13.25	IVR AA/Stable	NA	RBI	Simple
Unity Small Finance Bank	Term Loans	-	16 October, 2025	-	30 April, 2027	6.25	IVR AA/Stable	NA	RBI	Simple
Unity Small Finance Bank	Term Loans	-	28 March, 2026	-	30 June, 2027	12.25	IVR AA/Stable	NA	RBI	Simple

Karur Vysya Bank	Term Loans	-	30 August, 2025	-	30 September, 2028	41.67	IVR AA/Stable	NA	RBI	Simple
Punjab & Sind Bank	Term Loans	-	31 January, 2026	-	31 January, 2031	100.00	IVR AA/Stable	NA	RBI	Simple
Jammu & Kashmir Bank	Term Loans	-	10 February, 2026	-	28 February, 2031	100.00	IVR AA/Stable	NA	RBI	Simple
-	Proposed Term Loan	-	-	-	-	891.47 (Reduced from 1093.49)	IVR AA/Stable	NA	RBI	Simple
State Bank of India	CEL	-	20 November, 2024	-	20 November, 2029	250.00	IVR AA/Stable	NA	RBI	Simple
State Bank of India	CEL	-	27 March, 2026	-	30 March, 2029	17.00	IVR AA/Stable	NA	RBI	Simple
State Bank of India	ECB	-	27 March, 2026	-	30 March, 2029	142.16	IVR AA/Stable	NA	RBI	Simple
-	Commercial Paper	INE 420 C14 243	27 February, 2026	11.50%	29 May, 2026	30.00	IVR A1+	Listed	RBI	Simple
-	Commercial Paper	INE 420 C14 250	2 April, 2026	9.00%	29 September, 2026	65.00	IVR A1+	Listed	RBI	Simple
-	Commercial Paper	INE 420 C14 268	8 April, 2026	8.60%	8 October, 2026	12.00	IVR A1+	Listed	RBI	Simple
-	Commercial Paper	INE 420 C14 276	10 April, 2026	9.00%	30 September, 2026	5.00	IVR A1+	Listed	RBI	Simple

-	Commercial Paper	-	-	-	-	0.00 (Reduced by 35.00)	Rating Withdrawn	NA	RBI	Simple
-	Commercial Paper	-	-	-	-	0.00 (Reduced by 5.00)	Rating Withdrawn	NA	RBI	Simple
-	Proposed Commercial Paper (CP)	-	-	-	-	428.00 (Reduced from 470.00)	IVR A1+	Proposed to be listed	RBI	Simple
-	NCD	INE 420 C07 056	November 16, 2023	9.95% p.a	November 16, 2026	10.00	IVR AA/Stable	Listed	SEBI	Simple
-	NCD	INE 420 C07 049	September 27, 2023	9.95% p.a.	September 26, 2026	50.00	IVR AA/Stable	Listed	SEBI	Simple
-	NCD	INE 420 C07 064	December 15, 2023	9.95% p.a.	December 15, 2033	19.70	IVR AA/Stable	Listed	SEBI	Simple
-	NCD	INE 420 C07 080	January 18, 2024	9.95% p.a	January 17, 2034	19.71	IVR AA/Stable	Listed	SEBI	Simple
-	NCD	INE 420 C07 098	February 27, 2024	9.95% p.a	February 24, 2034	20.34	IVR AA/Stable	Listed	SEBI	Simple
-	NCD	NE420C 071 14	May 05, 2024	9.95% p.a.	May 05, 2029	27.00	IVR AA/Stable	Listed	SEBI	Simple
-	NCD	INE 420	Jul 31, 2024	9.95% p.a.	Jul 30, 2027	25.00	IVR AA/Stable	Listed	SEBI	Simple

		C07 122								
-	NCD	INE 420 C07 130	03 June, 2025	10.00% p.a	03 June 2027	50.00	IVR AA/Stable	Listed	SEBI	Simple
-	NCD	INE 420 C07 148	08 August 2025	9.75% p.a.	07 August 2028	34.00	IVR AA/Stable	Listed	SEBI	Simple
-	NCD	INE 420 C07 155	September 10, 2025	10.00%	September 10, 2028	50.00	IVR AA/Stable	Listed	SEBI	Simple
-	NCD	INE 420 C08 021	November 06, 2025	8.45%	November 06, 2027	55.00	IVR AA/Stable	Listed	SEBI	Simple
-	NCD	INE 420 C08 039	November 06, 2025	8.50%	November 06, 2028	25.00	IVR AA/Stable	Listed	SEBI	Simple
-	NCD	INE 420 C07 163	December 09, 2025	8.50%	December 09, 2028	40.00	IVR AA/Stable	Listed	SEBI	Simple
-	NCD	INE 420 C07 171	December 15, 2025	8.45%	December 15, 2027	30.00	IVR AA/Stable	Listed	SEBI	Simple
-	NCD	INE 420 C07 189	March 18, 2026	9.25%	September 18, 2028	51.00	IVR AA/Stable	Listed	SEBI	Simple
-	Proposed NCD	-	-	-	-	1552.25	IVR AA/Stable	Proposed to be listed	SEBI	Simple

^Kindly note that for activities or instruments falling under the purview of FSRs other than SEBI, the grievance/dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

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Annexure II: List of activities / instruments and names of regulators

Sr. No.	Instrument / activity Name	Regulator of the instrument
1	Listed/Proposed to be listed Bonds/Debentures/Preference Shares	SEBI
2	Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference Shares	MCA
3	Listed PTCs / Securitisation Notes (originated by entities regulated by RBI) *	SEBI
4	Listed PTCs / Securitisation Notes (originated by entities not regulated by RBI) *	SEBI
5	Unlisted PTCs / Securitisation Notes (originated by entities regulated by RBI) *	RBI
6	Listed Commercial Paper and NCDs with original maturity less than 1 year	RBI
7	Unlisted Commercial Paper and NCDs with original maturity less than 1 year	RBI
8	Loan Facilities (Fund/Non-Fund Based) from Bank / NBFCs/ NHB/ FIs ^	RBI
9	External Commercial Borrowings/Loans from overseas lenders/Loans from Multilaterals	RBI
10	Certificates of Deposit	RBI
11	Fixed Deposits raised by NBFCs, Banks, HFCs, FIs	RBI
12	Fixed Deposits raised by corporates other than NBFCs, Banks, HFCs, FIs	MCA
13	Inter Corporate Deposits/Loans extended by Corporates	MCA
14	Borrowing programme ~	Refer foot note
15	Issuer Ratings #	Refer foot note
16	Credit Ratings for Capital Protection Oriented Schemes (by Mutal Funds and AIFs)	SEBI
17	Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
18	Listed Security Receipts	SEBI
19	Unlisted Security Receipts	RBI
20	Independent Credit Evaluation (ICE)	RBI
21	Expected Loss Ratings (For Loan Facilities [Fund/Non-Fund based] from Banks/NBFCs/NHB/FIs)	RBI
22	Expected Loss Ratings (Listed / Proposed to be listed Bonds / Debentures / Preference Shares (all securities))	SEBI
23	Expected Loss Ratings (Unlisted / Proposed to be unlisted Bonds/ Debentures / Preference Shares (all securities))	MCA
24	Unlisted PTCs / Securitisation Notes (originated by entities not regulated by RBI) @	Investor-side Regulator such as IRDAI, PFRDA

Footnotes:

** Includes securitisation transactions involving assignee payout, acquirer's payout.*

~ The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), etc. The regulator of the instrument may accordingly be SEBI, RBI or MCA and can only be determined upon issuance. In Press Release(s)

Infomerics Ratings

subsequent to issuance(s), CRA shall separately capture the rated quantum details along with names of respective regulators.

 # There is no instrument being rated and hence, Regulator of the Instrument is not applicable. The rating scale and definitions are being followed as stipulated in SEBI Master Circular for CRAs.

^ Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.

@ These ratings were assigned during regulatory regime prior to the introduction of SEBI CRA Circular dated Feb 10, 2026 and accordingly, investor side regulators have been included.

Paisalo Digital Limited

May 13, 2026

Rating Action

Total Bank Loan Facilities Rated	Rs. 4500.00 Crore	Regulator^
Long Term Rating	IVR AA/Stable (Rating reaffirmed)	RBI
^Kindly note that for activities or instruments falling under the purview of FSRs other than SEBI, the grievance/dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.		

Instrument	Amount (Rs. crore)	Ratings	Rating Action	Regulator^
NCDs	2059.00	IVR AA/Stable	Rating reaffirmed	SEBI
CPs	540.00	IVR A1+	Rating reaffirmed	RBI
Total	**2599.00 (Rupees Two Thousand Five Hundred and Ninety-Nine Crore Only)**			
^Kindly note that for activities or instruments falling under the purview of FSRs other than SEBI, the grievance/dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.				

Refer Annexures for details of facilities/instruments, facility wise lender details, and detailed explanation of covenants.

Note: *None of the Directors on Infomerics Board are members of rating committee and thus do not participate in discussion or assignment of any ratings. The Board of Directors also does not discuss any ratings at its meetings.*

Rationale

The reaffirmation of ratings to various debt facilities/instruments of Paisalo Digital Limited (PDL) continues to derive comfort from consistent improvement in scale of operations, comfortable capitalisation, healthy asset quality the established track record of operations and experienced management, and tie-up with prominent PSU banks for co-lending. However, these strengths are partially offset by portfolio and geographic concentration risk and intense competition in the industry.

Further, CP amounting to Rs. 40.00 crore has been fully redeemed (ISIN bearing - INE420C14227 & INE420C14235), and the redemption certificate for the same has been received from the company. The withdrawal of rating is in line with Infomerics withdrawal policy.

Outlook: Stable

The 'Stable' outlook indicates Infomerics' expectation of growth in scale of operations and profitability on a sustained basis. IVR believes PDL's will continue to benefit from its operational track record in the lending business, healthy asset quality, comfortable capital adequacy and diversified funding profile.

Analytical Approach

Approach	Comments
Consolidation/ Standalone	Consolidated
Parent/ Group Support	Not Applicable

List of companies considered for consolidation/combined analysis is given at Annexure 4.

Key Rating Drivers with Detailed Description

Strengths

- **Consistent improvement in scale of operations**

  PDL continued to witness healthy growth in its scale of operations in fiscal year FY25 and 9MFY26, supported by steady disbursements and expansion in its loan portfolio. The consolidated AUM increased by ~5.26% to Rs. 5,508.20 crore as on December 31, 2025 from Rs. 5,232.80 crore as on March 31, 2025, driven by continued disbursements of Rs. 2,918.00 crore during 9MFY26. Further, the company reported total operating income of Rs. 682.77 crore and PAT of Rs. 164.98 crore during 9MFY26 as against Rs. 771.11 crore and Rs. 200.12 crore respectively during FY25, indicating stable profitability. However, NIM moderated to 6.62% during 9MFY26 from 8.29% in FY25 mainly due to competitive pricing pressure in the MSME lending segment and reduction in lending yields amid intense industry competition.

- **Comfortable capitalisation**

  The consolidated capitalization profile of the PDL continued to remain comfortable as on December 31, 2025, with the consolidated CAR remaining strong at 38.38% as against 39.16% as on March 31, 2025, and significantly above the minimum regulatory requirement of 15%, thereby providing adequate cushion for future growth. Further, the consolidated tangible net worth improved by ~ 13.39% to Rs. 1,740.41 crore as on December 31, 2025 from Rs. 1,534.84 crore as on March 31, 2025, supported by healthy internal accruals with the company reporting PAT of Rs. 164.98 crore during 9MFY26.

The capitalization levels continued to remain adequate to support business growth despite expansion in the asset base.

- **Healthy asset quality**

  PDL continued to maintain healthy asset quality at the consolidated level, supported by stringent underwriting standards, established recovery mechanisms and disciplined collection practices. The consolidated GNPA and NNPA improved to 0.81% and 0.65% respectively as on December 31, 2025, from 0.94% and 0.73% respectively as on March 31, 2025. Although the asset quality indicators had moderated from the exceptionally comfortable levels of FY24 wherein GNPA and NNPA stood at 0.19% and 0.02% respectively, the overall delinquency position continued to remain comfortable with both GNPA and NNPA remaining below 1% levels. Further, the company's collection efficiency remained strong at 98.8% as on 9MFY26, reflecting healthy repayment behaviour of borrowers and an established collection infrastructure.

- **Established track record of operations and experienced management**

  Paisalo group was established in 1992 and commenced its business loans operations in 2006 through PDL and has a long track record of two decades in retail lending business.. PDLs board comprises of ten directors including five independent directors and led by Mr. Sunil Agarwal, Managing Director and CEO. He has more than three decades of experience in SME and retail financing and is supported by a qualified and well experienced management team and board of directors.

- **Tie-up with prominent PSU banks for co-lending of small ticket unsecured loans**

  Paisalo group has entered into co-lending arrangement with five Public Sector Banks namely, State Bank of India, Bank of Baroda, Karnataka Bank, Punjab National Bank and UCO Bank and assignment transaction with 4 Banks namely, South Indian Bank, SBI, Central Bank of India and Bank of Baroda., wherein it would originate loans under its income generation loans extended to both individuals and under its group lending schemes, of which major share would be funded by the PSU banks and the balance would be funded by PDL. PDL manages the loans including collections and generates fee income on the off-book AUM. This arrangement allows PDL to mitigate the risks associated with the unsecured lending portfolio.

Weaknesses

- **Portfolio and geographic concentration risk**

  Around 89% of PDLs loan book comprises business loans which are large value in nature. The company's operations are also constrained by geographical concentration risk in terms of sourcing of business with 40% of the portfolio is concentrated in two states, viz., Delhi contributing to 22.99% and Uttar Pradesh contributing to 17.15% in PDL and ~99% of portfolio is concentrated in two states, viz., Delhi contributing to ~60% and Uttar Pradesh contributing to ~39% in NFPL. However, the company is taking initiatives to enhance its retail base and to spread its reach into other geographies.

- **Intense competition in the industry**

  The company is exposed to intense competition from other varied sized NBFCs. The lending industry focused on NBFC financing of varied ticket size is highly fragmented. However, to some extent the robust digital model and outreach created by PDL along with turnaround time delivered, enables to attract and retain customers.

Liquidity – Strong

The liquidity profile of the company remains strong with no cumulative mismatches in its asset liability management profile as on December 31, 2025. Further, Further, PDL's has a liquidity cushion of Rs. 147.60 crore in the form of cash and cash equivalents (Rs. 75.40 crore), liquid investments (Rs. 62.33 crore), and undrawn banking lines (Rs. 27.09 crore) as on 31 December 2025.

Rating Sensitivities:

Upward Factors

- Substantial and sustained improvement in the scale of operations while maintaining healthy asset quality, comfortable capitalisation, and liquidity.
- Sustenance of the overall gearing

Downward Factors

- Substantial deterioration in the scale of operations, asset quality, capitalisation and/or liquidity
- Deterioration in overall gearing

About the Company

Incorporated in 1992 PDL provides business loans to SMEs/corporates and income generation loans to individuals. Mr. Sunil Agarwal, the founder promoter of the company, continues to be the managing director of the company since inception. The company is listed on Bombay Stock Exchange and National Stock Exchange.

Key Financial Indicators (Standalone):

(Rs. Crore)

For the year ended* / As on	31-03-2024	31-03-2025	9MFY26
	Audited	**Audited**	**Unaudited**
Total Operating Income	605.04	734.83	661.73
PAT	177.02	197.69	163.44
Tangible net worth	1314.40	1517.52	1720.78
Total Assets	3894.47	5069.72	5663.40
Ratios			
NIM (%)	11.07	8.33	6.57
ROTA (%)	5.13	4.44	3.85
Total CAR (%)	35.92	39.16	38.32
Gross NPA [Stage III] (%)	0.21	0.98	0.83
Net NPA [Stage III] (%)	0.02	0.76	0.66

**Classification as per Infomerics' standards; Amount in Rs. Crore; Source: Paisalo Digital Limited*

Financials (Consolidated):

For the year ended* / As on	31-03-2024	31-03-2025	9MFY26
	Audited	**Audited**	**Unaudited**
Total Operating Income	658.75	771.11	682.77
PAT	178.97	200.12	164.98
Tangible net worth	1329.42	1534.84	1740.41
Total Assets	4113.87	5254.46	5732.45
Ratios			
NIM (%)	9.02	8.29	6.62
ROTA (%)	4.82	4.32	3.84
Total CAR (%)	35.92	39.16	38.38
Gross NPA [Stage III] (%)	0.19	0.94	0.81
Net NPA [Stage III] (%)	0.02	0.73	0.65

**Classification as per Infomerics' standards; Amount in Rs. Crore; Source: Paisalo Digital Limited*

Applicable Criteria

Rating Methodology for Financial Institutions/Non-Banking Finance companies

Policy on Default Recognition and Post – Default Curing Period

Criteria of assigning Rating Outlook

Complexity level of rated instruments/Facilities

Financial Ratios & Interpretation (Financial Sector)

Criteria on consolidation of companies

Policy on Withdrawal of Ratings

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History for last three years

Sr. No.	Instruments/ Facilities	Current Ratings (Year 2026-27)			Rating History for the past 3 years		
		Type (Long Term/ Short Term)	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2025-26	Date(s) & Rating(s) assigned in 2024-25	Date(s) & Rating(s) assigned in in 2023-24
				May 13, 2026			
1.	Fund based facilities	Long Term	3608.53 (Enhanced from 3406.51)	IVR AA/Stable	IVR AA/Stable (Mar 31, 2026) IVR AA/Stable (Mar 19, 2026) IVR AA/Stable (Mar 03, 2026) IVR AA/Stable (Dec 09, 2025) IVR AA/Stable (Sept 16, 2025) IVR AA/Stable (Aug 06, 2025) IVR AA/Stable (June 23, 2025)	IVR AA/Stable (Mar 07, 2025) IVR AA/Stable (Oct 17, 2024) IVR AA/Stable (Sept 07, 2024) IVR AA/Stable (Jul 31, 2024) IVR AA/Stable (May 14, 2024) IVR AA/Stable (Apr 16, 2024)	IVR AA/Stable (29 Feb 2024) IVR AA/Stable (25 Jan 2024) IVR AA/Stable (8 Jan 2024) IVR AA/Stable (20 Dec 2023) IVR AA/Stable (13 Nov 2023) IVR AA/Stable (15 Sep 2023
2.	Fund Based-Proposed Bank Facilities	Long Term	891.47 (Reduced from 1093.49)	IVR AA/Stable	IVR AA/Stable (Mar 31, 2026) IVR AA/Stable (Mar 19, 2026) IVR AA/Stable (Mar 03, 2026) IVR AA/Stable (Dec 09, 2025) IVR AA/Stable (Sept 16, 2025) IVR AA/Stable (Aug 06, 2025)	IVR AA/Stable (Mar 07, 2025) IVR AA/Stable (Oct 17, 2024) IVR AA/Stable (Sept 07, 2024) IVR AA/Stable (Jul 31, 2024) IVR AA/Stable (May 14, 2024) IVR AA/Stable	IVR AA/Stable (29 Feb 2024) IVR AA/Stable (25 Jan 2024) IVR AA/Stable (8 Jan 2024) IVR AA/Stable (20 Dec 2023) IVR AA/Stable (13 Nov 2023) IVR AA/Stable

Sr. No.	Instruments/ Facilities	Current Ratings (Year 2026-27)			Rating History for the past 3 years		
		Type (Long Term/ Short Term)	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2025-26	Date(s) & Rating(s) assigned in 2024-25	Date(s) & Rating(s) assigned in in 2023-24
				May 13, 2026			
					IVR AA/Stable (June 23, 2025)	(Apr 16, 2024)	(15 Sep 2023
3.	NCD	Long Term	380.75	IVR AA/Stable	IVR AA/Stable (Mar 31, 2026) IVR AA/Stable (Mar 19, 2026) IVR AA/Stable (Mar 03, 2026) IVR AA/Stable (Dec 09, 2025) IVR AA/Stable (Sept 16, 2025) IVR AA/Stable (Aug 06, 2025) IVR AA/Stable (June 23, 2025)	IVR AA/Stable (Mar 07, 2025) IVR AA/Stable (Oct 17, 2024) IVR AA/Stable (Sept 07, 2024) IVR AA/Stable (Jul 31, 2024) IVR AA/Stable (May 14, 2024) IVR AA/Stable (Apr 16, 2024)	IVR AA/Stable (29 Feb 2024) IVR AA/Stable (25 Jan 2024) IVR AA/Stable (8 Jan 2024) IVR AA/Stable (20 Dec 2023) IVR AA/Stable (13 Nov 2023) IVR AA/Stable (15 Sep 2023
4.	NCD	Long Term	-	-	Withdrawn (Dec 09, 2025) IVR AA/Stable (Sept 16, 2025) IVR AA/Stable (Aug 06, 2025) IVR AA/Stable (June 23, 2025)	IVR AA/Stable (Mar 07, 2025) IVR AA/Stable (Oct 17, 2024) IVR AA/Stable (Sept 07, 2024) IVR AA/Stable (Jul 31, 2024) IVR AA/Stable (May 14, 2024)	IVR AA/Stable (29 Feb 2024) IVR AA/Stable (25 Jan 2024) IVR AA/Stable (8 Jan 2024) IVR AA/Stable (20 Dec 2023) IVR AA/Stable (13 Nov 2023)

Sr. No.	Instruments/ Facilities	Current Ratings (Year 2026-27)			Rating History for the past 3 years		
		Type (Long Term/ Short Term)	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2025-26	Date(s) & Rating(s) assigned in 2024-25	Date(s) & Rating(s) assigned in in 2023-24
				May 13, 2026			
						IVR AA/Stable (Apr 16, 2024)	IVR AA/Stable (15 Sep 2023
5.	NCD	Long Term	25.00	IVR AA/Stable	IVR AA/Stable (Mar 31, 2026) IVR AA/Stable (Mar 19, 2026) IVR AA/Stable (Mar 03, 2026) IVR AA/Stable (Dec 09, 2025) IVR AA/Stable (Sept 16, 2025) IVR AA/Stable (Aug 06, 2025) IVR AA/Stable (June 23, 2025)	IVR AA/Stable (Mar 07, 2025)	-
6.	NCD	Long Term	50.00	IVR AA/Stable	IVR AA/Stable (Mar 31, 2026) IVR AA/Stable (Mar 19, 2026) IVR AA/Stable (Mar 03, 2026) IVR AA/Stable (Dec 09, 2025) IVR AA/Stable (Sept 16, 2025)	-	-

Sr. No.	Instruments/ Facilities	Current Ratings (Year 2026-27)			Rating History for the past 3 years		
		Type (Long Term/ Short Term)	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2025-26	Date(s) & Rating(s) assigned in 2024-25	Date(s) & Rating(s) assigned in in 2023-24
				May 13, 2026			
					IVR AA/Stable (Aug 06, 2025)		
7.	Proposed NCD	Long Term	48.25	IVR AA/Stable	IVR AA/Stable (Mar 31, 2026) IVR AA/Stable (Mar 19, 2026) IVR AA/Stable (Mar 03, 2026) IVR AA/Stable (Dec 09, 2025) IVR AA/Stable (Sept 16, 2025) IVR AA/Stable (Aug 06, 2025) IVR AA/Stable (June 23, 2025)	IVR AA/Stable (Mar 07, 2025) IVR AA/Stable (Oct 17, 2024) IVR AA/Stable (Sept 07, 2024) IVR AA/Stable (Jul 31, 2024) IVR AA/Stable (May 14, 2024) IVR AA/Stable (Apr 16, 2024)	IVR AA/Stable (29 Feb 2024) IVR AA/Stable (25 Jan 2024) IVR AA/Stable (8 Jan 2024) IVR AA/Stable (20 Dec 2023) IVR AA/Stable (13 Nov 2023) IVR AA/Stable (15 Sep 2023)
8.	Proposed NCD	Long Term	4.00	IVR AA/Stable	IVR AA/Stable (Mar 31, 2026) IVR AA/Stable (Mar 19, 2026)	-	-
9.	NCD	Long Term	51.00	IVR AA/Stable	IVR AA/Stable (Mar 31, 2026) IVR AA/Stable (Mar 19, 2026)	-	-
10.	NCD	Long Term	-	-	Withdrawn (Aug 06, 2025) IVR AA/Stable (June 23, 2025	IVR AA/Stable (Mar 07, 2025) IVR AA/Stable	IVR AA/Stable (29 Feb 2024) IVR AA/Stable

Sr. No.	Instruments/ Facilities	Current Ratings (Year 2026-27)			Rating History for the past 3 years		
		Type (Long Term/ Short Term)	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2025-26	Date(s) & Rating(s) assigned in 2024-25	Date(s) & Rating(s) assigned in in 2023-24
				May 13, 2026			
						(Oct 17, 2024) IVR AA/Stable (Sept 07, 2024) IVR AA/Stable (Jul 31, 2024) IVR AA/Stable (May 14, 2024) IVR AA/Stable (Apr 16, 2024)	(25 Jan 2024) IVR AA/Stable (8 Jan 2024) IVR AA/Stable (20 Dec 2023) IVR AA/Stable (13 Nov 2023) IVR AA/Stable (15 Sep 2023)
11.	Proposed NCD	Long Term	1500.00	IVR AA/Stable	IVR AA/Stable (Mar 31, 2026)	-	-
12.	CPs	Short Term	0.00 (Reduced from 40.00)	Withdrawn	IVR A1+ (Mar 31, 2026) IVR A1+ (Mar 19, 2026) IVR A1+ (Mar 03, 2026) IVR A1+ (Dec 09, 2025) IVR A1+ (Sept 16, 2025) IVR A1+ (Aug 06, 2025) IVR A1+ (June 23, 2025)	IVR A1+ (Mar 07, 2025)	-
13.	CPs	Short Term	-	-	Withdrawn (Mar 03, 2026) IVR A1+	IVR A1+ (Mar 07, 2025)	

Sr. No.	Instruments/ Facilities	Current Ratings (Year 2026-27)			Rating History for the past 3 years		
		Type (Long Term/ Short Term)	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2025-26	Date(s) & Rating(s) assigned in 2024-25	Date(s) & Rating(s) assigned in in 2023-24
				May 13, 2026			
					(Dec 09, 2025) IVR A1+ (Sept 16, 2025) IVR A1+ (Aug 06, 2025) IVR A1+ (June 23, 2025)		
14.	CPs	Short Term	112.00 (Enhanced from 30.00)	IVR A1+	IVR A1+ (Mar 31, 2026) IVR A1+ (Mar 19, 2026) IVR A1+ (Mar 03, 2026) IVR A1+ (Dec 09, 2025) IVR A1+ (Sept 16, 2025) IVR A1+ (Aug 06, 2025) IVR A1+ (June 23, 2025	IVR A1+ (Mar 07, 2025)	
15.	Proposed CPs	Short Term	428.00 (Reduced from 470.00)	IVR A1+	IVR A1+ (Mar 31, 2026) IVR A1+ (Mar 19, 2026) IVR A1+ (Mar 03, 2026) IVR A1+ (Dec 09, 2025)	IVR A1+ (Mar 07, 2025) IVR A1+ (Oct 17, 2024) IVR A1+ (Sept 07, 2024) IVR A1+ (Jul 31, 2024)	IVR A1+ (29 Feb 2024) IVR A1+ (25 Jan 2024) IVR A1+ (8 Jan 2024) IVR A1+ (20 Dec 2023)

Sr. No.	Instruments/ Facilities	Current Ratings (Year 2026-27)			Rating History for the past 3 years		
		Type (Long Term/ Short Term)	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2025-26	Date(s) & Rating(s) assigned in 2024-25	Date(s) & Rating(s) assigned in in 2023-24
				May 13, 2026			
					IVR A1+ (Sept 16, 2025) IVR A1+ (Aug 06, 2025) IVR A1+ (June 23, 2025	IVR A1+ (May 14, 2024) IVR A1+ (Apr 16, 2024)	IVR A1+ (13 Nov 2023) IVR A1+ (15 Sep 2023)

Annexure 1: Instrument/Facility Details

Name of Facility/ /Security	ISIN	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook	Listing Status	Regulator^	Complexity Indicator
Cash Credit	-	5 May, 2013	-	Revolving	16.00	IVR AA/Stable	NA	RBI	Simple
WCDL	-	5 May, 2013	-	Revolving	24.00	IVR AA/Stable	NA	RBI	Simple
Cash Credit	-	17 February, 2007	-	Revolving	32.00	IVR AA/Stable	NA	RBI	Simple
WCDL	-	17 February, 2007	-	Revolving	48.00	IVR AA/Stable	NA	RBI	Simple
Cash Credit	-	24 March, 2017	-	Revolving	25.00	IVR AA/Stable	NA	RBI	Simple
Cash Credit	-	28 March, 2013	-	Revolving	5.60	IVR AA/Stable	NA	RBI	Simple
WCDL	-	28 March, 2013	-	Revolving	8.40	IVR AA/Stable	NA	RBI	Simple
Cash Credit	-	17 February, 2015	-	Revolving	7.00	IVR AA/Stable	NA	RBI	Simple
WCDL	-	17 February, 2015	-	Revolving	18.00	IVR AA/Stable	NA	RBI	Simple
Cash Credit	-	28 June, 2023	-	Revolving	5.00	IVR AA/Stable	NA	RBI	Simple

Cash Credit	-	29 December, 2021	-	Revolving	20.00	IVR AA/Stable	NA	RBI	Simple
WCDL	-	29 December, 2021	-	Revolving	30.00	IVR AA/Stable	NA	RBI	Simple
Term Loans	-	31 July, 2024	-	31 December, 2026	22.50	IVR AA/Stable	NA	RBI	Simple
Term Loans	-	29 September, 2023	-	28 February, 2029	30.60	IVR AA/Stable	NA	RBI	Simple
Term Loans	-	29 September, 2023	-	29 March, 2029	29.40	IVR AA/Stable	NA	RBI	Simple
Term Loans	-	24 February, 2025	-	24 April, 2027	11.50	IVR AA/Stable	NA	RBI	Simple
Term Loans	-	30 June, 2023	-	30 December, 2026	1.25	IVR AA/Stable	NA	RBI	Simple
Term Loans	-	30 July, 2025	-	31 May, 2029	18.46	IVR AA/Stable	NA	RBI	Simple
Term Loans	-	27 March, 2023	-	31 March, 2028	139.62	IVR AA/Stable	NA	RBI	Simple
Term Loans	-	14 July, 2023	-	30 June, 2028	44.57	IVR AA/Stable	NA	RBI	Simple
Term Loans	-	29 May, 2024	-	31 May, 2029	205.53	IVR AA/Stable	NA	RBI	Simple
Term Loans	-	28 August, 2025	-	31 August, 2030	390.52	IVR AA/Stable	NA	RBI	Simple
Term Loans	-	28 July, 2025	-	31 July, 2030	90.00	IVR AA/Stable	NA	RBI	Simple
Term Loans	-	11 February, 2026	-	28 Februar, 2031	50.00	IVR AA/Stable	NA	RBI	Simple
Term Loans	-	30 March, 2026	-	31 March, 2031	200.00	IVR AA/Stable	NA	RBI	Simple
Term Loans	-	30 March, 2026	-	31 March, 2028	5.99	IVR AA/Stable	NA	RBI	Simple
Term Loans	-	1 March, 2023	-	15 March, 2028	28.75	IVR AA/Stable	NA	RBI	Simple
Term Loans	-	14 June, 2023	-	15 June, 2028	65.00	IVR AA/Stable	NA	RBI	Simple
Term Loans	-	24 June, 2024	-	24 June, 2029	31.52	IVR AA/Stable	NA	RBI	Simple
Term Loans	-	16 June, 2025	-	30 June, 2030	83.20	IVR AA/Stable	NA	RBI	Simple
Term Loans	-	06 December, 2025	-	31 December, 2030	93.28	IVR AA/Stable	NA	RBI	Simple
Term Loans	-	15 February, 2024	-	31 March, 2032	171.43	IVR AA/Stable	NA	RBI	Simple
Term Loans	-	18 December, 2023	-	31 December, 2028	41.25	IVR AA/Stable	NA	RBI	Simple

Term Loans	-	27 June, 2024	-	30 June, 2029	81.25	IVR AA/Stable	NA	RBI	Simple
Term Loans	-	29 March, 2025	-	30 March, 2030	200.00	IVR AA/Stable	NA	RBI	Simple
Term Loans	-	22 December, 2023	-	31 Decembe r, 2026	22.16	IVR AA/Stable	NA	RBI	Simple
Term Loans	-	26 Septembe r, 2024	-	30 Septembe r, 2029	138.98	IVR AA/Stable	NA	RBI	Simple
Term Loans	-	08 August, 2025	-	31 August, 2030	135.00	IVR AA/Stable	NA	RBI	Simple
Term Loans	-	09 March, 2026	-	31 March, 2031	200.00	IVR AA/Stable	NA	RBI	Simple
Term Loans	-	07 October, 2024	-	26 October, 2029	70.00	IVR AA/Stable	NA	RBI	Simple
Term Loans	-	14 October, 2024	-	06 Novembe r, 2028	17.19	IVR AA/Stable	NA	RBI	Simple
Term Loans	-	25 April, 2025	-	31 October, 2026	50.00	IVR AA/Stable	NA	RBI	Simple
Term Loans	-	30 June, 2025	-	31 January, 2027	6.00	IVR AA/Stable	NA	RBI	Simple
Term Loans	-	22 July, 2025	-	31 January, 2027	12.00	IVR AA/Stable	NA	RBI	Simple
Term Loans	-	10 Septembe r, 2025	-	31 March, 2027	13.25	IVR AA/Stable	NA	RBI	Simple
Term Loans	-	16 October, 2025	-	30 April, 2027	6.25	IVR AA/Stable	NA	RBI	Simple
Term Loans	-	28 March, 2026	-	30 June, 2027	12.25	IVR AA/Stable	NA	RBI	Simple
Term Loans	-	30 August, 2025	-	30 Septembe r, 2028	41.67	IVR AA/Stable	NA	RBI	Simple
Term Loans	-	31 January, 2026	-	31 January, 2031	100.00	IVR AA/Stable	NA	RBI	Simple
Term Loans	-	10 February, 2026	-	28 February, 2031	100.00	IVR AA/Stable	NA	RBI	Simple
Proposed Term Loan	-	-	-	-	891.47 (Reduced from 1093.49)	IVR AA/Stable	NA	RBI	Simple
CEL	-	20 November , 2024	-	20 Novembe r, 2029	250.00	IVR AA/Stable	NA	RBI	Simple
CEL	-	27 March, 2026	-	30 March, 2029	17.00	IVR AA/Stable	NA	RBI	Simple

ECB	-	27 March, 2026	-	30 March, 2029	142.16	IVR AA/Stable	NA	RBI	Simple
Commercial Paper	INE420C14243	27 February, 2026	11.50%	29 May, 2026	30.00	IVR A1+	Listed	RBI	Simple
Commercial Paper	INE420C14250	2 Apri, 2026	9.00%	29 September, 2026	65.00	IVR A1+	Listed	RBI	Simple
Commercial Paper	INE420C14268	8 Apri, 2026	8.60%	8 October, 2026	12.00	IVR A1+	Listed	RBI	Simple
Commercial Paper	INE420C14276	10 Apri, 2026	9.00%	30 September, 2026	5.00	IVR A1+	Listed	RBI	Simple
Commercial Paper	-	-	-	-	0.00* (Reduced by 35.00)	Rating Withdrawn	NA	RBI	Simple
Commercial Paper	-	-	-	-	0.00* (Reduced by 5.00)	Rating Withdrawn	NA	RBI	Simple
Proposed Commercial Paper	-	TBD**	-	TBD**	428.00 (Reduced from 470.00)	IVR A1+	Proposed to be listed	RBI	Simple
NCD	INE420C07056	November 16, 2023	9.95% p.a	November 16, 2026	10.00	IVR AA/Stable	Listed	SEBI	Simple
NCD	INE420C07049	September 27, 2023	9.95% p.a.	September 26, 2026	50.00	IVR AA/Stable	Listed	SEBI	Simple
NCD	INE420C07064	December 15, 2023	9.95% p.a.	December 15, 2033	19.70	IVR AA/Stable	Listed	SEBI	Simple
NCD	INE420C07080	January 18, 2024	9.95% p.a	January 17, 2034	19.71	IVR AA/Stable	Listed	SEBI	Simple
NCD	INE420C07098	February 27, 2024	9.95% p.a	February 24, 2034	20.34	IVR AA/Stable	Listed	SEBI	Simple
NCD	NE420C07114	May 05, 2024	9.95% p.a.	May 05, 2029	27.00	IVR AA/Stable	Listed	SEBI	Simple
NCD	INE420C07122	Jul 31, 2024	9.95% p.a.	Jul 30, 2027	25.00	IVR AA/Stable	Listed	SEBI	Simple
NCD	INE420C07130	03 June, 2025	10.00% p.a	03 June 2027	50.00	IVR AA/Stable	Listed	SEBI	Simple
NCD	INE420C07148	08 August 2025	9.75% p.a.	07 August 2028	34.00	IVR AA/Stable	Listed	SEBI	Simple
NCD	INE420C07155	September 10, 2025	10.00%	September 10, 2028	50.00	IVR AA/Stable	Listed	SEBI	Simple

NCD	INE420C 08021	Novembe r 06, 2025	8.4 5%	Novembe r 06, 2027	55.00	IVR AA/Stable	Listed	SEBI	Simple
NCD	INE420C 08039	Novembe r 06, 2025	8.5 0%	Novembe r 06, 2028	25.00	IVR AA/Stable	Listed	SEBI	Simple
NCD	INE420C 07163	Decembe r 09, 2025	8.5 0%	Decembe r 09, 2028	40.00	IVR AA/Stable	Listed	SEBI	Simple
NCD	INE420C 07171	Decembe r 15, 2025	8.4 5%	Decembe r 15, 2027	30.00	IVR AA/Stable	Listed	SEBI	Simple
NCD	INE420C 07189	March 18, 2026	9.2 5%	Septembe r 18, 2028	51.00	IVR AA/Stable	Listed	SEBI	Simple
Proposed NCD	-	TBD**	-	TBD**	1500.00	IVR AA/Stable	Proposed to be listed	SEBI	Simple
Proposed NCD	-	TBD**	-	TBD**	52.25	IVR AA/Stable	Proposed to be listed	SEBI	Simple

*Commercial Paper amounting to Rs. 40.00 crore has been fully redeemed (ISIN bearing - INE420C14227 & INE420C14235), and the redemption certificate for the same has been received from the company. The withdrawal of the rating is in line with Infomerics' Policy on Withdrawal of Ratings

**To Be Decided

^Kindly note that for activities or instruments falling under the purview of FSRs other than SEBI, the grievance/dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

Annexure 2: Facility wise lender details

https://infomericstorage.blob.core.windows.net/uploads/Len_Paisalo_Digital_13may26_eaa1b1c2c6.pdf

Annexure 3: Detailed explanation of covenants of the rated Security/facilities:

The covenants mentioned below are applicable to following NCDs rated by IVR - ISIN: INE420C07155 ; ISIN No: INE420C08021; INE420C08039

Covenants	**Maintenance:** The Issuer must maintain the current rating of IVR AA/Stable and ensure no new long-term rating below this level is assigned by any agency. **Early Redemption:** A downgrade by two notches to IVR A+ Stable (or lower by any agency) triggers an Early Redemption Event. **Accelerated Redemption:** A downgrade by more than three notches (below "A" rating) grants investors the immediate right to redeem principal and interest.

The covenants mentioned below are applicable to following NCDs rated by IVR - ISIN: INE420C07163 and INE420C07171

Covenants	**Credit Rating Maintenance:** Issuer must maintain a minimum external credit rating of IVR AA with a stable outlook. There must be no suspension of the credit rating for the instrument or the Issuer. No assignment of a new long-term credit rating below IVR AA/stable or equivalent by any other agency. **Promoter Holding:** The Promoter & Promoter Group must maintain a minimum shareholding of 26% throughout the tenor of the NCD. **Step-Up Coupon:** If the rating of the Issuer's bank facilities/instruments is downgraded from "IVR AA/stable," the coupon rate shall increase by 50 basis points. **Accelerated Redemption:** Triggered if the company's rating is downgraded to IVR A+ Stable (two notches below the current rating). **Negative Undertakings:** The Company shall not, without prior written permission, undertake actions such as M&A/restructuring with a material adverse effect, change of control, or declaring dividends if an Event of Default is subsisting.

Annexure 4: List of companies considered for Consolidated/Combined analysis:

Name of Company	Extent of Consolidation
Paisalo Digital Limited (PDL)	Full
Nupur Finvest Private Limited (NFPL)	Full

Annexure 5: List of activities / instruments and names of regulators

Sr. No.	Instrument / activity Name	Regulator of the instrument
1	Listed/Proposed to be listed Bonds/Debentures/Preference Shares	SEBI
2	Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference Shares	MCA
3	Listed PTCs / Securitisation Notes (originated by entities regulated by RBI) *	SEBI
4	Listed PTCs / Securitisation Notes (originated by entities not regulated by RBI) *	SEBI
5	Unlisted PTCs / Securitisation Notes (originated by entities regulated by RBI) *	RBI
6	Listed Commercial Paper and NCDs with original maturity less than 1 year	RBI

7	Unlisted Commercial Paper and NCDs with original maturity less than 1 year	RBI
8	Loan Facilities (Fund/Non-Fund Based) from Bank / NBFCs/ NHB/ FIs ^	RBI
9	External Commercial Borrowings/Loans from overseas lenders/Loans from Multilaterals	RBI
10	Certificates of Deposit	RBI
11	Fixed Deposits raised by NBFCs, Banks, HFCs, FIs	RBI
12	Fixed Deposits raised by corporates other than NBFCs, Banks, HFCs, FIs	MCA
13	Inter Corporate Deposits/Loans extended by Corporates	MCA
14	Borrowing programme ~	Refer foot note
15	Issuer Ratings #	Refer foot note
16	Credit Ratings for Capital Protection Oriented Schemes (by Mutual Funds and AIFs)	SEBI
17	Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
18	Listed Security Receipts	SEBI
19	Unlisted Security Receipts	RBI
20	Independent Credit Evaluation (ICE)	RBI
21	Expected Loss Ratings (For Loan Facilities [Fund/Non-Fund based] from Banks/NBFCs/NHB/FIs)	RBI
22	Expected Loss Ratings (Listed / Proposed to be listed Bonds / Debentures / Preference Shares (all securities))	SEBI
23	Expected Loss Ratings (Unlisted / Proposed to be unlisted Bonds/ Debentures / Preference Shares (all securities))	MCA
24	Unlisted PTCs / Securitisation Notes (originated by entities not regulated by RBI) @	Investor-side Regulator such as IRDAI, PFRDA

Footnotes:

** Includes securitisation transactions involving assignee payout, acquirer's payout.*

~ The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), etc. The regulator of the instrument may accordingly be SEBI, RBI or MCA and can only be determined upon issuance. In Press Release(s) subsequent to issuance(s), CRA shall separately capture the rated quantum details along with names of respective regulators.

 # There is no instrument being rated and hence, Regulator of the Instrument is not applicable. The rating scale and definitions are being followed as stipulated in SEBI Master Circular for CRAs.

^ Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.

@ These ratings were assigned during regulatory regime prior to the introduction of SEBI CRA Circular dated Feb 10, 2026 and accordingly, investor side regulators have been included.

Analytical Contact
Amey Joshi **(022) 62396023** amey.joshi@infomerics.com

About Infomerics

Infomerics Valuation and Rating Ltd. ("Infomerics") [Formerly known as Infomerics Valuation and Rating Private Limited], a SEBI-registered and RBI-accredited credit rating agency, is dedicated to delivering independent, transparent, and research-driven ratings. Licensed for credit rating operations since 2015, Infomerics has empowered investors with reliable insights to make informed credit decisions. Driven by robust frameworks and methodologies, enriched by sectoral depth, and defined by analytical precision, Infomerics evaluates a wide spectrum of borrowers including MSMEs, large corporates, banks, NBFCs, state governments, municipal bodies, infrastructure projects, REITs, and InvITs— covering the entire range of debt instruments. With a strong pan-India presence anchored by its Head Office in Delhi and Corporate Office in Mumbai, alongside branches in major cities, Infomerics has rapidly expanded its footprint. Its joint venture in Nepal further underscores its growing influence across South Asia. Over the past decade, Infomerics has emerged as a rapidly expanding force in the credit rating space, achieving broad market recognition and building enduring trust among investors, institutions, and issuers.

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ANNEXURE II – DEBENTURE TRUSTEE CONSENT LETTER

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ATSL/CO/26-27/00894

Consent letter from the Debenture Trustee

Date: July 10, 2026

The Board of Directors

Paisalo Digital Limited
CSC Pocket-52, CR Park Near Police Station
South Delhi, 110019
New Delhi, India

Dear Ma'am/Sir,

Sub: Proposed Public Issue by Paisalo Digital Limited (the "Company" or the "Issuer") of Secured, Rated, Listed, Redeemable, Non-Convertible Debentures ("NCDs") ("Issue")

We Axis Trustee Services Limited , hereby give our consent to act as the Debenture Trustee to the Issue and to our name being included as the Debenture Trustee to the Issue, in accordance with Schedule I of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, in the draft shelf prospectus ("**Draft Shelf Prospectus**") to be filed with the BSE Limited ("**Stock Exchange**") where the NCDs are proposed to be listed for the purpose of receiving public comments and to be forwarded to Securities and Exchange Board of India ("**SEBI**") for records, and the shelf prospectus ("**Shelf Prospectus**") and relevant tranche prospectus(es) ("**Tranche Prospectus**") to be filed with the Registrar of Companies, NCT of Delhi – I at South Delhi ("**RoC**") and the Stock Exchange(s) and to be forwarded to SEBI in respect of the Issue and all other documents including investor presentations and releases, application forms and abridged prospectus, advertisements and the subsequent periodical communications sent to the holders of NCDs pursuant to the Issue (collectively referred to as the "**Issue Documents**").

We hereby authorise you/ your representative to deliver this letter of consent to the Stock Exchange(s), the RoC, SEBI and/or such other regulatory / governmental authority, as may be required by law or in seeking to establish a defense in connection with, or to avoid, any actual, potential or threatened legal, arbitral or regulatory proceeding or investigation and to upload on the website of Company, if required.

The following details with respect to us may be disclosed in the Issue Documents:

Logo:

AXIS TRUSTEE

Name: Axis Trustee Services Limited
Address: The Ruby, 2nd Floor SW 29, Senapati Bapat Marg, Dadar West, Mumbai, Maharashtra, India, 400028
Tel. No.: 022-43253000
Email: debenturetrustee@axistrustee.in
Investor Grievance ID: complaints@axistrustee.in
Website: https://www.axistrustee.in/
Contact Person: Subhash Jha
Compliance Officer: Anagha Darekar
SEBI Registration Number: IND000000494
CIN: U74999MH2008PLC182264

We certify that we have not been prohibited or debarred by SEBI or any other regulatory authority, court or tribunal to act as an intermediary in securities market issues. We also confirm that we have not been debarred from functioning as Debenture Trustee by any regulatory authority, court or tribunal.

We confirm that we are registered with the SEBI and that such registration is valid as on date of this letter. We further confirm that no enquiry / investigation is being conducted by SEBI on us. Copy of our SEBI registration certificate is attached as **Annexure A** and declaration regarding our registration with SEBI in the required format is attached as **Annexure B**.

We also confirm that we are not disqualified to be appointed as the Debenture Trustee within the meaning of Rule 18(2)(c) of the Companies (Share Capital and Debentures) Rules, 2014, as amended.
This consent letter is subject to the due diligence required to be done by the Debenture Trustee pursuant to the SEBI Master Circular for DTs and the SEBI NCS Regulations, and the Company agrees that the Issue shall be opened only after the due diligence has been carried out by the Debenture Trustee.

We authorize you to deliver a copy of this letter of consent to RoC, pursuant to the provisions of Section 26 of the Companies Act, 2013, as amended (the "**Companies Act**"), and other applicable laws, or any other regulatory authority as required by law.

We shall immediately intimate the lead manager to the Issue and Company of any changes, additions or deletions in respect of the aforesaid details, in writing, till the date when the NCDs of the Company offered, issued and allotted pursuant to the issue, are listed traded on the Stock Exchange(s). In absence of any such communication from us, the above information should be taken as updated information until the listing and commencement of trading of the NCDs on the Stock Exchange(s).

We hereby confirm that the information herein is true, complete and not misleading and further consent to disclose any or all of the information given in this certificate in the Issue Documents or any other document relating to the Issue.

We also agree to keep strictly confidential, until such time the Issue is publicly announced by the Company in the form of a press release, (i) the nature and scope of the Issue; and (ii) our knowledge of the Issue.

This certificate is for information and for inclusion (in part or full) in the Issue Documents or any other Offer-related material, and may be relied upon by the Company, the Lead Manager and the legal counsel to the issue. We hereby consent to the submission of this certificate as may be necessary to the SEBI, the RoC, the relevant Stock Exchange(s) and any other regulatory authority and/or for the records to be maintained by the Lead Manager and in accordance with applicable law.

All capitalized terms not defined hereinabove shall have the same meaning as ascribed to them in Issue Documents, as the case may be.

Yours faithfully,
For Axis Trustee Services Limited

AXIS TRUSTEE SERVICES LTD

Name: Chesta Experto
Designation: Senior Manager

Cc:

Lead Manager to the Issue
Tipsons Consultancy Services Private Limited
1st Floor, Sheraton House
Opposite Ketav Petrol Pump
Polytechnic Road, Ambawadi
Ahmedabad 380 015
Gujarat, India

Legal Counsel to the Issue

Trilegal
One World Centre
10th Floor, Tower 2A & 2B,
Senapati Bapat Marg,
Lower Parel, Mumbai - 400 013

Annexure A

डिबेंचर न्यासी

FORM-B

DEBENTURE TRUSTEE

भारतीय प्रतिभूति और विनिमय बोर्ड

SECURITIES AND EXCHANGE BOARD OF INDIA

(डिबेंचर न्यासी) विनियम, 1993

(DEBENTURE TRUSTEE) REGULATIONS, 1993

000240

(विनियम 8)

(Regulation 8)

Regulation 8A

रजिस्ट्रीकरण प्रमाणपत्र

CERTIFICATE OF REGISTRATION

PERMANENT REGISTRATION

1) बोर्ड, भारतीय प्रतिभूति और विनिमय बोर्ड अधिनियम, 1992 के अधीन डिबेंचर न्यासी के लिए बनाए गए नियमों और विनियमों के साथ पठित उक्त अधिनियम की धारा-12 की उपधारा (1) द्वारा प्रदत्त शक्तियों का प्रयोग करते हुए,

1) In exercise of the powers conferred by sub-section (1) of section 12 of the Securities and Exchange Board of India Act, 1992, read with the rules and regulations made thereunder for the debenture trustee the Board hereby grants a certificate of registration to

AXIS TRUSTEE SERVICES LIMITED
AXIS HOUSE, 2ND FLOOR,
WADIA INETERNATIONAL CENTRE
PANDURANG BUDHKAR MARG,
WORLI, MUMBAI 400 025

को नियमों के, अधीन रहते हुए और विनियमों के अनुसार, डिबेंचर न्यासी के रूप में रजिस्ट्रीकरण का प्रमाणपत्र [illegible] प्रदान करता है

as a debenture trustee subject to the conditions in the rules and in accordance with the regulations.

2) डिबेंचर न्यासी के लिए रजिस्ट्रीकरण कूट IND000000494

2) Registration Code for the debenture trustee

3) जब तक नवीकृत न किया जाए, रजिस्ट्रीकरण का प्रमाणपत्र से तक विधिमान्य है।

3) Unless renewed, the certificate of registration is valid from to

3) This Certificate of Registration shall be valid for permanent unless suspended or cancelled by the Board.

आदेश से
भारतीय प्रतिभूति और विनिमय बोर्ड
के लिए और उसकी ओर से
By order
For and on behalf of
Securities and Exchange Board of India

स्थान Place : MUMBAI

तारीख Date : JANUARY 31, 2014

MEDHA SONPAROTE

प्राधिकृत हस्ताक्षरकर्ता Authorised Signatory

Annexure B

Date: July 10, 2026

The Board of Directors

Paisalo Digital Limited
CSC Pocket-52, CR Park Near Police Station
South Delhi, 110019
New Delhi, India

Dear Ma'am/Sir,

Sub: Proposed Public Issue by Paisalo Digital Limited (the "Company" or the "Issuer") of Secured, Rated, Listed, Redeemable, Non-Convertible Debentures ("NCDs") ("Issue")

We hereby confirm that as on date, the following details in relation to our registration with the Securities and Exchange Board of India as a "Debenture Trustee" are true and correct:

Sr. No.	Details	Confirmation
1.	Registration Number	IND000000494
2.	Date of registration / date of last renewal of registration/ date of application for renewal of registration	January 31, 2014
3.	Date of expiry of registration	NA
4.	If applied for renewal, date of application	NA
5.	Details of any communication from SEBI prohibiting from acting as an intermediary	NA
6.	Details of any pending inquiry / investigation being conducted by SEBI	NA
7.	Details of any penalty imposed by SEBI	NA

We undertake to immediately inform the Company, the legal counsel, and the Lead Manager to the Issue of any changes in respect of the matters covered in this letter till the date when the NCDs of the Company, offered, issued, and allotted pursuant to the Issue, are listed and traded on the Stock Exchange. In absence of any such communication from us, the above information should be taken as updated information until the listing and trading of the NCDs on the Stock Exchange pursuant to the Issue.

This letter may be relied upon by the Company, the Lead Manager in relation to the Issue and the legal counsel in relation to the Issue

For and on behalf of Axis Trustee Services Limited

Authorised Signatory

AXIS TRUSTEE SERVICES LIMITED

Name: Chesta Experto
Designation: Senior Manager

ANNEXURE III – FINANCIAL STATEMENTS

[*The remainder of this page has been intentionally left blank*]

SAKET JAIN & CO.

CHARTERED ACCOUNTANTS

Head Office : 192, Jaipur House, Agra – 282002.
Phone: +91 562 4307192, +91 94122 57192
Email : saketjain_co@yahoo.com
ashish@casjco.com

AUDITOR'S REPORT

TO
THE MEMBERS OF
M/S PAISALO DIGITAL LIMITED
NEW DELHI

REPORT ON THE STANDALONE FINANCIAL STATEMENTS

OPINION

We have audited the accompanying Standalone Financial Statements of **M/S PAISALO DIGITAL LIMITED** ("the Company") which comprises the Balance Sheet as at 31st March 2026 the Statement of Profit and Loss (including Statement of Other Comprehensive Income), Statement of changes in Equity and Statement of Cash Flows for the year ended on that date, and notes to the Standalone Financial Statements, including a summary of material accounting policy information and other explanatory information.

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 Act in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2026 and profit (including Statement of Other Comprehensive Income), Statement of changes in Equity and its Cash Flows 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) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements Section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Companies Act, 2013 and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters below to be the key audit matters to be communicated in our report.

SAKET JAIN & CO. AGRA Chartered Accountant

SAKET JAIN & CO.

CHARTERED ACCOUNTANTS

Head Office : 192, Jaipur House, Agra – 282002.
Phone: +91 562 4307192, +91 94122 57192
Email : saketjain_co@yahoo.com
ashish@casjco.com

Key Audit Matters	How our audit addresses the Key Audit Matters
Impairment of financial Instruments (Expected Credit Loss) (refer Note No. 28 of the Standalone Financial Statements) Ind AS 109 requires the Company to recognize impairment loss allowance towards its financial assets using the expected Credit Loss (ECL) approach. Such ECL allowance is required to be measured considering the guiding principles of Ind AS 109 including: ▪ unbiased, probability weighted outcome under the various scenarios; ▪ time value of money; ▪ impact arising from forward looking macro-economic factors and; ▪ availability of reasonable and supportable information without undue costs. Applying these principles involves significant estimation in various aspects, such as; ▪ grouping of borrowers based on homogeneity by using appropriate statistical techniques; ▪ staging of loans and estimation of behavior life; ▪ estimation of losses for loan products/ corporate guarantee with historical defaults. ▪ Determining macro-economic factors impacting credit quality of financial assets, Considering the significance of such allowance to the overall Financial Statements and the degree of estimation involved in computation of expected credit losses, this area is considered as a key audit matter.	▪ We read and assessed the Company's accounting policies for impairment of financial assets and their compliance with Ind AS 109. ▪ We tested the criteria for staging of loans/ corporate guarantee based on their past-due status to check compliance with the requirement of Ind AS 109. ▪ Tested samples of performing loans (Stage 1) to assess whether any loss indicators were present requiring them to be classified under stage 2 or 3 and vice versa. ▪ Tested the ECL model, including assumptions and underlying computation.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility and Sustainability Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements, Standalone Financial Statements and our Auditor's Report thereon.

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

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In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. 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 implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
The Board of Directors are also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements 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

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 Companies Act, 2013, we give in the Annexure 'A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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.

c. The audit of all the branch offices of the Company has been conducted by us, hence Section 143(8) is not applicable;

d. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity, and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.

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e. In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

f. On the basis of the written representations received from the Directors as on 31st March 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2026 from being appointed as a director in terms of Section 164 (2) of the Act.

g. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

h. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

i. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i) The Company does not have any pending litigations (other than in the ordinary course of business) which would impact its financial position.

ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

iv) **(a)** The management has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity (ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, 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

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(c) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.

v) As stated in Note 61 to the Standalone Financial Statements

(a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

(b) The Company has not declared and has not paid any interim dividend during the year.

(c) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with Section 123 of the Act, as applicable.

vi) Based on our examination carried out in accordance with the Implementation Guidance on Reporting on Audit Trail under Rule 11(g) of the Companies (Audit and Auditors) Rules,2014 (Revised 2024 Edition) issued by the Institute of Chartered Accountants of India, which included test checks and we report that the company have used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with.

Place : New Delhi
Date : 10th May 2026

For Saket Jain & Co.
Chartered Accountants
Firm Reg. No. 014685N

SAKET JAIN & CO. AGRA Chartered Accountants

(CA. ASHISH JAIN)
Partner
Membership No. 400599
UDIN : 26400599UGNZSM1228

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ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT OF

M/S PAISALO DIGITAL LIMITED

(Referred to in paragraph of our Report of even date for F. Y. 2025-26)

i. **(a)** **(A)** The Company has maintained proper records to show full particulars including quantitative details and situation of fixed assets.

(B) The Company has maintained proper records to show full particulars of intangible assets.

(b) As explained to us, the Property, Plant and Equipments have been physically verified by the management at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to information and explanations given to us, the title deeds of immovable properties of the company are held in the name of the Company.

(d) According to the information and explanations given to us, Company has not revalued its Property, Plant and Equipment or Intangible assets.

(e) According to the information and explanations given to us, no proceedings have been initiated or are pending against the Company under the Benami Transactions (Prohibition) Act, 1988 (45 of 1998).

ii. **(a)** The Company is a Non-Banking Financial Company (NBFC) and has not dealt with any goods and the Company does not hold any inventory of goods during the period under audit. Accordingly, the reporting requirement under clause (ii) (a) of para no 3 of the Order is not applicable.

(b) In our opinion and according to the information and explanations given to us, Company is availing working capital limits of more than Rupees five crore on the basis of security of current assets during the financial year. The monthly returns or statements filed by the Company with banks or financial institutions are in agreement with the books of accounts of the Company.

iii. **(a)** The Company has made investments in or granted loans, secured or unsecured to individuals, companies, firms, limited liability partnership or other entities in ordinary course of business.

The Company has provided corporate guarantee to Bank / Financial Institution for the loans taken by its wholly owned subsidiary M/s Nupur Finvest Pvt. Ltd.

The Company is a Non-Banking Financial Company and principal business of the Company is providing loans and advance to other concerns, therefore Para (iii) (a) and (e) of the Order are not applicable to the Company.

(b) The terms & conditions of grant of such loans are not prejudicial to the interest of the Company.

(c) The repayment/receipt of the principal and interest of loan granted is regular as per the schedule of repayment and there is no amount which is overdue more than ninety days in respect of standard Assets.

(d) As explained to us, as per RBI Prudential norms, the Company has made the required / specified provision for overdues of more than ninety days. However, the Company has taken reasonable steps for recovery of principal and interest for those cases.

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(e) The Company has not given any loans or advances in the nature of loans which are repayable on demand or without specification of any terms or period of repayment. No loan has been granted to Promoters and/or related parties as defined under Section 2(76) of the Companies Act, 2013.

iv. According to the information and explanations given to us, the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security have been complied with.

v. The Company is a Non-Banking Financial Non-Deposit Taking or Holding Systemically Important (ND-SI) (Middle Layer) Company, and in our opinion, the Company has not accepted any public deposits within the meaning of Section 73 to 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 and Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016. Accordingly, the provisions of para 3(v) of the Order are not applicable to the Company.

vi. Maintenance of cost records as required under sub-section (1) of Section 148 of the Companies Act, 2013 are not applicable to the Company.

vii. **(a)** According to the information and explanations given to us, the Company has been regular in depositing with appropriate authorities undisputed statutory dues and there are no undisputed amounts of Income Tax, Goods & Service Tax, Cess, Employees State Insurance, Customs Duty, Provident Fund and Professional Tax etc. outstanding as at the last day of financial year concerned for a period of more than six months from the date they became payable.

(b) There are no dues of Goods & Service Tax and Custom Duty on account of any dispute except following matters under Income Tax and Goods & Service Tax:

Sr. No.	Forum	Period	Remark
1	Appeal to Commissioner of Income Tax (Appeal)	F.Y. 2012-13	Rs. 81,25,285/- amount involved
2	Appeal to Commissioner of Income Tax (Appeal)	F.Y. 2017-18	Rs. 23,29,246/- amount involved
3	Appeal to Commissioner of Income Tax (Appeal)	F.Y. 2019-20	Rs. 16,64,666/- amount involved
4	Penalty Proceedings u/s 271(1)(c)	F.Y. 2012-13	Pending Assessment
5	Penalty Proceedings u/s 270A	F.Y. 2017-18	Pending Assessment
6	Penalty Proceedings u/s 270A	F.Y. 2019-20	Pending Assessment
7	Revision Proceedings u/s 263	F.Y. 2017-18	Pending Assessment
8	Goods & Service Tax Appeal Proceedings (Delhi)	F.Y. 2017-18	Rs. 67,15,622/- amount involved
9	Goods & Service Tax Appeal Proceedings (Delhi)	F.Y. 2019-20	Rs. 89,75,312/- amount involved
10	Goods & Service Tax Appeal Proceedings (Delhi)	F.Y. 2020-21	Rs. 35,07,405/- amount involved
11	Goods & Service Tax Penalty u/s 122	F.Y. 2023-24	Pending Assessment
12	Goods & Service Tax Proceedings u/s 61 (UP)	F.Y. 2023-24	Rs. 2,18,832/- amount involved
13	Goods & Service Tax Proceedings u/s 61 (UP)	F.Y. 2024-25	Rs. 9,40,457/- amount involved
14	Goods & Service Tax Proceedings u/s 74A(9) (UP)	F.Y. 2023-24	Pending Assessment

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viii. There are no transactions which are not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

ix. **(a)** The Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) The Company has not been declared willful defaulter by any bank or financial institution or other lender

(c) The term loans were applied for the purpose for which the loans were sanctioned

(d) Funds raised on short term basis have not been utilized for long term purposes

(e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) 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)** According to the information and explanations given to us, the Company had not raised money by way of initial public offer or further public offer during the year.

(b) According to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or convertible debenture during the year.

xi. **(a)** Based on the records examined by us and according to the information, explanations given to us, no fraud has been committed by the Company or any fraud committed on the Company by its officers or employees has been noticed or reported during the year.

(b) No report under sub-section (12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules 2014 with the Central Government.

(c) According to the information and explanation given to us, No whistle-blower complaints received during the year.

xii. The Company is not the Nidhi Company, therefore provisions of Para 3 (xii) (a) to (c) of the Order is not applicable to the Company.

xiii. Based on the records examined by us and according to the information & explanation given to us, the provisions of Section 177 and 188 of the Companies Act, 2013 regarding transaction with related parties have been complied with and details of the transaction as per applicable accounting standard have been disclosed in the notes to accounts of the Standalone Financial Statements.

xiv. **(a)** According to the information & explanation given to us, the Company has an Internal Audit System commensurate with the size and nature of its business.

(b) We have considered the internal audit report for the period under audit and there are no major issues raised by the internal auditor.

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xv. Based on the records examined by us and according to the information & explanation given to us, no non-cash transactions with Directors or persons connected with him, have been taken place during the year, hence the provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. **(a)** According to the information & explanation given to us, the Company is registered under Section 45-IA of the Reserve Bank of India Act, 1934 as Non-Deposit Accepting or Holding Non-Banking Financial Company.

(b) According to the information & explanation given to us, the Company is Non-Banking Financial Company and having a valid Certificate of Registration (CoR) from Reserve Bank of India as per Reserve Bank of India Act, 1934.

(c) According to the information & explanation given to us, the Company is not a Core Investment Company (CIC), therefore CIC regulation of RBI are not applicable on the Company.

(d) According to the information & explanation given to us, there are no CIC in the group.

xvii. According to the information & explanation given to us, the Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.

xviii. There has been no resignation of the Statutory Auditors of the Company during the year.

xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the Auditor's knowledge of the Board of Directors and management plans, the Auditor is of the opinion that there is no material uncertainty exists as on the date of the audit report and that Company is 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.

xx. According to the information and explanations given to us, the provisions of Section 135 of the Act are applicable to the Company. The Company has made the required contributions during the year and there are no unspent amounts which are required to be transferred to the special account as on the date of our audit report. Accordingly, the provisions of paragraph 3(xx)(a) to (b) of the Order are not applicable to the Company.

Place : New Delhi
Date : 10th May 2026

For Saket Jain & Co.
Chartered Accountants
Firm Reg. No. 014685N

SAKET JAIN & CO. AGRA Chartered Accountant

(CA. ASHISH JAIN)
Partner
Membership No. 400599
UDIN : 26400599UGNZSM1228

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ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT OF

M/S PAISALO DIGITAL LIMITED

(Referred to in paragraph of our Report of even date for F. Y. 2025-26)

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB – SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013

We have audited the internal financial controls over financial reporting of **M/S PAISALO DIGITAL LIMITED** as of 31st March 2026 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls , both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, 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 system over financial reporting.

SAKET JAIN & CO. AGRA Chartered Accountants

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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, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 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.

Place : New Delhi
Date : 10th May 2026

For Saket Jain & Co.
Chartered Accountants
Firm Reg. No. 014685N

SAKET JAIN & CO. AGRA Chartered Accountant

(CA. ASHISH JAIN)
Partner
Membership No. 400599
UDIN : 26400599UGNZSM1228

M/S PAISALO DIGITAL LIMITED

BALANCE SHEET AS ON 31ST MARCH 2026

(₹ in Lakhs)

Sr. No.	Particulars	Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
I	**ASSETS**			
	(1) Financial Assets			
	(a) Cash & Cash Equivalents	1	14,682.23	10,046.71
	(b) Bank Balances other than (a) above	2	299.95	320.06
	(c) Derivative Financial Instruments	3	-	-
	(d) Receivables			
	(i) Trade Receivables	4	1,766.09	2,112.96
	(ii) Other Receivables		-	-
	(e) Loans	5	5,79,400.67	4,75,074.95
	(f) Investments	6	6,204.91	6,254.37
	(g) Other Financial Assets	7	2,220.06	3,257.91
	(2) Non Financial Assets			
	(a) Current Tax Assets (Net)	8	2,465.71	2,458.94
	(b) Deferred Tax Asset (Net)		-	-
	(c) Investment Property		-	-
	(d) Biological Assets other than Bearer plants		-	-
	(e) Property, Plant and Equipments	9	8,408.80	7,446.13
	(f) Capital Work-in-Progress		-	-
	(g) Intangible Assets under development		-	-
	(h) Goodwill		-	-
	(i) Other Intangible Assets	9	13.20	14.00
	(j) Other Non-Financial Assets	10	3,704.31	1,626.33
	Total Assets		**6,19,165.93**	**5,08,612.36**
II	**EQUITY AND LIABILITIES**			
	(1) Financial Liabilities			
	(a) Derivative Financial Instruments	11	-	-
	(b) Payables	12		
	(I) Trade Payables			
	(i) Total outstanding dues of Micro Enterprises and Small Enterprises		76.46	39.40
	(ii) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		2,444.06	3,387.38
	(II) Other Payables			
	(i) Total outstanding dues of Micro Enterprises and Small Enterprises		-	-
	(ii) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		2,083.32	3,092.38
	(c) Debt Securities	13	1,15,597.20	1,02,609.43
	(d) Borrowings (Other than Debt Securities)	14	3,11,750.26	2,37,783.73
	(e) Deposits	15	-	-
	(f) Subordinated Liabilities	16	100.00	800.00
	(g) Other Financial Liabilities	17	1,947.52	1,533.00
	(2) Non-Financial Liabilities			
	(a) Current Tax Liabilities (Net)	18	-	-
	(b) Provisions	19	5,583.10	5,280.60
	(c) Deferred Tax Liabilities (Net)	20	1,319.69	509.80
	(d) Other non-financial Liabilities	21	972.29	1,811.23
	(3) Equity			
	(a) Equity Share Capital	22	9,095.84	9,021.81
	(b) Other Equity	23	1,68,196.19	1,42,743.60
	Total Equity & Liabilities		**6,19,165.93**	**5,08,612.36**

Notes to the Accounts & Significant Accounting Policies annexed
Notes referred to above form an integral part of these Financial Statements
Signed in terms of our Report of even date

For and on behalf of the Board

(SUNIL AGARWAL)
Managing Director
DIN : 00006991

(HARISH SINGH)
Executive Director & CFO
DIN : 00039501

(MANENDRA SINGH)
Company Secretary
Membership No. : F7868

For Saket Jain & Co.
Chartered Accountants
Firm Reg. No. 014685N

SAKET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED PAISALO

(CA. ASHISH JAIN)
Partner
Membership No. 400599
UDIN : 26400599UGNZSM1228

Place : New Delhi
Date : 10th May 2026

M/S PAISALO DIGITAL LIMITED

PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2026

(₹ in Lakhs)

Sr. No.	Particulars	Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
I	**Revenue from operations:**			
	(i) Interest Income	24	87,867.09	66,023.60
	(ii) Dividend Income		1.72	1.53
	(iii) Rental Income		-	-
	(iv) Fees and commission Income		3,871.82	7,098.84
	(v) Net gain on fair value changes	25	-	26.68
	(vi) Net gain on derecognition of financial instruments under amortised cost category		-	-
	(vii) Sale of products (including Excise Duty)		-	-
	(viii) Sale of services		-	-
	(ix) Others		-	332.54
	Total Revenue from Operations (I)		91,740.63	73,483.19
II	Other Income	26	-	-
	Total Income (I+II)		91,740.63	73,483.19
III	**Expenses:**			
	(i) Finance Costs	27	36,520.77	30,930.05
	(ii) Fees and commission expense		-	-
	(iii) Net loss on fair value changes		49.46	-
	(iv) Net loss on derecognition of financial instruments under amortised cost category		-	-
	(v) Impairment on financial instruments	28	3,764.84	1,868.43
	(vi) Cost of materials consumed		-	-
	(vii) Purchases of Stock-in-trade		-	-
	(viii) Changes in Inventories of finished goods, stock-in- trade and work-in- progress		-	-
	(ix) Employee Benefits Expenses	29	7,435.43	6,074.87
	(x) Depreciation, amortization and impairment	30	1,224.23	546.86
	(xi) Others expenses	31	11,162.92	7,602.99
	Total Expenses (III)		60,157.65	47,023.20
IV	Profit before exceptional items and tax **(II-III)**		31,582.98	26,459.99
V	Exceptional items		78.39	(59.46)
VI	Profit before tax **(IV-V)**		31,504.59	26,519.45
VII	**Tax Expense:**			
	(1) Current Tax		7,225.79	5,376.93
	(2) Deferred Tax		809.89	1,373.82
VIII	Profit for the period from continuing operations **(VI-VII)**		23,468.91	19,768.70
IX	Profit/(loss) from discontinued operations		-	-
X	Tax Expense of discontinued operations		-	-
XI	Profit/(loss) from discontinued operations (After tax) **(IX-X)**		-	-
XII	Profit for the period **(VIII+XI)**		23,468.91	19,768.70

SAKET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED PAISALO

M/S PAISALO DIGITAL LIMITED

PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2026

(₹ in Lakhs)

Sr. No.	Particulars	Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
XIII	**Other Comprehensive Income:**			
	(A) (i) Items that will not be reclassified to profit or loss (Revaluation of Properties)		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	Sub Total (A)			
	(B) (i) Items that will be reclassified to profit or loss (specify items and amounts)		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
	Sub Total (B)			
	Other Comprehensive Income (A+B)			
XIV	Total Comprehensive Income for the period (XII+XIII) (Comprising Profit and other Comprehensive Income for the period)		23,468.91	19,768.70
XV	**Earnings per Equity Share (for continuing operations):**			
	Basic (Rs.)	34	2.59	2.20
	Diluted (Rs.)		2.59	2.20
XVI	**Earnings per Equity Share (for discontinued operations):**			
	Basic (Rs.)		-	-
	Diluted (Rs.)		-	-
XVII	**Earnings per Equity Share (for continuing and discontinued operations):**			
	Basic (Rs.)	34	2.59	2.20
	Diluted (Rs.)		2.59	2.20

Notes to the Accounts & Significant Accounting Policies annexed
Notes referred to above form an integral part of these Financial Statements
Signed in terms of our Report of even date

For Saket Jain & Co.
Chartered Accountants
Firm Reg. No. 014685N

SAKET JAIN & CO. AGRA Chartered Accountant

(CA. ASHISH JAIN)
Partner
Membership No. 400599
UDIN : 26400599UGNZSM1228

Place : New Delhi
Date : 10th May 2026

PAISALO DIGITAL LIMITED PAISALO

For and on behalf of the Board

(SUNIL AGARWAL)
Managing Director
DIN : 00006991

(HARISH SINGH)
Executive Director & CFO
DIN : 00039501

(MANENDRA SINGH)
Company Secretary
Membership No. : F7868

M/S PAISALO DIGITAL LIMITED

STATEMENT OF STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2026

(₹ in Lakhs)

Sr. No.	Particulars	Figures for current reporting period		Figures for previous reporting period	
A	**Cash Flow from Operating Activities:**				
	Net Profit before tax and extraordinary items and Interest		68,103.75		57,390.03
	Adjustments for				
I	Depreciation	559.05		426.67	
II	Deferred Expense W/O	665.18		120.19	
III	Impairment on financial instruments	3,764.84		1,868.43	
IV	Expenditure on CSR	437.83		320.89	
V	Dividend Income Received	(1.72)		(1.53)	
VI	Profit/loss on Sale of Shares	49.46		(26.68)	
VII	Share based payment ot employee	-		28.39	
VIII	Profit/loss on Sale of Investments/Assets	0.46		24.69	
	Operating Profit before working capital changes		**73,578.85**		**60,151.09**
	Adjustments for				
I	Change in Other Financial Assets	(1,405.07)		(19.27)	
II	Change in Loans & Receivables	(1,07,860.37)		(1,10,076.32)	
III	Change in Payable & non financial liabilities	(2,754.25)		406.53	
IV	Misc. Expenses	(2,743.16)		(1,746.52)	
	Cash generated from Operations		**(41,184.00)**		**(51,284.49)**
I	Interest paid	(36,520.77)		(30,930.05)	
II	Income Tax paid	(7,232.56)		(6,919.98)	
III	Paid Expenses on CSR	(437.83)		(320.89)	
	Cash flow before Extraordinary Items		**(85,375.16)**		**(89,455.40)**
I	Extraordinary Items		78.39		(59.46)
	Net Cash from Operating Activities		**(85,453.55)**		**(89,395.94)**
B	**Cash Flows from Investing Activities:**				
I	Purchase of Fixed Assets	(1,521.88)		(1,277.88)	
II	Sale of Fixed Assets	0.50		10.00	
III	Purchase/transfer of Investments	0.00		0.00	
	Net Cash from Investing activities		**(1,521.38)**		**(1,267.88)**
C	**Net Cash from Financing Activities:**				
I	Proceeds from Borrowings	73,966.53		54,970.41	
II	Proceeds from Debt Service Repayment Account	414.52		545.26	
III	Proceeds from Debt Securities	12,987.77		48,766.68	
IV	Proceeds from Subordinated Liability	(700.00)		(8,100.00)	
V	Dividend Paid/(Received)	(907.80)		(896.51)	
VI	Proceeds from Security Receipts	2,442.92		2,566.00	
VII	Money received against Share issued/Converted into Share Capital	3,386.40		1,822.43	
	Net Cash from Financing activities		**91,590.34**		**99,674.27**
	Net Increase/(decrease) in cash & cash equivalents		**4,615.41**		**9,010.45**
	Cash & Cash equivalents at beginning of period		**10,366.77**		**1,356.32**
	Cash & Cash equivalent at end of period		**14,982.18**		**10,366.77**

Signed in terms of our Report of even date

For Saket Jain & Co.
Chartered Accountants
Firm Reg. No. 014685N

(CA. ASHISH JAIN)
Partner
Membership No. 400599
UDIN : 26400599UGNZSM1228

Place : New Delhi
Date : 10th May 2026

For and on behalf of the Board

(SUNIL AGARWAL)
Managing Director
DIN : 00006991

(HARISH SINGH)
Executive Director & CFO
DIN : 00039501

(MANENDRA SINGH)
Company Secretary
Membership No. : F7868

AUDITORS' REPORT

We have verified the attached Cash Flow Statement of M/s Paisalo Digital Limited, derived from audited financial statements and the books and records maintained by the Company for the year ended 31st March 2026 and 31st March 2025 and found the same in agreement here with.

For Saket Jain & Co.
Chartered Accountants
Firm Reg. No. 014685N

(CA. ASHISH JAIN)
Partner
Membership No. 400599
UDIN : 26400599UGNZSM1228

Place : New Delhi
Date : 10th May 2026

M/S PAISALO DIGITAL LIMITED

MATERIAL ACCOUNTING POLICY INFORMATION

1. CORPORATE INFORMATIONS

M/S PAISALO DIGITAL LIMITED is a Middle Layer, as per RBI scale-based Regulation, Systemically Important Non-Deposit Taking Non-Banking Financial Company engaged in providing loans.

Paisalo Digital Limited having experience of more than 30 years, primarily focusing on financing self-employed borrowers, a segment which is still untapped / unserved, driven by rising affluence, aspirations and favorable demographics.

The Company's successful digital mode of financing self – employed underserved / unserved, using state of art technology, has enabled to register significant growth. The Company is able to scale up its business operations through its intranet model of financing from more than 350 branches as on date and still growing. The Company has cumulatively served more than 1 million satisfied customers. While remaining focused on growth, Company consistently maintains high asset quality level and continues to build the institution on the strong pillars of ethics, values and corporate governance.

The equity of the company is listed on BSE since 2007 and on NSE since 2009. The registered office of the Company is situated at CSC, Pocket 52, Chitranjan Park, Delhi 110019 and the head office at Paisalo House, 74, Gandhi Nagar, NH-2, Agra 282003.

2. FUNCTIONAL AND PRESENTATION CURRENCY

These Financial Statements are presented in Indian rupees (value in Lakhs up to two decimal), which is the functional currency of the Company. All financial information is presented in Indian rupees.

3. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historic cost convention on an accrual basis, except where the same is considered at fair market value as required by Ind AS, the provisions of the Companies Act , 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI).

The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant amendment rules issued thereafter.

Financial statements have been presented in accordance with format prescribed for Non-Banking Financial Companies under Companies (Indian Accounting Standards) Rules, 2015 in Division III as per the notification No. G.S.R. 1022(E) dated 11.10.2018 as amended vide notification dated 24th March, 2021.

4. USE OF ESTIMATES AND JUDGMENTS

The preparation of the Financial Statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the Financial Statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in the Financial Statements have been disclosed in further notes. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the Financial Statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

SAKET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED PAISALO

M/S PAISALO DIGITAL LIMITED

MATERIAL ACCOUNTING POLICY INFORMATION

4.1 REVENUE RECOGNITION

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Company follows accrual basis for all revenue recognition. Interest income is recognized on due basis and penal income is recognized on receipt basis. For recognition of revenue, the valuation of listed shares is considered at market price and that of security receipts as per the valuation report as at Balance Sheet date.

4.2 INCOME TAXES

The Company's major tax jurisdiction is India. Significant judgments are involved in determining the provision for income taxes, including the amount expected to be paid or recovered in connection with uncertain tax positions.

Income tax expense comprises current and deferred tax. It is recognized in the statement of profit and loss except to the extent that it relates items recognized directly in equity or in OCI.

4.3 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment represent a small proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. Useful lives of PPE and intangible assets are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases where the useful lives are different from that prescribed in Schedule II, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

4.4 PROVISION

Provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation as at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

4.5 CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effect of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments and item of income or expenses associated with investing or financing cash flows. Cash flow from operating, investing and financing activities are segregated.

5. ACCOUNTING POLICIES

5.1 CASH & CASH EQUIVALENTS

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

SANJEET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED PAISALO

M/S PAISALO DIGITAL LIMITED

MATERIAL ACCOUNTING POLICY INFORMATION

5.2 FINANCIAL INSTRUMENTS

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument.

Company has a business model of 'Hold to collect' with sole purpose of collecting principal and interest from loans, thus as per Ind AS 109- 'Financial Instruments' Loans are measured at amortized cost.

Other financial assets or liabilities maturing within one year from the balance sheet date are measured at the carrying value as the same approximate the fair value due to the short maturity of these instruments.

The valuation of listed shares is considered at market price and that of security receipts as per the valuation report as at Balance Sheet date. Monetary Assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate at that date and valued at fair value as on the balance sheet date.

5.3 IMPAIRMENT OF FINANCIAL ASSETS

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss of the financial assets on the basis of their credit risk exposure.

For the same, ECL is measured as per the management policy after performing due diligence of Company's historical data in regards to the respective asset. Also, since company is a RBI registered ND-SI- NBFC and as per RBI guidelines, a 0.4% provision for Standard Assets is created against Company's credit exposures.

The Company shows overdue installment amount of customers under trade receivables.

Expected Credit Loss model:

Company's Credit loss system is based on its credit risk function and the risk perceives. Under Ind AS, credit loss provisioning is mainly based on past trends and judgment of the entity. Implementation of expected credit losses not only consider historical data but also incorporates consideration to forward looking information.

ECL model is divided into three stages as follows:

Particulars Also Referred As	Stage 1 Performing	Stage 2 Under Performing	Stage 3 Non Performing
Credit quality of assets Days Past Due	Not deteriorated significantly since its initial recognition 0 Days to 30 Days	Deteriorated significantly since its initial recognition 31 Days to 90 Days	Objective evidence of impairment More than 90 Days
Credit risk Recognize	Low 12 month ECL	Moderate to high Life time ECL	Very High Life time ECL
ECL	Represents financial asset's life time ECL that are expected to arise from default events that are possible within 12 months	ECL that results from all possible default events over the expected life of an instrument.	

Both 12 months ECL and life time ECL are calculated on individual and collective basis, depending on the nature of the underlying portfolio of financial instrument.

BANSAL JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED

Determining significant increase in credit risk

It is very judgmental to determine the significant increase in credit risk, which enable entity to move from stage 1 to stage 2. i.e. to move from 12 month expected losses to life time expected losses. Entity need to assess significant increase in credit risk as compared to its initial recognition level by considering significant changes in financial position of a borrower, expected or current delay in payment, historical trend of the repeat borrowers etc.

Company also has a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition.

Forward looking information

ECL is based on history of financial asset and includes forward-looking statement; however, it is a forecast about future conditions over the entire expected life of a financial instrument. The forward-looking information is based on:

- Internal historical credit loss experience, and the period of time over which its historical data has been captured and the corresponding economic conditions represented in the past.
- Effects that were not present in the past or to remove the effects that are not relevant for the future.
- Macroeconomic factors such as interest rates.

The Calculations of ECL

Company calculates ECL on the basis of probability-weighted average scenarios on the basis of historical data.

The calculation of ECL has following key elements of Company's internal estimates:

Probability of default (PD)

It is an estimate of the likelihood of default over a given time horizon.

Exposure at default

Estimate of an exposure at a future default date –expected changes in exposure after the reporting date.

Loss Given Default

Estimate of the loss arising on default. It is based on the difference between contractual cash flows that are due and expected to receive including from collateral. It is generally referred as a percentage of exposure at default.

Discount rate

Used to discount an expected loss to a present value at the reporting date using the effective interest rate.

SAKET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED PAISALO

ECL system

Stage 1: At stage one 12 months ECL is recognized which is calculated as the portion of total outstanding advances, that are overdue till 30 days, that result from a default event on the financial instrument that are possible within 12 months after the reporting date. Company calculates the 12 months ECL provision based on the expectation of default occurring in 12 months following the reporting date. These expected 12 month default probabilities are applied to an EAD and multiplied by the expected LGD.

Stage 2: When a loan has shown a significant increase in the credit risk, i.e., where the same is overdue till 90 days, PDL records a provision for life time ECL. PDs and LGDs in this case are estimated over life span of the financial instrument.

Stage 3: When a loan is considered credit-impaired, i.e., where the same is overdue for past 90 days, Company recognize the lifetime expected credit losses. In this scenario PD is estimated at 100%. For Company, stage 3 incorporates the loans which are due past 90 days but, in certain cases where the internal assessment of the individual borrowers reflects that the overdue amount can be recovered in the near future then the same is subjected to some additional provision other than the prescribed provisioning.

Conclusion

ECL concept is to recognize the expected loss on the defaulted advances on timely basis so as to present a true and fair view of financial position of the Company. Also, Ind AS states that entity can adopt any ECL model to present its historical trends adjusted for its forward-looking information. However, as per Company's internal policy, the Company follows a policy of writing off 100% of Sub-Standard Assets in respect oof these cases where possibility of recoveries are remote which does incorporate the requirements of Ind AS of better presentation of financial position.

Company ECL model is subjected to review every year.

5.4 DERECOGNITION OF FINANCIAL INSTRUMENTS

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognised from the balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

5.5 INVESTMENTS

Investments are carried at cost in the separate financial statements. Investments in subsidiary is measured at the previous GAAP carrying amount as per the provisions of Ind AS 27 – 'Separate Financial Statements'.

5.6 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any or at fair market value if the same present a better presentation of Company's financial position.

Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by the Management. 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. An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss on disposal of an item of property, plant and equipment is recognized in the statement of profit and loss.

SAKET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED PAISALO

The Company depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives of assets are as follows:

Asset Category	Useful Life
Building	42 Year
Furniture & Fittings	10 Year
Computer Peripheral	3 Year
Vehicles	5 Year
Equipments, Plant & Machinery	10 Year
Intangible Assets (Software)	3 Year

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end. Company has restated the useful life of Building as per the report of an independent valuer.

Advances, if any, paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not ready to use before such date are disclosed under 'Capital Work-in-Progress'. Subsequent expenditures relating to property, plant and equipment are capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the Statement of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from the Financial Statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss.

5.7 IMPAIRMENT OF TANGIBLE ASSETS

Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If such assets are considered to be impaired, the impairment is to be recognized in the Statement of Profit and Loss and is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated depreciation) had no impairment loss been recognized for the asset in prior years.

5.8 INTANGIBLE ASSETS

Intangible assets are stated at cost less accumulated amortization and impairment or fair market value if the same present a better presentation of Company's financial position. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances). Amortization methods and useful lives are reviewed periodically including at each financial year end.

Software product development costs are also expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable. The cost during the development phase shall be capitalized as the cost of the app. The costs which can be capitalized include the cost of material, direct labour and overhead costs that are directly attributable to preparing the asset for its intended use. Over the period of time the Company has developed its own ERP software which is a core strength of the Company, the revaluation of which shall be taken up at later stage.

SAKET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED PAISALO

5.9 CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Contingent liabilities are disclosed for:

a. possible obligations which will be confirmed only by future events not wholly within the control of the Company, or

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

c. Contingent assets are disclosed wherein an inflow of economic benefits is probable.

d. The Company has not recognized the Assets & Liability in respect of Arbitration Decree.

5.10 SHARE CAPITAL

a. Ordinary shares are classified as equity, incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from proceeds.

b. The Company may capitalize permitted Reserves and Security Premium for Bonus Shares.

c. The Company has issued equity shares under Paisalo ESPS scheme at discounted price which has been recognized in the Profit & Loss Statements and Reserve & Surplus.

5.11 SEGMENT REPORTING POLICY

The Chief Executive Officer reviews the operation at the Company level. Therefore, the operations of the Company fall under "Financing activities" business only, which is considered to be the only segment in accordance with the provisions of Ind AS 108- Operating segment.

5.12 BUSINESS MODEL

During the previous year, the company entered into bilateral assignment transactions against outstanding loans. But the value of these loans are trivial in light of the Company's AUM, thus Company's business model continue to be 'Hold to collect' as per Ind AS 109- Financial Instruments.

5.13 EMPLOYEE RETIREMENT BENEFITS

Contributions to Provident Fund and Super Annuation Fund made during the year, are charged to Statement of Profit and Loss.

Employees Gratuity liabilities has been calculated on the basis of Projected Unit Credit method adopted by LIC of India at the time of renewal of gratuity policy. Accordingly, Company has made contribution in line of that which is charged to Statement of Profit & Loss Account in the year of contribution.

5.14 BORROWING COST

Borrowing costs, which are directly attributable to the acquisition /construction of fixed assets, till the time such assets are ready for intended use, are capitalized as a part of the cost of assets.

All borrowing costs other than mentioned above are expensed in the period they are incurred. In case of unamortized identified borrowing cost is outstanding at the year end, it is classified under loans and advances as unamortized cost of borrowings.

In case any loan is prepaid/ cancelled then the unamortized borrowing cost, if any, is fully expensed off on the date of prepayment/cancellation.

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5.15 RELATED PARTY

A related party is a person or an entity that is related to the reporting entity. A related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.

A person or a close family member is related if he:

- Has control/joint control;
- Has significant influence;
- Is a member of the Key Managerial Personnel (KMP);

of the reporting entity or its parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity including:

- that person's children, spouse or domestic partner, brother, sister, father and mother;
- children of that person's spouse or domestic partner; and
- dependants of that person or that person's spouse or domestic partner.

Key Management Personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

Company has duly complied with all the disclosure requirements of Ind AS 24 "Related Party Disclosures"

5.16 REVENUE RECOGNITION

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Company follows accrual basis for all revenue recognition. Interest income is recognized on due basis and penal income is recognized on receipt basis. For recognition of revenue, the valuation of listed shares is considered at market price and that of security receipts as per the valuation report as at Balance Sheet date.

Processing fees received from customer was recognized as income in the year of receipt under India GAAP. But, as per Ind AS, the same is now amortized over the period of relevant loan.

5.17 EARNINGS PER SHARE

The Earning per Share (Basic as well as Diluted) is calculated based on the net profit or loss for the period attributable to equity shareholders i.e. the net profit or loss for the period.

For the purpose of calculating (Basic and Diluted EPS), the number of equity shares taken are the weighted average number of equity shares outstanding during the period.

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Statement of Changes in Equity:

1. Current Reporting Period (₹ in Lakhs)

Balance at the beginning of the Current Reporting Period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in Equity share capital during the current year	Balance at the end of the current reporting period
9,022.43	-	9,022.43	74.04	9,096.47
9,022.43	**-**	**9,022.43**	**74.04**	**9,096.47**

- Total share capital includes amount received against forfeited shares.
- Further 4000 Foreign Currency Convertible Bonds (FCCBs) were converted during this reporting period and 74,03,585 Equity shares of Re. 1/- each were allotted.

2. Previous Reporting Period (₹ in Lakhs)

Balance at the beginning of the Current Reporting Period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in Equity share capital during the current year	Balance at the end of the current reporting period
8,981.69	-	8,981.69	40.74	9,022.43
8,981.69	**-**	**8,981.69**	**40.74**	**9,022.43**

- Total share capital includes amount received against forfeited shares.
- The Company has issued 50,000 Foreign Currency Convertible Bonds (FCCBs) of face value of USD 1000 with coupon 7.5% under Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993.
- Further 2000 Foreign Currency Convertible Bonds (FCCBs) were converted during this reporting period and 37,01,792 Equity shares of Re. 1/- each were allotted.
- The Company has allotted 3,72,517 Equity Shares of Re. 1/- each under Paisalo Employee Share Purchase Scheme 2024 to the employees of the Company and it's Wholly Owned Subsidiary as per Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

List of Shareholders holding more than 5% Shares of Company:

Sr. No.	Name of the Shareholders	No of Shares	% of shareholding
1	Sunil Purushottanm Agarwal	10,57,02,800	11.62
2	Equilibrated Venture Cflow Pvt. Ltd.	18,67,63,880	20.53
3	SBI Life Insurance Co. Ltd	6,21,14,267	6.83

List of Promoter's and Promoter Group Shareholding:

Sr. No.	Promoter Name	Number of Shares held	Percentage of total shares	Percentage change during the year
1	Sunil Purushottanm Agarwal	10,57,02,800	11.62	0.10
2	Suneeti Agarwal	71,66,000	0.79	0.01
3	Santanu Agarwal	3,37,04,000	3.71	0.03
4	Equilibrated Venture Cflow Pvt Ltd	18,67,63,880	20.53	(4.87)
5	Pri Caf Pvt. Ltd.	2,40,48,400	2.64	0.02
6	Pro Fitcch Pvt. Ltd.	2,23,21,220	2.45	0.02

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Note : 1 Cash & Cash Equivalents

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Cash Balances	1,466.51	1,242.72
2	**Bank Balances**		
	Current a/c with Scheduled Banks (Subject to reconciliation)	5,614.81	8,803.89
	Cheques/ Drafts on Hands	-	-
3	**In Fixed Deposits - Unencumbered**		
	With Banks	7,600.91	0.10
	Total	**14,682.23**	**10,046.71**

Note : 2 Bank Balances other than (a) above

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	**Bank Balances**		
	Current a/c with Scheduled Banks (Subject to reconciliation)	-	-
2	**In Fixed Deposits - Encumbered**		
	With Banks	299.95	320.06
	Total	**299.95**	**320.06**

\- Refer Note No. 40

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Note : 3 Derivative Financial Instruments (Assets)

(₹ in Lakhs)

Particulars	Current Year			Previous Year		
	Notional amounts	Fair Value - Assets	Fair Value Liabilities	Notional amounts	Fair Value - Assets	Fair Value - Liabilities
Part I						
(i) Currency Derivatives						
—Spot and Forwards	-	-	-	-	-	-
—Currency Futures	-	-	-	-	-	-
—Currency Swaps	-	-	-	-	-	-
—Options purchased	-	-	-	-	-	-
—Options sold (written)	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (i)	-	-	-	-	-	-
(ii) Interest rate Derivatives						
—Forward Rate Agreements and Interest Rate Swaps	-	-	-	-	-	-
—Options purchased	-	-	-	-	-	-
—Options sold (written)	-	-	-	-	-	-
—Futures	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (ii)	-	-	-	-	-	-
(iii) Credit Derivatives	-	-	-	-	-	-
(iv) Equity linked Derivatives	-	-	-	-	-	-
(v) Other Derivatives (Please specify)	-	-	-	-	-	-
Total Derivative Financial Instruments (i)+(ii)+(iii)+(iv)+ (V)	-	-	-	-	-	-
Part II						
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:	-	-	-	-	-	-
(i) Fair value hedging						
— Currency Derivatives	-	-	-	-	-	-
—Interest rate Derivatives	-	-	-	-	-	-
—Credit Derivatives	-	-	-	-	-	-
—Equity linked Derivatives	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (i)	-	-	-	-	-	-
(ii) Cash flow hedging						
—Currency Derivatives	-	-	-	-	-	-
—Interest rate Derivatives	-	-	-	-	-	-
—Credit Derivatives	-	-	-	-	-	-
—Equity linked Derivatives	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (ii)	-	-	-	-	-	-
(iii) Net investment hedging	-	-	-	-	-	-
(iv) Undesignated Derivatives	-	-	-	-	-	-
Total Derivative Financial Instruments (i)+(ii)+(iii)+(iv)	-	-	-	-	-	-

Note : 4 Receivables

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	**Trade Receivables**		
	—Overdue Installments : Considered Good - Secured	597.73	597.56
	—Overdue Installments : Considered Good - Unsecured	487.79	559.64
	—Overdue Installments : Sub Standard Assets	680.57	955.76
2	Other Receivables	-	-
	Total	1,766.09	2,112.96

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Note : 4 (a) Trade Receivable- Additional Disclosures:

Outstanding for following periods from the due date of payment (FY. 20225-26)

(₹ in Lakhs)

Sr. No.	Particulars	less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
1	Undisputed Trade Receivables-Considered Good	1,085.52	-	-	-	-	**1,085.52**
2	Undisputed Trade Receivables-which have significant increase in credit risk	-	-	-	-	-	-
3	Undisputed Trade Receivables-credit impaired	-	680.57	-	-	-	**680.57**
4	Disputed Trade Receivables -considered good	-	-	-	-	-	-
5	Disputed Trade Receivables -which have significant increase in credit risk	-	-	-	-	-	-
	Grand Total	**1,085.52**	**680.57**	-	-	-	**1,766.09**

- Trade Receivable includes overdue loan cases financed by Paisalo Digital Limited

Outstanding for following periods from the due date of payment (FY. 2024-25)

(₹ in Lakhs)

Sr. No.	Particulars	less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
1	Undisputed Trade Receivables-Considered Good	1,157.20	-	-	-	-	**1,157.20**
2	Undisputed Trade Receivables-which have significant increase in credit risk	-	-	-	-	-	-
3	Undisputed Trade Receivables-credit impaired	-	955.76	-	-	-	-
4	Disputed Trade Receivables -considered good	-	-	-	-	-	-
5	Disputed Trade Receivables -which have significant increase in credit risk	-	-	-	-	-	-
	Grand Total	**1,157.20**	**955.76**	-	-	-	**2,112.96**

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Note : 5 Loans

(₹ in Lakhs)

Particulars	Current Year						Previous Year					
	Amortised cost	Through other comprehensive income	Through profit or loss	Designated at fair value through profit or loss	Sub total	Total	Amortised cost	Through other comprehensive income	Through profit or loss	Designated at fair value through profit or loss	Subtotal	Total
	(1)	(2)	(3)	(4)	(5) = (2)+(3)+(4)	(6) = (1)+(5)	(7)	(8)	(9)	(10)	(11) = (8)+(9)+(10)	(12) = (7)+(11)
Loans												
(A) (i) Bills Purchased and Bills Discounted	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Loans repayable on Demand	-	-	-	-	-	-	-	-	-	-	-	-
(iii) Term Loans	5,79,880.36	-	-	-	-	5,79,880.36	4,75,455.70	-	-	-	-	4,75,455.70
(iv) Leasing	-	-	-	-	-	-	-	-	-	-	-	-
(v) Factoring	-	-	-	-	-	-	-	-	-	-	-	-
(vi) Others (to be specified)	-	-	-	-	-	-	-	-	-	-	-	-
Total (A) - Gross	**5,79,880.36**					**5,79,880.36**	**4,75,455.70**					**4,75,455.70**
Less: Impairment loss allowance	479.69	-	-	-	-	479.69	380.75	-	-	-	-	380.75
Total (A) - Net	**5,79,400.67**					**5,79,400.67**	**4,75,074.95**					**4,75,074.95**
(B) (i) Secured by tangible assets	5,53,003.67	-	-	-	-	5,53,003.67	4,33,491.14	-	-	-	-	4,33,491.14
(ii) Secure d by intangible assets	-	-	-	-	-	-	-	-	-	-	-	-
(iii) Covered by Bank/Government Guarantees	-	-	-	-	-	-	-	-	-	-	-	-
(iv) Unsecured	26,876.69	-	-	-	-	26,876.69	41,964.56	-	-	-	-	41,964.56
Total (B) - Gross	**5,79,880.36**					**5,79,880.36**	**4,75,455.70**					**4,75,455.70**
Less: Impairment loss allowance	479.69	-	-	-	-	479.69	380.75	-	-	-	-	380.75
Total (B) - Net	**5,79,400.67**					**5,79,400.67**	**4,75,074.95**					**4,75,074.95**
(C) (I) Loans in India	5,79,880.36	-	-	-	-	5,79,880.36	4,75,455.70	-	-	-	-	4,75,455.70
(i) Public Sector	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Others (to be specified)	-	-	-	-	-	-	-	-	-	-	-	-
Total (C) - Gross	**5,79,880.36**					**5,79,880.36**	**4,75,455.70**					**4,75,455.70**
Less: Impairment loss allowance	479.69	-	-	-	-	479.69	380.75	-	-	-	-	380.75
Total (C) (I) - Net	**5,79,400.67**					**5,79,400.67**	**4,75,074.95**					**4,75,074.95**
(C) (II) Loans outside India	-	-	-	-	-	-	-	-	-	-	-	-
Less: Impairment loss allowance	-	-	-	-	-	-	-	-	-	-	-	-
Total (C) (II) - Net												
Total C (I) and C (II)	**5,79,400.67**					**5,79,400.67**	**4,75,074.95**					**4,75,074.95**

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Note : 6 Investments

(₹ in Lakhs)

Investments	Current Year							Previous Year						
		At Fair Value							At Fair Value					
	Amortised cost	Through Other Comprehensive Income	Through Profit or Loss	Designated at fair value through profit or loss	Sub - Total	Others*	Total	Amortised cost	Through Other Comprehensive Income	Through Profit or Loss	Designated at fair value through profit or loss	Sub - Total	Others*	Total
	(1)	(2)	(3)	(4)	(5) = (2)+(3)+(4)	(6)	(7) = (1)+(5)+(6)	(8)	(9)	(10)	(11)	(12) = (9)+(10)+(11)	(13)	(14) = (8)+(12)+(13)
Mutual funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Government securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other approved securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity instruments	201.00	-	-	-	-	-	201.00	250.54	-	-	-	-	-	250.54
Subsidiaries	4,223.91	-	-	-	-	-	4,223.91	4,223.91	-	-	-	-	-	4,223.91
Associates	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Joint Ventures	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others (specify)*	1,780.00	-	-	-	-	-	1,780.00	1,779.92	-	-	-	-	-	1,779.92
Total (A)	**6,204.91**						**6,204.91**	**6,254.37**						**6,254.37**
(i) Investments outside India	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Investments in India	6,204.91	-	-	-	-	-	6,204.91	6,254.37	-	-	-	-	-	6,254.37
Total (B)	**6,204.91**						**6,204.91**	**6,254.37**						**6,254.37**
Total (A) to tally with (B)	**6,204.91**						**6,204.91**	**6,254.37**						**6,254.37**
Less: Allowance for Impairment loss (C)														
Total - Net D = (A)-(C)	**6,204.91**						**6,204.91**	**6,254.37**						**6,254.37**

- *Unquoted Shares of M/s Samast Vikas Limited

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Note : 7 Others Financial Assets

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	**Secured, Considered Good**		
	Security Deposit*	45.06	31.84
	Advances to Staff	6.19	7.67
	Advances for Services	1,355.02	293.99
	Prepaid Expenses	28.73	33.98
	GST/Service Tax Cenvat	785.06	447.51
	Security Receipts	-	2,442.92
	Total	**2,220.06**	**3,257.91**

- * Security Deposit amount consists of telephone/mobile security,electrity security, rent security.

Note : 8 Current Tax Assets (Net)

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	**Advance Recoverable in cash or in kind or for value to be considered good**		
	Income Tax and TDS	9,561.14	7,705.50
	Balance with Revenue Authorities	130.00	130.00
	Provision for Taxation	(7,225.43)	(5,376.56)
	Total	**2,465.71**	**2,458.94**

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NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2026

Note : 9 Property, Plant and Equipment

(₹ in Lakhs)

Sr. No.	Particulars	Gross Block				Depreciaton				Net Block	
		Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	Addition during the year	Deduction during the year	Value at the end	WDV as on 31.03.2026	WDV as on 31.03.2025
I	**Tangible Assets**										
1	Land	-	-	-	-	-	-	-	-	-	-
2	Building	6,982.57	756.01	-	7,738.58	781.40	122.69	-	904.09	6,834.49	6,201.17
3	Furniture & Fittings	368.16	99.73	-	467.89	183.40	25.76	-	209.16	258.73	184.76
4	Computer Peripheral	999.10	386.91	-	1,386.01	502.44	293.46	-	795.90	590.11	496.66
6	Vehicles	649.63	229.26	5.54	873.35	228.83	73.34	4.58	297.59	575.76	420.80
7	Equipments, Plant & Machinery	356.29	49.97	-	406.26	213.55	43.00	-	256.55	149.71	142.74
	Sub Total (A)	**9,355.75**	**1,521.88**	**5.54**	**10,872.09**	**1,909.62**	**558.25**	**4.58**	**2,463.29**	**8,408.80**	**7,446.13**
II	**Intangible Assets**										
1	Computer Software	533.51	-	-	533.51	519.51	0.80	-	520.31	13.20	14.00
2	Goodwill	-	-	-	-	-	-	-	-	-	-
	Sub Total (B)	**533.51**	**-**	**-**	**533.51**	**519.51**	**0.80**	**-**	**520.31**	**13.20**	**14.00**
III	**Capital Work-in-progress**	-	-	-	-	-	-	-	-	-	-
	Sub Total (C)										
IV	**Intangible Assets Under Development**	-	-	-	-	-	-	-	-	-	-
	Sub Total (D)										
	Total [A+B+C+D] (Current Year)	**9,889.26**	**1,521.88**	**5.54**	**11,405.60**	**2,429.13**	**559.05**	**4.58**	**2,983.60**	**8,422.00**	**7,460.13**
	Total (Previous Year)	**8,656.42**	**1,277.88**	**45.04**	**9,889.26**	**2,012.83**	**426.66**	**10.36**	**2,429.13**	**7,460.13**	**6,643.59**

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Note : 10 Other Non Financial Assets (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Deferred Revenue Expenditure	3,704.31	1,626.33
2	Unexpired Expenses of Processing Fees	-	-
	Total	3,704.31	1,626.33

- Deferred Revenue Expenses are written off over a period of five years.

Note : 11 Derivative financial Instruments (Liabilities) (₹ in Lakhs)

Particulars	(Current Year)			Previous Year		
	Notional amounts	Fair Value Assets	Fair Value Liabilities	Notional amounts	Fair Value Assets	Fair Value Liabilities
Part I						
(i) Currency Derivatives						
—Spot and Forwards	-	-	-	-	-	-
—Currency Futures	-	-	-	-	-	-
—Currency Swaps	-	-	-	-	-	-
—Options purchased	-	-	-	-	-	-
—Options sold (written)	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (i)	-	-	-	-	-	-
(ii) Interest rate Derivatives						
—Forward Rate Agreements and Interest Rate Swaps	-	-	-	-	-	-
—Options purchased	-	-	-	-	-	-
—Options sold (written)	-	-	-	-	-	-
—Futures	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (ii)	-	-	-	-	-	-
(iii) Credit Derivatives	-	-	-	-	-	-
(iv) Equity linked Derivatives	-	-	-	-	-	-
(v) Other Derivatives (Please specify)	-	-	-	-	-	-
Total Derivative Financial Instruments (i)+(ii)+(iii)+(iv)+ (V)	-	-	-	-	-	-
Part II						
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:	-	-	-	-	-	-
(i) Fair value hedging						
— Currency Derivatives	-	-	-	-	-	-
—Interest rate Derivatives	-	-	-	-	-	-
—Credit Derivatives	-	-	-	-	-	-
—Equity linked Derivatives	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (i)	-	-	-	-	-	-
(ii) Cash flow hedging						
—Currency Derivatives	-	-	-	-	-	-
—Interest rate Derivatives	-	-	-	-	-	-
—Credit Derivatives	-	-	-	-	-	-
—Equity linked Derivatives	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (ii)	-	-	-	-	-	-
(iii) Net investment hedging	-	-	-	-	-	-
(iv) Undesignated Derivatives	-	-	-	-	-	-
Total Derivative Financial Instruments (i)+(ii)+(iii)+(iv)	-	-	-	-	-	-

SAKET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2026

Note : 12 Payables (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	**Trade Payables**		
	(i) Total outstanding dues of Micro Enterprises and Small Enterprises		
	(a) Sundry Creditors for Services	76.46	39.40
		76.46	**39.40**
	(ii) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		
	(a) SBI Assignment Payable	3.90	0.28
	(b) SIB Assignment Payable	-	0.01
	(c) Interest Payable on NCD/FCCB	1,987.20	1,605.06
	(d) Interest Payable on Bank	244.05	198.29
	(e) Other Sundry Payables	208.91	1,583.74
		2,444.06	**3,387.38**
2	**Other Payables**		
	(i) Total outstanding dues of Micro Enterprises and Small Enterprises	-	-
	(ii) Total outstanding dues of creditors other than Micro enterprises and Small Enterprises		
	(a) Statutory Payables		
	Professional Tax Payable	0.02	0.01
	EPF Contribution Payable	41.89	43.73
	ESI Payable	13.67	13.68
	GST Payable	37.44	99.36
	TDS Payable	325.44	259.42
	LIC GSLI Payable	78.39	0.02
	(b) Expenses Payables	1,586.47	2,676.16
		2,083.32	**3,092.38**
	Total	**4,603.84**	**6,519.16**

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2026

Notes : 12 (a) Trade Payables Due for Payment 2025-26 (₹ in Lakhs)

Sr. No.	Particulars	less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
1	MSME	76.46	-	-	-	**76.46**
2	Others	2,444.06	-	-	-	**2,444.06**
3	Disputed Dues-MSME	-	-	-	-	**-**
4	Disputed Dues-Others	-	-	-	-	**-**
	Grand Total	**2,520.52**				**2,520.52**

Trade Payables Due for Payment 2024-25 (₹ in Lakhs)

Sr. No.	Particulars	less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
1	MSME	39.40	-	-	-	**39.40**
2	Others	3,387.38	-	-	-	**3,387.38**
3	Disputed Dues-MSME	-	-	-	-	**-**
4	Disputed Dues-Others	-	-	-	-	**-**
	Grand Total	**3,426.78**				**3,426.78**

- There are no due pending more than 45 days

SAMEET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED PAISALO

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2026

Note : 13 Debt Securities

(₹ in Lakhs)

Particulars	Current Year				Previous Year			
	At Amortised Cost	At Fair Value Through profit or loss	Designated at fair value through profit or loss	Total	At Amortised Cost	At Fair Value Through profit or loss	Designated at fair value through profit or loss	Total
	(1)	(2)	(3)	(4)=(1)+(2)+(3)	(5)	(6)	(7)	(8) = (5)+(6)+(7)
Liability component of compound Financial Instruments	-	-	-	-	-	-	-	-
Commercial Paper	2,916.38	-	-	2,916.38	9,945.36	-	-	9,945
FCCB	37,655.82	-	-	37,655.82	41,079.07	-	-	41,079
Others (Bonds/ Debentures etc.)*	75,025.00	-	-	75,025.00	51,585.00	-	-	51,585.00
Total (A)	**1,15,597.20**			**1,15,597.20**	**1,02,609.43**			**1,02,609.43**
Debt Securities in India	77,941.38	-	-	77,941.38	61,530.36	-	-	61,530.36
Debt Securities outside India	37,655.82	-	-	37,655.82	41,079	-	-	41,079
Total (B) to tally with (A)	**1,15,597.20**			**1,15,597.20**	**1,02,609.43**			**1,02,609.43**

***Details of Non Convertible Debentures**

(₹ in Lakhs)

Debenture Series	Issued Date	Issued Amount	Rate of Interest	Interest Periodicity	Maturity Date	Maturity Amount	Current Year	Previous Year
Series-'PDL-02-2021'	Feb-2021	2,300.00	12.00%	Monthly	Feb-2026	2,300.00	No	Yes
Series-'PDL-07-2021'	July-2021	2,500.00	12.00%	Monthly	July-2026	2,500.00	Yes	Yes
Series-'PDL-09-2021'	Sep-2021	9,400.00	12.00%	Monthly	Sep-2026	9,400.00	Yes	Yes
Series-'PDL-09-02-2021'	Sep-2021	1,500.00	12.00%	Monthly	Sep-2026	1,500.00	No	Yes
Series-'PDL-02-2022'	Feb-2022	2,700.00	9.00%	Monthly	Feb-2029	2,700.00	Yes	Yes
Series-'PDL-07-2022'	Jul-2022	1,400.00	9.90%	Monthly	Jul-2032	1,400.00	Yes	Yes
Series-'PDL-01-2023'	Jan-2023	3,400.00	12.00%	Monthly	Jan-2033	3,400.00	Yes	Yes
Series-'PDL-04-2023'	Apr-2023	500.00	10.00%	Monthly	Apr-2033	500.00	No	Yes
Series-'PDL-04-2023'	Apr-2023	830.00	12.00%	Monthly	Apr-2033	830.00	Yes	Yes
Series-'PDL-04-2023'	Apr-2023	2,810.00	12.00%	On Maturity	Apr-2033	2,810.00	No	Yes
Series-'PDL-09-2023'	Sep-2023	500.00	12.00%	Monthly	Sep-2033	500.00	Yes	Yes
Series-'PDL-11-2023'	Nov-2023	850.00	9.95%	Monthly	Nov-2033	850.00	No	Yes
Series-'PDL-11-2023'	Nov-2023	1,000.00	9.95%	Quarterly	Nov-2026	1,000.00	Yes	Yes
Series-'PDL-12-2023'	Dec-2023	800.00	12.00%	Monthly	Dec-2033	800.00	No	Yes
Series-'PDL-12-2023'	Dec-2023	3,820.00	12.00%	Monthly	Dec-2033	3,820.00	Yes	Yes
Series-'PDL-12-2023'	Dec-2023	1,970.00	9.95%	Quarterly	Dec-2033	1,970.00	Yes	Yes
Series-'PDL-12-2023'	Dec-2023	600.00	9.95%	Quarterly	Jun-2025	600.00	No	Yes
Series-'PDL-01-2024'	Jan-2024	1,971.00	9.95%	Quarterly	Jan-2034	1,971.00	Yes	Yes
Series-'PDL-02-2024'	Feb-2024	2,034.00	9.95%	Quarterly	Feb-2034	2,034.00	Yes	Yes
Series-'PDL-04-2024'	Apr-2024	1,200.00	9.95%	Quarterly	July-2025	1,200.00	No	Yes
Series-'PDL-04-2024'	Apr-2024	600.00	9.95%	Quarterly	Oct-2025	600.00	No	Yes
Series-'PDL-05-2024'	May-2024	2,700.00	9.95%	Quarterly	May-2029	2,700.00	Yes	Yes
Series-'PDL-07-2024'	July-2024	2,500.00	9.95%	Quarterly	July-2027	2,500.00	Yes	Yes
Series-'PDL-06-2025'	Jun-2025	5,000.00	10.00%	Monthly	Jun-2027	5,000.00	Yes	No
Series-'PDL-08-2025'	Aug-2025	3,400.00	9.75%	Quarterly	Aug-2028	3,400.00	Yes	No
Series-'PDL-09-2025'	Sep-2025	5,000.00	10.00%	Monthly	Sep-2028	5,000.00	Yes	No
Series-'PDL-11-2025'	Nov-2025	5,500.00	8.45%	Yearly	Nov-2027	5,500.00	Yes	No
Series-'PDL-11-2025'	Nov-2025	2,500.00	8.50%	Yearly	Nov-2028	2,500.00	Yes	No
Series-'PDL-12-2025'	Dec-2025	4,000.00	8.50%	Quarterly	Dec-2028	4,000.00	Yes	No
Series-'PDL-12-2025'	Dec-2025	3,000.00	8.45%	Yearly	Dec-2027	3,000.00	Yes	No
Series-'PDL-03-2026'	Mar-2026	5,100.00	9.25%	Monthly	Sep-2028	5,100.00	Yes	No

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2026

Note : 14 Borrowings (Other than Debt Securities)

(₹ in Lakhs)

Particulars	Current Year				Previous Year			
	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
	(1)	(2)	(3)	(4) = (1)+(2)+(3)	(1)	(2)	(3)	(4) = (1)+(2)+(3)
(a) Term loans:								
(i) From banks	2,81,417.50	-	-	2,81,417.50	1,74,224.07	-	-	1,74,224.07
(ii) From other parties	17,142.86	-	-	17,142.86	20,000.00	-	-	-
(b) Deferred payment liabilities	-	-	-	-	-	-	-	-
(c) Loans from related parties	-	-	-	-	-	-	-	-
(d) Finance lease obligations	-	-	-	-	-	-	-	-
(e) Liability component of compound financial instruments	-	-	-	-	-	-	-	-
(f) Loans repayable on demand:								
(i) from banks	5,779.98	-	-	5,779.98	35,600.74	-	-	35,600.74
(ii) from other parties	7,409.92	-	-	7,409.92	7,958.92	-	-	7,959
(g) Other loans (specify nature)	-	-	-	-	-	-	-	-
Total (A)	**3,11,750.26**	-	-	**3,11,750.26**	**2,37,783.73**	-	-	**2,37,783.73**
Borrowings in India	3,11,750.26	-	-	3,11,750.26	2,37,783.73	-	-	2,37,783.73
Borrowings outside India	-	-	-	-	-	-	-	-
Total (B) to tally with (A)	**3,11,750.26**			**3,11,750.26**	**2,37,783.73**			**2,37,783.73**

SAKET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED PAISALO

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2026

Note : 15 Deposits (₹ in Lakhs)

Particulars	Current Year				Previous Year			
	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
	(1)	(2)	(3)	(4) = (1)+(2)+(3)	(5)	(6)	(7)	(8) = (5)+(6)+(7)
Deposits								
(i) Public Deposits	-	-	-	-	-	-	-	-
(ii) Form Banks	-	-	-	-	-	-	-	-
(iii) From Others	-	-	-	-	-	-	-	-
Total								

Note : 16 Subordinatd Liabilities (₹ in Lakhs)

Particulars	Current Year				Previous Year			
	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
	(1)	(2)	(3)	(4) = (1)+(2)+(3)	(5)	(6)	(7)	(8) = (5)+(6)+(7)
Prepetual Debt Instruments to the extent that do not qualify as equity	-	-	-	-	-	-	-	-
Preferene Shares other than those that qualify as Equity	-	-	-	-	-	-	-	-
Others (Non-Convertable Debentures*)	100.00	-	-	100.00	800.00	-	-	800.00
Total (A)	**100.00**			**100.00**	**800.00**			**800.00**
Subordinated Liabilities in India	100.00	-	-	100.00	800.00	-	-	800.00
Subordinated Liabilities outside India	-	-	-	-	-	-	-	-
Total (B) to tally with (A)	**100.00**			**100.00**	**800.00**			**800.00**

***Details of Non-Convertable Debentures** (₹ in Lakhs)

Debenture Series	Issued Date	Issued Amount	Rate of Interest	Interest Periodicity	Maturity Date	Maturity Amount	Current Year	Previous Year
Series-'PDL2020-1'	Jan -2020	600	12.00%	Monthly	Jan-2026	600	No	Yes
Series-'PDL2020-2'	Feb-2020	100	12.00%	Monthly	Feb-2026	100	No	Yes
Series-'PDL2020-12'	Dec-2020	100	12.00%	Monthly	Dec-2030	100	Yes	Yes

SAKET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2026

Note : 17 Others Financial Liabilities (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Debt Service Repayment Account	1,947.52	1,533.00
	Total	**1,947.52**	**1,533.00**

Note : 18 Current Tax Liabilities (Net) (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	**Advance Recoverable in Cash or in kind or for value to be considered good**		
	Income Tax and TDS	-	-
	Provision for Taxation	-	-
	Total	**-**	**-**

Note : 19 Provisions (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Provision for Standard Assets	2,333.55	1,921.78
2	Provision for Proposed Dividend on Equity Shares	909.52	902.12
3	Provision for Expected Credit Loss	1,450.04	1,372.48
4	Provision for Sub Standard Assets	889.99	1,084.22
	Total	**5,583.10**	**5,280.60**

Note : 20 Deferred Tax Liabilities (Net) (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Opening Balance	509.80	-864.02
	Tax on Timing difference on Property, Plant and Equipments	632.10	556.33
	Tax on Timing difference on Deferred Revenue Expenditures	932.30	409.31
	Tax on Timing difference on Unearned Processing Fees	(244.71)	(455.84)
2	Total Deferred Tax Liability	1,319.69	509.80
	Provision for Deferred Tax required for the year (2-1)	809.89	1,373.82
	Total	**1,319.69**	**509.80**

Note : 21 Others Non Financial Liabilities (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Unearned Income of Processing Fees	972.29	1,811.23
	Total	**972.29**	**1,811.23**

SAKET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED PAISALO

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2026

Note : 22 Share Capital (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	**AUTHORIZED CAPITAL**		
	175,00,00,000 Equity Shares of Re. 1 per share	17,500.00	17,500.00
	50,00,000 Preference Shares of Re. 10 each	500.00	500.00
		18,000.00	**18,000.00**
2	**ISSUED, SUBSCRIBED CAPITAL**		
	92,22,43,289 Equity Shares of Re. 1 per Share fully paid up (Previous year 89,81,68,980 Equity Shares of Re. 1 each)	9,022.43	8,981.69
	Add: - 74,03,585 equity shares of face value Re. 1 each @ premium of Rs. 44.74 issued on conversion of 4000 FCCBs of USD 4 million (Previous Year 37,01,792 equity shares of face value Re. 1 each @ premium of Rs. 44.74 issued on conversion of 2000 FCCBs of USD 2 million)	74.04	37.02
	Add: (Previous Year 3,72,517 equity share of face value Re. 1 each @ premium of Rs. 33.69 alloted under PDL ESPS 2024 scheme)	-	3.73
		9,096.47	**9,022.43**
3	**PAID UP CAPITAL**		
	90,21,18,289 Equity Shares of Re. 1 per Share fully paid up (Previous year 89,80,43,980 Equity Shares of Re. 1 each)	9,021.18	8,980.44
	Add: - 74,03,585 equity shares of face value Re. 1 each @ premium of Rs. 44.74 issued on conversion of 4000 FCCBs of USD 4 million (Previous Year 37,01,792 equity shares of face value Re. 1 each @ premium of Rs. 44.74 issued on conversion of 2000 FCCBs of USD 2 million)	74.03	37.02
	Add: (Previous Year 3,72,517 equity share of face value Re. 1 each @ premium of Rs. 33.69 alloted under PDL ESPS 2024 scheme)	-	3.73
	Add: Share Forfeited a/c (Amount originally Paid up @ Rs 0.50 each on 1,25,000 Equity Shares of Re. 1 each)	0.63	0.63
	Total	**9,095.84**	**9,021.81**

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2026

Note : 23 Other Equity

Current Reporting Period

(₹ In Lakhs)

Particulars	Share Application money pending Allotment	Equity component of compound Financial Instruments	Statutory Reserves- RBI Reserve Fund	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Capital Redemption Reserve	Revaluation Reserve	Debt Instruments through other Comprehensive Income	Equity Instruments through other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (Specify nature)	Money received against Share Warrants	Total
Balance at the beginning of the reporting period	-	-	24,860.04	2,443.60	39,873.20	73,365.22	1,633.82	250.00	317.72	-	-	-	-	-	-	-	1,42,743.60
Add: Any change due to IND AS	-	-	-	-	-	-	(7.40)	-	-	-	-	-	-	-	-	-	(7.40)
Restated Balances at the beginning of the reporting period	-	-	24,860.04	2,443.60	39,873.20	73,365.22	1,626.42	250.00	317.72	-	-	-	-	-	-	-	1,42,736.20
Total Comprehensive Income for the year	-	-	-	-	-	-	23,468.91	-	-	-	-	-	-	-	-	-	23,468.91
Money received as share warrant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share warrant converted into Share capital	-	-	-	-	3,312.36	-	-	-	-	-	-	-	-	-	-	-	3,312.36
Security Premium on conversion of warrants into equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proposed Dividends	-	-	-	-	-	-	(909.52)	-	-	-	-	-	-	-	-	-	(909.52)
Depreciation on Revaluation Amount	-	-	-	-	-	-	9.08	-	(9.08)	-	-	-	-	-	-	-	-
Income Tax Impact due to IND AS on Processing Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share based payment to employees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to General Reserve	-	-	-	-	-	17,000.00	(17,000.00)	-	-	-	-	-	-	-	-	-	-
Transfer to Statutory Reserve Fund	-	-	4,693.78	-	-	-	(4,693.78)	-	-	-	-	-	-	-	-	-	-
Provision on Standard Assets	-	-	-	-	-	-	(411.76)	-	-	-	-	-	-	-	-	-	(411.76)
Expenditure on Corporate Social Responsibility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of the reporting period	-	-	29,553.82	2,443.60	43,185.56	90,365.22	2,089.35	250.00	308.64	-	-	-	-	-	-	-	1,68,196.19

SAKET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED PAISALO

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2026

Note : 23 Other Equity

Previous Reporting Period

(₹ in Lakhs)

Particulars	Share Application money pending Allotment	Equity component of compound Financial Instruments	Statutory Reserves - RBI Reserve Fund	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Capital Redemption Reserve	Revaluation Reserve	Debt Instruments through other Comprehensive Income	Equity Instruments through other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (Specify nature)	Money received against Share Warrants	Total
Balance at the beginning of the reporting period	-	-	20,906.30	2,415.21	38,091.52	59,365.22	1,136.34	250.00	326.80	-	-	-	-	-	-	-	1,22,491.39
Add: Any change due to IND AS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated Balances at the beginning of the reporting period	-	-	20,906.30	2,415.21	38,091.52	59,365.22	1,136.34	250.00	326.80	-	-	-	-	-	-	-	1,22,491.39
Total Comprehensive Income for the year	-	-	-	-	-	-	19,768.70	-	-	-	-	-	-	-	-	-	19,768.70
Money received as share warrant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share warrant converted into Share capital	-	-	-	-	1,781.68	-	-	-	-	-	-	-	-	-	-	-	1,781.68
Security Premium on conversion of warrants into equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proposed Dividends	-	-	-	-	-	-	(902.12)	-	-	-	-	-	-	-	-	-	(902.12)
Depreciation on Revaluation Amount	-	-	-	-	-	-	9.08	-	(9.08)	-	-	-	-	-	-	-	-
Income Tax Impact due to IND AS on Processing Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share based payment to employees	-	-	-	28.39	-	-	-	-	-	-	-	-	-	-	-	-	28.39
Transfer to General Reserve	-	-	-	-	-	14,000	(14,000.00)	-	-	-	-	-	-	-	-	-	-
Transfer to Statutory Reserve Fund	-	-	3,953.74	-	-	-	(3,953.74)	-	-	-	-	-	-	-	-	-	-
Provision on Standard Assets	-	-	-	-	-	-	(424.44)	-	-	-	-	-	-	-	-	-	(424.44)
Expenditure on Corporate Social Responsibility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of the reporting period	-	-	24,860.04	2,443.60	39,873.20	73,365.22	1,633.82	250.00	317.72	-	-	-	-	-	-	-	1,42,743.60

BAKET JAIN & CO. AGRA Chartered Accountants

PAISALO DIGITAL LIMITED PAISALO

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2026

Note : 24 Interest Income

(₹ in Lakhs)

Particulars	Current Year			Previous Year		
	On Financial Assets measured at Fair value through OCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at Fair value through profit for loss	On Financial Assets measured at Fair value through OCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at Fair value through profit for loss
Interest on Loans	-	87,618.01	-	-	65,975.84	-
Income from Investments	-	206.81	-	-	18.61	-
Interest on Deposits with Banks	-	40.84	-	-	29.15	-
Other Interest Income	-	1.43	-	-	-	-
Fee & Commssion Income		3,871.82			7,098.84	
Dividend Income	-	1.72	-	-	1.53	-
Total		**91,740.63**			**73,123.97**	

Note : 25 Net Gain/(Loss) on fair value changes

(₹ in Lakhs)

Particulars	Current Year	Previous Year
(A) Net gain/ (loss) on Financial Instruments at Fair value through profit or loss		
(i) On trading portfolio:		
—Investments	-	-
—Derivatives	-	-
—Others	-	-
(ii) On Financial Instruments designated at fair value through profit or loss	(49.46)	26.68
(B) Others		
(i) Total Net gain/(loss) on fair value changes (c)	-	-
(ii) Fair Value changes:		
—Realised	-	-
—Unrealised	-	-
Total Net Gain/(Loss) on fair value changes (D) to tally with (C)	**(49.46)**	**26.68**

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Note : 26 Other Income

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Net gain/(loss) on ineffective portion of hedges	-	-
2	Net gain/(loss) on derecognition of property, plant and equipment	-	-
3	Net gain or loss on foreign currency transaction and translation (other than considered as finance cost)	-	-
4	Others	-	332.54
	Total	-	332.54

Note : 27 Finance Cost

(₹ in Lakhs)

Sr. No.	Particulars	Current Year		Previous Year	
		On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost	On Financial liabilities measured at fair valoue through profit or loss	On Financial liabilities measured at Amortised Cost
1	Interest on Deposits	-	-	-	-
2	Interest on Borrowings	-	28,582.71	-	21,350.68
3	Interest on Debt Securities	-	6,298.03	-	5,820.01
4	Interest on Subordinated Liabilities	-	82.42	-	478.14
5	Other Interest expense/ Bank Charges	-	1,557.61	-	3,281.22
	Total		36,520.77	-	30,930.05

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Note : 28 Impairment on Financial Instruments (₹ in Lakhs)

Particulars	Current Year		Previous Year	
	On Financial instruments measured at Fair value through OCI	On Financial instruments measured at Amortised Cost	On Financial instruments measured at Fair value through OCI	On Financial instruments measured at Amortised Cost
Bad Debts Written Off on Loans	-	3,207.59	-	1,420.13
Provision for NPA	-	479.69	-	380.75
Provision for Expected Credit Loss				
Additional Provision for Expected Credit Loss	-	77.56	-	67.55
Investments	-	-	-	-
Others (to be specified)	-	-	-	-
Total	-	**3,764.84**	-	**1,868.43**

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Note : 29 Employees Benefit Expenses (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Salaries and Wages to Employess	5,963.18	4,830.96
2	Directors Salaries & Allowances	735.98	676.23
3	Contribution to Provident and other funds	407.30	344.43
4	Share Based Payments to employees	-	28.39
5	Staff welfare expenses	328.97	194.87
	Total	7,435.43	6,074.87

- No remuneration has been paid to Directors except remuneration to Managing Director and Executive Directors. The remuneration paid to Managing Director and Executive Directors during the F.Y. 2025-26 Rs. 7,35,78,504 (Last year Rs. 6,76,22,575) which is within the limit as specified u/s 197 read with Schedule V of the Companies Act, 2013.

Note : 30 Depreciation & Amortised Cost (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Depreciation	559.05	426.67
2	Deffered Revenue Exp. w/o*	665.18	120.19
	Total	1,224.23	546.86

- *Deferred Expenses written off over a period of five years

Note : 31 Other Expenses (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Car & Scooter Expenses	59.18	58.03
2	Travelling Expenses	2,011.76	1,793.74
3	Repair & Maintenance	29.38	23.83
4	Insurance Expenses	72.40	32.63
5	Electricity & Water Expenses	92.77	99.69
6	Rates & Taxes	6.54	3.41
7	Legal Expenses & Professional Fees	2,834.63	1,682.12
8	Printing & Stationery Expenses	358.58	386.48
9	Postage & Telephone Expenses	432.35	175.07
10	Auditors Remuneration	8.18	8.18
11	Rent	636.51	496.35
12	Rebate & Remission	1,311.75	669.25
13	Advertisement & Business Promotion Expenses	1,142.62	558.18
14	Recovery Expenses	767.54	505.30
15	Office and General Expenses	467.85	453.67
16	Loss/(Profit) on sale of Assets/Investments	0.46	24.69
17	Directors Sitting Fees & Expenses	21.53	21.72
18	loss on foreign currency transaction and translation	471.06	289.76
19	Corporate Social Responsibility Expenditure	437.83	320.89
	Total	11,162.92	7,602.99

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32. Remuneration to Auditors:

(₹ in Lakhs)

Particulars	2025-26	2024-25
For Statutory Audit	5.62	5.62
For Tax Audit	1.88	1.88
Total	**7.50**	**7.50**

33. Earning per Share:

(₹ in Lakhs)

Particulars	2025-26	2024-25
Net profit for the year (After Tax)	23,468.91	19,768.70
Equity Shares in numbers (Weighted)	90,60,93,913	89,88,37,281
Basic and diluted Earning per share (Rs.)	**2.59**	**2.20**

34. Figures for the previous year have been regrouped/rearranged/reclassified and restated wherever considered necessary.

35. The company has paid all its dues to Small Scale Industrial Undertakings within the due time limit. There are no outstanding due pending more than 45 days under the Micro, Small and Medium Enterprises Act, 2006

36. a) Contingent Liabilities:

i) The company has given corporate guarantee for the loans taken by its wholly owned subsidiary Company M/s Nupur Finvest Pvt. Ltd. from the following Bank's / FI's / NBFCs

(₹ in Lakhs)

Name of Bank / Financial Institution	Facility	Amount o/s
Karnataka Bank Ltd	Cash Credit	500.00
Indian Bank	Cash Credit	500.00
Karnataka Bank	Term Loan	125.60
Total		**1,125.60**

ii) The following matters of Income Tax & GST are pending before the respective department

Department	Amount
Income Tax Matters	575.47
Goods & Services Tax Matters	268.91
Total	**844.38**

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b) Contingent Assets:

In March 2020, Paisalo Digital Limited engaged in a significant transaction involving the transfer of book-debts amounting to Rs. 23.29 Crores. These debts primarily consisted of loans extended to 'Bottom of Pyramid' customers, in accordance with a 10:90 risk and rewards sharing arrangement with Central Bank of India. This strategic move adhered to the regulatory guidelines set forth by the Reserve Bank of India (RBI), reflecting the company's commitment to prudent financial practices.

However, the unforeseen emergence of the Covid-19 Pandemic shortly thereafter precipitated unforeseen challenges within this demographic segment, resulting in a notable increase in loan defaults. Despite the company's proactive measures to mitigate these challenges, a portion of the loans turned non-performing, impacting both Paisalo Digital Limited and Central Bank of India.

Of particular concern was Central Bank of India's unilateral action on March 31, 2023, whereby they debited Paisalo Digital Limited's Cash Credit account by Rs. 5.38 Crores. This action, which deviated from the agreed terms of the transaction, has raised legal and operational concerns. Since the requests for resolution of dispute through negotiation have not been considered by the Bank hence the Company has filed a Civil Suit bearing no. CS (COMM) 212/2026 against the Central Bank of India before the Hon'ble Delhi High Court seeking *inter alia* a direction for the refund/ restitution of a sum of Rs. 5,38,38,890.41/-(Rupees Five Crores Thirty Eight Lakhs Thirty Eight Thousand Eight Hundred Ninety and Forty One Paisa)

As a prudent accounting measure, the company has already charged this disputed amount to the profit and loss statement in the previous year as an exceptional item. However, given the merits of the company's position in contesting this debit, the amount continuous to be classified as a contingent asset pending resolution.

37. Disclosure of Related party transactions:

A. Wholly owned Subsidiary — Nupur Finvest Pvt. Ltd.

B. List of related parties and relationship

Related Party	**(Relation)**
Key Managerial Personnel	
Mr. Sunil Purushottanm Agarwal	(Managing Director & Chief Executive Officer)
Mr. Harish Singh	(Executive Director & Chief Finance Officer)
Mr. Anoop Krishna	(Executive Director)
Mr. Santanu Agarwal	(Deputy Managing Director)
Mr. Vinod Kumar	(Additional Executive Director)
Mr. Manendra Singh	(Company Secretary & Chief Compliance Officer)
Relatives of K M P	
Mr. Purushottam Agrawal	(Father of Mr. Sunil Purushottanm Agarwal)
Mrs. Raj Agarwal	(Mother of Mr. Sunil Purushottanm Agarwal)
Mrs. Neetu Agarwal	(Spouse of Mr. Sunil Purushottanm Agarwal)
Ms. Suneeti Agarwal	(Daughter of Mr. Sunil Purushottanm Agarwal)
Mrs. Aastha Sharma	(Spouse of Mr. Santanu Agarwal)
Mrs. Priti Chauhan	(Spouse of Mr. Harish Singh)
Mrs. Sushila Devi Chauhan	(Mother of Mr. Harish Singh)
Mr. Pranav Chauhan	(Son of Mr. Harish Singh)
Mrs. Mamta Krishna	(Spouse of Mr. Anoop Krishna)
Mrs. Prayaga Vallimani	(Spouse of Mr. Vinod Kumar)

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C. Enterprises over which significant influence exercised by Key Managerial Personnel/Relatives of Key Managerial Personnel

1. Aanjneya Motor Pvt. Ltd.
2. Equilibrated Venture Cflow Pvt. Ltd.
3. Harish Singh HUF
4. Maurya Techno Securities Pvt. Ltd.
5. Pri Caf Pvt. Ltd.
6. Pro Fitcch Pvt. Ltd..
7. R N R Automate Pvt. Ltd
8. Raj Shiksha Foundation
9. Repartee Infrastructures Pvt. Ltd.
10. Radiance Techno Powers Company Pvt. Ltd.
11. Saadhvi Cinfra Projects Pvt. Ltd.
12. Sable Sanctus Foundation
13. SCS Education Foundation
14. Suneeti Dolaa Private Trust
15. Sulabhya Paramita Private Trust

D. Disclosures required for Related party transactions

(₹ in Lakhs)

Name of Party	Nature	Amount	Amount Receivable/ (Payable)
Mr. Sunil Agarwal	Remuneration to Director	393.60	(28.20)
Mr. Harish Singh	Remuneration to Director	65.34	(3.17)
Mr. Anoop Krishna	Remuneration to Director	52.72	(3.15)
Mr. Santanu Agarwal	Remuneration to Director	180.00	(21.00)
Mr. Vinod Kumar	Remuneration to Director	50.16	(3.23)
Mr. Manendra Singh	Salary	22.26	(1.45)
Mr. Pranav Chauhan	Interest Payment (on NCD)	24.00	—
Mrs. Priti Chauhan	Interest Payment (on NCD)	26.40	
Nupur Finvest Pvt. Ltd.	Sale of Portfolio	3,897.99	—
Nupur Finvest Pvt. Ltd.	Interest Expenses	478.88	—
Nupur Finvest Pvt. Ltd.	Loan given	31,955.00	—
Nupur Finvest Pvt. Ltd.	Interest received on ICD	533.75	—
Nupur Finvest Pvt. Ltd.	Purchase of Assets	20,923.98	—
Equilibrated Ventures Cflow Pvt. Ltd.	Loan Received	16,997.00	(176.00)
Equilibrated Ventures Cflow Pvt. Ltd.	Interest Expenses	327.31	—
Mr. Sunil Agarwal	Dividend Paid	105.70	—
Mr. Santanu Agarwal	Dividend Paid	33.70	—
Ms. Suneeti Agarwal	Dividend Paid	7.17	—
Pro Fitcch Pvt. Ltd.	Dividend Paid	22.32	—
Equilibrated Ventures Cflow Pvt. Ltd.	Dividend Paid	172.94	—
Pri Caf Pvt. Ltd.	Dividend Paid	24.05	—
Harish Singh	Dividend Paid	0.02	—
Manendra Singh	Dividend Paid	0.01	—

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Notes:

(1) Related party relationship is as identified by the Company on the basis of information available with them and accepted by the auditors as correct.

(2) No amount has been written off or written back during the year in respect of debt due from or to related parties.

(3) Company has entered into transactions with certain parties as listed above during the year under consideration. Full disclosures have been made and the Board/Audit Committee considers such transactions to be in normal course of business and at rates agreed between the parties.

(4) The key management personnel and their relatives have given personal guarantees and collaterals for loans raised by the Company but Company has not provided any guarantee to these persons nor paid any consideration for furnishing such guarantees.

(5) Company has extended its guarantee to Banks/ Financial Institutions for credit facilities availed by the wholly owned subsidiary Nupur Finvest Pvt. Ltd.

38. Working Capital, Working Capital Demand Loan and Term Loan Borrowings:

The Company has an arrangement with a consortium of Seven banks under the leadership of Bank of Baroda for its working capital requirements. The facility is primarily secured by the hypothecation of book-debts / receivables of the Company and collaterally by mortgage of immovable properties including office premises, a flat owned by the Company and four commercial properties by third parties as well as personal and corporate guarantees. The outstanding details of the member banks in the consortium is as under:

(₹ in Lakhs)

Sr. No.	Name of Bank	Facility	Outstanding	Sanctioned Amount	Share in Consortium (%)
1	Bank of Baroda	CC+WCDL	4,153.84	4,000.00	9.15%
2	Bank of Baroda TL	Term Loan	2,250.00	6,000.00	13.73%
3	Punjab National Bank	CC+WCL	2,973.28	8,000.00	18.30%
4	Union Bank of India	CC	2,408.72	2,500.00	5.72%
5	Union Bank of India	Term Loan	6,000.00	8,745.00	20.01%
6	UCO Bank	CC+WCDL	1,382.67	1,400.00	3.20%
7	UCO Bank TL	Term Loan	1,245.83	2,300.00	5.26%
8	IDBI Bank	CC+WCDL	2,447.55	2,500.00	5.72%
9	IDBI Bank	Term Loan	125.00	416.00	0.95%
10	State Bank of India	CC	(12,395.04)	500.00	1.15%
11	State Bank of India TL	Term Loan	1,895.52	2,346.00	5.37%
12	Indian Bank	CC+WCDL	4,808.96	5,000.00	11.44%
	Total		**17,296.33**	**43,707.00**	**100.00**

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Term Loans sanctioned by Banks under Multiple Banking Arrangement

(₹ in Lakhs)

Sr. No.	Name of Bank	Outstanding	Sanctioned Amount
1	South Indian Bank	599.36	1,500.00
2	State Bank of India	4,802.30	25,000.00#
3	State Bank of India (FCNB)	58,972.26	97,500.00$
4	State Bank of India (ECB)	14,215.50	14,215.50
5	Canara Bank	30,970.00	47,500.00
6	Indian Bank	34,135.28	35,000.00
7	Indian Overseas Bank	32,250.00	45,000.00
8	Bank of Maharashtra	50,214.80	65,000.00
9	Bank of India	7,500.00	10,000.00
10	Dhanlaxmi Bank	1,718.11	2,500.00
11	Unity Small Finance Bank	9,975.00	9,975.00
12	Karur Vasya Bank	4,163.61	5,000.00
13	Punjab & Sindh Bank	9,999.82	10,000.00
14	Jammu & Kashmir Bank	9,999.69	10,000.00
	Total	**2,69,515.73**	**3,78,190.50**

- # Term Loan from State Bank of India amounting to Rs. 15000.00 Lakh is undisbursed as on 31st March 2026.

- $ During the year, the State Bank of India has converted the Term Loan having outstanding of Rs. 67,856.26 Lakh into FCNR TL (Foreign Currency based TLs).

Term Loans sanctioned by Financial Institutions under Multiple Banking Arrangement

(₹ in Lakhs)

Sr. No.	Name of Bank	Outstanding	Sanctioned Amount
1	Indian Renewable Energy Development Agencies Ltd.	17,142.86	20,000.00
	Total	**17,142.86**	**20,000.00**

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Term loan sanctioned for vehicle

(₹ in Lakhs)

Sr. No.	Name of Bank	Outstanding	Sanctioned Amount
1	Bank of Baroda	84.36	139.50
2	Bank of Baroda	13.41	33.68
3	Bank of Baroda	40.88	98.00
4	Bank of Baroda	12.46	26.70
5	Bank of Baorda	20.25	27.50
6	Bank of Baroda	27.63	34.00
7	Bank of Baroda	12.66	13.98
8	Bank of Baroda	19.54	23.82
9	Punjab National Bank	41.07	44.00
10	Punjab National Bank	113.16	120.00
	Total	**385.42**	**561.18**

39. During the year 2025-26, out of USD 48 million FCCBs, FCCBs of USD 4 million has been converted into 74,03,585 equity share at Re. 1 each at a premium of Rs. 44.74 per equity share.

In the previous year 2024-25, the Company has issued 50000 7.50% Foreign Currency Convertible Bonds (FCCBs) of USD 1000 each aggegate amount USD 50 million equivalent to Rs. 423.30 crores. Out of such FCCBs, FCCBs of USD 2 million has been converted into 37,01,792 equity share at Re. 1 each at a premium of Rs. 44.74 per equity share.

During the year 2025-26, the Company has raised ECBs of USD 15 million equivalent to Rs. 142.16 Crore through State Bank of India. Further, the State Bank of India has converted the four INR based Term Loan into FCNR TLs (Foreign Currency based Term Loans)

40. Detail of Bank FDR's (principal amount) held as on 31.03.2026:

Held to avail Cash Credit facility against FDRs

(₹ in Lakhs)

1	Punjab National Bank	Cash Credit	8.50
	Subtotal	**(A)**	**8.50**

Held as Guarantee

(₹ in Lakhs)

1	Punjab National Bank	Guarantee	0.88
	Subtotal	**(B)**	**0.88**

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Held as Guarantee

(₹ in Lakhs)

1	State Bank of India	Guarantee	10.00
2	State Bank of India	Guarantee	15.00
3	State Bank of India	Guarantee	25.00
4	State Bank of India	Guarantee	10.00
	Subtotal	**(C)**	**60.00**

Held as Guarantee / Security / Overdraft facility

(₹ in Lakhs)

1	Bank of Baroda	Guarantee / Security / Overdraft facility	205.00
	Subtotal	**(D)**	**205.00**

Held as Guarantee

(₹ in Lakhs)

1	Bank of India	Guarantee	10.00
2	Karnataka Bank	Guarantee	1.50
	Subtotal	**(E)**	**11.50**

Held as Investment

(₹ in Lakhs)

1	Punjab National Bank	Unencumbered	0.10
2	State Bank of India	Unencumbered	5,000.00
3	Canara Bank	Unencumbered	2,600.00
	Subtotal	**(F)**	**7,600.10**
	Grand Total of FDR's	**(A+B+C+D+E+F)**	**7,885.98**

41. Reconciliation of Book Debt Assigned to the Consortium Banks with the Book Debts (Inventory) of the Company as on the date of Balance Sheet:

(₹ in Lakhs)

Sr. No.	Particulars	Value as per Book Debt Statement	Value of Inventory as per Balance Sheet	Difference	Reason
1	Standard Assets	5,58,242.38	5,76,758.32	18,515.94	Some Disbursement / payments / Bad Debts were omitted to consider in MIS, pending reconciliation while submitting the Book Debts Statements.
2	Sub Standard Asset	-	4,408.44	4,408.44	Not Qualified for DP Purpose

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42. Arbitration Awards:

The amount of such Decrees available for execution stands at Rs. 13,516.90 (Previous year Rs. 16,477.78) Lakhs as on the date of Balance Sheet. All these cases have already been written off in the books of accounts hence there are no impact on the profit and loss account of the Company for current as well as in the previous years:

(₹ in Lakhs)

Sr. No.	Particulars	Amount
1	Opening balance of Arbitration Awards	16,477.78
2	Add: New Arbitration Award procured during the year	-
3	Less: Arbitration Award cases closed during the year	195.85
4	Less: Arbitration Award disposed off / settled during the year	2765.03
	Arbitration Awards available for Execution	13,516.90

43. Capital Risk Adequacy Ratio (CRAR):

(₹ in Lakhs)

	Particulars	2025-26	2024-25
i)	CRAR %	35.84%	39.16%
ii)	CRAR – Tier I Capital %	28.89%	29.90%
iii)	CRAR – Tier II Capital %	6.95%	9.26%
iv)	Amount of subordinated debt raised as Tier-II Capital	100	800
v)	Liquidity Coverage Ratio	8.34	5.44
vi)	Amount raised by issue of Perpetual Debt Instruments	Nil	Nil

44. Investments:

(₹ in Lakhs)

				Particulars	2025-26	2024-25
1)	Value of Investments					
	i)	Gross value of Investments				
		a)		In India	14,105.77	6,574.53
		b)		Outside India	Nil	Nil
	ii)	Provision for Depreciation				
		a)		In India	Nil	Nil
		b)		Outside India	Nil	Nil
	iii)	Net Value of Investments				
		a)		In India	14,105.77	6,574.53
		b)		Outside India	Nil	Nil
2)	Movement of Provisions held towards depreciation on investments					
	i)	Opening Balance			Nil	Nil
	ii)	ADD: Provision made during the year			Nil	Nil
	iii)	Less: Write – off / write – back of excess provisions during the year			Nil	Nil
	iv)	Closing Balance			Nil	Nil

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45. The Company had not taken any exposure in Derivatives during the financial year 2025-26.

46. Disclosure relating to Securitization:

i) The Company has not done securitization of any of its loans & advances to any organization during the financial year 2025-26 and there is no outstanding amount as on Balance Sheet date. Also, the Company has not sold its financial assets to any Securitization/Reconstruction Company for Asset Reconstruction. Further the Company has not undertaken new assignment transactions during the Financial Year 2025-26.

ii) The Company has not purchased any non-performing assets (NPAs) from other NBFCs or financial institutions

a) Disclosures pursuant to RBI Notification - RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated 6 August 2020 and RBI/2021-22/31/DOR.STR.REC.11 /21.04.048/2021-22 dated 5 May 2021

There were no borrower accounts where resolution plans had been implemented under RBI 's Resolution Framework 2.0 dated 5 May 2021 during the year.

b) Disclosures pursuant to RBI Notification - RBI /DOR/2021-22/86 DOR.STR.REC.51 /21.04.048/2021-22 dated 24 September 2021

(a) Details of transfer through assignment in respect of loans not in default during the financial year ended 31 March, 2026

Amount of loans transferred through assignment	3897.99 Lakh
Retention of beneficial economic interest	15%
Weighted average residual maturity	60 months
Weighted average holding period	9 months
Coverage of tangible security coverage	Secured
Rating-wise distribution of rated loans	Nil

(b) Details of loans (not in default) acquired through assignment during the financial year ended 31 March, 2026

Amount of loans transferred through assignment	Nil
Retention of beneficial economic interest	Nil
Weighted average residual maturity	Nil
Weighted average holding period	Nil
Coverage of tangible security coverage	Nil
Rating-wise distribution of rated loans	Nil

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(c) Details of stressed loans transferred during the financial year ended 31 March, 2026

Particulars	To Asset Reconstruction Companies (ARC)		To permitted transferees	
	NPA	SMA	NPA	SMA
Number of accounts	Nil	Nil	Nil	Nil
Aggregate principal outstanding of loans transferred (Rs. in crore)	Nil	Nil	Nil	Nil
Weighted average residual tenor of the loans transferred (in years)	Nil	Nil	Nil	Nil
Net book value of loans transferred (at the time of transfer (Rs. in crore)	Nil	Nil	Nil	Nil
Aggregate consideration (Rs. in crore)	Nil	Nil	Nil	Nil

In addition to above the Company has transferred written off loans amounting to Rs. Nil for a consideration of Rs. Nil.

(d) The Company has not acquired any stressed loan during the financial year ended 31 March, 2026.

iii) Co-Lending Operations with Banks

Paisalo Digital Ltd. has forged strategic Co-Lending partnerships with five prominent banking institutions—State Bank of India, Bank of Baroda, UCO Bank, Punjab National Bank, and Karnataka Bank. These collaborations are built on a shared goal: advancing financial inclusion by providing timely, accessible credit to underserved segments, especially in the agriculture (AGRI) sector, micro, small, and medium enterprises (MSMEs), and other small business ecosystems.

Under the Reserve Bank of India's regulated Co-Lending Model (CLM), Paisalo Digital Ltd. contributes 20% of the loan amount while the partner banks provide the remaining 80%. This model enables equitable risk and return sharing and allows both parties to leverage their strengths—Paisalo's deep penetration into rural and semi-urban markets and the banks' robust funding capabilities and regulatory frameworks.

The Co-Lending arrangement is designed to streamline credit delivery through end-to-end digital processes, ensuring faster loan disbursal and minimal friction for the borrower. By integrating operational workflows and aligning underwriting criteria, Paisalo and its banking partners can optimize risk assessment, improve cost efficiency, and provide competitive interest rates. While the banks' rates remain aligned with prevailing benchmarks, Paisalo retains the flexibility, within regulatory limits, to set its own rates, thereby maintaining a fair and transparent pricing mechanism for borrowers.

Recent regulatory developments and clarifications from the Reserve Bank of India have further bolstered the Co-Lending framework, providing increased clarity and operational confidence to participating entities. Paisalo continues to invest in digital infrastructure to support seamless onboarding, documentation, and disbursement processes—positioning itself as a key enabler of last-mile credit delivery. However, under the new co-lending regulatory guidelines, the company is renewing its relationships and has reduced business until it achieves compliance.

In essence, Co-Lending reflects a transformative shift in credit distribution strategy, one that synergizes institutional capital with grassroots reach. For Paisalo Digital Ltd., it is not just a business model; it is a core pillar of its mission to democratize credit and foster inclusive economic development. The company's forward-looking alliances in this space are expected to remain a significant driver of growth, contributing meaningfully to both financial performance and social impact.

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47. Asset Liability Management Maturity pattern of certain items of Assets and Liabilities as on 31st March, 2026:

(₹ in Lakhs)

	Upto 14 days	Over 14 days to 1 month	Over 1 month & Upto 2 months	Over 2 months & Upto 3 months	Over 3 months & Upto 6 months	Over 6 month & upto 1 year	Over 1 year & Upto 3 years	Over 3 years & upto 5 years	Over 5 Years	Total
Deposits	—	—	—	—	—	—	—	—	—	—
Advances	9,129	14,109	22,611	22,944	64,785	1,37,794	2,35,319	64,527	9,949	**5,81,167**
Investments (Bank FDR)	7,601	—	—	—	—	—	300	—	—	**7,901**
Borrowings from Banks/FI	—	4,896	4,403	9,701	17,707	39,781	1,03,956	10,143	2,909	**1,93,496**
Market Borrowing	—	—	2,916	—	16,900	1,000	45,609	40,631	16,051	**1,23,107**
Foreign Currency Assets	—	—	—	—	—	—	—	—	—	—
Foreign Currency Liabilities	—	1,230	1,293	1,293	4,295	10,256	46,655	45,822	—	**1,10,844**

48. Exposures:

a) Exposures to Real Estate Sector

(₹ in Lakhs)

	Category	2025-26	2024-25
Direct Exposure			
i)	Residential Mortgages		
	Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented	23,062	8,257
ii)	Commercial Real Estate		
	Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based limits	4,934	7,916
iii)	Investments in Mortgage Backed Securities (MBS) and other securitized exposures	—	—
Indirect Exposure		—	—

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b) Capital Market Exposure

(₹ in Lakhs)

S. No.	Particulars	2025-26	2024-25
1	Direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt	6,204.91	6,254.37
2	Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity oriented mutual funds	—	—
3	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security	—	—
4	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances.	2,814.30	1,500.00
5	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers.	—	—
6	Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources		
7	Bridge loans to companies against expected equity flows / issues	—	—
8	Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds		
9	Financing to stockbrokers for margin trading	—	—
10	All exposures to Alternative Investment Funds: (i) Category I (ii) Category II (iii) Category III	—	—
	Total exposure to capital market	**9019.21**	**7,754.37**

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c) Sectoral Exposure

(₹ in Lakhs)

Sectors	2025-26			2024-25		
	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities	27,364	—	—	42,524	—	—
2. Industry						
i. Micro & Small	94,475	—	—	61,126	—	—
ii. Medimum	4,48,029	4,408	0.98	3,59,998	4,700	1.31
Others	—	—	—	—	—	—
Total of Industry (i+ii+...+Others)	**5,42,504**	**4,408**	**1.31**	**4,21,124**	**4,700**	**1.31**
3. Services						
i. Retail Trade	3,262	—	—	2,891	—	—
ii. Commercial Real Estate	4,934	—	—	7,916	—	—
Others	—	—	—	—	—	—
Total of Services (i+ii+...+Others)	**8,196**	**—**	**—**	**10,807**	**—**	**—**
4. Personal Loans						
i other Retail Loans	3,103	—	—	2,732	—	—
ii...	—	—	—	—	—	—
Others	—	—	—	—	—	—
Total of Personal Loans (i+ii+...+Others)	**3,103**	**—**	**—**	**2,732**	**—**	**—**
5. Others, if any (please specify)	**—**	**—**	**—**	**—**	**—**	**—**

d) Details of financing of parent company products : NIL

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e) Details of Single Borrower Limit and Group Borrower Limit exceeded by NBFC

The company has adhered to the Prudential Exposure norms as prescribed by RBI and has not given any advances exceeding the limits as prescribed for Single borrower and Group Borrower.

f) Unsecured Advances

The unsecured advances outstanding as at Balance Sheet date are Rs. 27,364.48 Lakhs. The Company does not have any loan or advances which are partially secured against any sort of licenses, rights, authorizations charged to the company.

g) Unhedged Foreign Currency Exposure

There is no unhedged foreign currency exposure as on reporting date.

49. Registration obtained from other financial sector regulators:

RBI Registration No.	:	B-14.02997
Company Identification No.	:	L65921DL1992PLC120483

The company has never been penalized for any non-compliance by financial sector regulators.

50. Bank borrowings and Long Term Debt Securites of the Company have been assigned rating of "IVR AA/STABLE OUTLOOK" by Infomerics Valuation and Rating Pvt. Ltd. and "BWR AA/STABLE OUTLOOK" by Brickwork Rating India Pvt. Ltd. which denotes "Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such instruments carry low credit risk". Similarly, the Company has been assigned rating of "IVR A1+ (IVR A One Plus)" for Commercial Paper by Infomerics Valuation and Rating Pvt Ltd and BWR A1+by Brickwork Rating India Pvt. Ltd. which denotes "Securities with this rating are considered to have very strong degree of safety regarding timely payment of financial obligation. Such instruments carry lowest credit risk."

51. Provisions and Contingencies:

(₹ in Lakhs)

Break up of Provisions and contingencies	2025-26	2024-25
Provisions for depreciation on investment	Nil	Nil
Provision towards NPA	480	381
Provision for Dividend	910	902
Provision for Expected Credit Loss	78	67
Provision made towards income tax	7,226	5,377
Other provision and contingencies		
(Contingent Liability- Guarantee)	1,126	6,840
(Contingent Liability – Income Tax & GST Matters)	844	780
Provision for Standard Assets	412	424

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52. Non-Convertible Redeemable Debentures (NCDs):

During the financial year 2025-26, the Company has issued Redeemable INR Denominated Non-Convertible Debentures (NCDs) as under

(₹ in Lakhs)

Particulars	Date of Issue	Interest Rate p.a. (%)	Tenure	No. of Debentures	Face Value per Debenture	Amount
Secured Listed NCDs	03rd June 2025	10.00	24 Months	5000	1	5000
Secured Listed NCDs	08th Aug 2025	9.75	36 Months	3400	1	3400
Secured Listed NCDs	10th September 2025	10.00	36 Months	5000	1	5000
Unsecured Listed NCDs	06th November 2025	8.45	24 Months	5500	1	5500
Unsecured Listed NCDs	06th November 2025	8.50	36 Months	2500	1	2500
Secured Listed NCDs	09th December 2025	8.50	36 Months	4000	1	4000
Secured Listed NCDs	15th December 2025	8.45	24 Months	3000	1	3000
Secured Listed NCDs	18th March 2026	9.25	30 Months	51000	0.10	5100

53. Commercial Papers (CP):

During the financial year 2025-26, the Company has issued the following Commercial Papers as under:

(₹ in Lakhs)

Nature of CP	Date of Issue	Maturity Date	No. of CP	Face Value per CP	Maturity Value
Listed	13th June 2025	12th September 2025	600	5	3000
Listed	24th June 2025	23rd September 2025	600	5	3000
Listed	03rd July 2025	04th September 2025	600	5	3000
Listed	20th August 2025	18th February 2026	300	5	1500
Listed	14th October 2025	25th March 2026	700	5	3500
Listed	16th October 2025	24th March 2026	100	5	500
Listed	27th February 2026	29th May 2026	600	5	3000

Interest rate on above CPs ranges between 8.50% to 11.05% per annum.

54. Concentration of Deposits, Advances, Exposures and NPAs:

a) Concentration of Deposits

The Company has not taken any deposits from public.

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b) Concentration of Advances

(₹ in Lakhs)

Total Advances to twenty largest borrowers	1,22,984.90
% of advances to twenty largest borrowers to total advances of the NBFC	21.16%

c) Concentration of Exposures

(₹ in Lakhs)

Total Exposure to twenty largest borrowers / customers	1,22,984.90
% of exposures to twenty largest borrowers / customers to total exposure of the NBFC on borrowers / customers	21.16%

d) The Company has issued Foreign currency convertible bonds of USD 50 millions in the previous year 2024-25, which are duly hedged against repayment of interest and maturity value, out of these FCCBs of USD 2 million has been converted into equity share during the previous year 2024-25 and USD 4 million in the current year 2025-26. The profit/(loss) on exchange rate fluctuation have been duly recongnised in Profit & Loss Statements. Further, during the year, the Company has raised borrowing in the form of ECBs through State Bank of India of Rs. USD 15 million which are also duly hedged for repayment of interest and maturity value.

e) Concentration of NPAs

Provisioning for Substandard Assets/Doubtful Assets/Loss Assets has been made in compliance with the directions of Reserve Bank of India. As per decision of the Board of Directors in the cases where loan installments are overdue for more than 90 days past due and management is of the opinion that its recovery chances are very remote or negligible, the Company writes off these accounts (Net of Future Interest Charges) as bad debts. In all other cases where loan installments are overdue for more than 90 days past due the provisioning for non-performing assets is made in compliance with Non-Banking Financial Company Systemically Important Non-Deposit Taking Company and Deposit Taking Company (Reserve Bank) Directions 2016, as applicable to the company. As per the RBI Directions dated 1st September 2016 updated as on 23rd February 2018 Company has made general provision of 0.40% of Standard assets. Other directives of Reserve Bank of India have been duly complied with. The details of top 4 NPA's written off during the year are given below:

(₹ in Lakhs)

Sr. No.	Total Exposure to Top Four NPA Accounts	% of Total Exposure	Amount
1	Rextar Plus Services Private Limited	0.03	153.45
2	Akshay Diwakar	0.02	113.23
3	Abhishek Chowdhury	0.02	105.75
4	Ashok Soni	0.01	81.46
	Total	**0.08**	**453.89**

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f) Movement of NPAs

(₹ in Lakhs)

		Particulars	2025-26	2024-25
(i)	Net NPAs to Net Advance (%)		0.61%	0.76%
(ii)	**Movement of NPAs (Gross)**			
	(a)	Opening balance	4700.29	765.31
	(b)	Additions during the year	382.07	3957.67
	(c)	Reductions during the year	673.92	22.69
	(d)	Closing balance	4408.44	4700.29
(iii)	**Movement of Net NPAs**			
	(a)	Opening balance	3616.07	61.83
	(b)	Additions during the year	5.15	3554.76
	(c)	Reductions during the year	102.77	0.52
	(d)	Closing balance	3518.45	3616.07
(iv)	**Movement of provisions for NPAs (excluding provisions on standard assets)**			
	(a)	Opening balance	1084.22	703.48
	(b)	Provisions made during the year	479.69	403.43
	(c)	Write -back of excess provisions	—	22.69
	(d)	Write off	673.92	—
	(e)	Closing Balance	889.99	1084.22

g) Sector wise NPAs (Write Offs)

(₹ in Lakhs)

Sr. No.	Category	% of Write offs to Total Advances	
		2025-26	2024-25
1	Agriculture & Allied activities	0.84	0.74
2	MSME	0.13	0.02
3	Corporate Borrowers	0.07	0.06
4	Services	0.02	0.02
5	Unsecured Personal Loans	—	—
6	Auto Loans	0.02	0.23
7	Other Personal Loans (LAP)	0.01	0.00
	Total	**1.09**	**1.07**

h) During the year 2025-26, no fraud has been found and reported to the Regulators.

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55. The Company is domiciled in India and does not have any joint venture, associate or subsidiary abroad.

56. Related party Exposure:

(₹ in Lakhs)

Related Party	Parent (as per ownership or control)		Subsidiaries		Associates /Joint ventures		Key Management Personnel		Relatives of Key Management Personnel		Others*		Total	
Items	CY	PY	CY	PY	CY	PY	CY	PY	CY	PY	CY	PY	CY	PY
Borrowings#	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Deposits#	—	—	—	—	—	—	—	860	—	—	—	—	—	860
Placement of deposits#	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Loan Received	—	—	—	—	—	—	—	—	—	—	16,997	—	16,997	—
Advances#	—	—	31,955	3,610	—	—	—	—	—	—	—	—	31,955	3,610
Investments#	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Purchase of fixed/other assets	—	—	20,924	—	—	—	—	—	—	—	—	—	20,924	—
Sale of fixed/ other assets/ Portfolio	—	—	3,898	—	—	—	—	—	—	—	—	—	3,898	—
Interest paid	—	—	479	653	—	—	—	25	50	50	327	—	856	728
Interest received	—	—	534	36	—	—	—	—	—	—	—	—	534	36
Others*	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Remuneration	—	—	—	—	—	—	764	699	—	—	—	—	764	699
Rent	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Dividend	—	—	—	—	—	—	147	139	7	7	219	181	373	327

- CY – Current Year 2025-26 & PY – Previous Year 2024-25

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57. Off Balance Sheet SPVs sponsored:

The Company has not sponsored off Balance Sheet SPVs.

58. Disclosures of Complaints:

Sr. No.		Particulars	2025-26	2024-25
Complaints received by the NBFC from its customers				
1.		Number of complaints pending at beginning of the year	—	—
2.		Number of complaints received during the year	38	26
3.		Number of complaints disposed during the year	38	26
	3.1	Of which, number of complaints rejected by the NBFC	—	—
4.		Number of complaints pending at the end of the year	—	—
Maintainable complaints received by the NBFC from Office of Ombudsman				
5.*		Number of maintainable complaints received by the NBFC from Office of Ombudsman	—	—
	5.1.	Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	—	—
	5.2	Of 5, number of complaints resolved through conciliation/ mediation/advisories issued by Office of Ombudsman	—	—
	5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	—	—
6.*		Number of Awards unimplemented within the stipulated time (other than those appealed)	—	—

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Top five grounds of complaints received by the NBFCs from customers

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
Current Year					
Payment made by borrower but still showing overdue in CIBIL	—	20	200	—	—
Delayed payment interest is pending	—	2	100	—	—
Made full payment but not get NOC	—	6	150	—	—
HP related issue on RC	—	—	—	—	—
Statement not given	—	—	—	—	—
Loan not taken by the borrower	—	4	100	—	—
Doing fraud with the customer	—	3	100	—	—
Loan outstanding after death of borrower	—	1	100	—	—
Amount deposited under CSP scheme not refunded by the company	—	1	100	—	—
Compensation not received	—	1	100	—	—
Total	**—**	**38**	**150**	**—**	**—**
Previous Year					
Payment made by borrower but still showing overdue in CIBIL	—	10	25	—	—
Delayed payment interest is pending	—	—	—	—	—
Made full payment but not get NOC	—	4	300	—	—
HP related issue on RC	—	10	100	—	—
Statement not given	—	1	100	—	—
Loan not taken by the borrower	—	—	—	—	—
Doing fraud with the customer	—	—	—	—	—
Loan outstanding after death of borrower	—	—	—	—	—
Amount deposited under CSP scheme not refunded by the company	—	—	—	—	—
Compensation not received	—	—	—	—	—
Total	**—**	**25**	**150**	**—**	**—**

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59. Uncertainty relating to the global health pandemic from COVID-19 ("Covid-19"):

a) The global landscape remains fraught with challenges, largely stemming from the COVID-19 pandemic. This unprecedented crisis has precipitated multifaceted repercussions, including sweeping government interventions, a resilient economic rebound after a severe global recession, surging inflation, geopolitical tensions such as the conflict in Ukraine, and substantial economic sanctions imposed on Russia.

b) In light of the enduring ramifications of the global pandemic, Paisalo Digital Ltd. has proactively instituted alternative work modalities to safeguard the health and well-being of its workforce and business associates. These measures include facilitating remote work arrangements, particularly for operations and call centres during periods of enforced lockdowns. Equipping employees with the requisite technological infrastructure has ensured the secure and efficient delivery of services to borrowers.

Throughout the fiscal year, the company has fostered robust communication channels through virtual sessions with branches, employees, and business associates, thereby sustaining proactive customer engagement. Services such as Door Step Sourcing and Servicing have been meticulously executed, adhering to stringent safety protocols and implementing essential non-pharmaceutical interventions. Despite prevailing challenges, the majority of branches, employees, and business associates have remained operational, playing a pivotal role in extending essential credit to borrowers.

Furthermore, Paisalo Digital Ltd. has swiftly adapted to evolving circumstances, innovating digital and analogue tools to facilitate credit requests and optimize loan recovery mechanisms.

c) During the financial year 2025-26, no significant governmental, regulatory, or banking frameworks were introduced specifically targeting COVID-19 relief or aid for Non-Banking Financial Companies (NBFCs) such as Paisalo Digital Ltd. However, NBFCs have increasingly served as conduits for government and major banks, leveraging their local presence to directly support households in need.

The stability in funding and liquidity afforded to Paisalo Digital Ltd. is fortified by its entrenched local footprint, robust credit and risk assessment methodologies, and enduring partnerships with esteemed banking entities.

60. In the financial year 2025-26, Paisalo Digital Ltd. delivered a robust non-fund based income of ₹ 985.35 lakhs. This income segment, comprising fees, commissions, and ancillary service revenue, illustrates the company's focus on building a diversified and resilient revenue base beyond traditional interest income.

Paisalo implemented several targeted initiatives to strengthen its non-fund-based income portfolio:

a) **Business Correspondent (BC) Services:** As a Business Correspondent for leading banks such as State Bank of India, Indian Overseas Bank, and Bank of India, Paisalo extended formal banking and financial services to unbanked and underbanked geographies. As a BC, the company facilitated a range of banking transactions—including account openings, deposits, withdrawals, and loan processing—on behalf of its partner banks. In return, Paisalo earned transaction-based fees and service commissions, establishing a recurring revenue stream with minimal credit risk.

b) **Ancillary Financial Services:** In addition to its core lending operations, Paisalo expanded into ancillary services to complement and enhance its financial offerings. These include transaction facilitation, documentation support, and financial advisory services. Revenues in this segment are typically fee-based and tied to transaction volumes, enabling the company to scale non-fund income in tandem with customer activity and asset volumes.

c) **Cross-Selling of Financial Products:** Leveraging its extensive customer base and high engagement, Paisalo adopted a cross-selling strategy to offer supplementary financial products, including insurance, investment-linked services, and savings instruments. These initiatives aim to deepen customer relationships, increase lifetime value, and unlock incremental income streams. This strategy also aligns with the company's long-term vision of becoming a holistic financial services provider in rural and semi-urban India.

These strategic efforts have significantly enhanced the company's non-fund-based income while reinforcing its value proposition for customers and partners alike. As part of its ongoing evolution, Paisalo continues to identify and implement innovative methods to expand its fee-based income, improve profitability, and create long-term value for shareholders.

61. Expected Credit Loss:

Comparison of Provisioning done under ECL model and under RBI prudential norms requirements:

(₹ 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**	5,67,112	3,261	5,63851	2,268	993
	Stage 1	5,243	26	5,217	21	5
	Stage 2	4,403	22	4,381	18	4
Subtotal		**5,76,758**	**3,309**	**5,73,449**	**2,307**	**1,002**
Non-Performing Assets (NPA)						
Substandard	**Stage 3**	—	—	—	—	—
Doubtful - up to 1 year	**Stage 3**	4,325	1,298	3,027	865	433
1 to 3 years	**Stage 3**	83	33	50	25	8
More than 3 years	**Stage 3**	—	—	—	—	—
Subtotal for doubtful		**4,408**	**1,331**	**3,077**	**890**	**441**
Loss Assets	**Stage 3**	—	—	—	—	—
Subtotal for NPA		**4,408**	**1,331**	**3,077**	**890**	**441**
Loss	**Stage 3**	3,208	3,208	—	3,208	—
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset and Provisioning (IRACP) norms Classification						
	Stage 1	3,346	34	3,312	9	25
	Stage 2	—	—	—	—	—
	Stage 3	—	—	—	—	—
Subtotal		**3,346**	**34**	**3,312**	**9**	**25**
Total	**Stage 1**	5,75,701	3,321	5,72,380	2,298	1,023
	Stage 2	4,403	22	4,381	18	4
	Stage 3	4,408	1,331	3,077	890	441
	Total	**5,84,512**	**4,674**	**5,79838**	**3,206**	**1,468**
LESS : Provision for ECL previous year balance		—	1,372	—	—	—
Less : Provision for NPA		—	890	—	—	—
Less : Provision for Standard Assets		—	2,334	—	—	—
Expected Credit Loss		—	78	—	—	—

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62. Risk Management Framework:

The company operates in a complex risk landscape that could significantly affect its business, operations, and financial performance. These risks include Credit Risk, Liquidity & Funding Risk, Market Risk, and Operational Risk. To address these challenges, management has developed a comprehensive risk management framework to identify, analyse, and mitigate potential threats while ensuring adherence to predefined risk limits.

i) Creating a Stable Business Planning Environment

One of the primary objectives of the risk management framework is to create a stable business planning environment by mitigating the impact of interest rate fluctuations on the company's business plan. This involves assessing the potential effects of interest rate changes on the company's financial position and operations, thereby enabling more accurate forecasting and strategic decision-making.

ii) Achieving Greater Predictability to Earnings

Another key goal is to improve earnings predictability by quantifying expected earnings in advance. This involves forecasting future earnings based on factors such as market conditions, customer behaviour, and economic trends. By accurately predicting earnings, the company can allocate resources more effectively, plan investments, and manage its financial performance.

A) Credit Risk

Credit risk is the potential financial loss the company may incur if a customer or counterparty fails to fulfil its contractual obligations. This risk primarily arises from trade and other receivables, cash equivalents, and bank balances. To assess credit risk, the company uses metrics such as the installment default rate, overdue position, and debt management efficiency.

Credit risk is closely monitored through analysis of credit exposures, portfolio monitoring, and evaluation of customer and portfolio concentration risk. The risk management unit employs a robust control framework to manage credit risk effectively. This framework aligns credit and debt management policies, leverages external data from credit bureaus, and involves regular reviews of portfolios and delinquencies by senior and middle management teams.

By implementing these strategies, Paisalo Digital Ltd aims to proactively identify and mitigate credit risks, thereby safeguarding its financial stability and ensuring the continuity of its operations.

(a) Loans, Trade & Other Receivables

Managing credit risk from loans, trade, and other receivables is a multifaceted process that involves a comprehensive approach to mitigate potential financial losses and uphold the company's financial stability. Here's a detailed overview of how the company manages credit risk:

1. **Establishing Credit Limits:** The company carefully sets credit limits for each customer, taking into account factors such as creditworthiness, financial history, and repayment capacity. These credit limits serve as a safeguard against excessive borrowing and help minimise the risk of default.

2. **Credit Approvals Process:** Every credit request undergoes a stringent approval process that evaluates the creditworthiness of the customers and assesses associated risks. This process involves analyzing financial statements, credit reports, and other relevant information to determine the likelihood of repayment. Only credit requests meeting predefined risk criteria are approved.

3. **Continuous Creditworthiness Monitoring:** The company continuously monitors the creditworthiness of its customers to identify changes in their financial circumstances that may affect their ability to repay loans or fulfil obligations. This ongoing monitoring includes regular reviews of credit reports, financial statements, and market trends to accurately assess credit risk profiles.

4. **Regular Monitoring of Receivables:** The company maintains a vigilant stance by regularly monitoring outstanding receivables to ensure timely repayment by customers. This includes tracking payment schedules, identifying overdue accounts, and implementing effective collection strategies for delinquent accounts. By closely monitoring receivables, the company can promptly identify potential credit risks and take appropriate action to mitigate them.

5. **Ageing Analysis:** The company conducts thorough ageing analysis of loans and trade receivables to categorize outstanding receivables based on their ageing profile. This analysis helps identify accounts that are overdue or at risk of default, enabling the company to prioritize collection efforts and allocate resources efficiently. By understanding the ageing profile of receivables, the company can implement targeted credit management strategies to minimize credit risk exposure.

The ageing of loans & trade receivables is as follows:

(₹ in Lakhs)

Particulars	As at 31st March 2026
Loans	5,79,400.72
Less: Allowances for expected credit loss	1,450.04
	5,77,950.68
Trade & Other Receivables	
Outstanding for less than one year	1,766.04
Less: Allowance for doubtful debts	889.99
	876.05
Total	**5,78,826.73**

(b) Cash & Cash Equivalents & Other Bank Balances

Regarding the management of cash and cash equivalents, the company maintains a robust process to assess the creditworthiness of banks and financial institutions where funds are held. This evaluation is conducted regularly and includes comprehensive assessments of financial stability, regulatory compliance, and risk management practices. By ensuring the creditworthiness of banking partners, the company mitigates the risk associated with cash holdings and safeguards its liquidity position. The company holds cash and cash equivalents and other bank balances of Rs. 14,982.18 Lakh as at 31 March 2026.

B) Liquidity & Funding Risk

Liquidity risk poses a substantial threat to the Company's ability to meet its financial obligations, particularly those settled in cash or other financial assets. This risk encompasses several dimensions, including funding risk, which manifests in various scenarios:

1. **Inability to Raise Incremental Funds:** The company faces the risk of being unable to secure additional borrowings to meet its operational needs or fulfil repayment obligations. This could arise due to limited access to capital markets or lender reluctance amid uncertain economic conditions.

2. **Cash Flow Mismatches:** Funding risk also arises when long-term assets cannot be financed over their expected term, leading to cash flow mismatches. Such mismatches may arise from unexpected changes in market conditions or disruptions in the funding environment.

3. **Market Volatility Impacting Funding:** Volatility in financial markets can further exacerbate funding risk by hindering the company's ability to source funds from banks and money markets. Fluctuations in interest rates, credit spreads, or investor sentiment may impede access to funding avenues, heightening liquidity concerns.

Measuring liquidity risk involves several key metrics and assessments:

1. **Identification of Structural and Dynamic Liquidity Gaps:** The company analyzes structural and dynamic liquidity statements to identify gaps between available funds and near-term liabilities. This entails assessing the maturity profile of assets and liabilities to gauge liquidity adequacy.

2. **Assessment of Incremental Borrowing Needs:** Evaluating the incremental borrowings required to fulfill repayment obligations and support the company's business plan amidst prevailing market conditions is crucial. This assessment considers factors such as interest rate environment, credit availability, and funding costs.

3. **Monitoring Liquidity Coverage Ratio (LCR):** The company tracks its liquidity coverage ratio in adherence to regulatory guidelines, ensuring sufficient high-quality liquid assets are held to cover short-term liquidity needs under stress scenarios.

Managing liquidity risk involves proactive measures implemented by the treasury team:

1. **Gap Analysis and Scenario Testing:** The company continuously assesses the gap between fund visibility and near-term liabilities, considering evolving liquidity conditions and regulatory requirements for non-banking financial companies (NBFCs). Stress tests and scenario analyses are conducted to evaluate potential liquidity shortfalls and compare them against available buffers.

2. **Adaptive Funding Strategies:** A dynamic approach to funding involves aligning funding sources with emerging market conditions in banking and money markets. The company adjusts its funding mix and borrowing strategies to optimize liquidity and mitigate funding risks.

3. **Maintaining Liquidity Buffers:** Building and maintaining liquidity buffers is essential to mitigate liquidity risk. These buffers serve as a cushion during periods of funding stress and provide resilience against unexpected liquidity shocks.

4. **Strategic Asset-Liability Management:** The company employs positive asset-liability management practices to match asset and liability durations, reducing the risk of cash flow mismatches. This entails aligning asset maturities with liability obligations to minimize funding gaps.

5. **Diversification and Relationship Management:** Diversifying funding sources and cultivating strong relationships with banks and financial institutions enhance the company's ability to access funding under diverse market conditions. Maintaining a robust pipeline of sanctions and approvals ensures access to funding avenues when needed.

   In essence, the management of liquidity risk is a dynamic and multifaceted endeavor, requiring a proactive and strategic approach from the treasury team. Through the judicious application of liquidity buffers, long-term funding strategies, asset-liability management, pipeline management, and prudent loan assignments, the treasury team fortifies the Company's liquidity position, safeguards against funding uncertainties, and fosters financial resilience in an ever-evolving financial landscape.

C) Market Risk

Market risk, a critical facet of financial risk management, underscores the potential for future earnings, fair values, or cash flows to incur losses due to adverse fluctuations in market rates and prices, or the values of market risk-sensitive instruments. This encompasses Currency Risk, Interest Rate Risk, and Price Risk, each demanding meticulous assessment and proactive management strategies.

1. **Measurement Techniques:** Market risk is quantified through a suite of sophisticated metrics and methodologies, including Value at Risk (VaR), basis point value (PV01), and modified duration analysis. These tools facilitate a comprehensive evaluation of portfolio dynamics and the potential impact on income streams, particularly in terms of net interest income. The Company's exposure to market risk is analyzed across various dimensions, encompassing equity investments, interest rate fluctuations within investment portfolios, and the implications of floating rate assets and liabilities with varying maturity profiles.

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2. **Monitoring Protocols:** Rigorous monitoring protocols are employed to track fluctuations in equity prices and interest rate sensitivities under diverse stress test scenarios. Through simulated simulations of probable interest rate movements, both fixed and floating assets and liabilities are scrutinized to gauge resilience under adverse market conditions. This proactive monitoring framework enables the identification of vulnerabilities and informs timely risk mitigation strategies.

3. **Management Strategies:** The management of market risk is entrusted to the Company's treasury team, operating under the guidance of the Board. This dedicated team implements a multi-faceted approach tailored to address specific risk exposures:

   - **Currency Risk:** Given the Company's exclusive operations within India, exposure to foreign currency risk is mitigated. The Company has issued Foreign currency convertible bonds of USD 50 millions, which are duly hedged against repayment of interest and maturity value, out of these FCCBs of USD 6 million has been converted into equity share during the year. The Company has also issued ECBs of USD 15 million, which are duly hedged against repayment of interest and maturity value.

   - **Interest Rate Risk:** The Company actively manages interest rate risk by closely monitoring market interest rate movements and their potential impact on interest-bearing liabilities and assets. This proactive stance enables the Company to adapt swiftly to changing interest rate environments and optimize its interest rate exposure.

   - **Price Risk:** Equity price risk arising from investments is managed through prudent portfolio diversification strategies. The Company strategically diversifies its investment portfolio within predefined limits to mitigate concentration risk and optimize risk-adjusted returns.

4. **Governance Framework:** The management of market risk is conducted under the oversight of the Board of Directors. The treasury team, comprising seasoned professionals with expertise in financial risk management, implements risk mitigation strategies in alignment with the Board's directives and risk appetite. This ensures that market risk management practices are consistent with the Company's strategic objectives and regulatory compliance obligations.

   In essence, the management of market risk requires a judicious blend of quantitative analysis, robust monitoring mechanisms, and proactive risk mitigation strategies. By leveraging sophisticated measurement techniques, rigorous monitoring protocols, and strategic management frameworks, the Company navigates the complexities of market risk dynamics while safeguarding its financial stability and optimizing long-term performance.

D) Operational Risk

Operational risk, a multifaceted challenge inherent in the company's operational landscape, arises from a spectrum of sources, encompassing internal processes, human resources, technological systems, and external factors. To effectively manage operational risks, the Company has instituted a comprehensive framework of internal controls and procedures, meticulously designed to govern critical activities across various functional domains, including loan acquisition, customer service, IT operations, and finance functions.

1. **Internal Control Systems:** At the heart of operational risk management lies a robust system of internal controls, meticulously crafted to mitigate the risk of inadequate or failed internal processes, people, or systems. These controls span a myriad of functions, facilitating proactive identification and remediation of potential vulnerabilities. Through continuous monitoring and assessment, the Company endeavors to strengthen its internal control environment, ensuring operational resilience and efficiency.

2. **Internal Audit Oversight:** Internal Audit plays a pivotal role in operational risk management, conducting comprehensive reviews of all operational functions at least annually. This diligent scrutiny serves to unearth process gaps and deficiencies in a timely manner, enabling corrective actions to be implemented promptly. By providing independent assurance and insights, Internal Audit reinforces the Company's commitment to sound governance practices and operational excellence.

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3. **Compliance and Control Units:** Within the IT and Operations functions, dedicated compliance and control units operate in tandem to uphold the integrity and security of internal processes. Through continuous monitoring and evaluation, these units assess adherence to regulatory requirements and internal policies, proactively identifying and addressing operational risks. By fostering a culture of compliance and risk awareness, these units contribute to the Company's resilience in the face of evolving operational challenges.

4. **Disaster Recovery and Business Continuity Planning:** Recognizing the imperative of business continuity in the face of unforeseen events, the Company has established robust Disaster Recovery (DR) and Business Continuity Plans (BCP). These plans are meticulously crafted to ensure the seamless continuation of operations and services to customers in the event of natural disasters, technological outages, or other disruptive incidents. Regular testing and analysis of these plans enable the Company to identify and rectify any gaps in the framework, bolstering its readiness to navigate unforeseen disruptions effectively.

   In essence, operational risk management is woven into the fabric of the Company's governance framework, underpinned by a relentless commitment to process excellence, regulatory compliance, and business continuity. Through the concerted efforts of internal control systems, audit oversight, compliance units, and robust disaster recovery planning, the Company strives to fortify its operational resilience and safeguard its business operations against a spectrum of potential risks and contingencies.

63. Additional information pursuant to Ministry of Corporate Affairs notification dated March 24, 2021 with respect to amendments in Schedule iii of Companies Act, 2013:

i) The Company has made provision for dividend @ Rs. 0.10 each per share and the same will be declared & paid after the approval of the shareholders in their Annual General Meeting.

ii) All the borrowings of the Company are used for the specific purpose for which it was taken.

iii) There are no proceedings which have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

iv) The Company is not a willful defaulter as declared by any bank or financial Institution or any other lender.

v) 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.

vi) There are no charges or satisfaction yet to be registered with Registrar of Companies (ROC) beyond the statutory period.

vii) 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.

viii) There are no transactions which are not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

xi) The Company has not traded or invested in Crypto currency or Virtual Currency during the year.

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Schedule to the Balance Sheet of a Non-Deposit taking Non-Banking Financial Company (As required in Non-Banking Financial Company Systemically Important Non Deposit Taking Company and Deposit Taking Company (Reserve Bank) Directions, 2016:

(₹ in Lakhs)

		PARTICULARS	2025-26	
LIABILITIES SIDE:				
1.	**Loans and advances availed by the NBFCs inclusive of interest Amount accrued thereon but not paid**		**Amount Outstanding**	**Overdue**
	(a)	Debentures		
		Secured	43,054	—
		Unsecured	32,693	—
		(other than falling within the meaning of public deposits*)		
		Foreign Currency Convertible Bonds	38,438	—
	(b)	Deferred Credits	—	—
	(c)	Term Loans		
		Bank of Baroda (Term Loan a/c)	2,250	—
		State Bank of India (Term Loan a/c)	6,698	—
		State Bank of India (FCNR Term Loan a/c)	58,972	—
		State Bank of India (ECB)	14,216	—
		Dhanlaxmi Bank (Term Loan a/c)	1,718	—
		UCO Bank (Term Loan a/c)	1,246	—
		Bank of Maharashtra (Term Loan a/c)	50,215	—
		Canara Bank (Term Loan a/c)	30,970	—
		Indian Bank (Term Loan a/c)	34,135	—
		South Indian Bank (Term Loan a/c)	599	—
		IDBI Bank (Term Loan a/c)	125	—
		Indian Overseas Bank (Term Loan a/c)	32,250	—
		Union Bank of India (Term Loan a/c)	6,000	—
		Bank of India (Term Loan a/c)	7,500	—
		Unity Small Finance Bank (Term Loan a/c)	9,975	—
		IREDA (Term Loan a/c)	17,143	—
		Karur Vasya Bank (Term Loan a/c)	4,164	—
		Punjab & Sindh Bank (Term Loan a/c)	10,000	—
		Jammu & Kashmir Bank (Term Loan a/c)	10,000	—
		Bank of Baroda (Car Term Loan a/c)	231	—
		Punjab National Bank (Car Term Loan a/c)	154	—

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(₹ in Lakhs)

	(d)		Inter-corporate loans and borrowing	7,410	—
	(e)		Commercial Paper	2,916	—
	(f)		Other Loans (specify nature)		
			Bank of Baroda (WCDL a/c)	2400	—
			IDBI Bank (WCDL a/c)	1,800	—
			Punjab National Bank (WCDL a/c)	4,789	—
			UCO Bank (WCDL a/c)	840	—
			Indian Bank (WCDL a/c)	3,026	—
			Punjab National Bank (Cash Credit a/c)	(1,816)	—
			Bank of Baroda (Cash Credit a/c)	1,754	—
			Indian Bank (Cash Credit a/c)	1,782	—
			UCO Bank (Cash Credit a/c)	543	—
			IDBI Bank (Cash Credit a/c)	648	—
			State Bank of India (Cash Credit a/c)	(12,395)	—
			Union Bank of India (Cash Credit a/c)	2,409	—
2.	**Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid)**				
	(a)		In the form of Unsecured debentures	—	—
	(b)		In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	—	—
	(c)		Other public deposits	—	—
			*Please see Note 1 below		
ASSETS SIDE:					
3.	**Break-up of Loans and Advances including bills receivables (other than those included in (4) below)**				
		(a)	Secured	5,52,524	1,278
		(b)	Unsecured	26,877	488
4.	**Break -up of Leased Assets and stock on hire and hypothecation loans counting towards AFC activities**				
	(i)		Lease assets including lease rentals under sundry debtors		
		(a)	Financial lease	—	—
		(b)	Operating lease	—	—
	(ii)		Stock on hire including hire charges under sundry debtors		
		(a)	Assets on hire	—	—
		(b)	Repossessed Assets	—	—
	(iii)		Other loans counting towards AFC activities		
		(a)	Loans where assets been repossessed	—	—
		(b)	Loans other than (a) above	—	—

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(₹ in Lakhs)

5.	**Break-up of Investments**					
	1	Current Investments				
		Quoted				
		(i)	Shares			
			(a)	Equity	—	—
			(b)	Preference	—	—
		(ii)	Debentures and Bond		—	—
		(iii)	Units of mutual funds		—	—
		(iv)	Government Securities		—	—
		(v)	Others (please specify)		—	—
		Unquoted				
		(i)	Shares			
			(a)	Equity (Group Companies) (Net)	—	—
			(b)	Preference	—	—
		(ii)	Debentures and Bonds		—	—
		(iii)	Units of mutual funds		—	—
		(iv)	Government Securities		—	—
		(v)	Others (please specify)			
			Fixed Deposit with NBFC		—	—
			Fixed deposit with Banks		7600	—
			Interest accrued		1	—
	2	Long Term Investments				
		Quoted				
		(i)	Share			
			(a)	Equity	201	—
			(b)	Preference	—	—
		(ii)	Debentures and Bonds		—	—
		(iii)	Units of mutual funds		—	—
		(iv)	Government Securities		—	—
		(v)	Others (Please specify)		—	—
		Unquoted				
		(i)	Share			
			(a)	Equity- Subsidiary Company	4,224	—
			(b)	Equity- Other Company	1,780	—
			(b)	Preference	—	—
		(ii)	Debentures and Bonds		—	—
		(iii)	Units of mutual funds		—	—
		(iv)	Government Securities		—	—
		(v)	Others (please specify)			
			Investment in Partnership/LLP		—	—
			Fixed Deposit with Banks		286	—
			Interest accrued		14	—

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(6) Borrower group-wise classification of assets financed as in (2) and (3) above
Please see Note 2

(₹ in Lakhs)

Category			Amount net of provisions		Total
			Secured	Unsecured	
1	Related parties**				
	(a)	Subsidiaries	—	—	—
	(b)	Companies in the same group	—	—	—
	(c)	Other related parties	—	—	—
2	Other than related parties		5,53,803	27,364	5,81,167
	Total		**5,53,803**	**27,364**	**5,81,167**

(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)

(₹ in Lakhs)

Particulars			Market Value / Value Break up or Fair Value or NAV	Book Value (Net of provisions)
1	Related parties **			
	(a)	Subsidiaries	4,224	4,224
	(b)	Companies in the same group	—	—
	(c)	Other related parties	—	—
2	Other than related parties		1,981	1,981
	Total		**6,205**	**6,205**

- ** As per IND AS of ICAI.

(8) Other Information

(₹ in Lakhs)

Particulars			Amount
1	Gross Non-performing Assets		
	(a)	Related Parties	—
	(b)	Other than related parties	4,408
2	Net Non-Performing Assets		
	(a)	Related Parties	—
	(b)	Other than related parties	3,518
3	Assets acquired in satisfaction of debt		—

(9) Qualitative Disclosure on LCR

As per Reserve Bank of India guidelines, all deposit-taking NBFCs irrespective of their asset size and non-depositaking NBFCs with an asset size of INR5,000 Crores and above are required to maintain a liquidity coverage ratio (LCR) to ensure availability of adequate high-quality liquid assets (HQLA) to survive any acute liquidity stress scenario i.e, cash outflow increased to 115% and cash inflow decreased to 75%, lasting for 30 days. As per RBI guidelines, LCR has been calculated using the simple average of daily observations over the previous quarter (over a period of 90 days).

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Cash outflows under secured and unsecured wholesale funding include contractual payments of the term loan, NCDs, and other debt obligations including interest payments due in next 30 days. Other contractual funding obligations include contractual payments due in next 30 days. To compute inflow from fully performing exposures, the Company considers collection from performing advances including interest due in the next 30 days. Other cash inflows include cash from unencumbered fixed deposits, Certificates of deposits, undrawn lines of credit, and mutual fund investments maturing in the next 30 days.

i) LCR Disclosure

Sr. No.	High Quality Liquid Assets		Total Unweighted Value (average)	Total Weighted Value (average)
1	**Total High Quality Liquid Assets (HQLA)**		**14,682**	**14,682**
	Cash Outflows			
2	Deposits (for deposit taking companies)		—	—
3	Unsecured wholesale funding		—	—
4	Secured wholesale funding		6,127	7,046
5	Additional requirements, of which			
	(i)	Outflows related to derivative exposures and other collateral requirements	—	—
	(ii)	Outflows related to loss of funding on debt products	—	—
	(iii)	Credit and liquidity facilities	—	—
6	Other contractual funding obligations		—	—
7	Other contingent funding obligations		—	—
8	**TOTAL CASH OUTFLOW**		**6,127**	**7,046**
9	**Cash Inflows**			
10	Secured lending		23,189	17,392
10	Inflows from fully performing exposures		—	—
11	Other cash inflows		—	—
12	**TOTAL CASH INFLOWS**		**23,189**	**17,392**
13	**Total HQLA**		**—**	**14,682**
14	**TOTAL NET CASH OUTFLOW**		**—**	**1,762**
15	**LIQUIDITY COVERAGE RATIO (%)**		**—**	**834%**
16	**Components of HQLA**			
	Cash on hand and balance with banks in current accounts		**14,682**	**14,682**

- Unweighted values have been calculated as outstanding balances maturing or callable within 30 days (for inflows and outflows).
- Weighted values have been calculated after the application of respective haircuts (for HQLA) and stress factors on inflow and outflow.
- LCR has been calculated using simple average of daily observations of data points.

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ii) Funding Concentration based on significant counterparty (both deposits and borrowings)

Sr. No.	Number of Significant Counterparties	Amount in Lakhs	% of Total Deposits	% of Total Liabilities
1	20	3,56,502.89	NA	80.68%

iii) Top 20 Large deposits

There are no deposits accepted by the company as company is non-deposit taking NBFC.

iv) Top 10 borrowings

Sr. No.	Amount in Lakhs	% of Total borrowings
1	2,92,021.35	68.32%

v) Funding Concentration based on significant instrument/product

Sr. No.	Nature of significant instrument/product	Amount in Lakhs	% of Total Liabilities
1	Working Capital Loans	5,779.98	1.31%
2	Term Loans	2,98,560.36	67.57%
3	Non Convertibles Debentures	75,125.00	17.00%
4	FCCB	37,655.82	8.52%
5	Commercial Papers	2,916.38	0.66%
6	Inter Corporate Loans	7,409.92	1.68%
	Total	**4,27,447.46**	**96.74%**

vi) Stock Ratios

Sr. No.	Particualrs	Amount in Lakhs	Total Public Funds in Lakhs	Total Liabilities in Lakhs	Total Assets in Lakhs	% of Total Public Funds	% of Total Liabilities	% of Total Assets
1	Commercial Papers	2,916.38	4,27,447.46	4,41,873.90	6,19,165.93	0.68%	0.66%	0.47%
2	Non-Convetible Debentures (original maturity of less than one year)	-	4,27,447.46	4,41,873.90	6,19,165.93	0.00%	0.00%	0.00%
3	Other short term liabilities (excluding commercial papers)	92,855.33	4,27,447.46	4,41,873.90	6,19,165.93	21.72%	21.01%	15.00%

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Notes:

1. Provisioning norms shall be applicable as prescribed in the Non-Banking Financial Company-Systemically Important Non-Deposit Taking Company and Deposit Taking Company (Reserve Bank) Direction, 2016.
2. All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term or current in column (5) above.

Signed in terms of our Report of even date

For Saket Jain & Co.
Chartered Accountants
Firm Reg. No. 014685N

SAKET JAIN & CO. AGRA Chartered Accountant

(CA. ASHISH JAIN)
Partner
Membership No. 400599
UDIN : 26400599UGNZSM1228

Place : New Delhi
Date : 10th May 2026

PAISALO DIGITAL LIMITED PAISALO

For and on behalf of the Board

(SUNIL AGARWAL)
Managing Director
DIN : 00006991

(HARISH SINGH)
Executive Director & CFO
DIN : 00039501

(MANENDRA SINGH)
Company Secretary
Membership No. : F7868

SAKET JAIN & CO.

CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

TO
THE MEMBERS OF
M/S PAISALO DIGITAL LIMITED
NEW DELHI

REPORT ON THE AUDIT OF CONSOLIDATED FINANCIAL STATEMENTS

OPINION

We have audited the accompanying Consolidated Financial Statements of **M/S PAISALO DIGITAL LIMITED** (hereinafter referred to as "the Holding Company") and its wholly owned subsidiary M/s Nupur Finvest Private Limited (the Holding Company and its subsidiary together referred to as "the Group") which comprise of the Consolidated Balance Sheet as at 31st March 2026, the Consolidated Statement of Profit and Loss including Statement of Comprehensive Income and the Consolidated Cash Flow Statement for the year then ended and notes to the consolidated Financial Statements, including a summary of material accounting policy information and other explanatory information.

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 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Company as at 31st March 2026 of consolidated profit and loss including statement of comprehensive income and its Consolidated Cash Flows for the year then ended.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013. 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 ethical requirements that are relevant to our audit of the Consolidated Financial Statements in India in terms of the Code of Ethics issued by ICAI and the relevant provisions of the Companies Act, 2013, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

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

The Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in term of the requirements of the Companies Act, 2013 (the Act) that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Companies in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Company, as aforesaid.

SAKET JAIN & CO. AGRA Chartered Accountant

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In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Company are responsible for overseeing the financial reporting process of the Company.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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 relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books;

c. The audit of all the branch offices of the Company has been conducted by us, hence Section 143(8) is not applicable;

d. The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss including (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

e. In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

f. On the basis of the written representations received from the directors of the Company as on 31st March 2026 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary Company incorporated in India, none of the directors of the Group companies, is disqualified as on 31st March 2026 from being appointed as a director in terms of Section 164 (2) of the Act;

g. With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and

h. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

i. With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules 2014, in our opinion and to the best of our information and according to the explanations given to us:

i) The Company does not have any pending litigations (other than in the ordinary course of business) which would impact its financial position.

ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

SAKET JAIN & CO. AGRA Chartered Accountant

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iv) **(a)** The management has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity (ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.

v) As stated in Note 63 to the standalone financial statements

(a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

(b) The Company has not declared and has not paid any interim dividend during the year.

(c) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

vi) Based on our examination carried out in accordance with the Implementation Guidance on Reporting on Audit Trail under Rule 11(g) of the Companies (Audit and Auditors) Rules,2014 (Revised 2024 Edition) issued by the Institute of Chartered Accountants of India, which included test checks and we report that the company have used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with.

REPORT ON MATTERS SPECIFIED UNDER COMPANIES (AUDITOR'S REPORT) ORDER, 2020

There has not been any qualification or adverse remarks by the auditors in the Companies (Auditor's Report) Order (CARO) reports of the Companies included in the consolidated financial statements.

Place : New Delhi
Date : 10th May 2026

For Saket Jain & Co.
Chartered Accountants
Firm Reg. No. 014685N

SAKET JAIN & CO. AGRA Chartered Accountant

(CA. ASHISH JAIN)
Partner
Membership No. 400599
UDIN : 26400599KOJOUE3043

SAKET JAIN & CO.

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ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT OF

M/S PAISALO DIGITAL LIMITED

(Referred to in paragraph of our Report of even date for F. Y. 2025-26)

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (i) OF SUB – SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013

In conjunction with our audit of the Consolidated Financial Statements of the Company as of and for the year ended 31st March, 2026 we have audited the internal financial controls over financial reporting of **M/S PAISALO DIGITAL LIMITED** (hereinafter referred to as "the Company") and its wholly owned subsidiary M/s Nupur Finvest Private Limited, which are companies incorporated in India, as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the 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") issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, 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 Company's internal financial controls system over financial reporting.

SAKET JAIN & CO. AGRA Chartered Accountant

SAKET JAIN & CO.

CHARTERED ACCOUNTANTS

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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 unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the consolidated financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Company, its subsidiary Company, which are Companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 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.

Place : New Delhi
Date : 10th May 2026

For Saket Jain & Co.
Chartered Accountants
Firm Reg. No. 014685N

SAKET JAIN & CO. AGRA Chartered Accountant

(CA. ASHISH JAIN)
Partner
Membership No. 400599
UDIN : 26400599KOJOUE3043

M/S PAISALO DIGITAL LIMITED

CONSOLIDATED BALANCE SHEET AS ON 31ST MARCH 2026

(₹ in Lakhs)

Sr. No.	Particulars	Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
I	**ASSETS**			
	(1) Financial Assets			
	(a) Cash & Cash Equivalents	1	14,698.48	10,068.77
	(b) Bank Balances other than (a) above	2	302.40	412.16
	(c) Derivative Financial Instruments	3	-	-
	(d) Receivables			
	(i) Trade Receivables	4	1,766.09	2,121.48
	(ii) Other Receivables		-	-
	(e) Loans	5	5,92,950.57	4,95,442.47
	(f) Investments	6	1,981.00	2,030.46
	(g) Other Financial Assets	7	3,377.13	3,460.28
	(2) Non Financial Assets			
	(a) Current Tax Assets (Net)	8	2,769.50	2,824.00
	(b) Deferred Tax Asset (Net)			
	(c) Investment Property		-	-
	(d) Biological Assets other than Bearer plants		-	-
	(e) Property, Plant and Equipments	9	8,409.13	7,446.50
	(f) Capital Work-in-Progress		-	-
	(g) Intangible Assets under development		-	-
	(h) Goodwill		-	-
	(i) Other Intangible Assets	9	13.20	14.00
	(j) Other Non-Financial Assets	10	3,705.82	1,639.59
	Total Assets		**6,29,973.32**	**5,25,459.71**
II	**EQUITY AND LIABILITIES**			
	(1) Financial Liabilities			
	(a) Derivative Financial Instruments	11	-	-
	(b) Payables	12		
	(I) Trade Payables			
	(i) Total outstanding dues of Micro Enterprises and Small Enterprises		76.46	39.40
	(ii) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		2,444.06	3,387.38
	(II) Other Payables			
	(i) Total outstanding dues of Micro Enterprises and Small Enterprises		-	-
	(ii) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		2,171.39	3,230.83
	(c) Debt Securities	13	1,21,167.20	1,08,179.43
	(d) Borrowings (Other than Debt Securities)	14	3,14,700.24	2,46,967.32
	(e) Deposits	15	-	-
	(f) Subordinated Liabilities	16	100.00	800.00
	(g) Other Financial Liabilities	17	1,947.52	1,533.00
	(2) Non-Financial Liabilities			
	(a) Current Tax Liabilities (Net)	18	-	-
	(b) Provisions	19	5,766.60	5,483.35
	(c) Deferred Tax Liabilities (Net)	20	1,316.11	506.76
	(d) Other non-financial Liabilities	21	986.09	1,834.18
	(3) Equity			
	(a) Equity Share Capital	22	9,095.84	9,021.81
	(b) Other Equity	23	1,70,201.81	1,44,476.25
	Total Equity & Liabilities		**6,29,973.32**	**5,25,459.71**

Notes to the Accounts & Significant Accounting Policies annexed
Notes referred to above form an integral part of these Financial Statements
Signed in terms of our Report of even date

For Saket Jain & Co.
Chartered Accountants
Firm Reg. No. 014685N

SAKET JAIN & CO. AGRA Chartered Accountant

(CA. ASHISH JAIN)
Partner
Membership No. 400599
UDIN : 26400599KOJOUE3043

Place : New Delhi
Date : 10th May 2026

PAISALO DIGITAL LIMITED PAISALO

For and on behalf of the Board

(SUNIL AGARWAL)
Managing Director
DIN : 00006991

(HARISH SINGH)
Executive Director & CFO
DIN : 00039501

(MANENDRA SINGH)
Company Secretary
Membership No. : F7868

M/S PAISALO DIGITAL LIMITED

CONSOLIDATED PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2026

(₹ in Lakhs)

Sr. No.	Particulars	Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
I	**Revenue from operations:**			
	(i) Interest Income	24	90,471.96	69,636.70
	(ii) Dividend Income		1.72	1.53
	(iii) Rental Income		-	-
	(iv) Fees and commission Income		3,896.08	7,113.21
	(v) Net gain on fair value changes	25	-	26.68
	(vi) Net gain on derecognition of financial instruments under amortised cost category		-	-
	(vii) Sale of products (including Excise Duty)		-	-
	(viii) Sale of services		-	-
	(ix) Others		-	332.54
	Total Revenue from Operations (I)		**94,369.76**	**77,110.66**
II	Other Income	26	-	-
	Total Income (I+II)		**94,369.76**	**77,110.66**
III	**Expenses:**			
	(i) Finance Costs	27	37,433.37	32,830.61
	(ii) Fees and commission expense		-	-
	(iii) Net loss on fair value changes		49.46	-
	(iv) Net loss on derecognition of financial instruments under amortised cost category		-	-
	(v) Impairment on financial instruments	28	4,215.39	2,551.19
	(vi) Cost of materials consumed		-	-
	(vii) Purchases of Stock-in-trade		-	-
	(viii) Changes in Inventories of finished goods, stock-in- trade and work-in- progress		-	-
	(ix) Employee Benefits Expenses	29	7,641.55	6,286.14
	(xi) Depreciation, amortization and impairment	30	1,224.27	547.15
	(x) Others expenses	31	11,886.37	8,138.36
	Total Expenses (III)		**62,450.41**	**50,353.45**
IV	Profit before exceptional items and tax **(II-III)**		**31,919.35**	**26,757.21**
V	Exceptional items		78.39	(78.37)
VI	Profit before tax **(IV-V)**		**31,840.96**	**26,835.58**
VII	**Tax Expense:**			
	(1) Current Tax		7,311.02	5,458.82
	(2) Deferred Tax		809.33	1,364.69
VIII	Profit for the period from continuing operations **(VI-VII)**		**23,720.61**	**20,012.07**
IX	Profit/(loss) from discontinued operations		-	-
X	Tax Expense of discontinued operations		-	-
XI	Profit/(loss) from discontinued operations (After tax) **(IX-X)**		-	-
XII	Profit for the period **(VIII+XI)**		**23,720.61**	**20,012.07**

SANET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED PAISALO

M/S PAISALO DIGITAL LIMITED

CONSOLIDATED PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2026

(₹ in Lakhs)

Sr. No.	Particulars	Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
XIII	**Other Comprehensive Income:**			
	(A) (i) Items that will not be reclassified to profit or loss (Revaluation of Properties)		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	Sub Total (A)		-	-
	(B) (i) Items that will be reclassified to profit or loss (specify items and amounts)		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
	Sub Total (B)		-	-
	Other Comprehensive Income (A+B)		-	-
XIV	Total Comprehensive Income for the period **(XII+XIII)** (Comprising Profit and other Comprehensive Income for the period)		23,720.61	20,012.07
XV	**Earnings per Equity Share (for continuing operations):**			
	Basic (Rs.)	34	2.62	2.23
	Diluted (Rs.)		2.62	2.23
XVI	**Earnings per Equity Share (for discontinued operations):**			
	Basic (Rs.)		-	-
	Diluted (Rs.)		-	-
XVII	**Earnings per Equity Share (for continuing and discontinued operations):**			
	Basic (Rs.)	34	2.62	2.23
	Diluted (Rs.)		2.62	2.23

Notes to the Accounts & Significant Accounting Policies annexed
Notes referred to above form an integral part of these Financial Statements
Signed in terms of our Report of even date

For Saket Jain & Co.
Chartered Accountants
Firm Reg. No. 014685N

SAKET JAIN & CO. AGRA Chartered Accountant

(CA. ASHISH JAIN)
Partner
Membership No. 400599
UDIN : 26400599KDJOUE3043

Place : New Delhi
Date : 10th May 2026

PAISALO DIGITAL LIMITED PAISALO

For and on behalf of the Board

(SUNIL AGARWAL)
Managing Director
DIN : 00006991

(HARISH SINGH)
Executive Director & CFO
DIN : 00039501

(MANENDRA SINGH)
Company Secretary
Membership No. : F7868

M/S PAISALO DIGITAL LIMITED

STATEMENT OF CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2026

(₹ in Lakhs)

Sr. No.	Particulars	Figures for current reporting period		Figures for previous reporting period	
A	**Cash Flow from Operating Activities:**				
	Net Profit before tax and extraordinary items and Interest		69,352.72		59,587.82
	Adjustments for				
I	Depreciation	559.09		426.96	
II	Deferred Expense W/O	665.18		120.19	
III	Impairment on financial instruments	4,215.39		2,551.19	
IV	Expenditure on CSR	437.83		320.89	
V	Dividend Income Received	(1.72)		(1.53)	
VI	Profit/loss on Sale of Shares	49.46		(26.68)	
VII	Share based payment to employees	-		28.39	
VIII	Profit/loss on Sale of Investments/Assets	289.69		24.69	
	Operating Profit before working capital changes		**75,567.64**		**63,031.92**
	Adjustments for				
I	Change in Other Financial Assets	(1,609.77)		(34.93)	
II	Change in Loans & Receivables	(1,01,480.42)		(1,05,737.39)	
III	Change in Payable & non financial liabilities	(2,813.79)		265.50	
IV	Misc. Expenses	(2,731.41)		(1,719.11)	
	Cash generated from Operations		**(33,067.75)**		**(44,194.01)**
I	Interest paid	(37,433.37)		(32,830.61)	
II	Income Tax paid	(7,258.82)		(6,885.93)	
III	Paid Expenses on CSR	(437.83)		(320.89)	
	Cash flow before Extraordinary Items		**(78,197.77)**		**(84,231.44)**
I	Extraordinary items		78.39		(78.37)
	Net Cash from Operating Activities		**(78,276.16)**		**(84,153.07)**
B	**Cash Flows from Investing Activities:**				
I	Purchase of Fixed Assets	(1,521.88)		(1,277.88)	
II	Sale of Fixed Assets	0.50		10.00	
III	Purchase/transfer of Investments	0.00		-	
IV	Purchase of Security Receipts	-		-	
	Net Cash from Investing activities		**(1,521.38)**		**(1,267.88)**
C	**Net Cash from Financing Activities:**				
I	Proceeds from Borrowings	67,732.92		50,790.40	
II	Proceeds from Debt Service Repayment Account	414.52		545.26	
III	Proceeds from Debt Securities	12,987.77		47,716.68	
IV	Proceeds from Subordinated Liability	(700.00)		(8,100.00)	
V	Dividend Paid/(Received)	(907.80)		(896.51)	
VI	Purchase of Security Receipts	1,403.69		2,566.00	
VII	Money received against Share issued / converted into share capital	3,386.40		1,822.42	
	Net Cash from Financing activities		**84,317.49**		**94,444.25**
	Net Increase/(decrease) in cash & cash equivalents		**4,519.95**		**9,023.30**
	Cash & Cash equivalents at beginning of period		**10,480.93**		**1,457.63**
	Cash & Cash equivalent at end of period		**15,000.88**		**10,480.93**

Signed in terms of our Report of even date

For Saket Jain & Co.
Chartered Accountants
Firm Reg. No. 014685N

(CA. ASHISH JAIN)
Partner
Membership No. 400599
UDIN : 26400599KOJOUE3043

Place : New Delhi
Date : 10th May 2026

For and on behalf of the Board

(SUNIL AGARWAL)
Managing Director
DIN : 00006991

(HARISH SINGH)
Executive Director & CFO
DIN : 00039501

(MANENDRA SINGH)
Company Secretary
Membership No. : F7868

AUDITORS' REPORT

We have verified the attached Cash Flow Statement of M/s Paisalo Digital Limited, derived from audited financial statements and the books and records maintained by the Company for the year ended 31st March 2026 and 31st March 2025 and found the same in agreement here with.

For Saket Jain & Co.
Chartered Accountants
Firm Reg. No. 014685N

(CA. ASHISH JAIN)
Partner
Membership No. 400599
UDIN : 26400599KOJOUE3043

Place : New Delhi
Date : 10th May 2026

M/S PAISALO DIGITAL LIMITED

MATERIAL ACCOUNTING POLICY INFORMATION

A. PRINCIPLE OF CONSOLIDATION

The Consolidated Financial Statements relate to **M/S PAISALO DIGITAL LIMITED** (the Company) and its subsidiary M/s Nupur Finvest Private Limited. The Consolidated Financial Statements have been prepared on the following basis:

a) The Consolidated Financial Statements have been prepared in accordance with Indian Accounting Standard (AS) 110- "Consolidated Financial Statements". The financials are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra- group transactions.

b) Investment in Associate Companies has been accounted under the equity method as per "Accounting for Investments in Associates in Consolidated Financial Statements".

c) As far as possible, the Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

B. INVESTMENTS OTHER THAN IN SUBSIDIARIES AND ASSOCIATES

Investments other than in subsidiaries and associates have been accounted as per Accounting Standards "Accounting for Investments".

C. OTHER MATERIAL ACCOUNTING POLICY INFORMATION

These are set out under "material accounting policy information" as given in the Company's separate financial statements.

SAKET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED PAISALO

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2026

Statement of Changes in Equity:

1. Current Reporting Period (₹ in Lakhs)

Balance at the beginning of the Current Reporting Period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in Equity share capital during the current year	Balance at the end of the current reporting period
9,022.43	-	9,022.43	74.04	9,096.47
9,022.43	**-**	**9,022.43**	**74.04**	**9,096.47**

- Total share capital includes amount received against forfeited shares.
- Further 4000 Foreign Currency Convertible Bonds (FCCBs) were converted during this reporting period and 74,03,585 Equity shares of Re. 1/- each were allotted.

2. Previous Reporting Period (₹ in Lakhs)

Balance at the beginning of the Current Reporting Period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in Equity share capital during the current year	Balance at the end of the current reporting period
8,981.69	-	8,981.69	40.74	9,022.43
8,981.69	**-**	**8,981.69**	**40.74**	**9,022.43**

- Total share capital includes amount received against forfeited shares.
- The Company has issued 50,000 Foreign Currency Convertible Bonds (FCCBs) of face value of USD 1000 with coupon 7.5% under Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993.
- Further 2000 Foreign Currency Convertible Bonds (FCCBs) were converted during this reporting period and 37,01,792 Equity shares of Re. 1/- each were allotted.
- The Company has allotted 3,72,517 Equity Shares of Re. 1/- each under Paisalo Employee Share Purchase Scheme 2024 to the employees of the Company and it's Wholly Owned Subsidiary as per Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

List of Shareholders holding more than 5% Shares of Company:

Sr. No.	Name of the Shareholders	No of Shares	% of shareholding
1	Sunil Purushottanm Agarwal	10,57,02,800	11.62
2	Equilibrated Venture Cflow Pvt. Ltd.	18,67,63,880	20.53
3	SBI Life Insurance Co. Ltd	6,21,14,267	6.83

List of Promoter's and Promoter Group Shareholding:

Sr. No.	Promoter Name	Number of Shares held	Percentage of total shares	Percentage change during the year
1	Sunil Purushottanm Agarwal	10,57,02,800	11.62	0.10
2	Suneeti Agarwal	71,66,000	0.79	0.01
3	Santanu Agarwal	3,37,04,000	3.71	0.03
4	Equilibrated Venture Cflow Pvt Ltd	18,67,63,880	20.53	(4.87)
5	Pri Caf Pvt. Ltd.	2,40,48,400	2.64	0.02
6	Pro Fitcch Pvt. Ltd.	2,23,21,220	2.45	0.02

AKET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED PAISALO

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2026

Note : 1 Cash & Cash Equivalents **(₹ in Lakhs)**

Sr. No.	Particulars	Current Year	Previous Year
1	Cash Balances	1,479.10	1,253.97
2	**Bank Balances**		
	Current a/c with Scheduled Banks (Subject to reconciliation)	5,618.47	8,814.70
	Cheques/ Drafts on Hands	-	-
3	**In Fixed Deposits - Unencumbered**		
	With Banks	7,600.91	0.10
	Total	**14,698.48**	**10,068.77**

Note : 2 Bank Balances other than (a) above **(₹ in Lakhs)**

Sr. No.	Particulars	Current Year	Previous Year
1	**Bank Balances**		
	Current a/c with Scheduled Banks (Subject to reconciliation)	-	-
2	**In Fixed Deposits - Encumbered**		
	With Banks	302.40	412.16
	Total	**302.40**	**412.16**

- Fore details, Refer Note No. 40 of Standalone Financial Statement

SAKET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED PAISALO

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2026

Note : 3 Derivative Financial Instruments (Assets) **(₹ in Lakhs)**

Particulars	Current Year			Previous Year		
	Notional amounts	Fair Value Assets	Fair Value Liabilities	Notional amounts	Fair Value - Assets	Fair Value - Liabilities
Part I						
(i) Currency Derivatives						
—Spot and Forwards	-	-	-	-	-	-
—Currency Futures	-	-	-	-	-	-
—Currency Swaps	-	-	-	-	-	-
—Options purchased	-	-	-	-	-	-
—Options sold (written)	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (i)	-	-	-	-	-	-
(ii) Interest rate Derivatives						
—Forward Rate Agreements and Interest Rate Swaps	-	-	-	-	-	-
—Options purchased	-	-	-	-	-	-
—Options sold (written)	-	-	-	-	-	-
—Futures	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (ii)	-	-	-	-	-	-
(iii) Credit Derivatives	-	-	-	-	-	-
(iv) Equity linked Derivatives	-	-	-	-	-	-
(v) Other Derivatives (Please specify)	-	-	-	-	-	-
Total Derivative Financial Instruments (i)+(ii)+(iii)+(iv)+ (V)	-	-	-	-	-	-
Part II						
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:	-	-	-	-	-	-
(i) Fair value hedging	-	-	-	-	-	-
— Currency Derivatives	-	-	-	-	-	-
—Interest rate Derivatives	-	-	-	-	-	-
—Credit Derivatives	-	-	-	-	-	-
—Equity linked Derivatives	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (i)	-	-	-	-	-	-
(ii) Cash flow hedging	-	-	-	-	-	-
—Currency Derivatives	-	-	-	-	-	-
—Interest rate Derivatives	-	-	-	-	-	-
—Credit Derivatives	-	-	-	-	-	-
—Equity linked Derivatives	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (ii)	-	-	-	-	-	-
(iii) Net investment hedging	-	-	-	-	-	-
(iv) Undesignated Derivatives	-	-	-	-	-	-
Total Derivative Financial Instruments (i)+(ii)+(iii)+(iv)	-	-	-	-	-	-

Note : 4 Receivables **(₹ in Lakhs)**

Sr. No.	Particulars	Current Year	Previous Year
1	**Trade Receivables**		
	—Overdue Installments : Considered Good - Secured	597.73	606.08
	—Overdue Installments : Considered Good - Unsecured	487.79	559.64
	—Overdue Installments : Sub Standard Assets	680.57	955.76
2	Other Receivables	-	-
	Total	**1,766.09**	**2,121.48**

SAKET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED PAISALO

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2026

Note : 4 (a) Trade Receivable - Additional Disclosures:

Outstanding for following periods from the due date of payment (FY. 2024-25) **(₹ in Lakhs)**

Sr. No.	Particulars	Less than 6 Months	6 Months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
1	Undisputed Trade Receivables - Considered Good	1,085.52	-	-	-	-	**1,085.52**
2	Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	**-**
3	Undisputed Trade Receivables - credit impaired	-	680.57	-	-	-	**680.57**
4	Disputed Trade Receivables - considered good	-	-	-	-	-	**-**
5	Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	**-**
6	Disputed Trade Receivables - credit impaired	-	-	-	-	-	**-**
	Grand Total	**1,085.52**	**680.57**	**-**	**-**	**-**	**1,766.09**

- Trade Receivable includes overdue loan cases financed by Paisalo Digital Limited

Outstanding for following periods from the due date of payment (FY. 2023-24) **(₹ in Lakhs)**

Sr. No.	Particulars	Less than 6 Months	6 Months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
1	Undisputed Trade Receivables - Considered Good	1,165.72	-	-	-	-	**1,165.72**
2	Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	**-**
3	Undisputed Trade Receivables - credit impaired	-	955.76	-	-	-	**955.76**
4	Disputed Trade Receivables - considered good	-	-	-	-	-	**-**
5	Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	**-**
6	Disputed Trade Receivables - credit impaired	-	-	-	-	-	**-**
	Grand Total	**1,165.72**	**955.76**	**-**	**-**	**-**	**2,121.48**

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2026

Note : 5 Loans (₹ in Lakhs)

Particulars	Current Year						Previous Year					
	Amortised cost	Through other comprehensive income	Through profit or loss	Designated at fair value through profit or loss	Sub total	Total	Amortised cost	Through other comprehensive income	Through profit or loss	Designated at fair value through profit or loss	Subtotal	Total
	(1)	(2)	(3)	(4)	(5) = (2)+(3)+(4)	(6) = (1)+(5)	(7)	(8)	(9)	(10)	(11) = (8)+(9)+(10)	(12) = (7)+(11)
Loans												
(A) (i) Bills Purchased and Bills Discounted	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Loans repayable on Demand	-	-	-	-	-	-	-	-	-	-	-	-
(iii) Term Loans	5,93,430.26	-	-	-	-	5,93,430.26	4,95,823.22	-	-	-	-	4,95,823.22
(iv) Leasing	-	-	-	-	-	-	-	-	-	-	-	-
(v) Factoring	-	-	-	-	-	-	-	-	-	-	-	-
(vi) Others (to be specified)	-	-	-	-	-	-	-	-	-	-	-	-
Total (A) - Gross	**5,93,430.26**	-	-	-	-	**5,93,430.26**	**4,95,823.22**	-	-	-	-	**4,95,823.22**
Less: Impairment loss allowance	479.69	-	-	-	-	479.69	380.75	-	-	-	-	380.75
Total (A) - Net	**5,92,950.57**	-	-	-	-	**5,92,950.57**	**4,95,442.47**	-	-	-	-	**4,95,442.47**
(B) (i) Secured by tangible assets	5,66,549.16	-	-	-	-	5,66,549.16	4,53,837.65	-	-	-	-	4,53,837.65
(ii) Secured by intangible assets	-	-	-	-	-	-	-	-	-	-	-	-
(iii) Covered by Bank/Government Guarantees	-	-	-	-	-	-	-	-	-	-	-	-
(iv) Unsecured	26,881.10	-	-	-	-	26,881.10	41,985.56	-	-	-	-	41,985.56
Total (B) - Gross	**5,93,430.26**	-	-	-	-	**5,93,430.26**	**4,95,823.21**	-	-	-	-	**4,95,823.21**
Less: Impairment loss allowance	479.69	-	-	-	-	479.69	380.75	-	-	-	-	380.75
Total (B) - Net	**5,92,950.57**	-	-	-	-	**5,92,950.57**	**4,95,442.47**	-	-	-	-	**4,95,442.47**
(C) (I) Loans in India	5,93,430.26	-	-	-	-	5,93,430.26	4,95,823.22	-	-	-	-	4,95,823.22
(i) Public Sector	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Others (to be specified)	-	-	-	-	-	-	-	-	-	-	-	-
Total (C) - Gross	**5,93,430.26**	-	-	-	-	**5,93,430.26**	**4,95,823.22**	-	-	-	-	**4,95,823.22**
Less: Impairment loss allowance	479.69	-	-	-	-	479.69	380.75	-	-	-	-	380.75
Total (C) (I) - Net	**5,92,950.57**	-	-	-	-	**5,92,950.57**	**4,95,442.47**	-	-	-	-	**4,95,442.47**
(C) (II) Loans outside India	-	-	-	-	-	-	-	-	-	-	-	-
Less: Impairment loss allowance	-	-	-	-	-	-	-	-	-	-	-	-
Total (C) (II) - Net	-	-	-	-	-	-		-	-	-	-	-
Total C (I) and C (II)	**5,92,950.57**	-	-	-	-	**5,92,950.57**	**4,95,442.47**	-	-	-	-	**4,95,442.47**

SANJEET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED PAISALO

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2026

Note : 6 Investments (₹ in Lakhs)

Investments	Current Year							Previous Year						
		At Fair Value							At Fair Value					
	Amortised cost	Through Other Comprehensive Income	Through Profit or Loss	Designated at fair value through profit or loss	Sub - Total	Others*	Total	Amortised cost	Through Other Comprehensive Income	Through Profit or Loss	Designated at fair value through profit or loss	Sub - Total	Others*	Total
	(1)	(2)	(3)	(4)	(5) = (2)+(3)+(4)	(6)	(7) = (1)+(5)+(6)	(8)	(9)	(10)	(11)	(12) = (9)+(10)+(11)	(13)	(14) = (8)+(12)+(13)
Mutual funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Government securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other approved securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity instruments	201.00	-	-	-	-	-	201.00	250.54	-	-	-	-	-	250.54
Subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Associates	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Joint Ventures	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others (specify)*	1,780.00	-	-	-	-	-	1,780.00	1,779.92	-	-	-	-	-	1,779.92
Total (A)	**1,981.00**	-	-	-	-	-	**1,981.00**	**2,030.46**	-	-	-	-	-	**2,030.46**
(i) Investments outside India	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Investments in India	1,981.00	-	-	-	-	-	1,981.00	2,030.46	-	-	-	-	-	2,030.46
Total (B)	**1,981.00**	-	-	-	-	-	**1,981.00**	**2,030.46**	-	-	-	-	-	**2,030.46**
Total (A) to tally with (B)	**1,981.00**	-	-	-	-	-	**1,981.00**	**2,030.46**	-	-	-	-	-	**2,030.46**
Less: Allowance for Impairment loss (C)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total - Net D = (A)-(C)	**1,981.00**	-	-	-	-	-	**1,981.00**	**2,030.46**	-	-	-	-	-	**2,030.46**

- *Unquoted Shares of M/s Samast Vikas Limited

SAKET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED PAISALO

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2026

Note : 7 Others Financial Assets **(₹ in Lakhs)**

Sr. No.	Particulars	Current Year	Previous Year
1	**Secured, Considered Good**		
	Security Deposit*	45.16	31.94
	Advances to Staff	6.19	8.07
	Advances for Services	1,531.82	298.47
	Prepaid Expenses	28.73	33.98
	GST/Service Tax Cenvat	1,015.23	644.90
	Security Receipts	750.00	2,442.92
	Total	**3,377.13**	**3,460.28**

- * Security Deposit amount consists of telephone/mobile security,electrity security, rent security.

Note : 8 Current Tax Assets (Net) **(₹ in Lakhs)**

Sr. No.	Particulars	Current Year	Previous Year
1	**Advance Recoverable in cash or in kind or for value to be considered good**		
	Income Tax and TDS	9,950.16	8,152.46
	Balance with Revenue Authorities	130.00	130.00
	Provision for Taxation	(7,310.66)	(5,458.46)
	Total	**2,769.50**	**2,824.00**

SAKET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED PAISALO

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2026

Note : 9 Property, Plant and Equipment (₹ in Lakhs)

Sr. No.	Particulars	Gross Block				Depreciaton				Net Block	
		Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	Addition during the year	Deduction during the year	Value at the end	WDV as on 31.03.2026	WDV as on 31.03.2025
I	**Tangible Assets**										
1	Land	-	-	-	-	-	-	-	-	-	-
2	Building	6,982.57	756.01	-	7,738.58	781.40	122.69	-	904.09	6,834.49	6,201.17
3	Furniture & Fittings	380.81	99.73	-	480.54	196.03	25.76	-	221.79	258.75	184.78
4	Computer Peripheral	1,015.41	386.91	-	1,402.32	518.45	293.47	-	811.92	590.40	496.96
5	Vehicles	649.63	229.26	5.54	873.35	228.83	73.34	4.58	297.59	575.76	420.80
6	Equipments, Plant & Machinery	358.61	49.97	-	408.58	215.82	43.03	-	258.85	149.73	142.79
	Sub Total (A)	**9,387.03**	**1,521.88**	**5.54**	**10,903.37**	**1,940.53**	**558.29**	**4.58**	**2,494.24**	**8,409.13**	**7,446.50**
II	**Intangible Assets**										
1	Computer Software	533.51	-	-	533.51	519.51	0.80	-	520.31	13.20	14.00
2	Goodwill	-	-	-	-	-	-	-	-	-	-
	Sub Total (B)	**533.51**	**-**	**-**	**533.51**	**519.51**	**0.80**	**-**	**520.31**	**13.20**	**14.00**
III	**Capital Work-in-progress**	-	-	-	-	-	-	-	-	-	-
	Sub Total (C)	-	-	-	-	-	-	-	-	-	-
IV	**Intangible Assets Under Development**	-	-	-	-	-	-	-	-	-	-
	Sub Total (D)	-	-	-	-	-	-	-	-	-	-
	Total [A+B+C+D] (Current Year)	**9,920.53**	**1,521.88**	**5.54**	**11,436.87**	**2,460.04**	**559.09**	**4.58**	**3,014.55**	**8,422.33**	**7,460.49**
	Total (Previous Year)	**8,687.70**	**1,277.88**	**45.04**	**9,920.54**	**2,043.45**	**426.95**	**10.36**	**2,460.04**	**7,460.50**	**6,644.25**

SAKET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED PAISALO

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2026

Note : 10 Other Non Financial Assets (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Deferred Revenue Expenditure	3,704.31	1,626.33
2	Unexpired Expenses of Processing Fees	1.51	13.26
	Total	**3,705.82**	**1,639.59**

- Deferred Revenue Expenses are written off over a period of five years.

Note : 11 Derivative financial Instruments (Liabilities) (₹ in Lakhs)

Particulars	(Current Year)			Previous Year		
	Notional amounts	Fair Value Assets	Fair Value Liabilities	Notional amounts	Fair Value - Assets	Fair Value - Liabilities
Part I						
(i) Currency Derivatives						
—Spot and Forwards	-	-	-	-	-	-
—Currency Futures	-	-	-	-	-	-
—Currency Swaps	-	-	-	-	-	-
—Options purchased	-	-	-	-	-	-
—Options sold (written)	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (i)	-	-	-	-	-	-
(ii) Interest rate Derivatives						
—Forward Rate Agreements and Interest Rate Swaps	-	-	-	-	-	-
—Options purchased	-	-	-	-	-	-
—Options sold (written)	-	-	-	-	-	-
—Futures	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (ii)	-	-	-	-	-	-
(iii) Credit Derivatives	-	-	-	-	-	-
(iv) Equity linked Derivatives	-	-	-	-	-	-
(v) Other Derivatives (Please specify)	-	-	-	-	-	-
Total Derivative Financial Instruments (i)+(ii)+(iii)+(iv)+ (V)	-	-	-	-	-	-
Part II						
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:	-	-	-	-	-	-
(i) Fair value hedging						
— Currency Derivatives	-	-	-	-	-	-
—Interest rate Derivatives	-	-	-	-	-	-
—Credit Derivatives	-	-	-	-	-	-
—Equity linked Derivatives	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (i)	-	-	-	-	-	-
(ii) Cash flow hedging						
—Currency Derivatives	-	-	-	-	-	-
—Interest rate Derivatives	-	-	-	-	-	-
—Credit Derivatives	-	-	-	-	-	-
—Equity linked Derivatives	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (ii)	-	-	-	-	-	-
(iii) Net investment hedging	-	-	-	-	-	-
(iv) Undesignated Derivatives	-	-	-	-	-	-
Total Derivative Financial Instruments (i)+(ii)+(iii)+(iv)	-	-	-	-	-	-

SAKET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED PAISALO

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2026

Note : 12 Payables **(₹ in Lakhs)**

Sr. No.	Particulars	Current Year	Previous Year
1	**Trade Payables**		
	(i) Total outstanding dues of Micro Enterprises and Small Enterprises		
	(a) Sundry Creditors for Services	76.46	39.40
		76.46	**39.40**
	(ii) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		
	(a) SBI Assignment Payable	3.90	0.28
	(b) SIB Assignment Payable	-	0.01
	(c) Interest Payable on NCD	1,987.20	1,605.06
	(d) Interest Payable on Bank	244.05	198.29
	(e) Other Sundry Payables	208.91	1,583.74
		2,444.06	**3,387.38**
2	**Other Payables**		
	(i) Total outstanding dues of Micro Enterprises and Small Enterprises	-	-
	(ii) Total outstanding dues of creditors other than Micro enterprises and Small Enterprises		
	(a) Statutory Payables		
	Professional Tax Payable	0.02	0.01
	EPF Contribution Payable	41.90	43.75
	ESI Payable	13.67	13.68
	GST Payable	37.44	99.42
	TDS Payable	396.24	304.23
	LIC GSLI Payable	78.39	0.02
	(b) Expenses Payables	1,603.73	2,769.72
		2,171.39	**3,230.83**
	Total	**4,691.91**	**6,657.61**

SAKET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED PAISALO

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2026

Note : 12 (a) Trade Payables Due for Payment 2025-26 (₹ in Lakhs)

Sr. No.	Particulars	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
1	MSME	76.46	-	-	-	**76.46**
2	Others	2,444.06	-	-	-	**2,444.06**
3	Disputed Dues-MSME	-	-	-	-	**-**
4	Disputed Dues-Others	-	-	-	-	**-**
	Grand Total	**2,520.52**	**-**	**-**	**-**	**2,520.52**

Trade Payables Due for Payment 2024-25 (₹ in Lakhs)

Sr. No.	Particulars	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
1	MSME	39.40	-	-	-	**39.40**
2	Others	3,387.38	-	-	-	**3,387.38**
3	Disputed Dues-MSME	-	-	-	-	**-**
4	Disputed Dues-Others	-	-	-	-	**-**
	Grand Total	**3,426.78**	**-**	**-**	**-**	**3,426.78**

- There are no dues pending for more than 45 days

PARVEET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED PAISALO

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2026

Note : 13 Debt Securities (₹ in Lakhs)

Particulars	Current Year				Previous Year			
	At Amortised Cost	At Fair Value Through profit or loss	Designated at fair value through profit or loss	Total	At Amortised Cost	At Fair Value Through profit or loss	Designated at fair value through profit or loss	Total
	(1)	(2)	(3)	(4) = (1)+(2)+(3)	(5)	(6)	(7)	(8) = (5)+(6)+(7)
Liability component of compound Financial Instruments	-	-	-	-	-	-	-	-
Commercial Paper	2,916.38	-	-	2,916.38	9,945.36	-	-	9,945.36
FCCB	37,655.82	-	-	37,655.82	41,079.07	-	-	-
Others (Bonds/ Debentures etc.)*	80,595.00	-	-	80,595.00	57,155.00	-	-	57,155.00
Total (A)	**1,21,167.20**	**-**	**-**	**1,21,167.20**	**1,08,179.43**	**-**	**-**	**1,08,179.43**
Debt Securities in India	83,511.38	-	-	83,511.38	57,155.00	-	-	57,155.00
Debt Securities outside India	37,655.82	-	-	37,655.82	41,079.07	-	-	41,079.07
Total (B) to tally with (A)	**1,21,167.20**	**-**	**-**	**1,21,167.20**	**1,08,179.43**	**-**	**-**	**1,08,179.43**

***Details of Non Convertible Debentures** (₹ in Lakhs)

Debenture Series	Issued Date	Issued Amount	Rate of Interest	Interest Periodicity	Maturity Date	Maturity Amount	Current Year	Previous Year
Series-'PDL-02-2021'	Feb-2021	2,300.00	12.00%	Monthly	Feb-2026	2,300.00	No	Yes
Series-'PDL-07-2021'	July-2021	2,500.00	12.00%	Monthly	July-2026	2,500.00	Yes	Yes
Series-'PDL-09-2021'	Sep-2021	9,400.00	12.00%	Monthly	Sep-2026	9,400.00	Yes	Yes
Series-'PDL-09-02-2021'	Sep-2021	1,500.00	12.00%	Monthly	Sep-2026	1,500.00	No	Yes
Series-'PDL-02-2022'	Feb-2022	2,700.00	9.00%	Monthly	Feb-2029	2,700.00	Yes	Yes
Series-'PDL-07-2022'	Jul-2022	1,400.00	9.90%	Monthly	Jul-2032	1,400.00	Yes	Yes
Series-'PDL-01-2023'	Jan-2023	3,400.00	12.00%	Monthly	Jan-2033	3,400.00	Yes	Yes
Series-NFPL-10-2021'	Oct-2021	3,870.00	12.00%	Monthly	Oct-2028	3,870.00	Yes	Yes
Series-'NFPL-05-2022'	May-2022	550.00	12.00%	Monthly	May-2027	550.00	Yes	Yes
Series-'NFPL-06-2022'	Jun-2022	700.00	12.00%	Monthly	Jun-2032	700.00	Yes	Yes
Series-'NFPL-07-2022'	Jul-2022	450.00	12.00%	Monthly	Jul-2032	450.00	Yes	Yes
Series-'PDL-04-2023'	Apr-2023	500.00	10.00%	Monthly	Apr-2033	500.00	No	Yes
Series-'PDL-04-2023'	Apr-2023	830.00	12.00%	Monthly	Apr-2033	830.00	Yes	Yes
Series-'PDL-04-2023'	Apr-2023	2,810.00	12.00%	On Maturity	Apr-2033	2,810.00	No	Yes
Series-'PDL-09-2023'	Sep-2023	500.00	12.00%	Monthly	Sep-2033	500.00	Yes	Yes
Series-'PDL-11-2023'	Nov-2023	850.00	9.95%	Monthly	Nov-2033	850.00	No	Yes
Series-'PDL-11-2023'	Nov-2023	1,000.00	9.95%	Quarterly	Nov-2026	1,000.00	Yes	Yes
Series-'PDL-12-2023'	Dec-2023	800.00	12.00%	Monthly	Dec-2033	800.00	No	Yes
Series-'PDL-12-2023'	Dec-2023	3,820.00	12.00%	Monthly	Dec-2033	3,820.00	Yes	Yes
Series-'PDL-12-2023'	Dec-2023	1,970.00	9.95%	Quarterly	Dec-2033	1,970.00	Yes	Yes
Series-'PDL-12-2023'	Dec-2023	600.00	9.95%	Quarterly	Jun-2025	600.00	No	Yes
Series-'PDL-01-2024'	Jan-2024	1,971.00	9.95%	Quarterly	Jan-2034	1,971.00	Yes	Yes
Series-'PDL-02-2024'	Feb-2024	2,034.00	9.95%	Quarterly	Feb-2034	2,034.00	Yes	Yes
Series-'PDL-04-2024'	Apr-2024	1,200.00	9.95%	Quarterly	July-2025	1,200.00	No	Yes
Series-'PDL-04-2024'	Apr-2024	600.00	9.95%	Quarterly	Oct-2025	600.00	No	Yes
Series-'PDL-05-2024'	May-2024	2,700.00	9.95%	Quarterly	May-2029	2,700.00	Yes	Yes
Series-'PDL-07-2024'	July-2024	2,500.00	9.95%	Quarterly	July-2027	2,500.00	Yes	Yes
Series-'PDL-06-2025'	Jun-2025	5,000.00	10.00%	Monthly	Jun-2027	5,000.00	Yes	No
Series-'PDL-08-2025'	Aug-2025	3,400.00	9.75%	Quarterly	Aug-2028	3,400.00	Yes	No
Series-'PDL-09-2025'	Sep-2025	5,000.00	10.00%	Monthly	Sep-2028	5,000.00	Yes	No
Series-'PDL-11-2025'	Nov-2025	5,500.00	8.45%	Yearly	Nov-2027	5,500.00	Yes	No
Series-'PDL-11-2025'	Nov-2025	2,500.00	8.50%	Yearly	Nov-2028	2,500.00	Yes	No
Series-'PDL-12-2025'	Dec-2025	4,000.00	8.50%	Quarterly	Dec-2028	4,000.00	Yes	No
Series-'PDL-12-2025'	Dec-2025	3,000.00	8.45%	Yearly	Dec-2027	3,000.00	Yes	No
Series-'PDL-03-2026'	Mar-2026	5,100.00	9.25%	Monthly	Sep-2028	5,100.00	Yes	No

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2026

Note : 14 Borrowings (Other than Debt Securities) **(₹ in Lakhs)**

Particulars	Current Year				Previous Year			
	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
	(1)	(2)	(3)	(4) = (1)+(2)+(3)	(1)	(2)	(3)	(4) = (1)+(2)+(3)
(a) Term loans:								
(i) From banks	2,81,543.10	-	-	2,81,543.10	1,78,539.76	-	-	1,78,539.76
(ii) From other parties	17,142.86	-	-	17,142.86	20,000.00	-	-	20,000.00
(b) Deferred payment liabilities	-	-	-	-	-	-	-	-
(c) Loans from related parties	-	-	-	-	-	-	-	-
(d) Finance lease obligations	-	-	-	-	-	-	-	-
(e) Liability component of compound financial instruments	-	-	-	-	-	-	-	-
(f) Loans repayable on demand:								
(i) from banks	-	-	-	-	-	-	-	-
(ii) from other parties	-	-	-	-	-	-	-	-
(g) Other loans (specify nature)	-	-	-	-	-	-	-	-
(i) from banks	6,613.28	-	-	6,613.28	38,121.69	-	-	38,121.69
(ii) from other parties	9,401.00	-	-	9,401.00	10,305.87	-	-	10,305.87
Total (A)	**3,14,700.24**	**-**	**-**	**3,14,700.24**	**2,46,967.32**	**-**	**-**	**2,46,967.32**
Borrowings in India	3,14,700.24	-	-	3,14,700.24	2,46,967.32	-	-	2,46,967.32
Borrowings outside India	-	-	-	-	-	-	-	-
Total (B) to tally with (A)	**3,14,700.24**	**-**	**-**	**3,14,700.24**	**2,46,967.32**	**-**	**-**	**2,46,967.32**

SAKET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED PAISALO

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2026

Note : 15 Deposits (₹ in Lakhs)

Particulars	Current Year				Previous Year			
	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
	(1)	(2)	(3)	(4) = (1)+(2)+(3)	(5)	(6)	(7)	(8) = (5)+(6)+(7)
Deposits								
(i) Public Deposits	-	-	-	-	-	-	-	-
(ii) From Banks	-	-	-	-	-	-	-	-
(iii) From Others	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-

Note : 16 Subordinatd Liabilities (₹ in Lakhs)

Particulars	Current Year				Previous Year			
	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
	(1)	(2)	(3)	(4) = (1)+(2)+(3)	(5)	(6)	(7)	(8) = (5)+(6)+(7)
Perpetual Debt Instruments to the extent that do not qualify as equity	-	-	-	-	-	-	-	-
Preferene Shares other than those that qualify as Equity	-	-	-	-	-	-	-	-
Others (Non-Convertable Debentures*)	100.00	-	-	100.00	800.00	-	-	800.00
Total (A)	**100.00**	-	-	**100.00**	**800.00**	-	-	**800.00**
Subordinated Liabilities in India	100.00	-	-	100.00	800.00	-	-	800.00
Subordinated Liabilities outside India	-	-	-	-	-	-	-	-
Total (B) to tally with (A)	**100.00**	-	-	**100.00**	**800.00**	-	-	**800.00**

***Details of Non-Convertable Debentures** (₹ in Lakhs)

Debenture Series	Issued Date	Issued Amount	Rate of Interest	Interest Periodicity	Maturity Date	Maturity Amount	Current Year	Previous Year
Series-'PDL2020-1'	Jan -2020	600	12.00%	Monthly	Jan-2026	600	No	Yes
Series-'PDL2020-2'	Feb-2020	100	12.00%	Monthly	Feb-2026	100	No	Yes
Series-'PDL2020-12'	Dec-2020	100	12.00%	Monthly	Dec-2030	100	Yes	Yes

SAKET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED PAISALO

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NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2026

Note : 17 Others Financial Liabilities (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Debt Service Repayment Account	1,947.52	1,533.00
	Total	**1,947.52**	**1,533.00**

Note : 18 Current Tax Liabilities (Net) (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	**Advance Recoverable in Cash or in Kind or for value to be considered good**		
	Income Tax and TDS	-	-
	Provision for Taxation	-	-
	Total	**-**	**-**

Note : 19 Provisions (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Provision for Standard Assets	2,391.46	2,003.30
2	Provision for Proposed Dividend on Equity Shares	909.52	902.12
3	Provision for Expected Credit Loss	1,575.63	1,493.71
4	Provision for Sub Standard Assets	889.99	1,084.22
	Total	**5,766.60**	**5,483.35**

Note : 20 Deferred Tax Liabilities (Net) (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Opening Balance	506.76	(857.89)
	Tax on Timing difference on Property, Plant and Equipments	631.53	555.66
	Tax on Timing difference on Deferred Revenue Expenditures	932.30	409.31
	Tax on Timing difference on Unexpired Processing Fees	0.37	3.25
	Tax on Timing difference on Unearned Processing Fees	(248.09)	(461.46)
2	Total Deferred Tax Liability	1,316.11	506.76
	Provision for Deferred Tax required for the year (2-1)	809.35	1,364.65
	Total	**1,316.11**	**506.76**

Note : 21 Others Non Financial Liabilities (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Unearned Income of Processing Fees	986.09	1,834.18
	Total	**986.09**	**1,834.18**

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PAISALO DIGITAL LIMITED PAISALO

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2026

Note : 22 Share Capital **(₹ in Lakhs)**

Sr. No.	Particulars	Current Year	Previous Year
1	**AUTHORIZED CAPITAL**		
	1,75,00,00,000 Equity Shares of Re. 1 per share	17,500.00	17,500.00
	50,00,000 Preference Shares of Re. 10 each	500.00	500.00
		18,000.00	**18,000.00**
2	**ISSUED, SUBSCRIBED CAPITAL**		
	92,22,43,289 Equity Shares of Re. 1 per Share fully paid up (Previous year 89,81,68,980 Equity Shares of Re. 1 each)	9,022.43	8,981.69
	Add: - 74,03,585 equity shares of face value Re. 1 each @ premium of Rs. 44.74 issued on conversion of 4000 FCCBs of USD 4 million (Previous Year 37,01,792 equity shares of face value Re. 1 each @ premium of Rs. 44.74 issued on conversion of 2000 FCCBs of USD 2 million)	74.04	37.02
	Add: (Previous Year 3,72,517 equity share of face value Re. 1 each @ premium of Rs. 33.69 alloted under PDL ESPS 2024 scheme)	-	3.72
		9,096.48	**9,022.42**
3	**PAID UP CAPITAL**		
	90,21,18,289 Equity Shares of Re. 1 per Share fully paid up (Previous year 89,80,43,980 Equity Shares of Re. 1 each)	9,021.18	8,980.44
	Add: - 74,03,585 equity shares of face value Re. 1 each @ premium of Rs. 44.74 issued on conversion of 4000 FCCBs of USD 4 million (Previous Year 37,01,792 equity shares of face value Re. 1 each @ premium of Rs. 44.74 issued on conversion of 2000 FCCBs of USD 2 million)	74.03	37.02
	Add: (Previous Year 3,72,517 equity share of face value Re. 1 each @ premium of Rs. 33.69 alloted under PDL ESPS 2024 scheme)	-	3.72
	Add: Share Forfeited a/c (Amount originally Paid up @ Rs 5 each on 12,500 Equity Shares of Re. 10 each)	0.63	0.63
	Total	**9,095.84**	**9,021.81**

SAKET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED PAISALO

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NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2026

Note : 23 Other Equity

Current Reporting Period (₹ in Lakhs)

Particulars	Share Application money pending Allotment	Equity component of compound Financial Instruments	Statutory Reserves - RBI Reserve Fund	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Capital Redemption Reserve	Revaluation Reserve	Debt instruments through other Comprehensive Income	Equity Instruments through other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (Specify nature)	Money received against Share Warrants	Total
Balance at the beginning of the reporting period	-	-	25,268.69	2,443.60	39,873.20	74,144.89	2,178.15	250.00	317.72	-	-	-	-	-	-	-	**1,44,476.25**
Add: Any change due to IND AS	-	-	-	-	-	-	(7.40)	-	-	-	-	-	-	-	-	-	(7.40)
Restated Balances at the beginning of the reporting period	-	-	25,268.69	2,443.60	39,873.20	74,144.89	2,170.75	250.00	317.72	-	-	-	-	-	-	-	**1,44,468.85**
Total Comprehensive Income for the year	-	-	-	-	-	-	23,720.61	-	-	-	-	-	-	-	-	-	**23,720.61**
Money received as share warrant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Premium on coversion and allotment of shares	-	-	-	-	3,312.36	-	-	-	-	-	-	-	-	-	-	-	3,312
Security Premium on conversion of warrants into equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proposed Dividends	-	-	-	-	-	-	(909.52)	-	-	-	-	-	-	-	-	-	**(909.52)**
Depreciation on Revaluation Amount	-	-	-	-	-	-	9.08	-	(9.08)	-	-	-	-	-	-	-	-
Income Tax Impact due to IND AS on Processing Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Previous Years Tax	-	-	-	-	-	-	(2.35)	-	-	-	-	-	-	-	-	-	**(2.35)**
Transfer to General Reserve	-	-	-	-	-	17,000.00	(17,000.00)	-	-	-	-	-	-	-	-	-	-
Transfer to Statutory Reserve Fund	-	-	4,744.12	-	-	-	(4,744.12)	-	-	-	-	-	-	-	-	-	-
Provision on Standard Assets	-	-	-	-	-	-	(388.14)	-	-	-	-	-	-	-	-	-	**(388.14)**
Expenditure on Corporate Social Responsibility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of the reporting period	-	-	30,012.81	2,443.60	43,185.56	91,144.89	2,856.31	250.00	308.64	-	-	-	-	-	-	-	**1,70,201.81**

KET JAIN & CO. AGRA Chartered Accountant

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NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2026

Note : 23 Other Equity

Previous Reporting Period

(₹ in Lakhs)

Particulars	Share Application money pending Allotment	Equity component of compound Financial Instruments	Statutory Reserves-RBI Reserve Fund	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Capital Redemption Reserve	Revaluation Reserve	Debt instruments through other Comprehensive Income	Equity Instruments through other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (Specify nature)	Money received against Share Warrants	Total
Balance at the beginning of the reporting period	-	-	21,266.28	2,415.21	38,091.52	60,144.89	1,465.90	250.00	326.80	-	-	-	-	-	-	-	**1,23,960.59**
Add: Any change due to IND AS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated Balances at the beginning of the reporting period	-	-	21,266.28	2,415.21	38,091.52	60,144.89	1,465.90	250.00	326.80	-	-	-	-	-	-	-	**1,23,960.59**
Total Comprehensive Income for the year	-	-	-	-	-	-	20,012.07	-	-	-	-	-	-	-	-	-	**20,012.07**
Money received as share warrant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share warrant converted into Share capital	-	-	-	-	1,781.68	-	-	-	-	-	-	-	-	-	-	-	**1,781.68**
Security Premium on conversion of warrants into equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proposed Dividends	-	-	-	-	-	-	(902.12)	-	-	-	-	-	-	-	-	-	**(902.12)**
Depreciation on Revaluation Amount	-	-	-	-	-	-	9.08	-	(9.08)	-	-	-	-	-	-	-	-
Income Tax Impact due to IND AS on Processing Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bonus share issued	-	-	-	28	-	-	-	-	-	-	-	-	-	-	-	-	**28.39**
Transfer to General Reserve	-	-	-	-	-	14,000.00	(14,000.00)	-	-	-	-	-	-	-	-	-	-
Transfer to Statutory Reserve Fund	-	-	4,002.41	-	-	-	(4,002.41)	-	-	-	-	-	-	-	-	-	-
Provision on Standard Assets	-	-	-	-	-	-	(404.37)	-	-	-	-	-	-	-	-	-	**(404.37)**
Expenditure on Corporate Social Responsibility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Balance at the end of the reporting period	-	-	25,268.69	2,443.60	39,873.20	74,144.89	2,178.15	250.00	317.72	-	-	-	-	-	-	-	**1,44,476.25**

SAKET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED PAISALO

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2026

Note : 24 Interest Income (₹ in Lakhs)

Particulars	Current Year			Previous Year		
	On Financial Assets measured at Fair value through OCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at Fair value through profit for loss	On Financial Assets measured at Fair value through OCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at Fair value through profit for loss
Interest on Loans	-	90,198.02	-	-	69,563.25	-
Interest Income from Investments	-	206.81	-	-	18.61	-
Interest on Deposits with Banks	-	45.67	-	-	35.20	-
Other Interest Income	-	21.46	-	-	19.64	-
Fee and Commssion Income	-	3,896.08	-	-	7,113.21	-
Dividend Income	-	1.72	-	-	1.53	-
Total	**-**	**94,369.76**	**-**	**-**	**76,751.44**	**-**

Note : 25 Net Gain/(Loss) on fair value changes (₹ in Lakhs)

Particulars	Current Year	Previous Year
(A) Net gain/ (loss) on Financial Instruments at Fair value through profit or loss		
(i) On trading portfolio:		
—Investments	-	-
—Derivatives	-	-
—Others	-	-
(ii) On Financial Instruments designated at fair value through profit or loss	(49.46)	26.68
(B) Others		
(i) Total Net gain/(loss) on fair value changes (c)	-	-
(ii) Fair Value changes:		
—Realised	-	-
—Unrealised	-	-
Total Net Gain/(Loss) on Fair value changes (D) to tally with (C)	**(49.46)**	**26.68**

AKET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED PAISALO

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2026

Note : 26 Other Income (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Net gain/(loss) on ineffective portion of hedges	-	-
2	Net gain/(loss) on derecognition of property, plant and equipment	-	-
3	Net gain or loss on foreign currency transaction and translation (other than considered as finance cost)	-	-
4	Others	-	332.54
	Total	**-**	**332.54**

Note : 27 Finance Cost (₹ in Lakhs)

Sr. No.	Particulars	Current Year		Previous Year	
		On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost
1	Interest on Deposits	-	-	-	-
2	Interest on Borrowings	-	28,966.53	-	22,521.45
3	Interest on Debt Securities	-	6,796.52	-	6,501.34
4	Interest on Subordinated Liabilities	-	82.42	-	478.14
5	Other Interest expense/ Bank Charges	-	1,587.90	-	3,329.68
	Total	**-**	**37,433.37**	**-**	**32,830.61**

SAKET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED PAISALO

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2026

Note : 28 Impairment on Financial Instruments (₹ in Lakhs)

Particulars	Current Year		Previous Year	
	On Financial instruments measured at Fair value through OCI	On Financial instruments measured at Amortised Cost	On Financial instruments measured at Fair value through OCI	On Financial instruments measured at Amortised Cost
Bad Debts Written Off on Loans	-	3,653.78	-	2,099.33
Provision for NPA	-	479.69	-	380.75
Provision for Expected Credit Loss				
Additional Provision for Expected Credit Loss	-	81.92	-	71.11
Investments	-	-	-	-
Others (to be specified)	-	-	-	-
Total	**-**	**4,215.39**	**-**	**2,551.19**

SAKET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED PAISALO

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2026

Note : 29 Employees Benefit Expenses **(₹ in Lakhs)**

Sr. No.	Particulars	Current Year	Previous Year
1	Salaries and Wages to Employess	6,169.10	5,042.01
2	Directors Salaries & Allowances	735.98	676.23
3	Contribution to Provident and other funds	407.50	344.65
4	Share Based Payments to employees	-	28
5	Staff welfare expenses	328.97	194.86
	Total	**7,641.55**	**6,286.14**

- No remuneration has been paid to Directors except remuneration to Managing Director and Executive Directors. The remuneration paid to Managing Director and Executive Directors during the F.Y. 2025-26 Rs. 7,35,97,504 (Last year Rs. 6,76,22,575) which is within the limit as specified u/s 197 read with Schedule V of the Companies Act, 2013.

Note : 30 Depreciation & Amortised Cost **(₹ in Lakhs)**

Sr. No.	Particulars	Current Year	Previous Year
1	Depreciation	559.09	426.96
2	Deffered Revenue Exp. w/o*	665.18	120.19
	Total	**1,224.27**	**547.15**

- *Deferred Expenses written off over a period of five Years.

Note : 31 Other Expenses **(₹ in Lakhs)**

Sr. No.	Particulars	Current Year	Previous Year
1	Car & Scooter Expenses	60.99	59.63
2	Travelling Expenses	2,011.76	1,793.74
3	Repair & Maintenance	29.38	23.83
4	Insurance Expenses	72.40	32.63
5	Electricity & Water Expenses	92.77	99.69
6	Rates & Taxes	6.54	3.41
7	Legal Expenses & Professional Fees	3,220.31	1,950.06
8	Printing & Stationery Expenses	358.58	386.48
9	Postage & Telephone Expenses	432.71	175.13
10	Auditors Remuneration	9.20	9.20
11	Rent	636.51	496.35
12	Rebate & Remission	1,311.75	669.25
13	Advertisement & Business Promotion Expenses	1,185.24	822.93
14	Recovery Expenses	767.54	505.30
15	Office and General Expenses	470.58	453.67
16	Loss/(Profit) on sale of Assets/Investments	289.69	24.69
17	Directors Sitting Fees & Expenses	21.53	21.72
18	loss on foreign currency transaction and translation	471.06	289.76
19	Corporate Social Responsibility Expenditure*	437.83	320.89
	Total	**11,886.37**	**8,138.36**

- *Refer Note 31 of Standalone Financial Statements.

SAKET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED PAISALO

32. Remuneration to Auditors:

(₹ in Lakhs)

	2025-26	2024-25
For Statutory Audit	6.23	6.23
For Tax Audit	2.21	2.21
Total	**8.44**	**8.44**

33. Earning per Share:

(₹ in Lakhs)

	2024-25	2024-25
Net profit for the year (After Tax)	23,720.61	20,012.07
Equity Shares in numbers (Weighted)	90,60,93,913	89,88,37,281
Basic and diluted Earning per share	**2.62**	**2.23**

34. Figures for the previous year have been regrouped/rearranged/reclassified and restated in compliance with the IND AS wherever considered necessary.

35. The Paisalo Digital Limited has given corporate guarantee for the loans taken by its wholly owned subsidiary Company M/s Nupur Finvest Pvt. Ltd. from the following Bank's / FI's / NBFCs:

(₹ in Lakhs)

Name of Bank / Financial Institution	Facility	Amount o/s
Karnataka Bank Ltd	Cash Credit	500.00
Indian Bank	Cash Credit	500.00
Karnataka Bank	Term Loan	125.60
Total		**1,125.60**

- For Contingent Assets refer note no. 37 (b) Notes to the Accounts of Standalone Financial Statements of Paisalo Digital Limited.

36. Disclosure of Related party transactions:

Refer note no. 37 (A, B & C) of Notes to the Account of Standalone Financial Statement of Paisalo Digital Limited.

AKET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED PAISALO

D. Disclosures required for Related party transactions

(₹ in Lakhs)

Name of Party	Nature	Amount	Amount Receivable/ (Payable)
Mr. Sunil Agarwal	Remuneration to Director	393.60	(28.20)
Mr. Harish Singh	Remuneration to Director	65.34	(3.17)
Mr. Anoop Krishna	Remuneration to Director	52.72	(3.15)
Mr. Santanu Agarwal	Remuneration to Director	180.00	(21.00)
Mr. Vinod Kumar	Remuneration to Director	50.16	(3.23)
Mr. Manendra Singh	Salary	22.26	(1.45)
Mr. Pranav Chauhan	Interest Payment (on NCD)	24.00	—
Mrs. Priti Chauhan	Interest Payment (on NCD)	26.40	
Equilibrated Ventures Cflow Pvt. Ltd.	Loan Received	16,997.00	(176.00)
Equilibrated Ventures Cflow Pvt. Ltd.	Interest Expenses	327.31	—
Mr. Sunil Agarwal	Dividend Paid	105.70	—
Mr. Santanu Agarwal	Dividend Paid	33.70	—
Ms. Suneeti Agarwal	Dividend Paid	7.17	—
Pro Fitcch Pvt. Ltd.	Dividend Paid	22.32	—
Equilibrated Ventures Cflow Pvt. Ltd.	Dividend Paid	172.94	—
Pri Caf Pvt. Ltd.	Dividend Paid	24.05	—
Harish Singh	Dividend Paid	0.02	—
Manendra Singh	Dividend Paid	0.01	—

Notes:

(1) Related party relationship is as identified by the Company on the basis of information available with them and accepted by the auditors as correct.

(2) No amount has been written off or written back during the year in respect of debt due from or to related parties.

(3) Company has entered into transactions with certain parties as listed above during the year under consideration. Full disclosures have been made and the Board/Audit Committee considers such transactions to be in normal course of business and at rates agreed between the parties.

(4) The key management personnel and their relatives have given personal guarantees and collaterals for loans raised by the Company but Company has not provided any guarantee to these persons nor paid any consideration for furnishing such guarantees.

(5) Holding Company has extended its guarantee to Banks/ Financial Institutions for credit facilities availed by the wholly owned subsidiary Nupur Finvest Pvt. Ltd.

SAKET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED PAISALO

37. Term Loan facility:

The Nupur Finvest Private Limited has taken following Term Loans which are fully secured by first charge on hypothecation of Book debts, personal guarantees of Directors and Corporate guarantee of its Holding Company Paisalo Digital Limited, the details of which are given hereunder.

(₹ in Lakhs)

Name of Financial Institutions/ Banks	Date of Sanction	Sanctioned Amount	Terms of repayment	Maturity Date
State Bank of India	02nd Jun 2021	3,000.00	20 quarterly installments	Fully repaid During the year
State Bank of India	31st Jan 2022	1,500.00	15 quarterly installments	Fully repaid During the year
Indian Bank	01st Aug 2022	1,000.00	36 monthly installments	Fully repaid During the year
State Bank of India	27th Dec 2022	3,500.00	15 quarterly Installments	Fully repaid During the year
Bank of Baroda	23rd Jan 2023	2,500.00	36 monthly installments	February 2026
Karnataka Bank$	27th June 2025	500.00	12 monthly installment	June 2026

- $Term Loan from Karnataka Bank has been created through conversion of Cash Credit Limit.
- For other details of facilities and loans refer note no. 38 Notes to the Accounts of Standalone Financial Statements of Paisalo Digital Limited.

38. Working Capital Borrowings:

The Nupur Finvest Private Limited has availed working capital facility from Karnataka Bank Ltd., This facility is secured by hypothecation of books debts / receivables, equitable mortgage of immovable property belonging to the third party, personal guarantee of Directors and Corporate guarantee of its Holding Company.

(₹ in Lakhs)

S. No.	Name of Bank	Sanctioned Amount	Date of Sanction
1	Karnataka Bank Ltd.#	500.00	28th December, 2015
2	Indian Bank	500.00	01st Aug 2022
	Total	**1,000.00**	

- #During the year, the Karnataka Bank has reduced the Cash Credit Limit by repayment of Rs. 1000.00 Lakh and converted the Cash Credit Limit to Term Loan of Rs. 500.00 Lakhs.

SAKET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED PAISALO

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2026

39. Additional information as required in respect of Consolidated Financial Statements:

(₹ in Lakhs)

Name of the Entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
1	2	3	4	5
Total Consolidated	100	1,79,297.65	100	23,720.61
Holding Co. :				
Paisalo Digital Limited	96.12	1,73,068.10	98.78	23,468.91
		(Note 1)		(Note 2)
Subsidiaries-Wholly Owned :				
Nupur Finvest Pvt. Ltd.	3.88	6,229.55	1.22	251.70

Paisalo Digital Limited is not having any foreign subsidiary company / joint Venture.

Note 1. Net of Investment in Subsidiary Company.

Note 2. Net of Income from Subsidiary Company.

SAKET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED PAISALO

M/S PAISALO DIGITAL LIMITED

FORM NO. AOC-I

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

Statement containing salient features of the financial statements of subsidiaries/associate companies/joint ventures:

Part "A" : Subsidiaries

(₹ in Lakhs)

1	Name of Subsidiary	M/s Nupur Finvest Pvt. Ltd.
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same i.e. April 1, 2025 to March 31, 2026
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A.
4	Share Capital	536.96
5	Reserves	5,692.59
6	Total Assets	15,034.89
7	Total Liabilities	15,034.89
8	Investments	—
9	Turnover	3,162.88
10	Profit before Taxation	336.37
11	Provision for Taxation	84.67
12	Profit after Taxation	251.70
13	Proposed Dividend (excluding dividend distribution tax)	—
14	% of shareholding	100%

Name of subsidiaries which are yet to commence operation : NA

Names of subsidiaries which have been liquidated or sold during the year : NA

Part "B" : Associates and Joint Venture : NIL

Signed in terms of our Report of even date

For Saket Jain & Co.
Chartered Accountants
Firm Reg. No. 014685N

SAKET JAIN & CO. AGRA Chartered Accountant

(CA. ASHISH JAIN)
Partner
Membership No. 400599
UDIN : 26400599KOJOUE3043

Place : New Delhi
Date : 10th May 2026

PAISALO DIGITAL LIMITED PAISALO

For and on behalf of the Board

(SUNIL AGARWAL)
Managing Director
DIN : 00006991

(HARISH SINGH)
Executive Director & CFO
DIN : 00039501

(MANENDRA SINGH)
Company Secretary
Membership No. : F7868

AUDITOR'S REPORT

TO
THE MEMBERS OF
M/S PAISALO DIGITAL LIMITED
NEW DELHI

REPORT ON THE STANDALONE FINANCIAL STATEMENTS

OPINION

We have audited the accompanying Standalone Financial Statements of **M/S PAISALO DIGITAL LIMITED** ("the Company") which comprises the Balance Sheet as at 31st March 2025 the Statement of Profit and Loss (including Statement of Other Comprehensive Income), Statement of changes in Equity and Statement of Cash Flows for the year ended on that date, and notes to the Standalone Financial Statements, including a summary of material accounting policy information and other explanatory information.

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 Act in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2025 and profit (including Statement of Other Comprehensive Income), Statement of changes in Equity and its Cash Flows 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) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements Section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Companies Act, 2013 and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters below to be the key audit matters to be communicated in our report.

SAKET JAIN & CO. AGRA Chartered Accountant

Key Audit Matters	How our audit addresses the Key Audit Matters
Impairment of financial Instruments (Expected Credit Loss) (refer Note No. 28 of the Standalone Financial Statements) Ind AS 109 requires the Company to recognize impairment loss allowance towards its financial assets using the expected Credit Loss (ECL) approach. Such ECL allowance is required to be measured considering the guiding principles of Ind AS 109 including: ▪ unbiased, probability weighted outcome under the various scenarios; ▪ time value of money; ▪ impact arising from forward looking macro-economic factors and; ▪ availability of reasonable and supportable information without undue costs. Applying these principles involves significant estimation in various aspects, such as; ▪ grouping of borrowers based on homogeneity by using appropriate statistical techniques; ▪ staging of loans and estimation of behavior life; ▪ estimation of losses for loan products/ corporate guarantee with historical defaults. ▪ Determining macro-economic factors impacting credit quality of financial assets, Considering the significance of such allowance to the overall Financial Statements and the degree of estimation involved in computation of expected credit losses, this area is considered as a key audit matter.	▪ We read and assessed the Company's accounting policies for impairment of financial assets and their compliance with Ind AS 109. ▪ We tested the criteria for staging of loans/ corporate guarantee based on their past-due status to check compliance with the requirement of Ind AS 109. ▪ Tested samples of performing loans (Stage 1) to assess whether any loss indicators were present requiring them to be classified under stage 2 or 3 and vice versa. ▪ Tested the ECL model, including assumptions and underlying computation.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility and Sustainability Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements, Standalone Financial Statements and our Auditor's Report thereon.

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

SAKET JAIN & CO. AGRA Chartered Accountant

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. 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 implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

SAKET JAIN & CO. AGRA Chartered Accountant

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements 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

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 Companies Act, 2013, we give in the Annexure 'A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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.

c. The audit of all the branch offices of the Company has been conducted by us, hence Section 143(8) is not applicable;

d. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity, and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.

SAKET JAIN & CO. AGRA Chartered Accountant

e. In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

f. On the basis of the written representations received from the Directors as on 31st March 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2025 from being appointed as a director in terms of Section 164 (2) of the Act.

g. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

h. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

i. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i) The Company does not have any pending litigations (other than in the ordinary course of business) which would impact its financial position.

ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

iv) **(a)** The management has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity (ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, 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

SAKET JAIN & CO. AGRA Chartered Accountant

(c) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.

v) As stated in Note 61 to the Standalone Financial Statements

(a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

(b) The Company has not declared and has not paid any interim dividend during the year.

(c) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with Section 123 of the Act, as applicable.

vi) Based on our examination carried out in accordance with the Implementation Guidance on Reporting on Audit Trail under Rule 11(g) of the Companies (Audit and Auditors) Rules,2014 (Revised 2024 Edition) issued by the Institute of Chartered Accountants of India, which included test checks and we report that the company have used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with.

Place : New Delhi
Date : 09th May 2025

For Saket Jain & Co.
Chartered Accountants
Firm Reg. No. 014685N

SAKET JAIN & CO. AGRA Chartered Accountants

(CA. ASHISH JAIN)
Partner
Membership No. 400599
UDIN : 25400599BMIGVH1618

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT OF
M/S PAISALO DIGITAL LIMITED
(Referred to in paragraph of our Report of even date for F. Y. 2024-25)

i. **(a)** **(A)** The Company has maintained proper records to show full particulars including quantitative details and situation of fixed assets.

(B) The Company has maintained proper records to show full particulars of intangible assets.

(b) As explained to us, the Property, Plant and Equipments have been physically verified by the management at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to information and explanations given to us, the title deeds of immovable properties of the company are held in the name of the Company.

(d) According to the information and explanations given to us, Company has not revalued its Property, Plant and Equipment or Intangible assets.

(e) According to the information and explanations given to us, no proceedings have been initiated or are pending against the Company under the Benami Transactions (Prohibition) Act, 1988 (45 of 1998).

ii. **(a)** The Company is a Non-Banking Financial Company (NBFC) and has not dealt with any goods and the Company does not hold any inventory of goods during the period under audit. Accordingly, the reporting requirement under clause (ii) (a) of para no 3 of the Order is not applicable.

(b) In our opinion and according to the information and explanations given to us, Company is availing working capital limits of more than Rupees five crore on the basis of security of current assets during the financial year. The monthly returns or statements filed by the Company with banks or financial institutions are in agreement with the books of accounts of the Company.

iii. **(a)** The Company has made investments in or granted loans, secured or unsecured to individuals, companies, firms, limited liability partnership or other entities in ordinary course of business.

The Company has provided corporate guarantee to Bank / Financial Institution for the loans taken by its wholly owned subsidiary M/s Nupur Finvest Pvt. Ltd.

The Company is a Non-Banking Financial Company and principal business of the Company is providing loans and advance to other concerns, therefore Para (iii) (a) and (e) of the Order are not applicable to the Company.

(b) The terms & conditions of grant of such loans are not prejudicial to the interest of the Company.

(c) The repayment/receipt of the principal and interest of loan granted is regular as per the schedule of repayment and there is no amount which is overdue more than ninety days in respect of standard Assets.

SAKET JAIN & CO. AGRA Chartered Accountant

(d) As explained to us, as per RBI Prudential norms, the Company has made the required / specified provision for overdues of more than ninety days. However, the Company has taken reasonable steps for recovery of principal and interest for those cases.

(e) The Company has not given any loans or advances in the nature of loans which are repayable on demand or without specification of any terms or period of repayment. No loan has been granted to Promoters and/or related parties as defined under Section 2(76) of the Companies Act, 2013.

iv. According to the information and explanations given to us, the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security have been complied with.

v. The Company is a Non-Banking Financial Non-Deposit Taking or Holding Systemically Important (ND-SI) (Middle Layer) Company, and in our opinion, the Company has not accepted any public deposits within the meaning of Section 73 to 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 and Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016. Accordingly, the provisions of para 3(v) of the Order are not applicable to the Company.

vi. Maintenance of cost records as required under sub-section (1) of Section 148 of the Companies Act, 2013 are not applicable to the Company.

vii. **(a)** According to the information and explanations given to us, the Company has been regular in depositing with appropriate authorities undisputed statutory dues and there are no undisputed amounts of Income Tax, Goods & Service Tax, Cess, Employees State Insurance, Customs Duty, Provident Fund and Professional Tax etc. outstanding as at the last day of financial year concerned for a period of more than six months from the date they became payable.

(b) There are no dues of Goods & Service Tax and Custom Duty on account of any dispute except following matters under Income Tax and Goods & Service Tax:

Sr. No.	Forum	Period	Remark
1	Appeal to Commissioner of Income Tax (Appeal)	F.Y. 2012-13	Rs. 81,25,285/- amount involved
2	Appeal to Commissioner of Income Tax (Appeal)	F.Y. 2017-18	Rs. 23,29,246/- amount involved
3	Appeal to Commissioner of Income Tax (Appeal)	F.Y. 2019-20	Rs. 16,64,666/- amount involved
4	Penalty Proceedings u/s 271(1)(c)	F.Y. 2012-13	Pending Assessment
5	Penalty Proceedings u/s 270A	F.Y. 2017-18	Pending Assessment
6	Penalty Proceedings u/s 270A	F.Y. 2019-20	Pending Assessment
7	Revision Proceedings u/s 263	F.Y. 2017-18	Pending Assessment
8	Goods & Service Tax Appeal Proceedings (Delhi)	F.Y. 2017-18	Rs. 67,15,622/- amount involved
9	Goods & Service Tax Appeal Proceedings (Delhi)	F.Y. 2019-20	Rs. 89,75,312/- amount involved
10	Goods & Service Tax Appeal Proceedings (Delhi)	F.Y. 2020-21	Rs. 35,07,405/- amount involved
11	Goods & Service Tax Penalty u/s 122	F.Y. 2023-24	Pending Assessment
12	Goods & Service Tax Proceedings u/s 61 (UP)	F.Y. 2023-24	Rs. 2,18,832/- amount involved
13	Goods & Service Tax Proceedings u/s 61 (UP)	F.Y. 2024-25	Rs. 9,40,457/- amount involved

SAKET JAIN & CO. AGRA Chartered Accountant

viii. There are no transactions which are not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

ix. **(a)** The Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) The Company has not been declared willful defaulter by any bank or financial institution or other lender

(c) The term loans were applied for the purpose for which the loans were sanctioned

(d) Funds raised on short term basis have not been utilized for long term purposes

(e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) 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)** According to the information and explanations given to us, the Company has issued USD 50 million Foreign Currency Convertible Bonds during the year.

(b) According to the information and explanations given to us, the company has issued 372517 equity shares to the employee of the Company and its wholly owned subsidiary Company under Paisalo Employee share purchase scheme 2024 during the year.

xi. **(a)** Based on the records examined by us and according to the information, explanations given to us, no fraud has been committed by the Company or any fraud committed on the Company by its officers or employees has been noticed or reported during the year.

(b) No report under sub-section (12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules 2014 with the Central Government.

(c) According to the information and explanation given to us, No whistle-blower complaints received during the year.

xii. The Company is not the Nidhi Company, therefore provisions of Para 3 (xii) (a) to (c) of the Order is not applicable to the Company.

xiii. Based on the records examined by us and according to the information & explanation given to us, the provisions of Section 177 and 188 of the Companies Act, 2013 regarding transaction with related parties have been complied with and details of the transaction as per applicable accounting standard have been disclosed in the notes to accounts of the Standalone Financial Statements.

xiv. **(a)** According to the information & explanation given to us, the Company has an Internal Audit System commensurate with the size and nature of its business.

(b) We have considered the internal audit report for the period under audit and there are no major issues raised by the internal auditor.

SAKET JAIN & CO. AGRA Chartered Accountant

xv. Based on the records examined by us and according to the information & explanation given to us, no non-cash transactions with Directors or persons connected with him, have been taken place during the year, hence the provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. **(a)** According to the information & explanation given to us, the Company is registered under Section 45-IA of the Reserve Bank of India Act, 1934 as Non-Deposit Accepting or Holding Non-Banking Financial Company.

(b) According to the information & explanation given to us, the Company is Non-Banking Financial Company and having a valid Certificate of Registration (CoR) from Reserve Bank of India as per Reserve Bank of India Act, 1934.

(c) According to the information & explanation given to us, the Company is not a Core Investment Company (CIC), therefore CIC regulation of RBI are not applicable on the Company.

(d) According to the information & explanation given to us, there are no CIC in the group.

xvii. According to the information & explanation given to us, the Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.

xviii. There has been no resignation of the Statutory Auditors of the Company during the year.

xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the Auditor's knowledge of the Board of Directors and management plans, the Auditor is of the opinion that there is no material uncertainty exists as on the date of the audit report and that Company is 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.

xx. According to the information and explanations given to us, the provisions of Section 135 of the Act are applicable to the Company. The Company has made the required contributions during the year and there are no unspent amounts which are required to be transferred to the special account as on the date of our audit report. Accordingly, the provisions of paragraph 3(xx)(a) to (b) of the Order are not applicable to the Company.

Place : New Delhi
Date : 09th May 2025

For Saket Jain & Co.
Chartered Accountants
Firm Reg. No. 014685N

SAKET JAIN & CO. AGRA

(CA. ASHISH JAIN)
Partner
Membership No. 400599
UDIN : 25400599BMIGVH1618

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT OF
M/S PAISALO DIGITAL LIMITED
(Referred to in paragraph of our Report of even date for F. Y. 2024-25)

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB – SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013

We have audited the internal financial controls over financial reporting of **M/S PAISALO DIGITAL LIMITED** as of 31st March 2025 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls , both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, 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 system over financial reporting.

SAKET JAIN & CO. AGRA Chartered Accountant

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, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2025 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place : New Delhi
Date : 09th May 2025

For Saket Jain & Co.
Chartered Accountants
Firm Reg. No. 014685N

SAKET JAIN & CO. AGRA Chartered Accountant

(CA. ASHISH JAIN)
Partner
Membership No. 400599
UDIN : 25400599BMIGVH1618

M/S PAISALO DIGITAL LIMITED

BALANCE SHEET AS ON 31ST MARCH 2025

(₹ in Lakhs)

Sr. No.	Particulars	Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
I	**ASSETS**			
	(1) Financial Assets			
	(a) Cash & Cash Equivalents	1	10,046.71	1,077.23
	(b) Bank Balances other than (a) above	2	320.06	279.09
	(c) Derivative Financial Instruments	3	-	-
	(d) Receivables			
	(i) Trade Receivables	4	2,112.96	1,190.09
	(ii) Other Receivables		-	-
	(e) Loans	5	475,074.95	367,341.64
	(f) Investments	6	6,254.37	6,227.76
	(g) Other Financial Assets	7	3,257.91	5,804.64
	(2) Non Financial Assets			
	(a) Current Tax Assets (Net)	8	2,458.94	915.85
	(b) Deferred Tax Asset (Net)			864.02
	(c) Investment Property		-	-
	(d) Biological Assets other than Bearer plants		-	-
	(e) Property, Plant and Equipments	9	7,446.13	6,610.21
	(f) Capital Work-in-Progress		-	-
	(g) Intangible Assets under development		-	-
	(h) Goodwill		-	-
	(i) Other Intangible Assets	9	14.00	33.38
	(j) Other Non-Financial Assets	10	1,626.33	-
	Total Assets		**508,612.36**	**390,343.91**
II	**EQUITY AND LIABILITIES**			
	(1) Financial Liabilities			
	(a) Derivative Financial Instruments	11	-	-
	(b) Payables	12		
	(I) Trade Payables			
	(i) Total outstanding dues of Micro Enterprises and Small Enterprises		39.40	265.55
	(ii) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		3,387.38	1,276.85
	(II) Other Payables			
	(i) Total outstanding dues of Micro Enterprises and Small Enterprises		-	-
	(ii) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		3,092.38	1,091.82
	(c) Debt Securities	13	102,609.43	53,842.76
	(d) Borrowings (Other than Debt Securities)	14	237,783.73	182,813.31
	(e) Deposits	15	-	-
	(f) Subordinated Liabilities	16	800.00	8,900.00
	(g) Other Financial Liabilities	17	1,533.00	987.75
	(2) Non-Financial Liabilities			
	(a) Current Tax Liabilities (Net)	18	-	-
	(b) Provisions	19	5,280.60	4,403.80
	(c) Deferred Tax Liabilities (Net)	20	509.80	
	(d) Other non-financial Liabilities	21	1,811.23	5,289.62
	(3) Equity			
	(a) Equity Share Capital	22	9,021.81	8,981.06
	(b) Other Equity	23	142,743.60	122,491.39
	Total Equity & Liabilities		**508,612.36**	**390,343.91**

Notes to the Accounts & Significant Accounting Policies annexed
Notes referred to above form an integral part of these Financial Statements
Signed in terms of our Report of even date

For Saket Jain & Co.
Chartered Accountants
Firm Reg. No. 014685N

SAKET JAIN & CO. AGRA Chartered Accountant

(CA. ASHISH JAIN)
Partner
Membership No. 400599
UDIN : 25400599BMIGVH1618

Place : New Delhi
Date : 9th May 2025

PAISALO DIGITAL LIMITED PAISALO

For and on behalf of the Board

(SUNIL AGARWAL)
Managing Director
DIN : 00006991

(HARISH SINGH)
Executive Director & CFO
DIN : 00039501

(MANENDRA SINGH)
Company Secretary
Membership No. : F7868

M/S PAISALO DIGITAL LIMITED

PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2025

(₹ in Lakhs)

Sr. No.	Particulars	Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
I	**Revenue from operations:**			
	(i) Interest Income	24	66,023.60	53,535.56
	(ii) Dividend Income		1.53	1.24
	(iii) Rental Income		-	-
	(iv) Fees and commission Income		7,098.84	6,233.51
	(v) Net gain on fair value changes	25	26.68	95.57
	(vi) Net gain on derecognition of financial instruments under amortised cost category		-	-
	(vii) Sale of products (including Excise Duty)		-	-
	(viii) Sale of services		-	-
	(ix) Others		332.54	638.38
	Total Revenue from Operations (I)		**73,483.19**	**60,504.26**
II	Other Income	26	-	-
	Total Income (I+II)		**73,483.19**	**60,504.26**
III	**Expenses:**			
	(i) Finance Costs	27	30,930.05	23,982.34
	(ii) Fees and commission expense		-	-
	(iii) Net loss on fair value changes		-	-
	(iv) Net loss on derecognition of financial instruments under amortised cost category		-	-
	(v) Impairment on financial instruments	28	1,868.43	246.63
	(vi) Cost of materials consumed		-	-
	(vii) Purchases of Stock-in-trade		-	-
	(viii) Changes in Inventories of finished goods, stock-in- trade and work-in- progress		-	-
	(ix) Employee Benefits Expenses	29	6,074.87	4,701.30
	(xi) Depreciation, amortization and impairment	30	546.86	339.62
	(x) Others expenses	31	7,602.99	7,439.27
	Total Expenses (III)		**47,023.20**	**36,709.16**
IV	Profit before exceptional items and tax **(II-III)**		**26,459.99**	**23,795.09**
V	Exceptional items		(59.46)	(58.32)
VI	Profit before tax **(IV-V)**		**26,519.45**	**23,853.41**
VII	**Tax Expense:**			
	(1) Current Tax		5,376.93	6,949.52
	(2) Deferred Tax		1,373.82	(797.95)
VIII	Profit for the period from continuing operations **(VI-VII)**		**19,768.70**	**17,701.84**
IX	Profit/(loss) from discontinued operations		-	-
X	Tax Expense of discontinued operations		-	-
XI	Profit/(loss) from discontinued operations (After tax) **(IX-X)**		-	-
XII	Profit for the period **(VIII+XI)**		**19,768.70**	**17,701.84**

SAKET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED PAISALO

M/S PAISALO DIGITAL LIMITED

PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2025

(₹ in Lakhs)

Sr. No.	Particulars	Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
XIII	**Other Comprehensive Income:**			
	(A) (i) Items that will not be reclassified to profit or loss (Revaluation of Properties)		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	Sub Total (A)		-	-
	(B) (i) Items that will be reclassified to profit or loss (specify items and amounts)		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
	Sub Total (B)		-	-
	Other Comprehensive Income (A+B)		-	-
XIV	Total Comprehensive Income for the period (XII+XIII) (Comprising Profit and other Comprehensive Income for the period)		**19,768.70**	**17,701.84**
XV	**Earnings per Equity Share (for continuing operations):**			
	Basic (Rs.)	34	2.20	3.83
	Diluted (Rs.)		2.20	3.83
XVI	**Earnings per Equity Share (for discontinued operations):**			
	Basic (Rs.)		-	-
	Diluted (Rs.)		-	-
XVII	**Earnings per Equity Share (for continuing and discontinued operations):**			
	Basic (Rs.)	34	2.20	3.83
	Diluted (Rs.)		2.20	3.83

Notes to the Accounts & Significant Accounting Policies annexed
Notes referred to above form an integral part of these Financial Statements
Signed in terms of our Report of even date

For Saket Jain & Co.
Chartered Accountants
Firm Reg. No. 014685N

SAKET JAIN & CO. AGRA Chartered Accountant

(CA. ASHISH JAIN)
Partner
Membership No. 400599
UDIN : 25400599BMIGVH1618

Place : New Delhi
Date : 9th May 2025

PAISALO DIGITAL LIMITED PAISALO

For and on behalf of the Board

(SUNIL AGARWAL)
Managing Director
DIN : 00006991

(HARISH SINGH)
Executive Director & CFO
DIN : 00039501

(MANENDRA SINGH)
Company Secretary
Membership No. : F7868

M/S PAISALO DIGITAL LIMITED

STATEMENT OF STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2025

(₹ in Lakhs)

Sr. No.	Particulars	Figures for current reporting period		Figures for previous reporting period	
A	**Cash Flow from Operating Activities:**				
	Net Profit before tax and extraordinary items and Interest		57,390.04		47,777.44
	Adjustments for				
I	Depreciation	426.67		339.62	
II	Deferred Expense W/O	120.19		-	
III	Impairment on financial instruments	1,868.43		246.63	
IV	Expenditure on CSR	320.89		211.70	
V	Dividend Income Received	(1.53)		(1.24)	
VI	Profit/loss on Sale of Shares	(26.68)		(95.57)	
VII	Share based payment to employees	28.39		-	
VIII	Profit/loss on Sale of Investments/Assets	24.69		(6.36)	
	Operating Profit before working capital changes		**60,151.09**		**48,472.22**
	Adjustments for				
I	Change in Other Financial Assets	(19.27)		(274.53)	
II	Change in Loans & Receivables	(110,076.32)		(88,775.93)	
III	Change in Payable & non financial liabilities	406.53		4,924.18	
IV	Misc. Expenses	(1,746.52)		-	
	Cash generated from Operations		**(51,284.49)**		**(35,654.06)**
I	Interest paid	(30,930.05)		(23,982.34)	
II	Income Tax paid	(6,919.97)		(7,154.93)	
III	Paid Expenses on CSR	(320.89)		(211.70)	
	Cash flow before Extraordinary Items		**(89,455.40)**		**(67,003.03)**
I	Extraordinary items		(59.46)		(58.32)
	Net Cash from Operating Activities		**(89,395.94)**		**(66,944.71)**
B	**Cash Flows from Investing Activities:**				
I	Purchase of Fixed Assets	(1,277.88)		(374.01)	
II	Sale of Fixed Assets	10.00		12.31	
III	Purchase/transfer of Investments	0.00		621.92	
IV	Purchase of Security Receipts	-		-	
	Net Cash from Investing activities		**(1,267.88)**		**260.22**
C	**Net Cash from Financing Activities:**				
I	Proceeds from Borrowings	54,970.42		42,640.74	
II	Proceeds from Debt Service Repayment Account	545.26		544.61	
III	Proceeds from Debt Securities	48,766.68		21,134.88	
IV	Proceeds from Subordinated Liability	(8,100.00)		-	
V	Dividend Paid/(Received)	(896.51)		(447.78)	
VI	Proceeds from Security Receipts	2,566.00		1,343.73	
VII	Money received against Share issued	1,822.42		-	
	Net Cash from Financing activities		**99,674.27**		**65,216.18**
	Net Increase/(decrease) in cash & cash equivalents		**9,010.45**		**(1,468.31)**
	Cash & Cash equivalents at beginning of period		**1,356.32**		**2,824.63**
	Cash & Cash equivalent at end of period		**10,366.77**		**1,356.32**

Signed in terms of our Report of even date

For Saket Jain & Co.
Chartered Accountants
Firm Reg. No. 014685N

SAKET JAIN & CO. AGRA Chartered Accountant

(CA. ASHISH JAIN)
Partner
Membership No. 400599
UDIN : 25400599BMIGVH1618

Place : New Delhi
Date : 9th May 2025

PAISALO DIGITAL LIMITED

For and on behalf of the Board

(SUNIL AGARWAL)
Managing Director
DIN : 08006991

(HARISH SINGH)
Executive Director & CFO
DIN : 00039501

(MANENDRA SINGH)
Company Secretary
Membership No. : F7868

AUDITORS' REPORT

We have verified the attached Cash Flow Statement of M/s Paisalo Digital Limited, derived from audited financial statements and the books and records maintained by the Company for the year ended 31st March 2025 and 31st March 2024 and found the same in agreement here with.

For Saket Jain & Co.
Chartered Accountants
Firm Reg. No. 014685N

SAKET JAIN & CO. AGRA Chartered Accountant

(CA. ASHISH JAIN)
Partner
Membership No. 400599
UDIN : 25400599BMIGVH1618

Place : New Delhi
Date : 9th May 2025

M/S PAISALO DIGITAL LIMITED
MATERIAL ACCOUNTING POLICY INFORMATION

1. CORPORATE INFORMATIONS

M/S PAISALO DIGITAL LIMITED is a Middle Layer, as per RBI scale-based Regulation, Systemically Important Non-Deposit Taking Non-Banking Financial Company engaged in providing loans.

Paisalo Digital Limited having experience of more than 30 years, primarily focusing on financing self-employed borrowers, a segment which is still untapped / unserved, driven by rising affluence, aspirations and favorable demographics.

The Company's successful digital mode of financing self – employed underserved / unserved, using state of art technology, has enabled to register significant growth. The Company is able to scale up its business operations through its intranet model of financing from more than 350 branches as on date and still growing. The Company has cumulatively served more than 1 million satisfied customers. While remaining focused on growth, Company consistently maintains high asset quality level and continues to build the institution on the strong pillars of ethics, values and corporate governance.

The equity of the company is listed on BSE since 2007 and on NSE since 2009. The registered office of the Company is situated at CSC, Pocket 52, Chitranjan Park, Delhi 110019 and the head office at Paisalo House, 74, Gandhi Nagar, NH-2, Agra 282003.

2. FUNCTIONAL AND PRESENTATION CURRENCY

These Financial Statements are presented in Indian rupees (value in Lakhs up to two decimal), which is the functional currency of the Company. All financial information is presented in Indian rupees.

3. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historic cost convention on an accrual basis, except where the same is considered at fair market value as required by Ind AS, the provisions of the Companies Act , 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI).

The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant amendment rules issued thereafter.

Financial statements have been presented in accordance with format prescribed for Non-Banking Financial Companies under Companies (Indian Accounting Standards) Rules, 2015 in Division III as per the notification No. G.S.R. 1022(E) dated 11.10.2018 as amended vide notification dated 24th March, 2021.

4. USE OF ESTIMATES AND JUDGMENTS

The preparation of the Financial Statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the Financial Statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in the Financial Statements have been disclosed in further notes. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the Financial Statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

SAKET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED PAISALO

M/S PAISALO DIGITAL LIMITED
MATERIAL ACCOUNTING POLICY INFORMATION

4.1 REVENUE RECOGNITION

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Company follows accrual basis for all revenue recognition. Interest income is recognized on due basis and penal income is recognized on receipt basis. For recognition of revenue, the valuation of listed shares is considered at market price and that of security receipts as per the valuation report as at Balance Sheet date.

4.2 INCOME TAXES

The Company's major tax jurisdiction is India. Significant judgments are involved in determining the provision for income taxes, including the amount expected to be paid or recovered in connection with uncertain tax positions.

Income tax expense comprises current and deferred tax. It is recognized in the statement of profit and loss except to the extent that it relates items recognized directly in equity or in OCI.

4.3 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment represent a small proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. Useful lives of PPE and intangible assets are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases where the useful lives are different from that prescribed in Schedule II, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

4.4 PROVISION

Provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation as at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

4.5 CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effect of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments and item of income or expenses associated with investing or financing cash flows. Cash flow from operating, investing and financing activities are segregated.

5. ACCOUNTING POLICIES

5.1 CASH & CASH EQUIVALENTS

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

SAKET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED PAISALO

5.2 FINANCIAL INSTRUMENTS

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument.

Company has a business model of 'Hold to collect' with sole purpose of collecting principal and interest from loans, thus as per Ind AS 109- 'Financial Instruments' Loans are measured at amortized cost.

Other financial assets or liabilities maturing within one year from the balance sheet date are measured at the carrying value as the same approximate the fair value due to the short maturity of these instruments.

The valuation of listed shares is considered at market price and that of security receipts as per the valuation report as at Balance Sheet date. Monetary Assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate at that date and valued at fair value as on the balance sheet date.

5.3 IMPAIRMENT OF FINANCIAL ASSETS

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss of the financial assets on the basis of their credit risk exposure.

For the same, ECL is measured as per the management policy after performing due diligence of Company's historical data in regards to the respective asset. Also, since company is a RBI registered ND-SI- NBFC and as per RBI guidelines, a 0.4% provision for Standard Assets is created against Company's credit exposures.

The Company shows overdue installment amount of customers under trade receivables.

Expected Credit Loss model:

Company's Credit loss system is based on its credit risk function and the risk perceives. Under Ind AS, credit loss provisioning is mainly based on past trends and judgment of the entity. Implementation of expected credit losses not only consider historical data but also incorporates consideration to forward looking information.

ECL model is divided into three stages as follows:

Particulars Also Referred As	**Stage 1** Performing	**Stage 2** Under Performing	**Stage 3** Non Performing
Credit quality of assets Days Past Due	Not deteriorated significantly since its initial recognition 0 Days to 30 Days	Deteriorated significantly since its initial recognition 31 Days to 90 Days	Objective evidence of impairment More than 90 Days
Credit risk Recognize	Low 12 month ECL	Moderate to high Life time ECL	Very High Life time ECL
ECL	Represents financial asset's life time ECL that are expected to arise from default events that are possible within 12 months	ECL that results from all possible default events over the expected life of an instrument.	

Both 12 months ECL and life time ECL are calculated on individual and collective basis, depending on the nature of the underlying portfolio of financial instrument.

SAKET JAIN & CO. AGRA Chartered Accountants

PAISALO DIGITAL LIMITED PAISALO

Determining significant increase in credit risk

It is very judgmental to determine the significant increase in credit risk, which enable entity to move from stage 1 to stage 2. i.e. to move from 12 month expected losses to life time expected losses. Entity need to assess significant increase in credit risk as compared to its initial recognition level by considering significant changes in financial position of a borrower, expected or current delay in payment, historical trend of the repeat borrowers etc.

Company also has a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition.

Forward looking information

ECL is based on history of financial asset and includes forward-looking statement; however, it is a forecast about future conditions over the entire expected life of a financial instrument. The forward-looking information is based on:

- Internal historical credit loss experience, and the period of time over which its historical data has been captured and the corresponding economic conditions represented in the past.
- Effects that were not present in the past or to remove the effects that are not relevant for the future.
- Macroeconomic factors such as interest rates.

The Calculations of ECL

Company calculates ECL on the basis of probability-weighted average scenarios on the basis of historical data.

The calculation of ECL has following key elements of Company's internal estimates:

Probability of default (PD):

It is an estimate of the likelihood of default over a given time horizon.

Exposure at default:

Estimate of an exposure at a future default date –expected changes in exposure after the reporting date.

Loss Given Default:

Estimate of the loss arising on default. It is based on the difference between contractual cash flows that are due and expected to receive including from collateral. It is generally referred as a percentage of exposure at default.

Discount rate:

Used to discount an expected loss to a present value at the reporting date using the effective interest rate.

SAKET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED

ECL system:

Stage 1: At stage one 12 months ECL is recognized which is calculated as the portion of total outstanding advances, that are overdue till 30 days, that result from a default event on the financial instrument that are possible within 12 months after the reporting date. Company calculates the 12 months ECL provision based on the expectation of default occurring in 12 months following the reporting date. These expected 12 month default probabilities are applied to an EAD and multiplied by the expected LGD.

Stage 2: When a loan has shown a significant increase in the credit risk, i.e., where the same is overdue till 90 days, PDL records a provision for life time ECL. PDs and LGDs in this case are estimated over life span of the financial instrument.

Stage 3: When a loan is considered credit-impaired, i.e., where the same is overdue for past 90 days, Company recognize the lifetime expected credit losses. In this scenario PD is estimated at 100%. For Company, stage 3 incorporates the loans which are due past 90 days but, in certain cases where the internal assessment of the individual borrowers reflects that the overdue amount can be recovered in the near future then the same is subjected to some additional provision other than the prescribed provisioning.

Conclusion:

ECL concept is to recognize the expected loss on the defaulted advances on timely basis so as to present a true and fair view of financial position of the Company. Also, Ind AS states that entity can adopt any ECL model to present its historical trends adjusted for its forward-looking information. However, as per Company's internal policy, the Company follows a policy of writing off 100% of Sub-Standard Assets in respect oof these cases where possibility of recoveries are remote which does incorporate the requirements of Ind AS of better presentation of financial position.

Company ECL model is subjected to review every year.

5.4 DERECOGNITION OF FINANCIAL INSTRUMENTS

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognised from the balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

5.5 INVESTMENTS

Investments are carried at cost in the separate financial statements. Investments in subsidiary is measured at the previous GAAP carrying amount as per the provisions of Ind AS 27 – 'Separate Financial Statements'.

5.6 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any or at fair market value if the same present a better presentation of Company's financial position.

Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by the Management. 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. An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss on disposal of an item of property, plant and equipment is recognized in the statement of profit and loss.

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PAISALO DIGITAL LIMITED PAISALO

The Company depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives of assets are as follows:

Asset Category	Useful Life
Building	42 Year
Furniture & Fittings	10 Year
Computer Peripheral	3 Year
Vehicles	5 Year
Equipments, Plant & Machinery	10 Year
Intangible Assets (Software)	3 Year

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end. Company has restated the useful life of Building as per the report of an independent valuer.

Advances, if any, paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not ready to use before such date are disclosed under 'Capital Work-in-Progress'. Subsequent expenditures relating to property, plant and equipment are capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the Statement of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from the Financial Statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss.

5.7 IMPAIRMENT OF TANGIBLE ASSETS

Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If such assets are considered to be impaired, the impairment is to be recognized in the Statement of Profit and Loss and is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated depreciation) had no impairment loss been recognized for the asset in prior years.

5.8 INTANGIBLE ASSETS

Intangible assets are stated at cost less accumulated amortization and impairment or fair market value if the same present a better presentation of Company's financial position. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances). Amortization methods and useful lives are reviewed periodically including at each financial year end.

Software product development costs are also expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable. The cost during the development phase shall be capitalized as the cost of the app. The costs which can be capitalized include the cost of material, direct labour and overhead costs that are directly attributable to preparing the asset for its intended use. Over the period of time the Company has developed its own ERP software which is a core strength of the Company, the revaluation of which shall be taken up at a later stage.

SAKET & CO. AGRA Chartered Accountants FRN

PAISALO DIGITAL LIMITED PAISALO

5.9 CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Contingent liabilities are disclosed for:

a. possible obligations which will be confirmed only by future events not wholly within the control of the Company, or

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

c. Contingent assets are disclosed wherein an inflow of economic benefits is probable.

d. The Company has not recognized the Assets & Liability in respect of Arbitration Decree.

5.10 SHARE CAPITAL

a. Ordinary shares are classified as equity, incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from proceeds.

b. The Company may capitalize permitted Reserves and Security Premium for Bonus Shares.

c. The Company has issued equity shares under Paisalo ESPS scheme at discounted price which has been recognized in the Profit & Loss Statements and Reserve & Surplus.

5.11 SEGMENT REPORTING POLICY

The Chief Executive Officer reviews the operation at the Company level. Therefore, the operations of the Company fall under "Financing activities" business only, which is considered to be the only segment in accordance with the provisions of Ind AS 108- Operating segment.

5.12 BUSINESS MODEL

During the previous year, the company entered into bilateral assignment transactions against outstanding loans. But the value of these loans are trivial in light of the Company's AUM, thus Company's business model continue to be 'Hold to collect' as per Ind AS 109- Financial Instruments.

5.13 EMPLOYEE RETIREMENT BENEFITS

Contributions to Provident Fund and Super Annuation Fund made during the year, are charged to Statement of Profit and Loss.

Employees Gratuity liabilities has been calculated on the basis of Projected Unit Credit method adopted by LIC of India at the time of renewal of gratuity policy. Accordingly, Company has made contribution in line of that which is charged to Statement of Profit & Loss Account in the year of contribution.

5.14 BORROWING COST

Borrowing costs, which are directly attributable to the acquisition /construction of fixed assets, till the time such assets are ready for intended use, are capitalized as a part of the cost of assets.

All borrowing costs other than mentioned above are expensed in the period they are incurred. In case of unamortized identified borrowing cost is outstanding at the year end, it is classified under loans and advances as unamortized cost of borrowings.

In case any loan is prepaid/ cancelled then the unamortized borrowing cost, if any, is fully expensed off on the date of prepayment/cancellation.

SAKET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED PAISALO

5.15 RELATED PARTY

A related party is a person or an entity that is related to the reporting entity. A related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.

A person or a close family member is related if he:

- Has control/joint control;
- Has significant influence;
- Is a member of the Key Managerial Personnel (KMP);

of the reporting entity or its parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity including:

- that person's children, spouse or domestic partner, brother, sister, father and mother;
- children of that person's spouse or domestic partner; and
- dependants of that person or that person's spouse or domestic partner.

Key Management Personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

Company has duly complied with all the disclosure requirements of Ind AS 24 "Related Party Disclosures"

5.16 REVENUE RECOGNITION

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Company follows accrual basis for all revenue recognition. Interest income is recognized on due basis and penal income is recognized on receipt basis. For recognition of revenue, the valuation of listed shares is considered at market price and that of security receipts as per the valuation report as at Balance Sheet date.

Processing fees received from customer was recognized as income in the year of receipt under India GAAP. But, as per Ind AS, the same is now amortized over the period of relevant loan.

5.17 EARNINGS PER SHARE

The Earning per Share (Basic as well as Diluted) is calculated based on the net profit or loss for the period attributable to equity shareholders i.e. the net profit or loss for the period.

For the purpose of calculating (Basic and Diluted EPS), the number of equity shares taken are the weighted average number of equity shares outstanding during the period.

SAKET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED PAISALO

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2025

Statement of Changes in Equity:

1. Current Reporting Period

(₹ in Lakhs)

Balance at the beginning of the Current Reporting Period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in Equity share capital during the current year	Balance at the end of the current reporting period
8,981.69	-	8,981.69	40.74	9,022.43
8,981.69	**-**	**8,981.69**	**40.74**	**9,022.43**

- Total share capital includes amount received against forfeited shares.
- The Company has issued 50,000 Foreign Currency Convertible Bonds (FCCBs) of face value of USD 1000 with coupon 7.5% under Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993.
- Further 2000 Foreign Currency Convertible Bonds (FCCBs) were converted during this reporting period and 37,01,792 Equity shares of Re. 1/- each were allotted.
- The Company has allotted 3,72,517 Equity Shares of Re. 1/- each under Paisalo Employee Share Purchase Scheme 2024 to the employees of the Company and it's Wholly Owned Subsidiary as per Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

2. Previous Reporting Period

(₹ in Lakhs)

Balance at the beginning of the Current Reporting Period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in Equity share capital during the current year	Balance at the end of the current reporting period
4,491.47	-	4,491.47	4,490.22	8,981.69
4,491.47	**-**	**4,491.47**	**4,490.22**	**8,981.69**

- Total share capital includes amount received against forfeited shares.
- On March 21, 2024, the Company has allotted 44,90,21,990 equity shares of Re. 1/- pursuant to Bonus Issue to the existing shareholder.

List of Shareholders holding more than 5% shares of Company:

Sr. No.	Name of the Shareholders	No of Shares	% of shareholding
1	Sunil Agarwal	141,289,994	15.66
2	Equilibrated Venture Cflow Pvt. Ltd.	105,702,800	11.72
3	SBI Life Insurance Co. Ltd.	62,114,267	6.89

List of Promoter's and Promoter Group Shareholding:

Sr. No.	Promoter Name	Number of Shares held	Percentage of total shares	Percentage change during the year
1	Sunil Agarwal	105,702,800	11.72	0.05
2	Suneeti Agarwal	7,166,000	0.79	0.00
3	Santanu Agarwal	33,704,000	3.74	0.02
4	Equilibrated Venture Cflow Pvt. Ltd.	141,289,994	15.66	(1.84)
5	Pri Caf Pvt. Ltd.	24,048,400	2.67	0.01
6	Pro Fitcch Pvt. Ltd.	22,321,220	2.47	0.01

SAKET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED PAISALO

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2025

Note : 1 Cash & Cash Equivalents

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Cash Balances	1,242.72	709.27
2	**Bank Balances**		
	Current a/c with Scheduled Banks (Subject to reconciliation)	8,803.89	367.86
	Cheques/ Drafts on Hands	-	-
3	**In Fixed Deposits - Unencumbered**		
	With Banks	0.10	0.10
	Total	**10,046.71**	**1,077.23**

Note : 2 Bank Balances other than (a) above

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	**Bank Balances**		
	Current a/c with Scheduled Banks (Subject to reconciliation)	-	-
2	**In Fixed Deposits - Encumbered**		
	With Banks	320.06	279.09
	Total	**320.06**	**279.09**

\- Refer Note No. 40

SAKET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED PAISALO

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2025

Note : 3 Derivative Financial Instruments (Assets)

(₹ in Lakhs)

Particulars	Current Year			Previous Year		
	Notional amounts	Fair Value Assets	Fair Value Liabilities	Notional amounts	Fair Value - Assets	Fair Value - Liabilities
Part I						
(i) Currency Derivatives						
—Spot and Forwards	-	-	-	-	-	-
—Currency Futures	-	-	-	-	-	-
—Currency Swaps	-	-	-	-	-	-
—Options purchased	-	-	-	-	-	-
—Options sold (written)	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (i)	-	-	-	-	-	-
(ii) Interest rate Derivatives						
—Forward Rate Agreements and Interest Rate Swaps	-	-	-	-	-	-
—Options purchased	-	-	-	-	-	-
—Options sold (written)	-	-	-	-	-	-
—Futures	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (ii)	-	-	-	-	-	-
(iii) Credit Derivatives	-	-	-	-	-	-
(iv) Equity linked Derivatives	-	-	-	-	-	-
(v) Other Derivatives (Please specify)	-	-	-	-	-	-
Total Derivative Financial Instruments (i)+(ii)+(iii)+(iv)+ (V)	-	-	-	-	-	-
Part II						
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:	-	-	-	-	-	-
(i) Fair value hedging						
— Currency Derivatives	-	-	-	-	-	-
—Interest rate Derivatives	-	-	-	-	-	-
—Credit Derivatives	-	-	-	-	-	-
—Equity linked Derivatives	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (i)	-	-	-	-	-	-
(ii) Cash flow hedging						
—Currency Derivatives	-	-	-	-	-	-
—Interest rate Derivatives	-	-	-	-	-	-
—Credit Derivatives	-	-	-	-	-	-
—Equity linked Derivatives	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (ii)	-	-	-	-	-	-
(iii) Net investment hedging	-	-	-	-	-	-
(iv) Undesignated Derivatives	-	-	-	-	-	-
Total Derivative Financial Instruments (i)+(ii)+(iii)+(iv)	-	-	-	-	-	-

Note : 4 Receivables

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	**Trade Receivables**		
	—Overdue Installments : Considered Good - Secured	597.56	290.79
	—Overdue Installments : Considered Good - Unsecured	559.64	195.46
	—Overdue Installments : Sub Standard Assets	955.76	703.84
2	Other Receivables	-	-
	Total	**2,112.96**	**1,190.09**

SAKET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED PAISALO

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2025

Note : 4 (a) Trade Receivable- Additional Disclosures:

Outstanding for following periods from the due date of payment (FY. 2024-25)

(₹ in Lakhs)

Sr. No.	Particulars	less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total	Remarks
1	Undisputed Trade Receivables-Considered Good	1,157.20		-	-	-	1,157.20	
2	Undisputed Trade Receivables-which have significant increase in credit risk	-	-	-	-	-	-	
3	Undisputed Trade Receivables-credit impaired		955.76	-	-	-	955.76	PLS REFER BELOW NOTES
4	Disputed Trade Receivables -considered good	-	-	-	-	-	-	
5	Disputed Trade Receivables -which have significant increase in credit risk	-	-	-	z	-	-	
	Grand Total	**1,157.20**	**955.76**	**-**	**-**	**-**	**2,112.96**	

- Trade Receivable includes overdue loan cases financed by Paisalo Digital Limited

Outstanding for following periods from the due date of payment (FY. 2023-24)

(₹ in Lakhs)

Sr. No.	Particulars	less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
1	Undisputed Trade Receivables-Considered Good	486.25		-	-	-	486.25
2	Undisputed Trade Receivables-which have significant increase in credit risk	-	-	-	-	-	-
3	Undisputed Trade Receivables-credit impaired	-	703.84	-	-	-	703.84
4	Disputed Trade Receivables -considered good	-	-	-	-	-	-
5	Disputed Trade Receivables -which have significant increase in credit risk	-	-	-	-	-	-
	Grand Total	**486.25**	**703.84**	**-**	**-**	**-**	**1,190.09**

SAKET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED PAISALO

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2025

Note : 5 Loans

(₹ in Lakhs)

Particulars	Current Year						Previous Year					
	Amortised cost	Through other comprehensive income	Through profit or loss	Designated at fair value through profit or loss	Sub total	Total	Amortised cost	Through other comprehensive income	Through profit or loss	Designated at fair value through profit or loss	Subtotal	Total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11=8+9+10)	(12 =) (7)+(11)
Loans												
(A) (i) Bills Purchased and Bills Discounted	-	-	-	-	-	-	-	-	-	-	-	
(ii) Loans repayable on Demand	-	-	-	-	-	-	-	-	-	-	-	
(iii) Term Loans	475,455.70	-	-	-	-	475,455.70	367,404.29	-	-	-	-	367,404.29
(iv) Leasing	-	-	-	-	-	-	-	-	-	-	-	
(v) Factoring	-	-	-	-	-	-	-	-	-	-	-	
(vi) Others (to be specified)	-	-	-	-	-	-	-	-	-	-	-	
Total (A) - Gross	**475,455.70**	-	-	-	-	**475,455.70**	**367,404.29**	-	-	-	-	**367,404.29**
Less: Impairment loss allowance	380.75	-	-	-	-	380.75	62.65	-	-	-	-	62.65
Total (A) - Net	**475,074.95**	-	-	-	-	**475,074.95**	**367,341.64**	-	-	-	-	**367,341.64**
(B) (i) Secured by tangible assets	433,491.14	-	-	-	-	433,491.14	331,198.02	-	-	-	-	331,198.02
(ii) Secure d by intangible assets	-	-	-	-	-	-	-	-	-	-	-	-
(iii) Covered by Bank/Government Guarantees	-	-	-	-	-	-	-	-	-	-	-	-
(iv) Unsecured	41,964.56	-	-	-	-	41,964.56	36,206.27	-	-	-	-	36,206.27
Total (B) - Gross	**475,455.70**	-	-	-	-	**475,455.70**	**367,404.29**	-	-	-	-	**367,404.29**
Less: Impairment loss allowance	380.75	-	-	-	-	380.75	62.65	-	-	-	-	62.65
Total (B) - Net	**475,074.95**	-	-	-	-	**475,074.95**	**367,341.64**	-	-	-	-	**367,341.64**
(C) (I) Loans in India	475,455.70	-	-	-	-	475,455.70	367,404.29	-	-	-	-	367,404.29
(i) Public Sector	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Others (to be specified)	-	-	-	-	-	-	-	-	-	-	-	-
Total (C) - Gross	**475,455.70**	-	-	-	-	**475,455.70**	**367,404.29**	-	-	-	-	**367,404.29**
Less: Impairment loss allowance	380.75	-	-	-	-	380.75	62.65	-	-	-	-	62.65
Total (C) (I) - Net	**475,074.95**	-	-	-	-	**475,074.95**	**367,341.64**				-	**367,341.64**
(C) (II) Loans outside India	-	-	-	-	-	-	-	-	-	-	-	-
Less: Impairment loss allowance	-	-	-	-	-	-	-	-	-	-	-	-
Total (C) (II) - Net	-	-	-	-	-	-	-	-	-	-	-	-
Total C (I) and C (II)	**475,074.95**	-	-	-	-	**475,074.95**	**367,341.64**	-	-	-	-	**367,341.64**

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PAISALO DIGITAL LIMITED PAISALO

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2025

Note : 6 Investments

(₹ in Lakhs)

Investments	Current Year							Previous Year						
	At Fair Value							At Fair Value						
	Amortised cost	Through Other Comprehensive Income	Through Profit or Loss	Designated at fair value through profit or loss	Sub - Total	Others*	Total	Amortised cost	Through Other Comprehensive Income	Through Profit or Loss	Designated at fair value through profit or loss	Sub - Total	Others*	Total
	(1)	(2)	(3)	(4)	(5) = (2)+(3)+(4)	(6)	(7) = (1)+(5)+(6)	(8)	(9)	(10)	(11)	(12) = (9)+(10)+(11)	(13)	(14) = (8)+(12)+(13)
Mutual funds	-	-	-	-	-	-	-	-	-	-	-	-	-	
Government securities	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other approved securities	-	-	-	-	-	-	-	-	-	-	-	-	-	
Debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	
Equity instruments	250.54	-	-	-	-	-	250.54	223.86	-	-	-	-	-	223.86
Subsidiaries	4,223.91	-	-	-	-	-	4,223.91	4,223.91	-	-	-	-	-	4,223.91
Associates	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Joint Ventures	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others (specify)*	1,779.92	-	-	-	-	-	1,779.92	1,779.99	-	-	-	-	-	1,779.99
Total (A)	**6,254.37**	-	-	-	-	-	**6,254.37**	**6,227.76**	-	-	-	-	-	**6,227.76**
(i) Investments outside India	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Investments in India	6,254.37	-	-	-	-	-	6,254.37	6,227.76	-	-	-	-	-	6,227.76
Total (B)	**6,254.37**	-	-	-	-	-	**6,254.37**	**6,227.76**	-	-	-	-	-	**6,227.76**
Total (A) to tally with (B)	**6,254.37**	-	-	-	-	-	**6,254.37**	**6,227.76**	-	-	-	-	-	**6,227.76**
Less: Allowance for Impairment loss (C)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total - Net D = (A) - (C)	**6,254.37**	-	-	-	-	-	**6,254.37**	**6,227.76**	-	-	-	-	-	**6,227.76**

*Unquoted Shares of M/s Samast Vikas Limited

SAKET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED PAISALO

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2025

Note : 7 Others Financial Assets

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	**Secured, Considered Good**		
	Security Deposit*	31.84	35.74
	Advances to Staff	7.67	5.56
	Income Receivables	-	5.31
	Advances for Services	293.99	647.30
	Prepaid Expenses	33.98	13.87
	GST/Service Tax Cenvat	447.51	87.94
	Security Receipts	2,442.92	5,008.92
	Total	**3,257.91**	**5,804.64**

- * Security Deposit amount consists of telephone/mobile security,electrity security, rent security.

Note : 8 Current Tax Assets (Net)

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	**Advance Recoverable in cash or in kind or for value to be considered good**		
	Income Tax and TDS	7,705.50	7,735.01
	Balance with Revenue Authorities	130.00	130.00
	Provision for Taxation	(5,376.56)	(6,949.16)
	Total	**2,458.94**	**915.85**

SAKET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED PAISALO

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2025

Note : 9 Property, Plant and Equipment

(₹ in Lakhs)

Sr. No.	Particulars	Gross Block				Depreciaton				Net Block	
		Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	Addition during the year	Deduction during the year	Value at the end	WDV as on 31.03.2025	WDV as on 31.03.2024
I	**Tangible Assets**										
1	Land	-	-	-	-	-	-	-	-	-	-
2	Building	6313.46	669.11	-	6982.57	666.75	114.65	-	781.40	6201.17	5646.71
3	Furniture & Fittings	294.91	73.25	-	368.16	161.63	21.77	-	183.40	184.76	133.28
4	Computer Peripheral	602.19	396.91	-	999.10	327.52	174.92	-	502.44	496.66	274.67
6	Vehicles	638.23	56.44	45.04	649.63	175.45	63.74	10.36	228.83	420.80	462.78
7	Equipments, Plant & Machinery	274.12	82.17	-	356.29	181.35	32.20	-	213.55	142.74	92.77
	SUB TOTAL (A)	**8122.91**	**1277.88**	**45.04**	**9355.75**	**1512.70**	**407.28**	**10.36**	**1909.62**	**7446.13**	**6610.21**
II	**Intangible Assets**										
1	Computer Software	533.51	0.00	-	533.51	500.13	19.38	-	519.51	14.00	33.38
2	Goodwill	-	-	-	-	-	-	-	-	-	-
	SUB TOTAL (B)	**533.51**	**0.00**	**-**	**533.51**	**500.13**	**19.38**	**-**	**519.51**	**14.00**	**33.38**
III	**Capital Work-in-progress**	-	-	-	-	-	-	-	-	-	-
	SUB TOTAL (C)	-	-	-	-	-	-	-	-	-	-
IV	**Intangible Assets Under Development**	-	-	-	-	-	-	-	-	-	-
	SUB TOTAL (D)	-	-	-	-	-	-	-	-	-	-
	Total [A+B+C+D] (Current Year)	**8656.42**	**1277.88**	**45.04**	**9889.26**	**2012.83**	**426.66**	**10.36**	**2429.13**	**7460.13**	**6643.59**
	Total (Previous Year)	**8317.47**	**374.01**	**35.04**	**8656.42**	**1690.69**	**339.62**	**17.49**	**2012.83**	**6643.59**	**6626.77**

SAKET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED PAISALO

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2025

Note : 10 Other Non Financial Assets

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Deferred Revenue Expenditure	1,626.33	-
2	Unexpired Expenses of Processing Fees	-	-
	Total	**1,626.33**	**-**

- Deferred Revenue Expenses are written off over a period of five years.

Note : 11 Derivative financial Instruments (Liabilities)

(₹ in Lakhs)

Particulars	(Current Year)			Previous Year		
	Notional amounts	Fair Value Assets	Fair Value Liabilities	Notional amounts	Fair Value - Assets	Fair Value - Liabilities
Part I						
(i) Currency Derivatives						
—Spot and Forwards	-	-	-	-	-	-
—Currency Futures	-	-	-	-	-	-
—Currency Swaps	-	-	-	-	-	-
—Options purchased	-	-	-	-	-	-
—Options sold (written)	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (i)	-	-	-	-	-	-
(ii) Interest rate Derivatives						
—Forward Rate Agreements and Interest Rate Swaps	-	-	-	-	-	-
—Options purchased	-	-	-	-	-	-
—Options sold (written)	-	-	-	-	-	-
—Futures	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (ii)	-	-	-	-	-	-
(iii) Credit Derivatives	-	-	-	-	-	-
(iv) Equity linked Derivatives	-	-	-	-	-	-
(v) Other Derivatives (Please specify)	-	-	-	-	-	-
Total Derivative Financial Instruments (i)+(ii)+(iii)+(iv)+ (V)	-	-	-	-	-	-
Part II						
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:	-	-	-	-	-	-
(i) Fair value hedging						
— Currency Derivatives	-	-	-	-	-	-
—Interest rate Derivatives	-	-	-	-	-	-
—Credit Derivatives	-	-	-	-	-	-
—Equity linked Derivatives	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (i)	-	-	-	-	-	-
(ii) Cash flow hedging						
—Currency Derivatives	-	-	-	-	-	-
—Interest rate Derivatives	-	-	-	-	-	-
—Credit Derivatives	-	-	-	-	-	-
—Equity linked Derivatives	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (ii)	-	-	-	-	-	-
(iii) Net investment hedging	-	-	-	-	-	-
(iv) Undesignated Derivatives	-	-	-	-	-	-
Total Derivative Financial Instruments (i)+(ii)+(iii)+(iv)	-	-	-	-	-	-

SAKET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED PAISALO

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2025

Note : 12 Payables

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	**Trade Payables**		
	(i) Total outstanding dues of Micro Enterprises and Small Enterprises		
	(a) Sundry Creditors for Services	39.40	265.55
		39.40	**265.55**
	(ii) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		
	(a) SBI Assignment Payable	0.28	39.67
	(b) SIB Assignment Payable	0.01	2.06
	(c) Interest Payable on NCD/FCCB	1,605.06	357.45
	(d) Interest Payable on Bank	198.29	256.91
	(e) Other Sundry Payables	1,583.74	620.76
		3,387.38	**1,276.85**
2	**Other Payables**		
	(i) Total outstanding dues of Micro Enterprises and Small Enterprises	-	-
	(ii) Total outstanding dues of creditors other than Micro enterprises and Small Enterprises		
	(a) Statutory Payables		
	Professional Tax Payable	0.01	0.01
	EPF Contribution Payable	43.73	30.96
	ESI Payable	13.68	9.79
	GST Payable	99.36	122.06
	TDS Payable	259.42	206.26
	LIC GSLI Payable	0.02	0.02
	(b) Expenses Payables	2,676.16	722.71
		3,092.38	**1,091.81**
	Total	**6,519.16**	**2,634.22**

SAKET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED PAISALO

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2025

Note : 12 (a)Trade Payables Due for Payment 2024-25

(₹ in Lakhs)

Sr. No.	Particulars	less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
1	MSME	39.40	-	-	-	**39.40**
2	Others	3,387.38	-	-	-	**3,387.38**
3	Disputed Dues-MSME	-	-	-	-	**-**
4	Disputed Dues-Others	-	-	-	-	**-**
	Grand Total	**3,426.78**	**-**	**-**	**-**	**3,426.78**

Trade Payables Due for Payment 2023-24

(₹ in Lakhs)

Sr. No.	Particulars	less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
1	MSME	265.55	-	-	-	**265.55**
2	Others	1,276.85	-	-	-	**1,276.85**
3	Disputed Dues-MSME	-	-	-	-	**-**
4	Disputed Dues-Others	-	-	-	-	**-**
	Grand Total	**1,542.40**	**-**	**-**	**-**	**1,542.40**

- There are no due pending more than 45 days

SAKET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED PAISALO

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2025

Note : 13 Debt Securities

(₹ in Lakhs)

Particulars	Current Year				Previous Year			
	At Amortised Cost	At Fair Value Through profit or loss	Designated at fair value through profit or loss	Total	At Amortised Cost	At Fair Value Through profit or loss	Designated at fair value through profit or loss	Total
	(1)	(2)	(3)	(4) = (1)+(2)+(3)	(5)	(6)	(7)	(8) = (5)+(6)+(7)
Liability component of compound Financial Instruments	-	-	-	-	-	-	-	-
Commercial Paper	9,945.36	-	-	9,945.36	6,957.76	-	-	6,958
FCCB	41,079.07	-	-	41,079.07	-	-	-	-
Others (Bonds/ Debentures etc.)*	51,585.00	-	-	51,585.00	46,885.00	-	-	46,885.00
Total (A)	**102,609.43**	**-**	**-**	**102,609.43**	**53,842.76**	**-**	**-**	**53,842.76**
Debt Securities in India	61,530.36	-	-	61,530.36	53,842.76	-	-	53,842.76
Debt Securities outside India	41,079.07	-	-	41,079.07	-	-	-	-
Total (B) to tally with (A)	**102,609.43**	**-**	**-**	**102,609.43**	**53,842.76**	**-**	**-**	**53,842.76**

***Details of Non Convertible Debentures**

(₹ in Lakhs)

Debenture Series	Issued Date	Issued Amount	Rate of Interest	Interest Periodicity	Maturity Date	Maturity Amount	Current Year	Previous Year
Series-'PDL2020-3'	Feb-2020	900.00	12.00%	Monthly	Feb-2025	900.00	No	Yes
Series-'PDL-02-2021'	Feb-2021	2,300.00	12.00%	Monthly	Feb-2026	2,300.00	Yes	Yes
Series-'PDL-07-2021'	July-2021	2,500.00	12.00%	Monthly	July-2026	2,500.00	Yes	Yes
Series-'PDL-09-2021'	Sep-2021	9,400.00	12.00%	Monthly	Sep-2026	9,400.00	Yes	Yes
Series-'PDL-09-02-2021'	Sep-2021	1,500.00	12.00%	Monthly	Sep-2026	1,500.00	Yes	Yes
Series-'PDL-02-2022'	Feb-2022	2,700.00	9.00%	Monthly	Feb-2029	2,700.00	Yes	Yes
Series-'PDL-07-2022'	Jul-2022	1,400.00	9.90%	Monthly	Jul-2032	1,400.00	Yes	Yes
Series-'PDL-01-2023'	Jan-2023	3,400.00	12.00%	Monthly	Jan-2033	3,400.00	Yes	Yes
Series-'PDL-04-2023'	Apr-2023	500.00	10.00%	Monthly	Apr-2033	500.00	Yes	Yes
Series-'PDL-04-2023'	Apr-2023	1,330.00	12.00%	Monthly	Apr-2033	1,330.00	Yes	Yes
Series-'PDL-04-2023'	Apr-2023	2,310.00	12.00%	On Maturity	Apr-2033	2,310.00	Yes	Yes
Series-'PDL-09-2023'	Sep-2023	500.00	12.00%	Monthly	Sep-2033	500.00	Yes	Yes
Series-'PDL-11-2023'	Nov-2023	850.00	9.95%	Monthly	Nov-2033	850.00	Yes	Yes
Series-'PDL-11-2023'	Nov-2023	1,000.00	9.95%	Quarterly	Nov-2026	1,000.00	Yes	Yes
Series-'PDL-12-2023'	Dec-2023	4,620.00	12.00%	Monthly	Dec-2033	4,620.00	Yes	Yes
Series-'PDL-12-2023'	Dec-2023	1,970.00	9.95%	Quarterly	Dec-2033	1,970.00	Yes	Yes
Series-'PDL-12-2023'	Dec-2023	1,200.00	9.95%	Quarterly	Mar-2025	1,200.00	No	Yes
Series-'PDL-12-2023'	Dec-2023	600.00	9.95%	Quarterly	Jun-2025	600.00	Yes	Yes
Series-'PDL-01-2024'	Jan-2024	1,971.00	9.95%	Quarterly	Jan-2034	1,971.00	Yes	Yes
Series-'PDL-02-2024'	Feb-2024	2,034.00	9.95%	Quarterly	Feb-2034	2,034.00	Yes	Yes
Series-'PDL-04-2024'	Apr-2024	1,200.00	9.95%	Quarterly	July-2025	1,200.00	Yes	No
Series-'PDL-04-2024'	Apr-2024	600.00	9.95%	Quarterly	Oct-2025	600.00	Yes	No
Series-'PDL-05-2024'	May-2024	2,700.00	9.95%	Quarterly	May-2029	2,700.00	Yes	No
Series-'PDL-07-2024'	July-2024	2,500.00	9.95%	Quarterly	July-2027	2,500.00	Yes	No

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2025

Note : 14 Borrowings (Other than Debt Securities)

(₹ in Lakhs)

Particulars	Current Year				Previous Year			
	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
	(1)	(2)	(3)	(4) = (1)+(2)+(3)	(1)	(2)	(3)	(4) = (1)+(2)+(3)
(a) Term loans:								
(i) From banks	174,224.07	-	-	174,224.07	114,154.89	-	-	114,154.89
(ii) From other parties	20,000.00	-	-	-	-	-	-	-
(b) Deferred payment liabilities	-	-	-	-	-	-	-	-
(c) Loans from related parties	-	-	-	-	-	-	-	-
(d) Finance lease obligations	-	-	-	-	-	-	-	-
(e) Liability component of compound financial instruments	-	-	-	-	-	-	-	-
(f) Loans repayable on demand:								
(i) from banks	35,600.74	-	-	35,600.74	60,789.59	-	-	60,789.59
(ii) from other parties	7,958.92	-	-	7,958.92	7,868.83	-	-	7,868.83
(g) Other loans (specify nature)	-	-	-	-	-	-	-	-
Total (A)	**237,783.73**	**-**	**-**	**237,783.73**	**182,813.31**	**-**	**-**	**182,813.31**
Borrowings in India	237,783.73	-	-	237,783.73	182,813.31	-	-	182,813.31
Borrowings outside India	-	-	-	-	-	-	-	-
Total (B) to tally with (A)	**237,783.73**	**-**	**-**	**237,783.73**	**182,813.31**	**-**	**-**	**182,813.31**

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PAISALO DIGITAL LIMITED PAISALO

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NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2025

Note : 15 Deposits

(₹ in Lakhs)

	Current Year				Previous Year			
	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
	(1)	(2)	(3)	(4) = (1)+(2)+(3)	(5)	(6)	(7)	(*8) = (5)+(6)+(7)
Deposits								
(i) Public Deposits	-	-	-	-	-	-	-	-
(ii) Form Banks	-	-	-	-	-	-	-	-
(iii) From Others	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-

Note : 16 Subordinatd Liabilities

(₹ in Lakhs)

Particulars	Current Year				Previous Year			
	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
	(1)	(2)	(3)	(4) = (1)+(2)+(3)	(5)	(6)	(7)	(8) = (5)+(6)+(7)
Prepetual Debt Instruments to the extent that do not qualify as equity	-	-	-	-	-	-	-	-
Preferene Shares other than those that qualify as Equity	-	-	-	-	-	-	-	-
Others (Non-Convertable Debentures*)	800.00	-	-	800.00	8,900.00	-	-	8,900.00
Total (A)	**800.00**	-	-	**800.00**	**8,900.00**	-	-	**8,900.00**
Subordinated Liabilities in India	800.00	-	-	800.00	8,900.00	-	-	8,900.00
Subordinated Liabilities outside India	-	-	-	-	-	-	-	-
Total (B) to tally with (A)	**800.00**	-	-	**800.00**	**8,900.00**	-	-	**8,900.00**

* Details of Non-Convertable Debentures

(₹ in Lakhs)

Debenture Series	Issued Date	Issued Amount	Rate of Interest	Interest Periodicity	Maturity Date	Maturity Amount	Current Year	Previous Year
Series-'PDL 1808'	Aug-2018	8,100	14.00%	Monthly	Aug-2024	8,100	No	Yes
Series-'PDL2020-1'	Jan -2020	600	12.00%	Monthly	Jan-2026	600	Yes	Yes
Series-'PDL2020-2'	Feb-2020	100	12.00%	Monthly	Feb-2026	100	Yes	Yes
Series-'PDL2020-12'	Dec-2020	100	12.00%	Monthly	Dec-2030	100	Yes	Yes

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NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2025

Note : 17 Others Financial Liabilities (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Debt Service Repayment Account	1,533.00	987.75
	Total	**1,533.00**	**987.75**

Note : 18 Current Tax Liabilities (Net) (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	**Advance Recoverable in Cash or in kind or for value to be considered good**		
	Income Tax and TDS	-	-
	Balance with Revenue Authorities	-	-
	Provision for Taxation	-	-
	Total	-	-

Note : 19 Provisions (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Provision for Standard Assets	1,921.78	1,497.35
2	Provision for Proposed Dividend on Equity Shares	902.12	898.04
3	Provision for Expected Credit Loss	1,372.48	1,304.93
4	Provision for Sub Standard Assets	1,084.22	703.48
	Total	**5,280.60**	**4,403.80**

Note : 20 Deferred Tax Liabilities (Net) (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Opening Balance	(864.02)	(66.06)
	Tax on Timing difference on Property, Plant and Equipments	556.33	491.48
	Tax on Timing difference on Deferred Revenue Expenditures	409.31	-
	Tax on Timing difference on Unearned Processing Fees	(455.84)	(1,355.50)
2	Total Deferred Tax Liability	509.80	(864.02)
	Provision for Deferred Tax required for the year (2-1)	1,373.82	(797.96)
	Total	**509.80**	**(864.02)**

Note : 21 Others Non Financial Liabilities (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Unearned Income of Processing Fees	1,811.23	5,289.62
	Total	**1,811.23**	**5,289.62**

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NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2025

Note : 22 Share Capital (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	**AUTHORIZED CAPITAL**		
	1,75,00,00,000 Equity Shares of Re. 1 per share	17,500.00	12,000.00
	(Previous year 1,20,00,00,000 equity shares of Re. 1 each)		
	50,00,000 Preference Shares of Re. 10 each	500.00	500.00
		18,000.00	**12,500.00**
2	**ISSUED, SUBSCRIBED CAPITAL**		
	89,81,68,980 Equity Shares of Re. 1 per Share fully paid up	8,981.69	4,491.47
	(Previous year 44,91,46,990 Equity Shares of Re. 10 each)		
	Add: - 37,01,792 Share of Face value Re. 1 each @ premium of Rs. 44.74 on conversion of 2000 FCCBs of USD 2 million	37.02	-
	Add: 3,72,517 Share of Face value Re. 1 each@ premium of Rs. 33.69 alloted under PDL ESPS 2024	3.72	-
	(Previous year 89,80,43,980 Shares of Face value Re. 1 per Share fully paid up)	-	4,490.22
		9,022.43	**8,981.69**
3	**PAID UP CAPITAL**		
	89,80,43,980 Equity Shares of Re. 1 per Share fully paid up (Previous year 44,90,21,990 Equity Shares of Re. 1 each)	8,980.44	4,490.22
	Add: - 37,01,792 Share of Face value Re. 1 each @ premium of Rs. 44.74 on conversion of 2000 FCCBs of USD 2 million	37.02	-
	Add: 3,72,517 Share of Face value Re. 1 each@ premium of Rs. 33.69 alloted under PDL ESPS 2024	3.72	-
	(Previous year 44,90,21,990 Share of Face value Re. 1 each issued as Bonus Shares in the ratio of 1:1)	-	4,490.22
	Add: Share Forfeited a/c (Amount originally Paid up @ Rs 5 each on 12,500 Equity Shares of Re. 10 each)	0.63	0.63
	Total	**9,021.81**	**8,981.06**

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NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2025

Note : 23 Other Equity

Current Reporting Period

(₹ in Lakhs)

Particulars	Share Application money pending Allotment	Equity component of compound Financial Instruments	Statutory Reserves - RBI Reserve Fund	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Capital Redemption Reserve	Revaluation Reserve	Debt instruments through other Comprehensive Income	Equity Instruments through other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (Specify nature)	Money received against Share Warrants	Total
Balance at the beginning of the reporting period	-	-	20,906.30	2,415.21	38,091.52	59,365.22	1,136.34	250.00	326.80	-	-	-	-	-	-	-	122,491.39
Add: Any change due to IND AS	-	-	-	-		-	-	-	-	-	-	-	-	-	-	-	-
Restated Balances at the beginning of the reporting period	-	-	20,906.30	2,415.21	38,091.52	59,365.22	1,136.34	250.00	326.80	-	-	-	-	-	-	-	122,491.40
Total Comprehensive Income for the year	-	-	-	-	-	-	19,768.70	-	-	-	-	-	-	-	-	-	19,768.70
Money received as share warrant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share warrant converted into Share capital					1,781.68											-	1,781.68
Security Premium on conversion of warrants into equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proposed Dividends	-	-	-	-	-	-	(902.12)	-	-	-	-	-	-	-	-	-	(902.12)
Depreciation on Revaluation Amount	-	-	-	-	-	-	9.08	-	(9.08)	-	-	-	-	-	-		-
Income Tax Impact due to IND AS on Processing Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Share based payment to employees	-	-	-	28.39	-	-	-	-	-	-	-	-	-	-	-	-	28.39
Transfer to General Reserve	-	-	-	-	-	14,000.00	(14,000.00)	-	-	-	-	-	-	-	-	-	-
Transfer to Statutory Reserve Fund	-	-	3,953.74	-	-	-	(3,953.74)	-	-	-	-	-	-	-	-	-	-
Provision on Standard Assets	-	-	-	-	-	-	(424.44)	-	-	-	-	-	-	-	-	-	(424.44)
Expenditure on Corporate Social Responsibility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of the reporting period	-	-	24,860.04	2,443.60	39,873.20	73,365.22	1,633.82	250.00	317.72	-	-	-	-	-	-	-	142,743.60

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NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2025

Note : 23 Other Equity

Previous Reporting Period

(₹ in Lakhs)

Particulars	Share Application money pending Allotment	Equity component of compound Financial Instruments	Statutory Reserves - RBI Reserve Fund	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Capital Redemption Reserve	Revaluation Reserve	Debt Instruments through other Comprehensive Income	Equity Instruments through other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (Specify nature)	Money received against Share Warrants	Total
Balance at the beginning of the reporting period	-	-	17,365.93	2,415.21	38,091.52	51,355.44	714.12	250.00	335.88	-	-	-	-	-	-	-	110,528.10
Add: Any change due to IND AS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated Balances at the beginning of the reporting period	-	-	17,365.93	2,415.21	38,091.52	51,355.44	714.12	250.00	335.88	-	-	-	-	-	-	-	110,528.10
Total Comprehensive Income for the year	-	-	-	-	-	-	17,701.85	-	-	-	-	-	-	-	-	-	17,701.85
Money received as share warrant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share warrant converted into Share capital																-	-
Security Premium on conversion of warrants into equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proposed Dividends	-	-	-	-	-	-	(898.04)	-	-	-	-	-	-	-	-	-	(898.04)
Depreciation on Revaluation Amount	-	-	-	-	-	-	9.08	-	(9.08)	-	-	-	-	-	-	-	-
Income Tax Impact due to IND AS on Processing Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bonus share issued	-	-	-	-	-	(4,490.22)	-	-	-	-	-	-	-	-	-	-	(4,490.22)
Transfer to General Reserve	-	-	-	-	-	12,500	(12,500.00)	-	-	-	-	-	-	-	-	-	-
Transfer to Statutory Reserve Fund	-	-	3,540.37	-	-	-	(3,540.37)	-	-	-	-	-	-	-	-	-	-
Provision on Standard Assets	-	-	-	-	-	-	(350.30)	-	-	-	-	-	-	-	-	-	(350.30)
Balance at the end of the reporting period	-	-	20,906.30	2,415.21	38,091.52	59,365.22	1,136.34	250.00	326.80	-	-	-	-	-	-	-	122,491.39

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NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2025

Note : 24 Interest Income

(₹ in Lakhs)

Particulars	Current Year			Previous Year		
	On Financial Assets measured at Fair value through OCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at Fair value through profit for loss	On Financial Assets measured at Fair value through OCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at Fair value through profit for loss
Interest on Loans	-	65,975.84	-	-	53,446.63	-
Interest Income from Investments	-	18.61	-	-	-	-
Interest on Deposits with Banks	-	29.15	-	-	19.91	-
Other Interest Income	-	-	-	-	69.02	-
Fee & Commssion Income	-	7,098.84	-	-	6,233.51	-
Dividend Income	-	1.53	-	-	1.24	-
Total	**-**	**73,123.97**	**-**	**-**	**59,770.31**	**-**

Note : 25 Net Gain/(Loss) on fair value changes

(₹ in Lakhs)

Particulars	Current Year	Previous Year
(A) Net gain/ (loss) on Financial Instruments at Fair value through profit or loss		
(i) On trading portfolio:		
—Investments	-	-
—Derivatives	-	-
—Others	-	-
(ii) On Financial Instruments designated at fair value through profit or loss	26.68	95.57
(B) Others		
(i) Total Net gain/(loss) on fair value changes (c)	-	-
(ii) Fair Value changes:		
—Realised	-	-
—Unrealised	-	-
Total Net Gain/(Loss) on Fair value changes (D) to tally with (C)	**26.68**	**95.57**

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NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2025

Note : 26 Other Income

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Net gain/(loss) on ineffective portion of hedges	-	-
2	Net gain/(loss) on derecognition of property, plant and equipment	-	-
3	Net gain or loss on foreign currency transaction and translation (other than considered as finance cost)	-	-
4	Others	332.54	638.38
	Total	**332.54**	**638**

Note : 27 Finance Cost

(₹ in Lakhs)

Sr. No.	Particulars	Current Year		Previous Year	
		On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost	On Financial liabilities measured at fair valoue through profit or loss	On Financial liabilities measured at Amortised Cost
1	Interest on Deposits	-	-	-	-
2	Interest on Borrowings	-	21,350.68	-	15,773.17
3	Interest on Debt Securities	-	5,820.01	-	3,784.67
4	Interest on Subordinated Liabilities	-	478.14	-	1,233.37
5	Other Interest expense/ Bank Charges	-	3,281.22	-	3,191.13
	Total	**-**	**30,930.05**	**-**	**23,982.34**

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NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2025

Note : 28 Impairment on Financial Instruments

(₹ in Lakhs)

Particulars	Current Year		Previous Year	
	On Financial instruments measured at Fair value through OCI	On Financial instruments measured at Amortised Cost	On Financial instruments measured at Fair value through OCI	On Financial instruments measured at Amortised Cost
Bad Debts Written Off on Loans	-	1,420.13	-	132.08
Provision for NPA	-	380.75	-	62.65
Provision for Expected Credit Loss				
Additional Provision for Expected Credit Loss	-	67.55	-	51.90
Investments	-	-	-	-
Others (to be specified)	-	-	-	-
Total	-	**1,868.43**	-	**246.63**

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NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2025

Note : 29 Employees Benefit Expenses (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Salaries and Wages to Employess	4,830.96	3,662.36
2	Directors Salaries & Allowances	676.23	649.25
3	Contribution to Provident and other funds	344.43	251.67
4	Share Based Payments to employees	28.39	-
5	Staff welfare expenses	194.86	138.02
	Total	**6,074.87**	**4,701.30**

- No remuneration has been paid to Directors except remuneration to Managing Director and Executive Directors. The remuneration paid to Managing Director and Executive Directors during the F.Y. 2024-25 Rs. 6,76,22,575 (Last year Rs. 6,49,24,800) which is within the limit as specified u/s 197 read with Schedule V of the Companies Act, 2013.

Note : 30 Depreciation & Amortised Cost (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Depreciation	426.67	339.62
2	Deffered Revenue Exp. w/o*	120.19	-
	Total	**546.86**	**339.62**

- *Deferred Expenses written off over a period of five years

Note : 31 Other Expenses (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Car & Scooter Expenses	58.03	35.35
2	Travelling Expenses	1,793.74	1,304.99
3	Repair & Maintenance	23.83	183.99
4	Insurance Expenses	32.63	18.97
5	Electricity & Water Expenses	99.69	85.72
6	Rates & Taxes	3.41	4.35
7	Legal Expenses & Professional Fees	1,682.12	1,155.67
8	Printing & Stationery Expenses	386.48	309.01
9	Postage & Telephone Expenses	175.07	190.50
10	Auditors Remuneration	8.18	6.54
11	Rent	496.35	350.80
12	Rebate & Remission	669.25	287.16
13	Advertisement & Business Promotion Expenses	558.18	1,566.85
14	Recovery Expenses	505.30	1,361.10
15	Office and General Expenses	453.67	359.63
16	Loss/(Profit) on sale of Assets/Investments	24.69	(6.36)
17	Directors Sitting Fees & Expenses	21.72	13.30
18	loss on foreign currency transaction and translation	289.76	-
19	Corporate Social Responsibility Expenditure	320.89	211.70
	Total	**7602.99**	**7439.27**

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32. Remuneration to Auditors:

(₹ in Lakhs)

Particulars	2024-25	2023-24
For Statutory Audit	5.625	4.50
For Tax Audit	1.875	1.50
Total	**7.50**	**6.00**

33. Earning per Share:

(₹ in Lakhs)

Particulars	2024-25	2023-24
Net profit for the year (After Tax)	19,768.70	17,701.85
Equity Shares in numbers (Weighted)	89,88,37,281	46,25,54,160
Basic and diluted Earning per share (Rs.)	**2.20**	**3.83**

34. Figures for the previous year have been regrouped/rearranged/reclassified and restated wherever considered necessary.

35. The company has paid all its dues to Small Scale Industrial Undertakings within the due time limit. There are no outstanding due pending more than 45 days under the Micro, Small and Medium Enterprises Act, 2006

36. a) Contingent Liabilities:

The company has given corporate guarantee for the loans taken by its wholly owned subsidiary Company M/s Nupur Finvest Pvt. Ltd. from the following Bank's / FI's / NBFCs

(₹ in Lakhs)

Name of Bank / Financial Institution	Facility	Amount o/s
Karnataka Bank Ltd	Cash Credit	2,024.44
Indian Bank	Cash Credit	500.00
State Bank of India	Term Loan	3,417.43
Bank of Baroda	Term Loan	763.89
Indian Bank	Term Loan	134.37
Total		**6,840.13**

b) Contingent Assets:

In March 2020, Paisalo Digital Limited engaged in a significant transaction involving the transfer of book-debts amounting to Rs. 23.29 Crores. These debts primarily consisted of loans extended to 'Bottom of Pyramid' customers, in accordance with a 10:90 risk and rewards sharing arrangement with Central Bank of India. This strategic move adhered to the regulatory guidelines set forth by the Reserve Bank of India (RBI), reflecting the company's commitment to prudent financial practices.

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However, the unforeseen emergence of the Covid-19 Pandemic shortly thereafter precipitated unforeseen challenges within this demographic segment, resulting in a notable increase in loan defaults. Despite the company's proactive measures to mitigate these challenges, a portion of the loans turned non-performing, impacting both Paisalo Digital Limited and Central Bank of India.

Of particular concern was Central Bank of India's unilateral action on March 31, 2023, whereby they debited Paisalo Digital Limited's Cash Credit account by Rs. 5.38 Crores. This action, which deviated from the agreed terms of the transaction, has raised legal and operational concerns. Since the requests for resolution of dispute through negotiation have not been considered by the Bank hence the Company is in the process of filing pre-litigation mediation petition before the Hon'ble Court.

As a prudent accounting measure, the company has already charged this disputed amount to the profit and loss statement in the previous year as an exceptional item. However, given the merits of the company's position in contesting this debit, the amount continuous to be classified as a contingent asset pending resolution.

37. Disclosure of Related party transactions:

A. Wholly owned Subsidiary — Nupur Finvest Pvt. Ltd.

B. List of related parties and relationship

Related Party	**(Relation)**
Key Managerial Personnel	
Mr. Sunil Agarwal	(Managing Director & Chief Executive Officer)
Mr. Harish Singh	(Executive Director & Chief Finance Officer)
Mr. Anoop Krishna	(Executive Director)
Mr. Santanu Agarwal	(Deputy Managing Director)
Mr. Vinod Kumar	(Additional executive Director)
Mr. Manendra Singh	(Company Secretary)
Relatives of K M P	
Mr. Purushottam Agrawal	(Father of Mr. Sunil Agarwal)
Mrs. Raj Agarwal	(Mother of Mr. Sunil Agarwal)
Mrs. Neetu Agarwal	(Spouse of Mr. Sunil Agarwal)
Mrs. Priti Chauhan	(Spouse of Mr. Harish Singh)
Mrs. Sushila Devi Chauhan	(Mother of Mr. Harish Singh)
Ms. Suneeti Agarwal	(Daughter of Mr. Sunil Agarwal)
Mr. Pranav Chauhan	(Son of Mr. Harish Singh)
Mrs. Mamta Krishna	(Spouse of Mr. Anoop Krishna)
Mrs. Prayaga Vallimani	(Spouse of Mr. Vinod Kumar)

C. Enterprises over which significant influence exercised by Key Managerial Personnel/Relatives of Key Managerial Personnel

1. Aanjneya Motor Pvt. Ltd.
2. Equilibrated Venture Cflow Pvt. Ltd.
3. Golden Sandhar Mills Ltd.
4. Harish Singh HUF
5. K G Capital Services Pvt. Ltd.
6. Maurya Techno Securities Pvt. Ltd.
7. Pri Caf Pvt. Ltd.
8. Pro Fitcch Pvt. Ltd.
9. Raj Shiksha Foundation
10. R N R Automate Pvt. Ltd.
11. Repartee Infrastructures Pvt. Ltd.
12. Radiance Techno Powers Company Pvt. Ltd.
13. SCS Education Foundation
14. Sandhar Overseas Ltd.
15. Saadhvi Cinfra Projects Pvt. Ltd.

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D. Disclosures required for Related party transactions

(₹ in Lakhs)

Name of Party	Nature	Amount	Amount Receivable/ (Payable)
Mr. Sunil Agarwal	Remuneration to Director	393.60	-
Mr. Harish Singh	Remuneration to Director	50.60	(3.26)
Mr. Anoop Krishna	Remuneration to Director	48.64	(2.93)
Mr. Santanu Agarwal	Remuneration to Director	180.00	(19.50)
Mr. Vinod Kumar	Remuneration to Director	7.91	(2.73)
Mr. Manendra Singh	Salary	18.70	(1.19)
Mr. Santanu Agarwal	Loan Received	860.00	—
Mr. Santanu Agarwal	Interest Expenses	11.91	—
Mr. Pranav Chauhan	Interest Payment (on NCD)	24.00	—
Mrs. Priti Chauhan	Interest Payment (on NCD)	26.40	
Nupur Finvest Pvt. Ltd.	Interest Expenses	653.08	—
Nupur Finvest Pvt. Ltd.	Loan given	3,610.00	—
Nupur Finvest Pvt. Ltd.	Interest received on ICD	35.65	—
Mr. Sunil Agarwal	Dividend Paid	105.70	—
Mr. Santanu Agarwal	Dividend Paid	33.70	—
Ms. Suneeti Agarwal	Dividend Paid	7.17	—
Pro Fitcch Pvt. Ltd.	Dividend Paid	22.32	—
Equilibrated Ventures Cflow Pvt. Ltd.	Dividend Paid	135.11	—
Pri Caf Pvt. Ltd.	Dividend Paid	24.05	—
Issue of Equity Shares pursuant to ESPS			
Name	**Category**	**No. of Shares**	**Face Value Per Share**
Mr. Harish Singh	Executive Director	20000	1.00
Mr. Manendra Singh	Company Secretary	5400	1.00

Notes:

(1) Related party relationship is as identified by the Company on the basis of information available with them and accepted by the auditors as correct.

(2) No amount has been written off or written back during the year in respect of debt due from or to related parties.

(3) Company has entered into transactions with certain parties as listed above during the year under consideration. Full disclosures have been made and the Board/Audit Committee considers such transactions to be in normal course of business and at rates agreed between the parties.

(4) The key management personnel and their relatives have given personal guarantees and collaterals for loans raised by the Company but Company has not provided any guarantee to these persons nor paid any consideration for furnishing such guarantees.

(5) Company has extended its guarantee to Banks/ Financial Institutions for credit facilities availed by the wholly owned subsidiary Nupur Finvest Pvt. Ltd.

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38. Working Capital, Working Capital Demand Loan and Term Loan Borrowings:

The Company has an arrangement with a consortium of Eight banks under the leadership of Bank of Baroda for its working capital requirements. The facility is primarily secured by the hypothecation of book-debts / receivables of the Company and collaterally by mortgage of immovable properties including office premises, a flat owned by the Company and four commercial properties by third parties as well as personal and corporate guarantees. The outstanding details of the member banks in the consortium is as under:

(₹ in Lakhs)

Sr. No.	Name of Bank	Facility	Outstanding	Sanctioned Amount	Share in Consortium (%)
1	Bank of Baroda	CC+WCDL	3,812.31	4,000.00	7.15%
2	Bank of Baroda TL	Term Loan	5,250.00	6,000.00	10.73%
3	Punjab National Bank	CC+WCL	11,667.91	12,000.00	21.46%
4	Union Bank of India	CC	6,448.56	6,500.00	11.62%
5	Union Bank of India	Term Loan	8,000.00	8,745.00	15.64%
6	UCO Bank	CC+WCDL	3,643.10	3,700.00	6.62%
7	UCO Bank TL	Term Loan	833.14	1,110.00	1.99%
8	IDBI Bank	CC+WCDL	2,478.76	2,500.00	4.47%
9	IDBI Bank	Term Loan	291.67	416.00	0.74%
10	State Bank of India	CC	200.59	500.00	0.89%
11	State Bank of India TL	Term Loan	2496.02	2,946.00	5.27%
12	Karnataka Bank	CC	2,401.61	2,500.00	4.47%
13	Indian Bank	CC+WCDL	4,947.90	5,000.00	8.94%
	Total		**52,471.57**	**55,917.00**	**100.00**

Term Loans sanctioned by Banks under Multiple Banking Arrangement

(₹ in Lakhs)

Sr. No.	Name of Bank	Outstanding	Sanctioned Amount
1	South Indian Bank	899.49	1,500.00
2	State Bank of India	54,514.92	77,500.00
3	Canara Bank	18,035.00	27,500.00
4	Indian Bank	635.51	5,000.00
5	Indian Overseas Bank	41,250.00	45,000.00
6	Bank of Maharashtra	24,133.83	30,000.00
7	Bank of India	9,500.00	10,000.00
8	Dhanlaxmi Bank	2,343.75	2,500.00
9	CSB Bank	4,582.97	5,000.00
10	Unity Small Finance Bank	1,200.00	1,200.00
	Total	**1,57,095.47**	**1,72,700.00**

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Term Loans sanctioned by Financial Institutions under Multiple Banking Arrangement

(₹ in Lakhs)

Sr. No.	Name of Bank	Outstanding	Sanctioned Amount
1	Indian Renewable Energy Development Agencies Ltd.	20,000.00	20,000.00
	Total	**20,000.00**	**20,000.00**

Term loan sanctioned for vehicle

(₹ in Lakhs)

Sr. No.	Name of Bank	Outstanding	Sanctioned Amount
1	Bank of Baroda	103.01	139.50
2	Bank of Baroda	20.51	33.68
3	Bank of Baroda	60.92	98.00
4	Bank of Baroda	17.85	26.70
5	Bank of Baorda	23.75	27.50
6	Bank of Baroda	31.71	34.00
	Total	**257.75**	**359.38**

39. During the year 2024-25, the Company has issued 50000 7.50% Foreign Currency Convertible Bonds (FCCBs) of USD 1000 each aggegate amount USD 50 million equivalent to Rs. 423.30 crores. Out of such FCCBs, FCCBs of USD 2 million has been converted into 37,01,792 equity share at Re. 1 each at a premium of Rs. 44.74 per equity share. Further, USD 48 million FCCBs (ISIN-XS2952463086) has also been listed on AFRINEX Securities List "ASL" of AFRINEX Limited w.e.f. March 24, 2025. FCCB has also been revalued on the fair market value as on 31.03.2025.

Further during the financial year 2024-25, the Company has allotted 3,72,517 equity shares of face value of Re. 1/- each (Rupee One Only) fully paid up for cash at a premium of Rs. 33.69 (at a discounted rate of 18% on the market price of Rs. 42.30 per share) to the employees of the Company and its wholly owned Subsidiary i.e. Nupur Finvest Private Limited pursuant to exercise of options granted to them under the Paisalo Employee Share Purchase Scheme 2024 in compliance with SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. These shares shall rank pari passu with the existing equity shares of the Company in all respects. These shares have lock-in period pf 18 months from the date of issue.

40. Detail of Bank FDR's (principal amount) held as on 31.03.2025:

Held to avail Cash Credit facility against FDRs

(₹ in Lakhs)

1	Punjab National Bank	Cash Credit	8.50
	Subtotal	**(A)**	**8.50**

Held as Guarantee

(₹ in Lakhs)

1	Punjab National Bank	Guarantee	0.88
	Subtotal	**(B)**	**0.88**

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Held as Guarantee

(₹ in Lakhs)

1	State Bank of India	Guarantee	10.00
2	State Bank of India	Guarantee	15.00
3	State Bank of India	Guarantee	25.00
4	State Bank of India	Guarantee	10.00
	Subtotal	**(C)**	**60.00**

Held as Guarantee / Security / Overdraft facility

(₹ in Lakhs)

1	Bank of Baroda	Guarantee / Security / Overdraft facility	205.00
2	Bank of Maharashtra	Overdraft facility	6.50
	Subtotal	**(D)**	**211.50**

Held as Guarantee

(₹ in Lakhs)

1	Bank of India	Guarantee	10.00
2	Canara Bank	Guarantee	20.00
	Subtotal	**(E)**	**30.00**

Held as Investment

(₹ in Lakhs)

2	Punjab National Bank	Unencumbered	0.10
	Subtotal	**(F)**	**0.10**
	Grand Total of FDR's	**(A+B+C+D+E+F)**	**274.48**

41. Reconciliation of Book Debt Assigned to the Consortium Banks with the Book Debts (Inventory) of the Company as on the date of Balance Sheet:

(₹ in Lakhs)

Sr. No.	Particulars	Value as per Book Debt Statement	Value of Inventory as per Balance Sheet	Difference	Reason
1	Standard Assets	4,72,461.88	4,72,487.61	25.73	Some Disbursement / payments / Bad Debts were omitted to consider in MIS, pending reconciliation while submitting the Book Debts Statements.
2	Sub Standard Asset	-	4,700.30	4,700.30	Not Qualified for DP Purpose

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42. Arbitration Awards:

The amount of such Decrees available for execution stands at Rs. 16,477.78 (Previous year Rs. 17,487.60) Lakhs as on the date of Balance Sheet. All these cases have already been written off in the books of accounts hence there are no impact on the profit and loss account of the Company for current as well as in the previous years:

(₹ in Lakhs)

Sr. No.	Particulars	Amount
1	Opening balance of Arbitration Awards	17,487.60
2	Add: New Arbitration Award procured during the year	-
3	Less: Arbitration Award Challenged / Closed during the year	1,009.82
	Arbitration Awards available for Execution	16,477.78

43. Capital Risk Adequacy Ratio (CRAR):

(₹ in Lakhs)

	Particulars	2024-25	2023-24
i)	CRAR %	39.16%	35.92%
ii)	CRAR – Tier I Capital %	29.90%	32.77%
iii)	CRAR – Tier II Capital %	9.26%	3.16%
iv)	Amount of subordinated debt raised as Tier-II Capital	800	800
v)	Liquidity Coverage Ratio	5.44	2.78
vi)	Amount raised by issue of Perpetual Debt Instruments	Nil	Nil

44. Investments:

(₹ in Lakhs)

				Particulars	2024-25	2023-24
1)	Value of Investments					
	i)	Gross value of Investments				
		a)		In India	6,574.53	6,506.95
		b)		Outside India	Nil	Nil
	ii)	Provision for Depreciation				
		a)		In India	Nil	Nil
		b)		Outside India	Nil	Nil
	iii)	Net Value of Investments				
		a)		In India	6,574.53	6,506.95
		b)		Outside India	Nil	Nil
2)	Movement of Provisions held towards depreciation on investments					
	i)	Opening Balance			Nil	Nil
	ii)	ADD: Provision made during the year			Nil	Nil
	iii)	Less: Write – off / write – back of excess provisions during the year			Nil	Nil
	iv)	Closing Balance			Nil	Nil

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45. The Company had not taken any exposure in Derivatives during the financial year 2024-25.

46. Disclosure relating to Securitization:

i) The Company has not done securitization of any of its loans & advances to any organization during the financial year 2024-25 and there is no outstanding amount as on Balance Sheet date. Also, the Company has not sold its financial assets to any Securitization/Reconstruction Company for Asset Reconstruction. Further the Company has not undertaken new assignment transactions during the Financial Year 2024-25.

ii) The Company has not purchased any non-performing assets (NPAs) from other NBFCs or financial institutions

a) Disclosures pursuant to RBI Notification - RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated 6 August 2020 and RBI/2021-22/31/DOR.STR.REC.11 /21.04.048/2021-22 dated 5 May 2021

There were no borrower accounts where resolution plans had been implemented under RBI 's Resolution Framework 2.0 dated 5 May 2021 during the year.

b) Disclosures pursuant to RBI Notification - RBI /DOR/2021-22/86 DOR.STR.REC.51 /21.04.048/2021-22 dated 24 September 2021

(a) Details of transfer through assignment in respect of loans not in default during the financial year ended 31 March, 2025

Amount of loans transferred through assignment	Nil
Retention of beneficial economic interest	Nil
Weighted average residual maturity	Nil
Weighted average holding period	Nil
Coverage of tangible security coverage	Nil
Rating-wise distribution of rated loans	Nil

(b) Details of loans (not in default) acquired through assignment during the financial year ended 31 March, 2025

Amount of loans transferred through assignment	Nil
Retention of beneficial economic interest	Nil
Weighted average residual maturity	Nil
Weighted average holding period	Nil
Coverage of tangible security coverage	Nil
Rating-wise distribution of rated loans	Nil

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(c) Details of stressed loans transferred during the financial year ended 31 March, 2025

Particulars	To Asset Reconstruction Companies (ARC)		To permitted transferees	
	NPA	SMA	NPA	SMA
Number of accounts	Nil	Nil	Nil	Nil
Aggregate principal outstanding of loans transferred (Rs. in crore)	Nil	Nil	Nil	Nil
Weighted average residual tenor of the loans transferred (in years)	Nil	Nil	Nil	Nil
Net book value of loans transferred (at the time of transfer (Rs. in crore)	Nil	Nil	Nil	Nil
Aggregate consideration (Rs. in crore)	Nil	Nil	Nil	Nil

In addition to above the Company has transferred written off loans amounting to Rs. Nil for a consideration of Rs. Nil.

(d) The Company has not acquired any stressed loan during the financial year ended 31 March, 2025.

c) Pursuant to the RBI circular dated 12 November 2021 - "Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances - Clarifications', the Company has aligned its definition of default from number of instalments outstanding approach to Days Past Due approach. On 15 February 2022, RBI allowed deferment till 30 September 2022 of Para 1 of this circular pertaining to upgrade of Non-performing accounts. However, the Company has not opted for this deferment and such alignment does not have any significant impact on the financial results for the quarter and year ended 31 March 2025.

iii) Co-Lending Operations with Banks

Paisalo Digital Ltd. has forged strategic Co-Lending partnerships with five prominent banking institutions—State Bank of India, Bank of Baroda, UCO Bank, Punjab National Bank, and Karnataka Bank. These collaborations are anchored in the shared objective of advancing financial inclusion by extending timely and accessible credit to underserved segments, notably in the agriculture (AGRI) sector, micro, small, and medium enterprises (MSMEs), and other small business ecosystems.

Under the Reserve Bank of India's regulated Co-Lending Model (CLM), Paisalo Digital Ltd. contributes 20% of the loan amount while the partner banks provide the remaining 80%. This model enables an equitable sharing of risk and return, and allows both parties to leverage their respective strengths—Paisalo's deep penetration into rural and semi-urban markets, and the banks' robust funding capabilities and regulatory frameworks.

The Co-Lending arrangement is designed to streamline credit delivery through end-to-end digital processes, ensuring faster loan disbursal and minimal friction for the borrower. By integrating operational workflows and aligning underwriting criteria, Paisalo and its banking partners are able to optimize risk assessment, improve cost efficiency, and provide competitive interest rates. While the banks' rates remain aligned with prevailing benchmarks, Paisalo retains flexibility within regulatory limits to determine its own rates, thereby maintaining a fair and transparent pricing mechanism for borrowers.

Recent regulatory developments and clarifications from the Reserve Bank of India have further bolstered the Co-Lending framework, providing increased clarity and operational confidence to participating entities. Paisalo continues to invest in digital infrastructure to support seamless onboarding, documentation, and disbursement processes—positioning itself as a key enabler of last-mile credit delivery.

In essence, Co-Lending reflects a transformative shift in credit distribution strategy, one that synergizes institutional capital with grassroots reach. For Paisalo Digital Ltd., it is not merely a business model but a core pillar of its mission to democratize credit and foster inclusive economic development. The company's forward-looking alliances in this space are expected to remain a significant growth driver, contributing meaningfully to both financial performance and social impact.

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47. Asset Liability Management Maturity pattern of certain items of Assets and Liabilities as on 31st March, 2025:

(₹ in Lakhs)

	Upto 14 days	Over 14 days to 1 month	Over 1 month & Upto 2 months	Over 2 months & Upto 3 months	Over 3 months & Upto 6 months	Over 6 month & upto 1 year	Over 1 year & Upto 3 years	Over 3 years & upto 5 years	Over 5 Years	Total
Deposits	—	—	—	—	—	—	—	—	—	—
Advances	8,452	10,266	15,620	19,109	56,637	98,218	2,20,685	46,075	2,126	**4,77,188**
Investments (Bank FDR)	—	—	—	—	—	—	320	—	—	**320**
Borrowings	—	3,030	3,429	16,961	16,309	50,379	1,34,030	48,216	27,761	**3,00,115**
Foreign Currency Assets	—	—	—	—	—	—	—	—	—	—
Foreign Currency Liabilities	—	—	—	—	—	—	—	41,079	—	**41,079**

48. Exposures:

a) Exposures to Real Estate Sector

(₹ in Lakhs)

Category			2024-25	2023-24
Direct Exposure				
i)	Residential Mortgages			
	Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented		8,257	8,702
ii)	Commercial Real Estate			
	Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based limits		7,916	8,341
iii)	Investments in Mortgage Backed Securities (MBS) and other securitized exposures			
	a)	—	—	—
	b)	—	—	—
Indirect Exposure			—	—

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b) Capital Market Exposure

(₹ in Lakhs)

S. No.	Particulars[1]	2024-25	2023-24
1	Direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt	6,254.37	6,227.76
2	Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity oriented mutual funds	—	—
3	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security	—	—
4	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances.	1,500.00	3,814.81
5	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers.	—	—
6	Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources		
7	Bridge loans to companies against expected equity flows / issues	—	—
8	Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds		
9	Financing to stockbrokers for margin trading	—	—
10	All exposures to Alternative Investment Funds: (i) Category I (ii) Category II (iii) Category III	—	—
	Total exposure to capital market	**7,754.37**	**10,042.57**

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c) Sectoral Exposure

(₹ in Lakhs)

Sectors	2024-25			2023-24		
	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities	42,524	—	—	36,206	—	—
2. Industry						
i. Micro & Small	61,126	—	—	31,655	—	—
ii. Medimum	3,55,298	4,700	1.31	2,95,421	765	0.26
Others	—	—	—	—	—	—
Total of Industry (i+ii+...+Others)	**4,16,424**	**4,700**	**1.31**	**3,27,076**	**765**	**0.26**
3. Services						
i. Retail Trade	2,891	—	—	2,643	—	—
ii. Commercial Real Estate	7,916	—	—	—	—	—
Others	—	—	—	—	—	—
Total of Services (i+ii+...+Others)	**10,807**	**—**	**—**	**2,643**	**—**	**—**
4. Personal Loans						
i other Retail Loans	2,732	—	—	2,607	—	—
ii...	—	—	—	—	—	—
Others	—	—	—	—	—	—
Total of Personal Loans (i+ii+...+Others)	**2,732**	**—**	**—**	**2,607**	**—**	**—**
5. Others, if any (please specify)	**—**	**—**	**—**	**—**	**—**	**—**

d) Details of financing of parent company products : NIL

e) Details of Single Borrower Limit and Group Borrower Limit exceeded by NBFC

The company has adhered to the Prudential Exposure norms as prescribed by RBI and has not given any advances exceeding the limits as prescribed for Single borrower and Group Borrower.

f) Unsecured Advances

The unsecured advances outstanding as at Balance Sheet date are Rs. 42,524.20 Lakhs. The Company does not have any loan or advances which are partially secured against any sort of licenses, rights, authorizations charged to the company.

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49. Registration obtained from other financial sector regulators:

RBI Registration No.	:	B-14.02997
Company Identification No.	:	L65921DL1992PLC120483

The company has never been penalized for any non-compliance by financial sector regulators.

50. Bank borrowings and Long Term Debt Securites of the Company have been assigned rating of "IVR AA/STABLE OUTLOOK" by Infomerics Valuation and Rating Pvt. Ltd. which denotes "Instruments with this rating are considered to have adequate degree of safety regarding timely servicing of financial obligations. Such instruments carry low credit risk". Similarly, the Company has been assigned rating of "IVR A1+ (IVR A One Plus)" for Commercial Paper by Infomerics Valuation and Rating Pvt Ltd which denotes "Securities with this rating are considered to have very strong degree of safety regarding timely payment of financial obligation. Such instruments carry lowest credit risk."

51. Provisions and Contingencies:

(₹ in Lakhs)

Break up of Provisions and contingencies	2024-25	2023-24
Provisions for depreciation on investment	Nil	Nil
Provision towards NPA	381	63
Provision on Standard Accounts in default @ 5%	Nil	Nil
Provision for Expected Credit Loss	67	52
Provision made towards income tax	5,377	6,950
Other provision and contingencies (Contingent Liability- Guarantee)	6,840	10,320
Provision for Standard Assets	424	350

52. Non-Convertible Redeemable Debentures (NCDs):

During the financial year 2024-25, the Company has issued Redeemable INR Denominated Non-Convertible Debentures (NCDs) as under

(₹ in Lakhs)

Particulars	Date of Issue	Interest Rate p.a. (%)	Tenure	No. of Debentures	Face Value per Debenture	Amount
Secured Listed NCDs	12th April 2024	9.95	15 Months & 18 Months	1200	1	1200
Secured Listed NCDs	03rd May 2024	9.95	60 Months	2700	1	2700
Secured Listed NCDs	31st July 2024	9.95	36 Months	2500	1	2500

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53. Commercial Papers (CP):

During the financial year 2024-25, the Company has issued the following Commercial Papers as under:

(₹ in Lakhs)

Nature of CP	Date of Issue	Maturity Date	No. of CP	Face Value per CP	Maturity Value
Listed	25th April 2024	25th July 2024	600	5	3000
Listed	17th May 2024	16th August 2024	600	5	3000
Listed	12th September 2024	12th December 2024	600	5	3000
Unlisted	19th September 2024	05th September 2025	260	5	1300
Listed	20th September 2024	20th December 2024	600	5	3000
Listed	11th December 2024	12th March 2025	600	5	3000
Listed	19th December 2024	20th March 2025	600	5	3000
Listed	11th March 2025	10th June 2025	600	5	3000
Listed	19th March 2025	18th June 2025	600	5	3000
Listed	28th March 2025	27th June 2025	600	5	3000

Interest rate on above CPs varies between 10% to 11.05% per annum.

54. Concentration of Deposits, Advances, Exposures and NPAs:

a) Concentration of Deposits

The Company has not taken any deposits from public.

b) Concentration of Advances

(₹ in Lakhs)

Total Advances to twenty largest borrowers	80,235.72
% of advances to twenty largest borrowers to total advances of the NBFC	16.81%

c) Concentration of Exposures

(₹ in Lakhs)

Total Exposure to twenty largest borrowers / customers	80,235.72
% of exposures to twenty largest borrowers / customers to total exposure of the NBFC on borrowers / customers	16.81%

d) The Company has issued Foreign currency convertible bonds of USD 50 millions, which are duly hedged against repayment of interest and maturity value, out of these FCCBs of USD 2 million has been converted into equity share during the year. The profit/(loss) on exchange rate fluctuation have been duly recongnised in Profit & Loss Statements.

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e) Concentration of NPAs

Provisioning for Substandard Assets/Doubtful Assets/Loss Assets has been made in compliance with the directions of Reserve Bank of India. As per decision of the Board of Directors in the cases where loan installments are overdue for more than 90 days past due and management is of the opinion that its recovery chances are very remote or negligible, the Company writes off these accounts (Net of Future Interest Charges) as bad debts. In all other cases where loan installments are overdue for more than 90 days past due the provisioning for non-performing assets is made in compliance with Non-Banking Financial Company Systemically Important Non-Deposit Taking Company and Deposit Taking Company (Reserve Bank) Directions 2016, as applicable to the company. As per the RBI Directions dated 1st September 2016 updated as on 23rd February 2018 Company has made general provision of 0.40% of Standard assets. Other directives of Reserve Bank of India have been duly complied with. The details of top 4 NPA's written off during the year are given below:

(₹ in Lakhs)

Sr. No.	Total Exposure to Top Four NPA Accounts	% of Total Exposure	Amount
1	Parvasa Developers Private Limited	0.26	1248.73
2	Sea Unity Private Limited	0.16	780.67
3	Atara Developers Private Limited	0.14	657.33
4	Hungry N Thirsty Foods Private Limited	0.12	560.23
	Total	**0.68**	**3246.96**

f) Movement of NPAs

(₹ in Lakhs)

		Particulars	2024-25	2023-24
(i)	Net NPAs to Net Advance (%)		0.76%	0.02%
(ii)	**Movement of NPAs (Gross)**			
	(a)	Opening balance	765.31	696.29
	(b)	Additions during the year	3957.67	69.02
	(c)	Reductions during the year	22.69	—
	(d)	Closing balance	4700.29	765.31
(iii)	**Movement of Net NPAs**			
	(a)	Opening balance	61.83	55.47
	(b)	Additions during the year	3554.76	61.83
	(c)	Reductions during the year	0.52	55.47
	(d)	Closing balance	3616.07	61.83
(iv)	**Movement of provisions for NPAs (excluding provisions on standard assets)**			
	(a)	Opening balance	703.48	640.83
	(b)	Provisions made during the year	403.43	62.65
	(c)	Write -back of excess provisions	22.69	—
	(d)	Write off	—	—
	(e)	Closing Balance	1084.22	703.48

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g) Sector wise NPAs (Write Offs)

(₹ in Lakhs)

Sr. No.	Category	% of Write offs to Total Advances	
		2024-25	2023-24
1	Agriculture & Allied activities	0.74	0.18
2	MSME	0.02	0.30
3	Corporate Borrowers	0.06	0.55
4	Services	0.02	0.01
5	Unsecured Personal Loans	—	—
6	Auto Loans	0.23	0.05
7	Other Personal Loans (LAP)	0.00	0.05
	Total	**1.07**	**1.14**

h) During the year 2024-25, no fraud has been found and reported to the Regulators. In previous year 2023-24, the Company has reported fraud of Rs. 21.95 Crore to the Reserve Bank of India as per the prescribed guidelines.

55. The Company is domiciled in India and does not have any joint venture, associate or subsidiary abroad.

56. Related party Exposure

(₹ in Lakhs)

Related Party	Parent (as per ownership or control)		Subsidiaries		Associates /Joint ventures		Key Management Personnel		Relatives of Key Management Personnel		Others*		Total	
Items	CY	PY	CY	PY	CY	PY	CY	PY	CY	PY	CY	PY	CY	PY
Borrowings#	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Deposits#	—	—	—	—	—	—	860	65	—	420	—	—	860	485
Placement of deposits#	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Advances#	—	—	3,610	2,690	—	—	—	—	—	—	—	—	3,610	2,690
Investments#	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Purchase of fixed/other assets	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Sale of fixed/ other assets/ Portfolio	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Interest paid	—	—	653	884	—	—	25	2	50	32	—	—	728	918
Interest received	—	—	36	26	—	—	—	—	—	—	—	—	36	26
Others*	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Remuneration	—	—	—	—	—	—	699	668	—	—	—	—	668	668
Rent	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Dividend	—	—	—	—	—	—	139	70	7	4	181	75	327	149
Bonus Share	—	—	—	—	—	—	—	697	—	36	—	852	—	1,585
Subscription of NCDs	—	—	—	—	—	—	—	135	—	220	—	490	—	845

CY – Current Year 2024-25 & PV – Previous Year 2023-24

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57. Off Balance Sheet SPVs sponsored:

The Company has not sponsored off Balance Sheet SPVs.

58. Disclosures of Complaints:

Sr. No.		Particulars	2024-25	2023-24
Complaints received by the NBFC from its customers				
1.		Number of complaints pending at beginning of the year	—	—
2.		Number of complaints received during the year	26	10
3.		Number of complaints disposed during the year	26	10
	3.1	Of which, number of complaints rejected by the NBFC	—	—
4.		Number of complaints pending at the end of the year	—	—
Maintainable complaints received by the NBFC from Office of Ombudsman				
5.*		Number of maintainable complaints received by the NBFC from Office of Ombudsman	—	—
	5.1.	Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	—	—
	5.2	Of 5, number of complaints resolved through conciliation/ mediation/advisories issued by Office of Ombudsman	—	—
	5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	—	—
6.*		Number of Awards unimplemented within the stipulated time (other than those appealed)	—	—

Top five grounds of complaints received by the NBFCs from customers

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
Current Year					
Payment made by borrower but still showing overdue in CIBIL	—	10	25	—	—
Delayed payment interest is pending	—	—	—	—	—
Made full payment but not get NOC	—	4	300	—	—
HP related issue on RC	—	10	100	—	—
Statement not given	—	1	100	—	—
Total	**—**	**25**	**150**	**—**	**—**
Previous Year					
Payment made by borrower but still showing overdue in CIBIL	—	8	100	—	—
Delayed payment interest is pending	—	1	100	—	—
Made full payment but not get NOC	—	1	100	—	—
Demanding of release property paper	—	—	—	—	—
Total		**10**	**67**		**—**

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59. Uncertainty relating to the global health pandemic from COVID-19 ("Covid-19"):

a) The global landscape remains fraught with challenges, chiefly stemming from the widespread COVID-19 pandemic. This unprecedented crisis has precipitated multifaceted repercussions, including sweeping governmental interventions, a resilient economic rebound post a severe global recession, surging inflation rates, geopolitical tensions such as the conflict in Ukraine, and substantial economic sanctions imposed on Russia.

b) In light of the enduring ramifications of the global pandemic, Paisalo Digital Ltd. has proactively instituted alternative work modalities to safeguard the health and well-being of its workforce and business associates. These measures encompass the facilitation of remote work arrangements, particularly for operations and call centers during periods of enforced lockdowns. Equipping employees with requisite technological infrastructure has ensured the secure and efficient delivery of services to borrowers.
Throughout the fiscal year, the company has fostered robust communication channels via virtual sessions with branches, employees, and business associates, thereby sustaining proactive engagement with customers. Services such as Door Step Sourcing and Servicing have been meticulously executed, adhering to stringent safety protocols and implementing essential non-pharmaceutical interventions. Despite prevailing challenges, the majority of branches, employees, and business associates have remained operational, playing a pivotal role in extending essential credit to borrowers.
Furthermore, Paisalo Digital Ltd. has swiftly adapted to evolving circumstances, innovating digital and analog tools to facilitate credit requests and optimize loan recovery mechanisms.

c) During the financial year 2024-25, no significant governmental, regulatory, or banking frameworks were introduced explicitly targeting COVID-19 relief or aid for Non-Banking Financial Companies (NBFCs) like Paisalo Digital Ltd. However, NBFCs have increasingly served as conduits for governmental and major banking institutions, leveraging their local presence to directly support households in need.
The stability in funding and liquidity afforded to Paisalo Digital Ltd. is fortified by its entrenched local footprint, robust credit and risk assessment methodologies, and enduring partnerships with esteemed banking entities.

60. In the financial year 2024–25, Paisalo Digital Ltd. delivered a robust non-fund based income of ₹ 701.23 lakhs. This income segment, comprising fees, commissions, and revenue from ancillary services, illustrates the company's focus on building a diversified and resilient revenue base beyond traditional interest income.

Paisalo implemented several targeted initiatives to strengthen its non-fund based income portfolio:

a) **Business Correspondent (BC) Services:** Acting as a Business Correspondent for leading banks such as State Bank of India and Bank of India, Paisalo extended formal banking and financial services to unbanked and underbanked geographies. As a BC, the company facilitated a range of banking transactions—including account openings, deposits, withdrawals, and loan processing—on behalf of its partner banks. In return, Paisalo earned transaction-based fees and service commissions, establishing a recurring revenue stream with minimal credit risk exposure.

b) **Ancillary Financial Services:** In addition to its core lending operations, Paisalo expanded into ancillary services designed to complement and enhance its financial offerings. These include transaction facilitation, documentation support, and financial advisory services. Revenues in this segment are typically fee-based and linked to transaction volumes, allowing the company to scale non-fund income in tandem with customer activity and asset volumes.

c) **Cross-Selling of Financial Products:** Capitalizing on its extensive customer base and high engagement levels, Paisalo adopted a cross-selling strategy to offer supplementary financial products such as insurance, investment-linked services, and savings instruments. These initiatives aim to deepen customer relationships, increase lifetime value, and unlock incremental income streams. This strategy also aligns with the company's long-term vision of becoming a holistic financial services provider in rural and semi-urban India.

These strategic efforts have contributed significantly to enhancing the company's non-fund based income, while also reinforcing its value proposition to customers and partners alike. As part of its ongoing evolution, Paisalo continues to identify and implement innovative methods to expand its fee-based income, improve profitability, and create long-term value for shareholders.

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59. Expected Credit Loss:

Comparison of Provisioning done under ECL model and under RBI prudential norms requirements:

(₹ in Lakhs)

Asset Classification as per RBI Norms	Asset Classi-fication 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**	4,60,258	2,301	4,57,957	1,841	460
	Stage 1	6,992	210	6,782	28	182
	Stage 2	5,237	157	5,080	21	136
Subtotal		**4,72,487**	**2,668**	**4,69,819**	**1,890**	**778**
Non-Performing Assets (NPA)						
Substandard	**Stage 3**	3,950	869	3,081	395	474
Doubtful - up to 1 year	**Stage 3**	—	—	—	—	—
1 to 3 years	**Stage 3**	76	30	46	15	15
More than 3 years	**Stage 3**	—	—	—	—	—
Subtotal for doubtful		**4,026**	**899**	**3,127**	**410**	**489**
Loss Assets	**Stage 3**	674	674	—	674	—
Subtotal for NPA		**4,700**	**1,573**	**3,127**	**1,084**	**489**
Loss	**Stage 3**	1,420	1,420	—	1,420	—
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset and Provisioning (IRACP) norms Classification						
	Stage 1	6,840	137	6,703	—	137
	Stage 2	—	—	—	—	—
	Stage 3	—	—	—	—	—
Subtotal		**8,260**	**1,557**	**6,703**	**1,420**	**137**
Total	**Stage 1**	4,74,091	2,648	4,71,443	1,869	779
	Stage 2	5,237	157	5,080	21	136
	Stage 3	4,700	1,573	3,127	1,084	489
	Total	**4,84,028**	**4,378**	**4,79,650**	**2,974**	**1,404**
LESS : Provision for ECL previous year balance		—	1,305	—	—	—
Less : Provision for NPA		—	1,084	—	—	—
Less : Provision for Standard Assets		—	1,922	—	—	—
Expected Credit Loss		—	67		—	—

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60. Risk Management Framework:

The company operates within a landscape of diverse risks that could significantly impact its business, operations, and financial performance. These risks include Credit Risk, Liquidity & Funding Risk, Market Risk, and Operational Risk. To address these challenges, the management has developed a comprehensive risk management framework aimed at identifying, analyzing, and mitigating potential threats while ensuring adherence to predefined risk limits.

i) Creating a Stable Business Planning Environment

One of the primary objectives of the risk management framework is to establish a stable business planning environment by minimizing the impact of interest rate fluctuations on the company's business plan. This involves assessing the potential effects of interest rate changes on the company's financial position and operations, enabling more accurate forecasting and strategic decision-making.

ii) Achieving Greater Predictability to Earnings

Another key goal is to achieve greater predictability in earnings by determining the financial value of expected earnings in advance. This entails forecasting future earnings based on various factors such as market conditions, customer behavior, and economic trends. By accurately predicting earnings, the company can better allocate resources, plan investments, and manage its financial performance effectively.

A) Credit Risk

Credit risk represents the potential financial loss to the company if a customer or counterparty fails to fulfill its contractual obligations. This risk primarily emanates from trade and other receivables, cash equivalents, and bank balances. To assess credit risk, the company utilizes various metrics such as installment default rate, overdue position, and debt management efficiency.

Credit risk is closely monitored through the analysis of credit exposures, portfolio monitoring, and evaluation of customer and portfolio concentration risk. Moreover, the risk management unit employs a robust control framework to manage credit risk effectively. This framework involves aligning credit and debt management policies, leveraging external data from credit bureaus, and conducting regular reviews of portfolios and delinquencies by senior and middle management teams.

By implementing these strategies, Paisalo Digital Ltd aims to proactively identify and mitigate credit risks, thereby safeguarding its financial stability and ensuring the continuity of its operations.

(a) Loans, Trade & Other Receivables

Managing credit risk from loans, trade, and other receivables is a multifaceted process that involves a comprehensive approach to mitigate potential financial losses and uphold the company's financial stability. Here's a detailed overview of how the company manages credit risk:

1. **Establishing Credit Limits:** The company meticulously sets credit limits for each customer, taking into account various factors such as creditworthiness, financial history, and repayment capacity. These credit limits serve as a safeguard against excessive borrowing and minimize the risk of default.

2. **Credit Approvals Process:** Every credit request undergoes a stringent approval process that evaluates the creditworthiness of the customers and assesses associated risks. This process involves analyzing financial statements, credit reports, and other relevant information to determine the likelihood of repayment. Only credit requests meeting predefined risk criteria are approved.

3. **Continuous Creditworthiness Monitoring:** The company continuously monitors the creditworthiness of its customers to identify any changes in their financial circumstances that may impact their ability to repay loans or fulfill obligations. This ongoing monitoring involves regular reviews of credit reports, financial statements, and market trends to assess credit risk profiles accurately.

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4. **Regular Monitoring of Receivables:** The company maintains a vigilant stance by regularly monitoring outstanding receivables to ensure timely repayment by customers. This includes tracking payment schedules, identifying overdue accounts, and implementing effective collection strategies for delinquent accounts. By closely monitoring receivables, the company can promptly identify potential credit risks and take appropriate actions to mitigate them.

5. **Ageing Analysis:** The company conducts thorough ageing analysis of loans and trade receivables to categorize outstanding receivables based on their ageing profile. This analysis helps identify accounts that are overdue or at risk of default, enabling the company to prioritize collection efforts and allocate resources efficiently. By understanding the ageing profile of receivables, the company can implement targeted credit management strategies to minimize credit risk exposure.

The ageing of loans & trade receivables is as follows:

(₹ in Lakhs)

Particulars	As at 31st March 2025
Loans	4,75,074.96
Less: Allowances for expected credit loss	1,372.48
	4,73,702.48
Trade & Other Receivables	
Outstanding for less than one year	2,112.96
Less: Allowance for doubtful debts	1,084.22
	1,028.74
Total	**4,74,731.22**

(b) Cash & Cash Equivalents & Other Bank Balances

Regarding the management of cash and cash equivalents, the company maintains a robust evaluation process for assessing the creditworthiness of banks and financial institutions where funds are held. This evaluation occurs regularly and involves comprehensive assessments of financial stability, regulatory compliance, and risk management practices. By ensuring the creditworthiness of banking partners, the company mitigates the risk associated with cash holdings and safeguards its liquidity position. The company holds cash and cash equivalents and other bank balances of Rs. 10,366.77 Lakh at 31 March 2025.

B) Liquidity & Funding Risk

Liquidity risk poses a substantial threat to the Company's ability to fulfill its financial obligations, particularly those settled through cash or other financial assets. This risk encompasses several dimensions, including funding risk, which manifests in various scenarios:

1. **Inability to Raise Incremental Funds:** The company faces the risk of being unable to secure additional borrowings or deposits to meet its operational needs or fulfill repayment obligations. This could arise due to limitations in accessing capital markets or reluctance from lenders amidst uncertain economic conditions.

2. **Cash Flow Mismatches:** Funding risk also emerges when long-term assets cannot be financed over their expected term, leading to discrepancies in cash flows. Such mismatches may arise from unexpected changes in market conditions or disruptions in the funding environment.

3. **Market Volatility Impacting Funding:** Volatility in financial markets can further exacerbate funding risk by hindering the company's ability to source funds from banks and money markets. Fluctuations in interest rates, credit spreads, or investor sentiment may impede access to funding avenues, heightening liquidity concerns.

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Measuring liquidity risk involves several key metrics and assessments:

1. **Identification of Structural and Dynamic Liquidity Gaps:** The company analyzes structural and dynamic liquidity statements to identify gaps between available funds and near-term liabilities. This entails assessing the maturity profile of assets and liabilities to gauge liquidity adequacy.

2. **Assessment of Incremental Borrowing Needs:** Evaluating the incremental borrowings required to fulfill repayment obligations and support the company's business plan amidst prevailing market conditions is crucial. This assessment considers factors such as interest rate environment, credit availability, and funding costs.

3. **Monitoring Liquidity Coverage Ratio (LCR):** The company tracks its liquidity coverage ratio in adherence to regulatory guidelines, ensuring sufficient high-quality liquid assets are held to cover short-term liquidity needs under stress scenarios.

Managing liquidity risk involves proactive measures implemented by the treasury team:

1. **Gap Analysis and Scenario Testing:** The company continuously assesses the gap between fund visibility and near-term liabilities, considering evolving liquidity conditions and regulatory requirements for non-banking financial companies (NBFCs). Stress tests and scenario analyses are conducted to evaluate potential liquidity shortfalls and compare them against available buffers.

2. **Adaptive Funding Strategies:** A dynamic approach to funding involves aligning funding sources with emerging market conditions in banking and money markets. The company adjusts its funding mix and borrowing strategies to optimize liquidity and mitigate funding risks.

3. **Maintaining Liquidity Buffers:** Building and maintaining liquidity buffers is essential to mitigate liquidity risk. These buffers serve as a cushion during periods of funding stress and provide resilience against unexpected liquidity shocks.

4. **Strategic Asset-Liability Management:** The company employs positive asset-liability management practices to match asset and liability durations, reducing the risk of cash flow mismatches. This entails aligning asset maturities with liability obligations to minimize funding gaps.

5. **Diversification and Relationship Management:** Diversifying funding sources and cultivating strong relationships with banks and financial institutions enhance the company's ability to access funding under diverse market conditions. Maintaining a robust pipeline of sanctions and approvals ensures access to funding avenues when needed.

   In essence, the management of liquidity risk is a dynamic and multifaceted endeavor, requiring a proactive and strategic approach from the treasury team. Through the judicious application of liquidity buffers, long-term funding strategies, asset-liability management, pipeline management, and prudent loan assignments, the treasury team fortifies the Company's liquidity position, safeguards against funding uncertainties, and fosters financial resilience in an ever-evolving financial landscape.

C) Market Risk

Market risk, a critical facet of financial risk management, underscores the potential for future earnings, fair values, or cash flows to incur losses due to adverse fluctuations in market rates and prices, or the values of market risk-sensitive instruments. This encompasses Currency Risk, Interest Rate Risk, and Price Risk, each demanding meticulous assessment and proactive management strategies.

1. **Measurement Techniques:** Market risk is quantified through a suite of sophisticated metrics and methodologies, including Value at Risk (VaR), basis point value (PV01), and modified duration analysis. These tools facilitate a comprehensive evaluation of portfolio dynamics and the potential impact on income streams, particularly in terms of net interest income. The Company's exposure to market risk is analyzed across various dimensions, encompassing equity investments, interest rate fluctuations within investment portfolios, and the implications of floating rate assets and liabilities with varying maturity profiles.

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2. **Monitoring Protocols:** Rigorous monitoring protocols are employed to track fluctuations in equity prices and interest rate sensitivities under diverse stress test scenarios. Through simulated simulations of probable interest rate movements, both fixed and floating assets and liabilities are scrutinized to gauge resilience under adverse market conditions. This proactive monitoring framework enables the identification of vulnerabilities and informs timely risk mitigation strategies.

3. **Management Strategies:** The management of market risk is entrusted to the Company's treasury team, operating under the guidance of the Board. This dedicated team implements a multi-faceted approach tailored to address specific risk exposures:

   - **Currency Risk:** Given the Company's exclusive operations within India, exposure to foreign currency risk is mitigated. The Company has issued Foreign currency convertible bonds of USD 50 millions, which are duly hedged against repayment of interest and maturity value, out of these FCCBs of USD 2 million has been converted into equity share during the year.

   - **Interest Rate Risk:** The Company actively manages interest rate risk by closely monitoring market interest rate movements and their potential impact on interest-bearing liabilities and assets. This proactive stance enables the Company to adapt swiftly to changing interest rate environments and optimize its interest rate exposure.

   - **Price Risk:** Equity price risk arising from investments is managed through prudent portfolio diversification strategies. The Company strategically diversifies its investment portfolio within predefined limits to mitigate concentration risk and optimize risk-adjusted returns.

4. **Governance Framework:** The management of market risk is conducted under the oversight of the Board of Directors. The treasury team, comprising seasoned professionals with expertise in financial risk management, implements risk mitigation strategies in alignment with the Board's directives and risk appetite. This ensures that market risk management practices are consistent with the Company's strategic objectives and regulatory compliance obligations.

   In essence, the management of market risk requires a judicious blend of quantitative analysis, robust monitoring mechanisms, and proactive risk mitigation strategies. By leveraging sophisticated measurement techniques, rigorous monitoring protocols, and strategic management frameworks, the Company navigates the complexities of market risk dynamics while safeguarding its financial stability and optimizing long-term performance.

D) Operational Risk

Operational risk, a multifaceted challenge inherent in the company's operational landscape, arises from a spectrum of sources, encompassing internal processes, human resources, technological systems, and external factors. To effectively manage operational risks, the Company has instituted a comprehensive framework of internal controls and procedures, meticulously designed to govern critical activities across various functional domains, including loan acquisition, customer service, IT operations, and finance functions.

1. **Internal Control Systems:** At the heart of operational risk management lies a robust system of internal controls, meticulously crafted to mitigate the risk of inadequate or failed internal processes, people, or systems. These controls span a myriad of functions, facilitating proactive identification and remediation of potential vulnerabilities. Through continuous monitoring and assessment, the Company endeavors to strengthen its internal control environment, ensuring operational resilience and efficiency.

2. **Internal Audit Oversight:** Internal Audit plays a pivotal role in operational risk management, conducting comprehensive reviews of all operational functions at least annually. This diligent scrutiny serves to unearth process gaps and deficiencies in a timely manner, enabling corrective actions to be implemented promptly. By providing independent assurance and insights, Internal Audit reinforces the Company's commitment to sound governance practices and operational excellence.

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3. **Compliance and Control Units:** Within the IT and Operations functions, dedicated compliance and control units operate in tandem to uphold the integrity and security of internal processes. Through continuous monitoring and evaluation, these units assess adherence to regulatory requirements and internal policies, proactively identifying and addressing operational risks. By fostering a culture of compliance and risk awareness, these units contribute to the Company's resilience in the face of evolving operational challenges.

4. **Disaster Recovery and Business Continuity Planning:** Recognizing the imperative of business continuity in the face of unforeseen events, the Company has established robust Disaster Recovery (DR) and Business Continuity Plans (BCP). These plans are meticulously crafted to ensure the seamless continuation of operations and services to customers in the event of natural disasters, technological outages, or other disruptive incidents. Regular testing and analysis of these plans enable the Company to identify and rectify any gaps in the framework, bolstering its readiness to navigate unforeseen disruptions effectively.

   In essence, operational risk management is woven into the fabric of the Company's governance framework, underpinned by a relentless commitment to process excellence, regulatory compliance, and business continuity. Through the concerted efforts of internal control systems, audit oversight, compliance units, and robust disaster recovery planning, the Company strives to fortify its operational resilience and safeguard its business operations against a spectrum of potential risks and contingencies.

61. Additional information pursuant to Ministry of Corporate Affairs notification dated March 24, 2021 with respect to amendments in Schedule iii of Companies Act, 2013:

i) The Company has made provision for dividend @ Rs. 0.10 each per share and the same will be declared & paid after the approval of the shareholders in their Annual General Meeting.

ii) All the borrowings of the Company are used for the specific purpose for which it was taken.

iii) There are no proceedings which have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

iv) The Company is not a willful defaulter as declared by any bank or financial Institution or any other lender.

v) 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.

vi) There are no charges or satisfaction yet to be registered with Registrar of Companies (ROC) beyond the statutory period.

vii) 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.

viii) There are no transactions which are not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

xi) The Company has not traded or invested in Crypto currency or Virtual Currency during the year.

SAKET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED PAISALO

M/S PAISALO DIGITAL LIMITED

Schedule to the Balance Sheet of a Non-Deposit taking Non-Banking Financial Company (As required in Non-Banking Financial Company Systemically Important Non Deposit Taking Company and Deposit Taking Company (Reserve Bank) Directions, 2016:

(₹ in Lakhs)

PARTICULARS			2024-25	
LIABILITIES SIDE:				
1.	**Loans and advances availed by the NBFCs inclusive of interest Amount accrued thereon but not paid**		**Amount Outstanding**	**Overdue**
	(a)	Debentures		
		Secured	19,761	—
		Unsecured	33,393	—
		(other than falling within the meaning of public deposits*)		
		Foreign Currency Convertible Bonds	41,914	—
	(b)	Deferred Credits	—	—
	(c)	Term Loans		
		Bank of Baroda (Term Loan a/c)	5,250	—
		State Bank of India (Term Loan a/c)	57,011	—
		Dhanlaxmi Bank (Term Loan a/c)	2,344	—
		UCO Bank (Term Loan a/c)	833	—
		Bank of Maharashtra (Term Loan a/c)	24,134	—
		Canara Bank (Term Loan a/c)	18,108	—
		Indian Bank (Term Loan a/c)	635	—
		South Indian Bank (Term Loan a/c)	899	—
		IDBI Bank (Term Loan a/c)	292	—
		Indian Overseas Bank (Term Loan a/c)	41,250	—
		Union Bank of India (Term Loan a/c)	8,028	—
		Bank of India (Term Loan a/c)	9,500	—
		CSB Bank (Term Loan a/c)	4,583	—
		Unity Small Finance Bank (Term Loan a/c)	1,200	—
		IREDA (Term Loan a/c)	20,000	—
		Bank of Baroda (Car Term Loan a/c)	258	—
	(d)	Inter-corporate loans and borrowing	7,959	—
	(e)	Commercial Paper	10,042	—
	(f)	Other Loans (specify nature)		
		Bank of Baroda (WCDL a/c)	2400	—
		IDBI Bank (WCDL a/c)	1,800	—
		Punjab National Bank (WCDL a/c)	7,200	—
		UCO Bank (WCDL a/c)	2,220	—
		Indian Bank (WCDL a/c)	3000	—
		Punjab National Bank (Cash Credit a/c)	4468	—
		Bank of Baroda (Cash Credit a/c)	1412	—
		Indian Bank (Cash Credit a/c)	1948	—
		UCO Bank (Cash Credit a/c)	1423	—

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PAISALO DIGITAL LIMITED PAISALO

(₹ in Lakhs)

				IDBI Bank (Cash Credit a/c)	679	—
				State Bank of India (Cash Credit a/c)	201	—
				Union Bank of India (Cash Credit a/c)	6449	—
				Karnataka Bank (Cash Credit a/c)	2401	—
2.	**Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid)**					
	(a)			In the form of Unsecured debentures	—	—
	(b)			In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	—	—
	(c)			Other public deposits	—	—
				*Please see Note 1 below		
ASSETS SIDE:						
3.	**Break-up of Loans and Advances including bills receivables (other than those included in (4) below)**					
		(a)		Secured	4,33,111	1,553
		(b)		Unsecured	41,964	560
4.	**Break -up of Leased Assets and stock on hire and hypothecation loans counting towards AFC activities**					
	(i)			Lease assets including lease rentals under sundry debtors		
		(a)		Financial lease	—	—
		(b)		Operating lease	—	—
	(ii)			Stock on hire including hire charges under sundry debtors		
		(a)		Assets on hire	—	—
		(b)		Repossessed Assets	—	—
	(iii)			Other loans counting towards AFC activities		
		(a)		Loans where assets been repossessed	—	—
		(b)		Loans other than (a) above	—	—
5.	**Break-up of Investments**					
	1			Current Investments		
				Quoted		
		(i)		Shares		
			(a)	Equity	—	—
			(b)	Preference	—	—
		(ii)		Debentures and Bond	—	—
		(iii)		Units of mutual funds	—	—
		(iv)		Government Securities	—	—
		(v)		Others (please specify)	—	—
				Unquoted		
		(i)		Shares		
			(a)	Equity (Group Companies) (Net)	—	—
			(b)	Preference	—	—

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PAISALO DIGITAL LIMITED PAISALO

(₹ in Lakhs)

		(ii)	Debentures and Bonds		—	—
		(iii)	Units of mutual funds		—	—
		(iv)	Government Securities		—	—
		(v)	Others (please specify)			
			Fixed Deposit with NBFC		—	—
			Fixed deposit with Banks		—	—
			Interest accrued		—	—
	2	Long Term Investments				
		Quoted				
		(i)	Share			
			(a)	Equity	250	—
			(b)	Preference	—	—
		(ii)	Debentures and Bonds		—	—
		(iii)	Units of mutual funds		—	—
		(iv)	Government Securities		—	—
		(v)	Others (Please specify)		—	—
		Unquoted				
		(i)	Share			
			(a)	Equity- Subsidiary Company	4,224	—
			(b)	Equity- Other Company	1,780	—
			(b)	Preference	—	—
		(ii)	Debentures and Bonds		—	—
		(iii)	Units of mutual funds		—	—
		(iv)	Government Securities		—	—
		(v)	Others (please specify)			
			Investment in Partnership/LLP		—	—
			Fixed Deposit with Banks		311	—
			Interest accrued		9	—

(6) Borrower group-wise classification of assets financed as in (2) and (3) above
Please see Note 2

(₹ in Lakhs)

	Category			Amount net of provisions		Total
				Secured	Unsecured	
1	Related parties**					
	(a)	Subsidiaries		—	—	—
	(b)	Companies in the same group		—	—	—
	(c)	Other related parties		—	—	—
2	Other than related parties			4,34,664	42,524	4,77,188
	Total			**4,34,664**	**42,524**	**4,77,188**

SAKET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED PAISALO

(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)

(₹ in Lakhs)

	Particulars		Market Value / Value Break up or Fair Value or NAV	Book Value (Net of provisions)
1	Related parties **			
	(a)	Subsidiaries	4,224	4,224
	(b)	Companies in the same group	—	—
	(c)	Other related parties	—	—
2	Other than related parties		2,030	2,030
	Total		**6,254**	**6,254**

** As per IND AS of ICAI.

(8) Other Information

(₹ in Lakhs)

	Particulars		Amount
1	Gross Non-performing Assets		
	(a)	Related Parties	—
	(b)	Other than related parties	4,700
2	Net Non-Performing Assets		
	(a)	Related Parties	—
	(b)	Other than related parties	3,616
3	Assets acquired in satisfaction of debt		—

Notes:

1. Provisioning norms shall be applicable as prescribed in the Non-Banking Financial Company-Systemically Important Non-Deposit Taking Company and Deposit Taking Company (Reserve Bank) Direction, 2016.
2. All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term or current in column (5) above.

Signed in terms of our Report of even date

For and on behalf of the Board

For Saket Jain & Co.
Chartered Accountants
Firm Reg. No. 014685N

SAKET JAIN & CO. AGRA Chartered Accountant

(CA. ASHISH JAIN)
Partner
Membership No. 400599
UDIN : 25400599BMIGVH1618

PAISALO DIGITAL LIMITED PAISALO

(SUNIL AGARWAL)
Managing Director
DIN : 00006991

(HARISH SINGH)
Executive Director & CFO
DIN : 00039501

(MANENDRA SINGH)
Company Secretary
Membership No. : F7868

Place : New Delhi
Date : 9th May 2025

SAKET JAIN & CO.
CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

TO
THE MEMBERS OF
M/S PAISALO DIGITAL LIMITED
NEW DELHI

REPORT ON THE AUDIT OF CONSOLIDATED FINANCIAL STATEMENTS

OPINION

We have audited the accompanying Consolidated Financial Statements of **M/S PAISALO DIGITAL LIMITED** (hereinafter referred to as "the Holding Company") and its wholly owned subsidiary M/s Nupur Finvest Private Limited (the Holding Company and its subsidiary together referred to as "the Group") which comprise of the Consolidated Balance Sheet as at 31st March 2025, the Consolidated Statement of Profit and Loss including Statement of Comprehensive Income and the Consolidated Cash Flow Statement for the year then ended and notes to the consolidated Financial Statements, including a summary of material accounting policy information and other explanatory information.

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 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Company as at 31st March 2025 of consolidated profit and loss including statement of comprehensive income and its Consolidated Cash Flows for the year then ended.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013. 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 ethical requirements that are relevant to our audit of the Consolidated Financial Statements in India in terms of the Code of Ethics issued by ICAI and the relevant provisions of the Companies Act, 2013, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

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

The Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in term of the requirements of the Companies Act, 2013 (the Act) that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Companies in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Company, as aforesaid.

SAKET JAIN & CO. AGRA Chartered Accountant

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Company are responsible for overseeing the financial reporting process of the Company.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

SAKET JAIN & CO. AGRA Chartered Accountant

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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 relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books;

c. The audit of all the branch offices of the Company has been conducted by us, hence Section 143(8) is not applicable;

d. The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss including (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

e. In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

f. On the basis of the written representations received from the directors of the Company as on 31st March 2025 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary Company incorporated in India, none of the directors of the Group companies, is disqualified as on 31st March 2025 from being appointed as a director in terms of Section 164 (2) of the Act;

g. With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and

h. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

i. With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules 2014, in our opinion and to the best of our information and according to the explanations given to us:

i) The Company does not have any pending litigations (other than in the ordinary course of business) which would impact its financial position.

ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

SAKET JAIN & CO. AGRA Chartered Accountant

iv) **(a)** The management has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity (ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.

v) As stated in Note 63 to the standalone financial statements

(a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

(b) The Company has not declared and has not paid any interim dividend during the year.

(c) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

vi) Based on our examination carried out in accordance with the Implementation Guidance on Reporting on Audit Trail under Rule 11(g) of the Companies (Audit and Auditors) Rules,2014 (Revised 2024 Edition) issued by the Institute of Chartered Accountants of India, which included test checks and we report that the company have used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with.

REPORT ON MATTERS SPECIFIED UNDER COMPANIES (AUDITOR'S REPORT) ORDER, 2020

There has not been any qualification or adverse remarks by the auditors in the Companies (Auditor's Report) Order (CARO) reports of the Companies included in the consolidated financial statements.

Place : New Delhi
Date : 09th May 2025

For Saket Jain & Co.
Chartered Accountants
Firm Reg. No. 014685N

SAKET JAIN & CO. AGRA Chartered Accountant

(CA. ASHISH JAIN)
Partner
Membership No. 400599
UDIN : 25400599BMIGVI5045

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT OF
M/S PAISALO DIGITAL LIMITED
(Referred to in paragraph of our Report of even date for F. Y. 2024-25)

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (i) OF SUB – SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013

In conjunction with our audit of the Consolidated Financial Statements of the Company as of and for the year ended 31st March, 2025 we have audited the internal financial controls over financial reporting of **M/S PAISALO DIGITAL LIMITED** (hereinafter referred to as "the Company") and its wholly owned subsidiary M/s Nupur Finvest Private Limited, which are companies incorporated in India, as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the 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") issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, 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 Company's internal financial controls system over financial reporting.

SAKET JAIN & CO. AGRA Chartered Accountant

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 unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the consolidated financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Company, its subsidiary Company, which are Companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2025 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place : New Delhi
Date : 09th May 2025

For Saket Jain & Co.
Chartered Accountants
Firm Reg. No. 014685N

SAKET JAIN & CO. AGRA Chartered Accountant

(CA ASHISH JAIN)
Partner
Membership No. 400599
UDIN : 25400599BMIGVI5045

M/S PAISALO DIGITAL LIMITED

CONSOLIDATED BALANCE SHEET AS ON 31ST MARCH 2025

(₹ in Lakhs)

Sr. No.	Particulars	Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
I	**ASSETS**			
	(1) Financial Assets			
	(a) Cash & Cash Equivalents	1	10,068.77	1,091.90
	(b) Bank Balances other than (a) above	2	412.16	365.73
	(c) Derivative Financial Instruments	3	-	-
	(d) Receivables			
	(i) Trade Receivables	4	2,121.48	1,224.86
	(ii) Other Receivables		-	-
	(e) Loans	5	495,442.47	392,701.03
	(f) Investments	6	2,030.46	2,003.85
	(g) Other Financial Assets	7	3,460.28	5,991.36
	(2) Non Financial Assets			
	(a) Current Tax Assets (Net)	8	2,824.00	1,396.90
	(b) Deferred Tax Asset (Net)			857.89
	(c) Investment Property		-	-
	(d) Biological Assets other than Bearer plants		-	-
	(e) Property, Plant and Equipments	9	7,446.50	6,610.87
	(f) Capital Work-in-Progress		-	-
	(g) Intangible Assets under development		-	-
	(h) Goodwill		-	-
	(i) Other Intangible Assets	9	14.00	33.38
	(j) Other Non-Financial Assets	10	1,639.59	40.68
	Total Assets		**525,459.71**	**412,318.45**
II	**EQUITY AND LIABILITIES**			
	(1) Financial Liabilities			
	(a) Derivative Financial Instruments	11	-	-
	(b) Payables	12		
	(I) Trade Payables			
	(i) Total outstanding dues of Micro Enterprises and Small Enterprises		39.40	265.55
	(ii) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		3,387.38	1,276.85
	(II) Other Payables			
	(i) Total outstanding dues of Micro Enterprises and Small Enterprises		-	-
	(ii) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		3,230.83	1,381.36
	(c) Debt Securities	13	108,179.43	60,462.76
	(d) Borrowings (Other than Debt Securities)	14	246,967.32	196,176.93
	(e) Deposits	15	-	-
	(f) Subordinated Liabilities	16	800.00	8,900.00
	(g) Other Financial Liabilities	17	1,533.00	987.75
	(2) Non-Financial Liabilities			
	(a) Current Tax Liabilities (Net)	18	-	-
	(b) Provisions	19	5,483.35	4,623.07
	(c) Deferred Tax Liabilities (Net)	20	506.76	
	(d) Other non-financial Liabilities	21	1,834.18	5,302.52
	(3) Equity			
	(a) Equity Share Capital	22	9,021.81	8,981.06
	(b) Other Equity	23	144,476.25	123,960.60
	Total Equity & Liabilities		**525,459.71**	**412,318.45**

Notes to the Accounts & Significant Accounting Policies annexed
Notes referred to above form an integral part of these Financial Statements
Signed in terms of our Report of even date

For Saket Jain & Co.
Chartered Accountants
Firm Reg. No. 014685N

SAKET JAIN & CO. AGRA Chartered Accountant

(CA. ASHISH JAIN)
Partner
Membership No. 400599
UDIN : 25400599BMIGVI5045

Place : New Delhi
Date : 9th May 2025

For and on behalf of the Board

PAISALO DIGITAL LIMITED PAISALO

(SUNIL AGARWAL)
Managing Director
DIN : 00006991

(HARISH SINGH)
Executive Director & CFO
DIN : 00039501

(MANENDRA SINGH)
Company Secretary
Membership No. : F7868

M/S PAISALO DIGITAL LIMITED

CONSOLIDATED PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2025

(₹ in Lakhs)

Sr. No.	Particulars	Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
I	**Revenue from operations:**			
	(i) Interest Income	24	69,636.70	58,897.86
	(ii) Dividend Income		1.53	1.24
	(iii) Rental Income		-	-
	(iv) Fees and commission Income		7,113.21	6,241.56
	(v) Net gain on fair value changes	25	26.68	95.57
	(vi) Net gain on derecognition of financial instruments under amortised cost category		-	-
	(vii) Sale of products (including Excise Duty)		-	-
	(viii) Sale of services		-	-
	(ix) Others		332.54	638.38
	Total Revenue from Operations (I)		**77,110.66**	**65,874.61**
II	Other Income	26	-	-
	Total Income (I+II)		**77,110.66**	**65,874.61**
III	**Expenses:**			
	(i) Finance Costs	27	32,830.61	27,007.29
	(ii) Fees and commission expense		-	-
	(iii) Net loss on fair value changes		-	-
	(iv) Net loss on derecognition of financial instruments under amortised cost category		-	-
	(v) Impairment on financial instruments	28	2,551.19	1,177.86
	(vi) Cost of materials consumed		-	-
	(vii) Purchases of Stock-in-trade		-	-
	(viii) Changes in Inventories of finished goods, stock-in- trade and work-in- progress		-	-
	(ix) Employee Benefits Expenses	29	6,286.14	4,902.77
	(xi) Depreciation, amortization and impairment	30	547.15	339.99
	(x) Others expenses	31	8,138.36	8,375.86
	Total Expenses (III)		**50,353.45**	**41,803.77**
IV	Profit before exceptional items and tax **(II-III)**		**26,757.21**	**24,070.84**
V	Exceptional items		(78.37)	(47.60)
VI	Profit before tax **(IV-V)**		**26,835.58**	**24,118.44**
VII	**Tax Expense:**			
	(1) Current Tax		5,458.82	7,028.46
	(2) Deferred Tax		1,364.69	(807.32)
VIII	Profit for the period from continuing operations **(VI-VII)**		**20,012.07**	**17,897.30**
IX	Profit/(loss) from discontinued operations		-	-
X	Tax Expense of discontinued operations		-	-
XI	Profit/(loss) from discontinued operations (After tax) **(IX-X)**		-	-
XII	Profit for the period **(VIII+XI)**		**20,012.07**	**17,897.30**

SAKET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED PAISALO

M/S PAISALO DIGITAL LIMITED

CONSOLIDATED PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2025

(₹ in Lakhs)

Sr. No.	Particulars	Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
XIII	**Other Comprehensive Income:**			
	(A) (i) Items that will not be reclassified to profit or loss (Revaluation of Properties)		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	Sub Total (A)		-	-
	(B) (i) Items that will be reclassified to profit or loss (specify items and amounts)		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
	Sub Total (B)		-	-
	Other Comprehensive Income (A+B)		-	-
XIV	Total Comprehensive Income for the period (XII+XIII) (Comprising Profit and other Comprehensive Income for the period)		**20,012.07**	**17,897.30**
XV	**Earnings per Equity Share (for continuing operations):**			
	Basic (Rs.)	34	2.23	3.87
	Diluted (Rs.)		2.23	3.87
XVI	**Earnings per Equity Share (for discontinued operations):**			
	Basic (Rs.)		-	-
	Diluted (Rs.)		-	-
XVII	**Earnings per Equity Share (for continuing and discontinued operations):**			
	Basic (Rs.)	34	2.23	3.87
	Diluted (Rs.)		2.23	3.87

Notes to the Accounts & Significant Accounting Policies annexed
Notes referred to above form an integral part of these Financial Statements
Signed in terms of our Report of even date

For Saket Jain & Co.
Chartered Accountants
Firm Reg. No. 014685N

SAKET JAIN & CO. AGRA Chartered Accountant

(CA. ASHISH JAIN)
Partner
Membership No. 400599
UDIN : 25400599BMIGVI5045

Place : New Delhi
Date : 9th May 2025

For and on behalf of the Board

(SUNIL AGARWAL)
Managing Director
DIN : 00006991

PAISALO DIGITAL LIMITED

(HARISH SINGH)
Executive Director & CFO
DIN : 00039501

(MANENDRA SINGH)
Company Secretary
Membership No. : F7868

M/S PAISALO DIGITAL LIMITED

STATEMENT OF CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2025

(₹ in Lakhs)

Sr. No.	Particulars	Figures for current reporting period		Figures for previous reporting period	
A	**Cash Flow from Operating Activities:**				
	Net Profit before tax and extraordinary items and Interest		59,587.82		51,078.13
	Adjustments for				
I	Depreciation	426.96		339.99	
II	Deferred Expense W/O	120.19		-	
III	Impairment on financial instruments	2,551.19		1,177.85	
IV	Expenditure on CSR	320.89		211.70	
V	Dividend Income Received	(1.53)		(1.24)	
VI	Profit/loss on Sale of Shares	(26.68)		(95.57)	
VII	Share based payment to employees	28.39		-	
VIII	Profit/loss on Sale of Investments/Assets	24.69		(6.36)	
	Operating Profit before working capital changes		**63,031.92**		**52,704.50**
	Adjustments for				
I	Change in Other Financial Assets	(34.93)		(336.49)	
II	Change in Loans & Receivables	(105,737.39)		(79,967.91)	
III	Change in Payable & non financial liabilities	265.50		4,998.97	
IV	Misc. Expenses	(1,719.11)		44.00	
	Cash generated from Operations		**(44,194.01)**		**(22,556.93)**
I	Interest paid	(32,830.61)		(27,007.29)	
II	Income Tax paid	(6,885.93)		(7,246.75)	
III	Paid Expenses on CSR	(320.89)		(211.70)	
	Cash flow before Extraordinary Items		**(84,231.44)**		**(57,022.67)**
I	Extraordinary items		(78.37)		(47.60)
	Net Cash from Operating Activities		**(84,153.07)**		**(56,975.07)**
B	**Cash Flows from Investing Activities:**				
I	Purchase of Fixed Assets	(1,277.88)		(374.01)	
II	Sale of Fixed Assets	10.00		12.31	
III	Purchase/transfer of Investments	0.00		621.92	
IV	Purchase of Security Receipts	-		-	
	Net Cash from Investing activities		**(1,267.88)**		**260.22**
C	**Net Cash from Financing Activities:**				
I	Proceeds from Borrowings	50,790.40		33,355.99	
II	Proceeds from Debt Service Repayment Account	545.26		544.61	
III	Proceeds from Debt Securities	47,716.68		20,464.88	
IV	Proceeds from Subordinated Liability	(8,100.00)		-	
V	Dividend Paid/(Received)	(896.51)		(447.78)	
VI	Purchase of Security Receipts	2,566.00		1,343.73	
VII	Money received against Share isued	1,822.42		-	
	Net Cash from Financing activities		**94,444.25**		**55,261.43**
	Net Increase/(decrease) in cash & cash equivalents		**9,023.30**		**(1,453.42)**
	Cash & Cash equivalents at beginning of period		**1,457.63**		**2,911.05**
	Cash & Cash equivalent at end of period		**10,480.93**		**1,457.63**

Signed in terms of our Report of even date

For Saket Jain & Co.
Chartered Accountants
Firm Reg. No. 014685N

(CA. ASHISH JAIN)
Partner
Membership No. 400599
UDIN : 25400599BMIGVI5045

Place : New Delhi
Date : 9th May 2025

For and on behalf of the Board

(SUNIL AGARWAL)
Managing Director
DIN : 00006991

(HARISH SINGH)
Executive Director & CFO
DIN : 00039501

(MANENDRA SINGH)
Company Secretary
Membership No. : F7868

AUDITORS' REPORT

We have verified the attached Cash Flow Statement of M/s Paisalo Digital Limited, derived from audited financial statements and the books and records maintained by the Company for the year ended 31st March 2025 and 31st March 2024 and found the same in agreement here with.

For Saket Jain & Co.
Chartered Accountants
Firm Reg. No. 014685N

(CA. ASHISH JAIN)
Partner
Membership No. 400599
UDIN : 25400599BMIGVI5045

Place : New Delhi
Date : 9th May 2025

M/S PAISALO DIGITAL LIMITED

MATERIAL ACCOUNTING POLICY INFORMATION

A. PRINCIPLE OF CONSOLIDATION

The Consolidated Financial Statements relate to **M/S PAISALO DIGITAL LIMITED** (the Company) and its subsidiary M/s Nupur Finvest Private Limited. The Consolidated Financial Statements have been prepared on the following basis:

a) The Consolidated Financial Statements have been prepared in accordance with Indian Accounting Standard (AS) 110- "Consolidated Financial Statements". The financials are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra- group transactions.

b) Investment in Associate Companies has been accounted under the equity method as per "Accounting for Investments in Associates in Consolidated Financial Statements".

c) As far as possible, the Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

B. INVESTMENTS OTHER THAN IN SUBSIDIARIES AND ASSOCIATES

Investments other than in subsidiaries and associates have been accounted as per Accounting Standards "Accounting for Investments".

C. OTHER MATERIAL ACCOUNTING POLICY INFORMATION

These are set out under "material accounting policy information" as given in the Company's separate financial statements.

SAKET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2025

Statement of Changes in Equity:

1. Current Reporting Period

(₹ in Lakhs)

Balance at the beginning of the Current Reporting Period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in Equity share capital during the current year	Balance at the end of the current reporting period
8,981.69	-	8,981.69	40.74 -	9,022.43
8,981.69	-	**8,981.69**	**40.74**	**9,022.43**

- Total share capital includes amount received against forfeited shares.
- The Company has issued 50,000 Foreign Currency Convertible Bonds (FCCBs) of face value of USD 1000 with coupon 7.5% under Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993.
- Further 2000 Foreign Currency Convertible Bonds (FCCBs) were converted during this reporting period and 37,01,792 Equity shares of Re. 1/- each were allotted.
- The Company has allotted 3,72,517 Equity Shares of Re. 1/- each under Paisalo Employee Share Purchase Scheme 2024 to the employees of the Company and it's Wholly Owned Subsidiary as per Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

2. Previous Reporting Period

(₹ in Lakhs)

Balance at the beginning of the Current Reporting Period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in Equity share capital during the current year	Balance at the end of the current reporting period
4,491.47	-	4,491.47	4,490.22	8,981.69
4,491.47	-	**4,491.47**	**4,490.22**	**8,981.69**

- Total share capital includes amount received against forfeited shares.
- On March 21, 2024, the Company has allotted 44,90,21,990 equity shares of Re. 1/- pursuant to Bonus Issue to the existing shareholder.

List of Shareholders holding more than 5% shares of Company:

Sr. No.	Name of the Shareholders	No of Shares	% of shareholding
1	Sunil Agarwal	141,289,994	15.66
2	Equilibrated Venture Cflow Pvt. Ltd.	105,702,800	11.72
3	SBI Life Insurance Co. Ltd.	62,114,267	6.89

List of Promoter's and Promoter Group Shareholding:

Sr. No.	Promoter Name	Number of Shares held	Percentage of total shares	Percentage change during the year
1	Sunil Agarwal	105,702,800	11.72	0.05
2	Suneeti Agarwal	7,166,000	0.79	0.00
3	Santanu Agarwal	33,704,000	3.74	0.02
4	Equilibrated Venture Cflow Pvt. Ltd.	141,289,994	15.66	(1.84)
5	Pri Caf Pvt. Ltd.	24,048,400	2.67	0.01
6	Pro Fitcch Pvt. Ltd.	22,321,220	2.47	0.01

SAKET JAIN & CO. AGRA Chartered Accountants

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2025

Note : 1 Cash & Cash Equivalents

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Cash Balances	1,253.97	715.07
2	**Bank Balances**		
	Current a/c with Scheduled Banks (Subject to reconciliation)	8,814.70	376.73
	Cheques/ Drafts on Hands	-	-
3	**In Fixed Deposits - Unencumbered**		
	With Banks	0.10	0.10
	Total	**10,068.77**	**1,091.90**

Note : 2 Bank Balances other than (a) above

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	**Bank Balances**		
	Current a/c with Scheduled Banks (Subject to reconciliation)	-	-
2	**In Fixed Deposits - Encumbered**		
	With Banks	412.16	365.73
	Total	**412.16**	**365.73**

- Fore details, Refer Note No. 40 of Standalone Financial Statement

SAKET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2025

Note : 3 Derivative Financial Instruments (Assets)

(₹ in Lakhs)

Particulars	Current Year			Previous Year		
	Notional amounts	Fair Value Assets	Fair Value Liabilities	Notional amounts	Fair Value - Assets	Fair Value - Liabilities
Part I						
(i) Currency Derivatives						
—Spot and Forwards	-	-	-	-	-	-
—Currency Futures	-	-	-	-	-	-
—Currency Swaps	-	-	-	-	-	-
—Options purchased	-	-	-	-	-	-
—Options sold (written)	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (i)	-	-	-	-	-	-
(ii) Interest rate Derivatives						
—Forward Rate Agreements and Interest Rate Swaps	-	-	-	-	-	-
—Options purchased	-	-	-	-	-	-
—Options sold (written)	-	-	-	-	-	-
—Futures	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (ii)	-	-	-	-	-	-
(iii) Credit Derivatives	-	-	-	-	-	-
(iv) Equity linked Derivatives	-	-	-	-	-	-
(v) Other Derivatives (Please specify)	-	-	-	-	-	-
Total Derivative Financial Instruments (i)+(ii)+(iii)+(iv)+ (V)	-	-	-	-	-	-
Part II						
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:	-	-	-	-	-	-
(i) Fair value hedging	-	-	-	-	-	-
— Currency Derivatives	-	-	-	-	-	-
—Interest rate Derivatives	-	-	-	-	-	-
—Credit Derivatives	-	-	-	-	-	-
—Equity linked Derivatives	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (i)	-	-	-	-	-	-
(ii) Cash flow hedging	-	-	-	-	-	-
—Currency Derivatives	-	-	-	-	-	-
—Interest rate Derivatives	-	-	-	-	-	-
—Credit Derivatives	-	-	-	-	-	-
—Equity linked Derivatives	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (ii)	-	-	-	-	-	-
(iii) Net investment hedging	-	-	-	-	-	-
(iv) Undesignated Derivatives	-	-	-	-	-	-
Total Derivative Financial Instruments (i)+(ii)+(iii)+(iv)	-	-	-	-	-	-

Note : 4 Receivables

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	**Trade Receivables**		
	—Overdue Installments : Considered Good - Secured	606.08	302.20
	—Overdue Installments : Considered Good - Unsecured	559.64	218.82
	—Overdue Installments : Sub Standard Assets	955.76	703.84
2	Other Receivables	-	-
	Total	**2,121.48**	**1,224.86**

SAKET JAIN & CO. AGRA Chartered Accountant

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2025

Note : 4 (a) Trade Receivable - Additional Disclosures:

Outstanding for following periods from the due date of payment (FY. 2024-25)

(₹ in Lakhs)

Sr. No.	Particulars	Less than 6 Months	6 Months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
1	Undisputed Trade Receivables - Considered Good	1,165.72	-	-	-	-	1,165.72
2	Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
3	Undisputed Trade Receivables - credit impaired	-	955.76	-	-	-	955.76
4	Disputed Trade Receivables - considered good	-	-	-	-	-	-
5	Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
6	Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
	Grand Total	**1,165.72**	**955.76**	**-**	**-**	**-**	**2,121.48**

- Trade Receivable includes overdue loan cases financed by Paisalo Digital Limited

Outstanding for following periods from the due date of payment (FY. 2023-24)

(₹ in Lakhs)

Sr. No.	Particulars	Less than 6 Months	6 Months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
1	Undisputed Trade Receivables - Considered Good	521.02	-	-	-	-	521.02
2	Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
3	Undisputed Trade Receivables - credit impaired	-	703.84	-	-	-	703.84
4	Disputed Trade Receivables - considered good	-	-	-	-	-	-
5	Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
6	Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
	Grand Total	**521.02**	**703.84**	**-**	**-**	**-**	**1,224.86**

SAKET JAIN & CO. AGRA Chartered Accountant

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2025

Note : 5 Loans

(₹ in Lakhs)

Particulars	Current Year						Previous Year					
	Amortised cost	Through other comprehensive income	Through profit or loss	Designated at fair value through profit or loss	Sub total	Total	Amortised cost	Through other comprehensive income	Through profit or loss	Designated at fair value through profit or loss	Subtotal	Total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11=8+9+10)	(12 =) (7)+(11)
Loans												
(A) (i) Bills Purchased and Bills Discounted	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Loans repayable on Demand	-	-	-	-	-	-	-	-	-	-	-	-
(iii) Term Loans	495,823.22	-	-	-	-	495,823.22	392,763.68	-	-	-	-	392,763.68
(iv) Leasing	-	-	-	-	-	-	-	-	-	-	-	-
(v) Factoring	-	-	-	-	-	-	-	-	-	-	-	-
(vi) Others (to be specified)	-	-	-	-	-	-	-	-	-	-	-	-
Total (A) - Gross	**495,823.22**	-	-	-	-	**495,823.22**	**392,763.68**	-	-	-	-	**392,763.68**
Less: Impairment loss allowance	380.75	-	-	-	-	380.75	62.65	-	-	-	-	62.65
Total (A) - Net	**495,442.47**	-	-	-	-	**495,442.47**	**392,701.03**	-	-	-	-	**392,701.03**
(B) (i) Secured by tangible assets	453,837.65	-	-	-	-	453,837.65	355,951.10	-	-	-	-	355,951.10
(ii) Secured by intangible assets	-	-	-	-	-	-	-	-	-	-	-	-
(iii) Covered by Bank/Government Guarantees	-	-	-	-	-	-	-	-	-	-	-	-
(iv) Unsecured	41,985.56	-	-	-	-	41,985.56	36,812.58	-	-	-	-	36,812.58
Total (B) - Gross	**495,823.21**	-	-	-	-	**495,823.21**	**392,763.67**	-	-	-	-	**392,763.67**
Less: Impairment loss allowance	380.75	-	-	-	-	380.75	62.65	-	-	-	-	62.65
Total (B) - Net	**495,442.47**	-	-	-	-	**495,442.47**	**392,701.02**	-	-	-	-	**392,701.02**
(C) (I) Loans in India	495,823.22	-	-	-	-	495,823.22	392,763.68	-	-	-	-	392,763.68
(i) Public Sector	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Others (to be specified)	-	-	-	-	-	-	-	-	-	-	-	-
Total (C) - Gross	**495,823.22**	-	-	-	-	**495,823.22**	**392,763.68**	-	-	-	-	**392,763.68**
Less: Impairment loss allowance	380.75	-	-	-	-	380.75	62.65	-	-	-	-	62.65
Total (C) (I) - Net	**495,442.47**	-	-	-	-	**495,442.47**	**392,701.03**	-	-	-	-	**392,701.03**
(C) (II) Loans outside India	-	-	-	-	-	-	-	-	-	-	-	-
Less: Impairment loss allowance	-	-	-	-	-	-	-	-	-	-	-	-
Total (C) (II) - Net	-	-	-	-	-	-	-	-	-	-	-	-
Total C (I) and C (II)	**495,442.47**	-	-	-	-	**495,442.47**	**392,701.03**	-	-	-	-	**392,701.03**

SAKET JAIN & CO. AGRA Chartered Accountant

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2025

Note : 6 Investments

(₹ in Lakhs)

Investments	Current Year							Previous Year						
	At Fair Value							At Fair Value						
	Amortised cost	Through Other Comprehensive Income	Through Profit or Loss	Designated at fair value through profit or loss	Sub - Total	Others*	Total	Amortised cost	Through Other Comprehensive Income	Through Profit or Loss	Designated at fair value through profit or loss	Sub - Total	Others*	Total
	(1)	(2)	(3)	(4)	(5) = (2)+(3)+(4)	(6)	(7) = (1)+(5)+(6)	(8)	(9)	(10)	(11)	(12) = (9)+(10)+(11)	(13)	(14) = (8)+(12)+(13)
Mutual funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Government securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other approved securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity instruments	250.54	-	-	-	-	-	250.54	223.86	-	-	-	-	-	223.86
Subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Associates	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Joint Ventures	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others (specify)*	1,779.92	-	-	-	-	-	1,779.92	1,779.99	-	-	-	-	-	1,779.99
Total (A)	**2,030.46**	-	-	-	-	-	**2,030.46**	**2,003.85**	-	-	-	-	-	**2,003.85**
(i) Investments outside India	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Investments in India	2,030.46	-	-	-	-	-	2,030.46	2,003.85	-	-	-	-	-	2,003.85
Total (B)	**2,030.46**	-	-	-	-	-	**2,030.46**	**2,003.85**	-	-	-	-	-	**2,003.85**
Total (A) to tally with (B)	**2,030.46**	-	-	-	-	-	**2,030.46**	**2,003.85**	-	-	-	-	-	**2,003.85**
Less: Allowance for Impairment loss (C)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total - Net D = (A) - (C)	**2,030.46**	-	-	-	-	-	**2,030.46**	**2,003.85**	-	-	-	-	-	**2,003.85**

- *Unquoted Shares of M/s Samast Vikas Limited

SAKET JAIN & CO. AGRA Chartered Accountant

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2025

Note : 7 Others Financial Assets

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	**Secured, Considered Good**		
	Security Deposit*	31.94	35.84
	Advances to Staff	8.07	5.56
	Income Receivables	-	5.31
	Advances for Services	298.47	651.80
	Prepaid Expenses	33.98	13.87
	GST/Service Tax Cenvat	644.90	270.06
	Security Receipts	2,442.92	5,008.92
2	Arbitration Awards/ Decree Recievable	-	-
	Total	**3,460.28**	**5,991.36**

- * Security Deposit amount consists of telephone/mobile security,electrity security, rent security.

Note : 8 Current Tax Assets (Net)

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	**Advance Recoverable in cash or in kind or for value to be considered good**		
	Income Tax and TDS	8,152.46	8,294.99
	Balance with Revenue Authorities	130.00	130.00
	Provision for Taxation	(5,458.46)	(7,028.09)
	Total	**2,824.00**	**1,396.90**

SAKET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2025

Note : 9 Property, Plant and Equipment

(₹ in Lakhs)

Sr. No.	Particulars	Gross Block				Depreciaton				Net Block	
		Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	Addition during the year	Deduction during the year	Value at the end	WDV as on 31.03.2025	WDV as on 31.03.2024
I	**Tangible Assets**										
1	Land	-	-	-	-	-	-	-	-	-	-
2	Building	6,313.46	669.11	-	6,982.57	666.75	114.65	-	781.40	6,201.17	5,646.71
3	Furniture & Fittings	307.56	73.25	-	380.81	174.25	21.78	-	196.03	184.78	133.31
4	Computer Peripheral	618.50	396.91	-	1,015.41	343.28	175.17	-	518.45	496.96	275.22
5	Vehicles	638.23	56.44	45.04	649.63	175.45	63.74	10.36	228.83	420.80	462.78
6	Equipments, Plant & Machinery	276.44	82.17	-	358.61	183.59	32.23	-	215.82	142.79	92.85
	SUB TOTAL (A)	**8,154.19**	**1,277.88**	**45.04**	**9,387.03**	**1,543.32**	**407.57**	**10.36**	**1,940.53**	**7,446.50**	**6,610.87**
II	**Intangible Assets**										
1	Computer Software	533.51	-	-	533.51	500.13	19.38	-	519.51	14.00	33.38
2	Goodwill	-	-	-	-	-	-	-	-	-	-
	SUB TOTAL (B)	**533.51**	**-**	**-**	**533.51**	**500.13**	**19.38**	**-**	**519.51**	**14.00**	**33.38**
III	**Capital Work-in-progress**	-	-	-	-	-	-	-	-	-	-
	SUB TOTAL (C)	-	-	-	-	-	-	-	-	-	-
IV	**Intangible Assets Under Development**	-	-	-	-	-	-	-	-	-	-
	SUB TOTAL (D)	-	-	-	-	-	-	-	-	-	-
	Total [A+B+C+D] (Current Year)	**8,687.70**	**1,277.88**	**45.04**	**9,920.54**	**2,043.45**	**426.95**	**10.36**	**2,460.04**	**7,460.50**	**6,644.25**
	Total (Previous Year)	**8,348.74**	**374.00**	**35.04**	**8,687.70**	**1,720.94**	**340.00**	**17.49**	**2,043.45**	**6,644.25**	**6,627.80**

SAKET JAIN & CO. AGRA Chartered Accountant

M/S PAISALO DIGITAL LIMITED

(FORMERLY KNOWN AS M/S S. E. INVESTMENTS LIMITED)

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2025

Note : 10 Other Non Financial Assets

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Deferred Revenue Expenditure	1,626.33	-
2	Unexpired Expenses of Processing Fees	13.26	40.68
	Total	**1,639.59**	**40.68**

- Deferred Revenue Expenses are written off over a period of five years.

Note : 11 Derivative financial Instruments (Liabilities)

(₹ in Lakhs)

Particulars	(Current Year)			Previous Year		
	Notional amounts	Fair Value Assets	Fair Value Liabilities	Notional amounts	Fair Value - Assets	Fair Value - Liabilities
Part I						
(i) Currency Derivatives						
—Spot and Forwards	-	-	-	-	-	-
—Currency Futures	-	-	-	-	-	-
—Currency Swaps	-	-	-	-	-	-
—Options purchased	-	-	-	-	-	-
—Options sold (written)	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (i)	-	-	-	-	-	-
(ii) Interest rate Derivatives						
—Forward Rate Agreements and Interest Rate Swaps	-	-	-	-	-	-
—Options purchased	-	-	-	-	-	-
—Options sold (written)	-	-	-	-	-	-
—Futures	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (ii)	-	-	-	-	-	-
(iii) Credit Derivatives	-	-	-	-	-	-
(iv) Equity linked Derivatives	-	-	-	-	-	-
(v) Other Derivatives (Please specify)	-	-	-	-	-	-
Total Derivative Financial Instruments (i)+(ii)+(iii)+(iv)+ (V)	-	-	-	-	-	-
Part II						
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:	-	-	-	-	-	-
(i) Fair value hedging						
— Currency Derivatives	-	-	-	-	-	-
—Interest rate Derivatives	-	-	-	-	-	-
—Credit Derivatives	-	-	-	-	-	-
—Equity linked Derivatives	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (i)	-	-	-	-	-	-
(ii) Cash flow hedging						
—Currency Derivatives	-	-	-	-	-	-
—Interest rate Derivatives	-	-	-	-	-	-
—Credit Derivatives	-	-	-	-	-	-
—Equity linked Derivatives	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (ii)	-	-	-	-	-	-
(iii) Net investment hedging	-	-	-	-	-	-
(iv) Undesignated Derivatives	-	-	-	-	-	-
Total Derivative Financial Instruments (i)+(ii)+(iii)+(iv)	-	-	-	-	-	-

SAKET JAIN & CO. AGRA Chartered Accountants FRN

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2025

Note : 12 Payables

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	**Trade Payables**		
	(i) Total outstanding dues of Micro Enterprises and Small Enterprises		
	(a) Sundry Creditors for Services	39.40	265.55
		39.40	**265.55**
	(ii) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		
	(a) SBI Assignment Payable	0.28	39.67
	(b) SIB Assignment Payable	0.01	2.06
	(c) Interest Payable on NCD	1,605.06	357.45
	(d) Interest Payable on Bank	198.29	256.91
	(e) Other Sundry Payables	1,583.74	620.76
		3,387.38	**1,276.85**
2	**Other Payables**		
	(i) Total outstanding dues of Micro Enterprises and Small Enterprises	-	-
	(ii) Total outstanding dues of creditors other than Micro enterprises and Small Enterprises		
	(a) Statutory Payables		
	Professional Tax Payable	0.01	0.01
	EPF Contribution Payable	43.75	30.98
	ESI Payable	13.68	9.79
	GST Payable	99.42	122.06
	TDS Payable	304.23	298.21
	LIC GSLI Payable	0.02	0.02
	(b) Expenses Payables	2,769.72	920.29
		3,230.83	**1,381.36**
	Total	**6,657.61**	**2,923.76**

SAKET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2025

Note : 12 (a) Trade Payables Due for Payment 2024-25

(₹ in Lakhs)

Sr. No.	Particulars	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
1	MSME	39.40	-	-	-	39.40
2	Others	3,387.38	-	-	-	3,387.38
3	Disputed Dues-MSME	-	-	-	-	-
4	Disputed Dues-Others	-	-	-	-	-
	Grand Total	**3,426.78**	-	-	-	**3,426.78**

Trade Payables Due for Payment 2023-24

(₹ in Lakhs)

Sr. No.	Particulars	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
1	MSME	265.55	-	-	-	265.55
2	Others	1,276.85	-	-	-	1,276.85
3	Disputed Dues-MSME	-	-	-	-	-
4	Disputed Dues-Others	-	-	-	-	-
	Grand Total	**1,542.40**	-	-	-	**1,542.40**

- There are no dues pending for more than 45 days

SAKET JAIN & CO. AGRA Chartered Accountant

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2025

Note : 13 Debt Securities

(₹ in Lakhs)

Particulars	Current Year				Previous Year			
	At Amortised Cost	At Fair Value Through profit or loss	Designated at fair value through profit or loss	Total	At Amortised Cost	At Fair Value Through profit or loss	Designated at fair value through profit or loss	Total
	(1)	(2)	(3)	(4) = (1)+(2)+(3)	(5)	(6)	(7)	(8) = (5)+(6)+(7)
Liability component of compound Financial Instruments	-	-	-	-	-	-	-	-
Commercial Paper	9,945.36	-	-	9,945.36	6,957.76	-	-	6,957.76
FCCB	41,079.07	-	-	41,079.07	-	-	-	-
Others (Bonds/ Debentures etc.)*	57,155.00	-	-	57,155.00	53,505.00	-	-	53,505.00
Total (A)	**108,179.43**	-	-	**108,179.43**	**60,462.76**	-	-	**60,462.76**
Debt Securities in India	67,100.36	-	-	67,100.36	53,505.00	-	-	53,505.00
Debt Securities outside India	41,079.07	-	-	41,079	-	-	-	-
Total (B) to tally with (A)	**108,179.43**	-	-	**108,179.43**	**60,462.76**	-	-	**60,462.76**

***Details of Non Convertible Debentures**

(₹ in Lakhs)

Debenture Series	Issued Date	Issued Amount	Rate of Interest	Interest Periodicity	Maturity Date	Maturity Amount	Current Year	Previous Year
Series-'PDL2020-3'	Feb-2020	900.00	12.00%	Monthly	Feb-2025	900.00	No	Yes
Series-'PDL-02-2021'	Feb-2021	2,300.00	12.00%	Monthly	Feb-2026	2,300.00	Yes	Yes
Series-'PDL-07-2021'	July-2021	2,500.00	12.00%	Monthly	July-2026	2,500.00	Yes	Yes
Series-'PDL-09-2021'	Sep-2021	9,400.00	12.00%	Monthly	Sep-2026	9,400.00	Yes	Yes
Series-'PDL-09-02-2021'	Sep-2021	1,500.00	12.00%	Monthly	Sep-2026	1,500.00	Yes	Yes
Series-'PDL-02-2022'	Feb-2022	2,700.00	9.00%	Monthly	Feb-2029	2,700.00	Yes	Yes
Series-'PDL-07-2022'	Jul-2022	1,400.00	9.90%	Monthly	Jul-2032	1,400.00	Yes	Yes
Series-'PDL-01-2023'	Jan-2023	3,400.00	12.00%	Monthly	Jan-2033	3,400.00	Yes	Yes
Series-NFPL-10-2021'	Oct-2021	3,870.00	12.00%	Monthly	Oct-2028	3,870.00	Yes	Yes
Series-NFPL-10-2021'	Oct-2021	430.00	12.00%	Monthly	Oct-2028	430.00	No	Yes
Series-'NFPL-03-2022'	Mar-2022	240.00	12.00%	Monthly	Mar-2027	240.00	No	Yes
Series-'NFPL-05-2022'	May-2022	550.00	12.00%	Monthly	May-2027	550.00	Yes	Yes
Series-'NFPL-06-2022'	Jun-2022	700.00	12.00%	Monthly	Jun-2032	700.00	Yes	Yes
Series-'NFPL-07-2022'	Jul-2022	450.00	12.00%	Monthly	Jul-2032	450.00	Yes	Yes
Series-'NFPL-07-2022'	Jul-2022	1,050.00	12.00%	Monthly	Jul-2032	1,050.00	No	Yes
Series-'PDL-04-2023'	Apr-2023	500.00	10.00%	Monthly	Apr-2033	500.00	Yes	Yes
Series-'PDL-04-2023'	Apr-2023	1,330.00	12.00%	Monthly	Apr-2033	1,330.00	Yes	Yes
Series-'PDL-04-2023'	Apr-2023	2,310.00	12.00%	On Maturity	Apr-2033	2,310.00	Yes	Yes
Series-'PDL-09-2023'	Sep-2023	500.00	12.00%	Monthly	Sep-2033	500.00	Yes	Yes
Series-'PDL-11-2023'	Nov-2023	850.00	9.95%	Monthly	Nov-2033	850.00	Yes	Yes
Series-'PDL-11-2023'	Nov-2023	1,000.00	9.95%	Quarterly	Nov-2026	1,000.00	Yes	Yes
Series-'PDL-12-2023'	Dec-2023	4,620.00	12.00%	Monthly	Dec-2033	4,620.00	Yes	Yes
Series-'PDL-12-2023'	Dec-2023	1,970.00	9.95%	Quarterly	Dec-2033	1,970.00	Yes	Yes
Series-'PDL-12-2023'	Dec-2023	1,200.00	9.95%	Quarterly	Mar-2025	1,200.00	No	Yes
Series-'PDL-12-2023'	Dec-2023	600.00	9.95%	Quarterly	Jun-2025	600.00	Yes	Yes
Series-'PDL-01-2024'	Jan-2024	1,971.00	9.95%	Quarterly	Jan-2034	1,971.00	Yes	Yes
Series-'PDL-02-2024'	Feb-2024	2,034.00	9.95%	Quarterly	Feb-2034	2,034.00	Yes	Yes
Series-'PDL-04-2024'	Apr-2024	1,200.00	9.95%	Quarterly	July-2025	1,200.00	Yes	No
Series-'PDL-04-2024'	Apr-2024	600.00	9.95%	Quarterly	Oct-2025	600.00	Yes	No
Series-'PDL-05-2024'	May-2024	2,700.00	9.95%	Quarterly	May-2029	2,700.00	Yes	No
Series-'PDL-07-2024'	July-2024	2,500.00	9.95%	Quarterly	July-2027	2,500.00	Yes	No

SAKET JAIN & CO. AGRA Chartered Accountants

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2025

Note : 14 Borrowings (Other than Debt Securities)

(₹ in Lakhs)

Particulars	Current Year				Previous Year			
	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
	(1)	(2)	(3)	(4) = (1)+(2)+(3)	(1)	(2)	(3)	(4) = (1)+(2)+(3)
(a) Term loans:								
(i) From banks	178,539.76	-	-	178,539.76	121,622.56	-	-	121,622.56
(ii) From other parties	20,000.00	-	-	20,000.00	353.10	-	-	353.10
(b) Deferred payment liabilities	-	-	-	-	-	-	-	-
(c) Loans from related parties	-	-	-	-	-	-	-	-
(d) Finance lease obligations	-	-	-	-	-	-	-	-
(e) Liability component of compound financial instruments	-	-	-	-	-	-	-	-
(f) Loans repayable on demand:								
(i) from banks	-	-	-	-	-	-	-	-
(ii) from other parties	-	-	-	-	-	-	-	-
(g) Other loans (specify nature)	-	-	-	-	-	-	-	-
(i) from banks	38,121.69	-	-	38,121.69	62,755.32	-	-	62,755.32
(ii) from other parties	10,305.87	-	-	10,305.87	11,445.95	-	-	11,445.95
Total (A)	**246,967.32**	**-**	**-**	**246,967.32**	**196,176.93**	**-**	**-**	**196,176.93**
Borrowings in India	246,967.32	-	-	246,967.32	196,176.93	-	-	196,176.93
Borrowings outside India	-	-	-	-	-	-	-	-
Total (B) to tally with (A)	**246,967.32**	**-**	**-**	**246,967.32**	**196,176.93**	**-**	**-**	**196,176.93**

SAKET JAIN & CO. AGRA Chartered Accountant

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2025

Note : 15 Deposits

(₹ in Lakhs)

Particulars	Current Year				Previous Year			
	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
	(1)	(2)	(3)	(4) = (1)+(2)+(3)	(5)	(6)	(7)	(*8) = (5)+(6)+(7)
Deposits								
(i) Public Deposits	-	-	-	-	-	-	-	-
(ii) From Banks	-	-	-	-	-	-	-	-
(iii) From Others	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-

Note : 16 Subordinatd Liabilities

(₹ in Lakhs)

Particulars	Current Year				Previous Year			
	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
	(1)	(2)	(3)	(4) = (1)+(2)+(3)	(5)	(6)	(7)	(8) = (5)+(6)+(7)
Perpetual Debt Instruments to the extent that do not qualify as equity	-	-	-	-	-	-	-	-
Preferene Shares other than those that qualify as Equity	-	-	-	-	-	-	-	-
Others (Non-Convertable Debentures*)	800.00	-	-	800.00	8,900.00	-	-	8,900.00
Total (A)	**800.00**	-	-	**800.00**	**8,900.00**	-	-	**8,900.00**
Subordinated Liabilities in India	800.00	-	-	800.00	8,900.00	-	-	8,900.00
Subordinated Liabilities outside India	-	-	-	-	-	-	-	-
Total (B) to tally with (A)	**800.00**	-	-	**800.00**	**8,900.00**	-	-	**8,900.00**

*** Details of Non-Convertable Debentures**

(₹ in Lakhs)

Debenture Series	Issued Date	Issued Amount	Rate of Interest	Interest Periodicity	Maturity Date	Maturity Amount	Current Year	Previous Year
Series-'PDL 1808'	Aug-2018	8,100	14.00%	Monthly	Aug-2024	8,100	No	Yes
Series-'PDL2020-1'	Jan -2020	600	12.00%	Monthly	Jan-2026	600	Yes	Yes
Series-'PDL2020-2'	Feb-2020	100	12.00%	Monthly	Feb-2026	100	Yes	Yes
Series-'PDL2020-12'	Dec-2020	100	12.00%	Monthly	Dec-2030	100	Yes	Yes

SAKET JAIN & CO. AGRA Chartered Accountant

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2025

Note : 17 Others Financial Liabilities

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Debt Service Repayment Account	1,533.00	987.75
	Total	**1,533.00**	**987.75**

Note : 18 Current Tax Liabilities (Net)

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	**Advance Recoverable in Cash or in Kind or for value to be considered good**		
	Income Tax and TDS	-	-
	Provision for Taxation	-	-
	Total	-	-

Note : 19 Provisions

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Provision for Standard Assets	2,003.30	1,598.94
2	Provision for Proposed Dividend on Equity Shares	902.12	898.04
3	Provision for Expected Credit Loss	1,493.71	1,422.60
4	Provision for Sub Standard Assets	1,084.22	703.48
	Total	**5,483.35**	**4,623.06**

Note : 20 Deferred Tax Liabilities (Net)

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Opening Balance	(857.89)	(50.60)
	Tax on Timing difference on Property, Plant and Equipments	555.66	490.81
	Tax on Timing difference on Deferred Revenue Expenditures	409.31	-
	Tax on Timing difference on Unexpired Processing Fees	3.25	9.96
	Tax on Timing difference on Unearned Processing Fees	(461.46)	(1,358.66)
2	Total Deferred Tax Liability	506.76	(857.89)
	Provision for Deferred Tax required for the year (2-1)	1,364.65	(807.28)
	Total	**506.76**	**(857.89)**

Note : 21 Others Non Financial Liabilities

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Unearned Income of Processing Fees	1,834.18	5,302.52
	Total	**1,834.18**	**5,302.52**

SAKET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED PAISALO

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2025

Note : 22 Share Capital

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	**AUTHORIZED CAPITAL**		
	1,75,00,00,000 Equity Shares of Re. 1 per share (Previous year 1,20,00,00,000 equity shares of Re. 1 each)	17,500.00	12,000.00
	50,00,000 Preference Shares of Re. 10 each	500.00	500.00
		18,000.00	**12,500.00**
2	**ISSUED, SUBSCRIBED CAPITAL**		
	89,81,68,980 Equity Shares of Re. 1 per Share fully paid up (Previous year 44,91,46,990 Equity Shares of Re. 10 each)	8,981.69	4,491.47
	Add: - 37,01,792 Share of Face value Re. 1 each @ premium of Rs. 44.74 on conversion of 2000 FCCBs of USD 2 million	37.02	-
	Add: 3,72,517 Share of Face value Re. 1 each@ premium of Rs. 33.69 alloted under PDL ESPS 2024	3.72	-
	(Previous year 89,80,43,980 Shares of Face value Re. 1 per Share fully paid up)	-	4,490.22
		9,022.43	**8,981.69**
3	**PAID UP CAPITAL**		
	89,80,43,980 Equity Shares of Re. 1 per Share fully paid up (Previous year 44,90,21,990 Equity Shares of Re. 1 each)	8,980.44	4,490.22
	Add: - 37,01,792 Share of Face value Re. 1 each @ premium of Rs. 44.74 on conversion of 2000 FCCBs of USD 2 million	37.02	-
	Add: 3,72,517 Share of Face value Re. 1 each@ premium of Rs. 33.69 alloted under PDL ESPS 2024	3.72	-
	(Previous year 44,90,21,990 Share of Face value Re. 1 each issued as Bonus Shares in the ratio of 1:1)	-	4,490.22
	Add: Share Forfeited a/c (Amount originally Paid up @ Rs 5 each on 12,500 Equity Shares of Re. 10 each)	0.63	0.63
	Total	**9,021.81**	**8,981.06**

SAKET JAIN & CO. AGRA Chartered Accountant

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2025

Note : 23 Other Equity

Current Reporting Period

(₹ in Lakhs)

Particulars	Share Application money pending Allotment	Equity component of compound Financial Instruments	Statutory Reserves - RBI Reserve Fund	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Capital Redemption Reserve	Revaluation Reserve	Debt Instruments through other Comprehensive Income	Equity Instruments through other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other Items of Other Comprehensive Income (Specify nature)	Money received against Share Warrants	Total
Balance at the beginning of the reporting period	-	-	21,266.28	2,415.21	38,091.52	60,144.89	1,465.90	250.00	326.80	-	-	-	-	-	-		123,960.60
Add: Any change due to IND AS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Restated Balances at the beginning of the reporting period	-	-	21,266.28	2,415.21	38,091.52	60,144.89	1,465.90	250.00	326.80	-	-	-	-	-	-	-	123,960.59
Total Comprehensive Income for the year	-	-	-	-	-	-	20,012.07	-	-	-	-	-	-	-	-	-	20,012.07
Money received as share warrant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Premium on coversion and allotment of shares	-	-	-	-	1,781.68	-	-	-	-	-	-	-	-	-	-	-	1,782
Security Premium on conversion of warrants into equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Proposed Dividends	-	-	-	-	-	-	(902.12)	-	-	-	-	-	-	-	-	-	(902.12)
Depreciation on Revaluation Amount	-	-	-	-	-	-	9.08	-	(9.08)	-	-	-	-	-	-	-	
Income Tax Impact due to IND AS on Processing Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	28.39
Share based payment to employees	-	-	-	28.39	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to General Reserve	-	-	-	-	-	14,000.00	(14,000.00)	-	-	-	-	-	-	-	-	-	-
Transfer to Statutory Reserve Fund	-	-	4,002.41	-	-	-	(4,002.41)	-	-	-	-	-	-	-	-	-	(404.37)
Provision on Standard Assets	-	-	-	-	-	-	(404.37)	-	-	-	-	-	-	-	-	-	
Expenditure on Corporate Social Responsibility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	144,476.25
Balance at the end of the reporting period	-	-	25,268.69	2,443.60	39,873.20	74,144.89	2,178.15	250.00	317.72	-	-	-	-	-	-	-	

SAKET JAIN & CO. AGRA Chartered Accountant

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2025

Note : 23 Other Equity

Previous Reporting Period

(₹ in Lakhs)

Particulars	Share Application money pending Allotment	Equity component of compound Financial Instruments	Statutory Reserves - RBI Reserve Fund	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Capital Redemption Reserve	Revaluation Reserve	Debt instruments through other Comprehensive Income	Equity Instruments through other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other Items of Other Comprehensive Income (Specify nature)	Money received against Share Warrants	Total
Balance at the beginning of the reporting period	-	-	17,686.82	2,415.21	38,091.52	52,135.11	848.38	250.00	335.88	-	-	-	-	-	-	-	111,762.92
Add: Any change due to IND AS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated Balances at the beginning of the reporting period	-	-	17,686.82	2,415.21	38,091.52	52,135.11	848.38	250.00	335.88	-	-	-	-	-	-	-	111,762.92
Total Comprehensive Income for the year	-	-	-	-	-	-	17,897.30	-	-	-	-	-	-	-	-	-	17,897.30
Money received as share warrant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share warrant converted into Share capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Security Premium on conversion of warrants into equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proposed Dividends	-	-	-	-	-	-	(898.04)	-	-	-	-	-	-	-	-	-	(898.04)
Depreciation on Revaluation Amount	-	-	-	-	-	-	9.08	-	(9.08)	-	-	-	-	-	-	-	-
Income Tax Impact due to IND AS on Processing Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bonus share issued	-	-	-	-	-	(4,490.22)	-	-	-	-	-	-	-	-	-	-	(4,490.22)
Transfer to General Reserve	-	-	-	-	-	12,500.00	(12,500.00)	-	-	-	-	-	-	-	-	-	-
Transfer to Statutory Reserve Fund	-	-	3,579.46	-	-	-	(3,579.46)	-	-	-	-	-	-	-	-	-	-
Provision on Standard Assets	-	-	-	-	-	-	(311.36)	-	-	-	-	-	-	-	-	-	(311.36)
Expenditure on Corporate Social	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of the reporting period	-	-	21,266.28	2,415.21	38,091.52	60,144.89	1,465.90	250.00	326.80	-	-	-	-	-	-	-	123,960.60

SAKET JAIN & CO. AGRA Chartered Accountant

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2025

Note : 24 Interest Income

(₹ in Lakhs)

Particulars	Current Year			Previous Year		
	On Financial Assets measured at Fair value through OCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at Fair value through profit for loss	On Financial Assets measured at Fair value through OCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at Fair value through profit for loss
Interest on Loans	-	69,563.25	-	-	58,786.12	-
Interest Income from Investments	-	18.61	-	-	-	-
Interest on Deposits with Banks	-	35.20	-	-	25.11	-
Other Interest Income	-	19.64	-	-	86.63	-
Fee and Commssion Income	-	7,113.21	-	-	6,241.56	-
Dividend Income	-	1.53	-	-	1.24	
Total	**-**	**76,751.44**	**-**	**-**	**65,140.66**	**-**

Note : 25 Net Gain/(Loss) on fair value changes

(₹ in Lakhs)

Particulars	Current Year	Previous Year
(A) Net gain/ (loss) on Financial Instruments at Fair value through profit or loss		
(i) On trading portfolio:		
—Investments	-	-
—Derivatives	-	-
—Others	-	-
(ii) On Financial Instruments designated at fair value through profit or loss	26.68	95.57
(B) Others		
(i) Total Net gain/(loss) on fair value changes (c)	-	-
(ii) Fair Value changes:		
—Realised	-	-
—Unrealised	-	-
Total Net Gain/(Loss) on Fair value changes (D) to tally with (C)	**26.68**	**95.57**

SAKET JAIN & CO. AGRA Chartered Accountant

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2025

Note : 26 Other Income

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Net gain/(loss) on ineffective portion of hedges	-	-
2	Net gain/(loss) on derecognition of property, plant and equipment	-	-
3	Net gain or loss on foreign currency transaction and translation (other than considered as finance cost)	-	-
4	Others	332.54	638.38
	Total	**332.54**	**638.38**

Note : 27 Finance Cost

(₹ in Lakhs)

Sr. No.	Particulars	Current Year		Previous Year	
		On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost
1	Interest on Deposits	-	-	-	-
2	Interest on Borrowings	-	22,521.45	-	17,899.05
3	Interest on Debt Securities	-	6,501.34	-	4,614.51
4	Interest on Subordinated Liabilities	-	478.14	-	1,233.37
5	Other Interest expense/ Bank Charges	-	3,329.68	-	3,260.36
	Total	**-**	**32,830.61**	**-**	**27,007.29**

SAKET JAIN & CO. AGRA Chartered Accountant

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2025

Note : 28 Impairment on Financial Instruments

(₹ in Lakhs)

Particulars	Current Year		Previous Year	
	On Financial instruments measured at Fair value through OCI	On Financial instruments measured at Amortised Cost	On Financial instruments measured at Fair value through OCI	On Financial instruments measured at Amortised Cost
Bad Debts Written Off on Loans	-	2,099.33	-	1,059.59
Provision for NPA	-	380.75	-	62.65
Provision for Expected Credit Loss				
Additional Provision for Expected Credit Loss	-	71.11	-	55.62
Investments	-	-	-	-
Others (to be specified)	-	-	-	-
Total	**-**	**2,551.19**	**-**	**1,177.86**

SAKET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED DELHI

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2025

Note : 29 Employees Benefit Expenses

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Salaries and Wages to Employess	5,042.01	3,863.61
2	Directors Salaries & Allowances	676.23	649.25
3	Contribution to Provident and other funds	344.65	251.90
4	Share Based Payments to employees	28.39	-
5	Staff welfare expenses	194.86	138.01
	Total	**6,286.14**	**4,902.77**

- No remuneration has been paid to Directors except remuneration to Managing Director and Executive Directors. The remuneration paid to Managing Director and Executive Directors during the F.Y. 2024-25 Rs. 6,76,22,575 (Last year Rs. 6,49,24,800) which is within the limit as specified u/s 197 read with Schedule V of the Companies Act, 2013.

Note : 30 Depreciation & Amortised Cost

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Depreciation	426.96	339.99
2	Deffered Revenue Exp. w/o*	120.19	-
	Total	**547.15**	**339.99**

- *Deferred Expenses written off over a period of five Years.

Note : 31 Other Expenses

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Car & Scooter Expenses	59.63	36.15
2	Travelling Expenses	1,793.74	1,305.18
3	Repair & Maintenance	23.83	183.99
4	Insurance Expenses	32.63	18.97
5	Electricity & Water Expenses	99.69	85.72
6	Rates & Taxes	3.41	4.35
7	Legal Expenses & Professional Fees	1,950.06	1,309.91
8	Printing & Stationery Expenses	386.48	309.01
9	Postage & Telephone Expenses	175.13	190.56
10	Auditors Remuneration	9.20	7.36
11	Rent	496.35	350.80
12	Rebate & Remission	669.25	287.16
13	Advertisement & Business Promotion Expenses	822.93	2,346.35
14	Recovery Expenses	505.30	1,361.10
15	Office and General Expenses	453.67	360.61
16	Loss/(Profit) on sale of Assets/Investments.	24.69	(6.36)
17	Directors Sitting Fees & Expenses	21.72	13.30
18	loss on foreign currency transaction and translation	289.76	-
19	Corporate Social Responsibility Expenditure*	320.89	211.70
	Total	**8,138.36**	**8,375.86**

- *Refer Note 31 of Standalone Financial Statements.

SAKET JAIN & CO. AGRA Chartered Accountant

32. Remuneration to Auditors:

(₹ in Lakhs)

	2024-25	2023-24
For Statutory Audit	6.23	4.98
For Tax Audit	2.21	1.77
Total	**8.44**	**6.75**

33. Earning per Share:

(₹ in Lakhs)

	2024-25	2023-24
Net profit for the year (After Tax)	20,012.07	17,897.30
Equity Shares in numbers (Weighted)	89,88,37,281	46,25,54,160
Basic and diluted Earning per share	**2.23**	3.87

34. Figures for the previous year have been regrouped/rearranged/reclassified and restated in compliance with the IND AS wherever considered necessary.

35. The Paisalo Digital Limited has given corporate guarantee for the loans taken by its wholly owned subsidiary Company M/s Nupur Finvest Pvt. Ltd. from the following Bank's / FI's / NBFCs:

(₹ in Lakhs)

Name of Bank / Financial Institution	Facility	Amount o/s
Karnataka Bank Ltd	Cash Credit	2,024.44
Indian Bank	Cash Credit	500.00
State Bank of India	Term Loan	3,417.43
Bank of Baroda	Term Loan	763.89
Indian Bank	Term Loan	134.37
Total		**6,840.13**

For Contingent Assets refer note no. 37 (b) Notes to the Accounts of Standalone Financial Statements of Paisalo Digital Limited.

36. Disclosure of Related party transactions:

Refer note no. 37 (A, B & C) of Notes to the Account of Standalone Financial Statement of Paisalo Digital Limited.

SAKET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED PAISALO

D. Disclosures required for Related party transactions

(₹ in Lakhs)

Name of Party	Nature	Amount	Amount Receivable/ (Payable)
Mr. Sunil Agarwal	Remuneration to Director	393.60	-
Mr. Harish Singh	Remuneration to Director	50.60	(3.26)
Mr. Anoop Krishna	Remuneration to Director	48.64	(2.93)
Mr. Santanu Agarwal	Remuneration to Director	180.00	(19.50)
Mr. Vinod Kumar	Remuneration to Director	7.91	(2.73)
Mr. Manendra Singh	Salary	18.70	(1.19)
Mr. Santanu Agarwal	Loan Received	860.00	—
Mr. Santanu Agarwal	Interest Expenses	11.91	—
Mr. Pranav Chauhan	Interest Payment (on NCD)	24.00	—
Mrs. Priti Chauhan	Interest Payment (on NCD)	26.40	
Mr. Sunil Agarwal	Dividend Paid	105.70	—
Mr. Santanu Agarwal	Dividend Paid	33.70	—
Ms. Suneeti Agarwal	Dividend Paid	7.17	—
Pro Fitcch Pvt. Ltd.	Dividend Paid	22.32	—
Equilibrated Ventures Cflow Pvt. Ltd.	Dividend Paid	135.11	—
Pri Caf Pvt. Ltd.	Dividend Paid	24.05	—
Issue of Equity Shares pursuant to ESPS			
Name	**Category**	**No. of Shares**	**Face value Per Share**
Mr. Harish Singh	Executive Director	20000	1.00
Mr. Manendra Singh	Company Secretary	5400	1.00

Notes:

(1) Related party relationship is as identified by the Company on the basis of information available with them and accepted by the auditors as correct.

(2) No amount has been written off or written back during the year in respect of debt due from or to related parties.

(3) Company has entered into transactions with certain parties as listed above during the year under consideration. Full disclosures have been made and the Board/Audit Committee considers such transactions to be in normal course of business and at rates agreed between the parties.

(4) The key management personnel and their relatives have given personal guarantees and collaterals for loans raised by the Company but Company has not provided any guarantee to these persons nor paid any consideration for furnishing such guarantees.

(5) Holding Company has extended its guarantee to Banks/ Financial Institutions for credit facilities availed by the wholly owned subsidiary Nupur Finvest Pvt. Ltd.

SAKET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED

37. Term Loan facility:

The Nupur Finvest Private Limited has taken following Term Loans which are fully secured by first charge on hypothecation of Book debts, personal guarantees of Directors and Corporate guarantee of its Holding Company Paisalo Digital Limited, the details of which are given hereunder.

(₹ in Lakhs)

Name of Financial Institutions / Banks	Date of Sanction	Sanctioned Amount	Terms of repayment	Maturity Date
State Bank of India	02nd Jun 2021	3,000.00	20 quarterly installments	Jun 2026
State Bank of India	31st Jan 2022	1,500.00	15 quarterly installments	Mar 2026
Tata Capital Financial Services Ltd	25th Mar 2022	1,500.00	30 monthly installments	Oct 2024
Indian Bank	01st Aug 2022	1,000.00	36 monthly installments	Aug 2025
State Bank of India	27th Dec 2022	3,500.00	15 quarterly Installments	Sep 2026
Bank of Baroda	23rd Jan 2023	2,500.00	36 monthly installments	Feb 2026

For other details of facilities and loans refer note no. 38 Notes to the Accounts of Standalone Financial Statements of Paisalo Digital Limited.

38. Working Capital Borrowings:

The Nupur Finvest Private Limited has availed working capital facility from Karnataka Bank Ltd., This facility is secured by hypothecation of books debts / receivables, equitable mortgage of immovable property belonging to the third party, personal guarantee of Directors and Corporate guarantee of its Holding Company.

(₹ in Lakhs)

S. No.	Name of Bank	Sanctioned Amount	Date of Sanction
1	Karnataka Bank Ltd.	2,000.00	28th December, 2015
2	Indian Bank	500.00	01st Aug 2022
	Total	**2,500.00**	

SAKET JAIN & CO. AGRA Chartered Accountant

PAISALO

39. Additional information as required in respect of Consolidated Financial Statements:

(₹ in Lakhs)

Name of the Entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
1	2	3	4	5
Total Consolidated	100	1,53,498.06	100	20,012.07
Holding Co. :				
Paisalo Digital Limited	96.12	1,47,541.49	98.78	19,768.70
		(Note 1)		(Note 2)
Subsidiaries-Wholly Owned :				
Nupur Finvest Pvt. Ltd.	3.88	5,956.57	1.22	243.37

Paisalo Digital Limited is not having any foreign subsidiary company / joint Venture.

Note 1. Net of Investment in Subsidiary Company.

Note 2. Net of Income from Subsidiary Company.

SAKET JAIN & CO. AGRA Chartered Accountant

PAISALO DIGITAL LIMITED

M/S PAISALO DIGITAL LIMITED

FORM NO. AOC-I

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

Statement containing salient features of the financial statements of subsidiaries/associate companies/joint ventures:

Part "A" : Subsidiaries

(₹ in Lakhs)

1	Name of Subsidiary	M/s Nupur Finvest Pvt. Ltd.
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same i.e. April 1, 2024 to March 31, 2025
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A.
4	Share Capital	536.96
5	Reserves	5,419.61
6	Total Assets	21,074.31
7	Total Liabilities	21,074.31
8	Investments	—
9	Turnover	3,663.13
10	Profit before Taxation	316.13
11	Provision for Taxation	72.76
12	Profit after Taxation	243.37
13	Proposed Dividend (excluding dividend distribution tax)	—
14	% of shareholding	100%

Name of subsidiaries which are yet to commence operation : NA

Names of subsidiaries which have been liquidated or sold during the year : NA

Part "B" : Associates and Joint Venture : NIL

Signed in terms of our Report of even date

For Saket Jain & Co.
Chartered Accountants
Firm Reg. No. 014685N

SAKET JAIN & CO. AGRA Chartered Accountant

(CA. ASHISH JAIN)
Partner
Membership No. 400599
UDIN : 25400599BMIGVI5045

Place : New Delhi
Date : 9th May 2025

For and on behalf of the Board

(SUNIL AGARWAL)
Managing Director
DIN : 00006991

PAISALO DIGITAL LIMITED

(HARISH SINGH)
Executive Director & CFO
DIN : 00039501

(MANENDRA SINGH)
Company Secretary
Membership No. : F7868

MANISH GOYAL & CO.
CHARTERED ACCOUNTANTS

F-6, FIRST FLOOR,
FRIENDS TRADE CENTRE,
66, NEHRU NAGAR, AGRA-282002

AUDITOR'S REPORT

TO
THE MEMBERS OF
M/S PAISALO DIGITAL LIMITED
NEW DELHI

REPORT ON THE STANDALONE FINANCIAL STATEMENTS

OPINION

We have audited the accompanying Standalone Financial Statements of **M/S PAISALO DIGITAL LIMITED** ("the Company") which comprises the Balance Sheet as at 31st March 2024 the Statement of Profit and Loss (including Statement of Other Comprehensive Income), Statement of changes in Equity and Statement of Cash Flows for the year ended on that date, and notes to the Standalone Financial Statements, including a summary of material accounting policy information and other explanatory information.

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 Act in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2024 and profit (including Statement of Other Comprehensive Income), Statement of changes in Equity and its Cash Flows 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) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements Section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Companies Act, 2013 and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters below to be the key audit matters to be communicated in our report.

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Key Audit Matters	How our audit addresses the Key Audit Matters
Impairment of financial Instruments (Expected Credit Loss) (refer Note No. 28 of the Standalone Financial Statements) Ind AS 109 requires the Company to recognize impairment loss allowance towards its financial assets using the expected Credit Loss (ECL) approach. Such ECL allowance is required to be measured considering the guiding principles of Ind AS 109 including: ▪ unbiased, probability weighted outcome under the various scenarios; ▪ time value of money; ▪ impact arising from forward looking macro-economic factors and; ▪ availability of reasonable and supportable information without undue costs. Applying these principles involves significant estimation in various aspects, such as; ▪ grouping of borrowers based on homogeneity by using appropriate statistical techniques; ▪ staging of loans and estimation of behavior life; ▪ estimation of losses for loan products/ corporate guarantee with historical defaults. ▪ Determining macro-economic factors impacting credit quality of financial assets, Considering the significance of such allowance to the overall Financial Statements and the degree of estimation involved in computation of expected credit losses, this area is considered as a key audit matter.	▪ We read and assessed the Company's accounting policies for impairment of financial assets and their compliance with Ind AS 109. ▪ We tested the criteria for staging of loans/ corporate guarantee based on their past-due status to check compliance with the requirement of Ind AS 109. ▪ Tested samples of performing loans (Stage 1) to assess whether any loss indicators were present requiring them to be classified under stage 2 or 3 and vice versa. ▪ Tested the ECL model, including assumptions and underlying computation.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility and Sustainability Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements, Standalone Financial Statements and our Auditor's Report thereon.

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

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. 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 implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

MANISH GOYAL & CO. Chartered Accountants

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements 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

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 Companies Act, 2013, we give in the Annexure 'A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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.

c. The audit of all the branch offices of the Company has been conducted by us, hence Section 143(8) is not applicable;

d. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity, and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.

MANISH GOYAL & CO. Chartered Accountants

e. In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

f. On the basis of the written representations received from the Directors as on 31st March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

g. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

h. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

i. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i) The Company does not have any pending litigations (other than in the ordinary course of business) which would impact its financial position.

ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

iv) **(a)** The management has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity (ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.

v) As stated in Note 61 to the Standalone Financial Statements

(a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

(b) The Company has not declared and has not paid any interim dividend during the year.

(c) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with Section 123 of the Act, as applicable.

vi) Based on our examination carried out in accordance with the Implementation Guidance on Reporting on Audit Trail under Rule 11(g) of the Companies (Audit and Auditors) Rules,2014 (Revised 2024 Edition) issued by the Institute of Chartered Accountants of India, which included test checks and we report that the company have used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with.

Place : New Delhi
Date : 26th April 2024

For Manish Goyal & Co.
Chartered Accountants
Firm Reg. No. 006066C

(CA. MANISH GOYAL)
Partner
Membership No. 074778
UDIN : 24074778BKAPEP5265

MANISH GOYAL & CO.
CHARTERED ACCOUNTANTS

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ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT OF
M/S PAISALO DIGITAL LIMITED
(Referred to in paragraph of our Report of even date for F. Y. 2023-24)

i. **(a)** **(A)** The Company has maintained proper records to show full particulars including quantitative details and situation of fixed assets.

(B) The Company has maintained proper records to show full particulars of intangible assets.

(b) As explained to us, the Property, Plant and Equipments have been physically verified by the management at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to information and explanations given to us, the title deeds of immovable properties of the company are held in the name of the Company.

(d) According to the information and explanations given to us, Company has not revalued its Property, Plant and Equipment or Intangible assets.

(e) According to the information and explanations given to us, no proceedings have been initiated or are pending against the Company under the Benami Transactions (Prohibition) Act, 1988 (45 of 1998).

ii. **(a)** The Company is a Non-Banking Financial Company (NBFC) and has not dealt with any goods and the Company does not hold any inventory of goods during the period under audit. Accordingly, the reporting requirement under clause (ii) (a) of para no 3 of the Order is not applicable.

(b) In our opinion and according to the information and explanations given to us, Company is availing working capital limits of more than Rupees five crore on the basis of security of current assets during the financial year. The monthly returns or statements filed by the Company with banks or financial institutions are in agreement with the books of accounts of the Company.

iii. **(a)** The Company has made investments in or granted loans, secured or unsecured to individuals, companies, firms, limited liability partnership or other entities in ordinary course of business.

The Company has provided corporate guarantee to Bank / Financial Institution for the loans taken by its wholly owned subsidiary M/s Nupur Finvest Pvt. Ltd.

The Company is a Non-Banking Financial Company and principal business of the Company is providing loans and advance to other concerns, therefore Para (iii) (a) and (e) of the Order are not applicable to the Company.

(b) The terms & conditions of grant of such loans are not prejudicial to the interest of the Company.

(c) The repayment/receipt of the principal and interest of loan granted is regular as per the schedule of repayment and there is no amount which is overdue more than ninety days in respect of standard Assets.

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(d) As explained to us, as per RBI Prudential norms, the Company has made the required / specified provision for overdues of more than ninety days. However, the Company has taken reasonable steps for recovery of principal and interest for those cases.

(e) The Company has not given any loans or advances in the nature of loans which are repayable on demand or without specification of any terms or period of repayment. No loan has been granted to Promoters and/or related parties as defined under Section 2(76) of the Companies Act, 2013.

iv. According to the information and explanations given to us, the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security have been complied with.

v. The Company is a Non-Banking Financial Non-Deposit Taking or Holding Systemically Important (ND-SI) Company, and in our opinion, the Company has not accepted any public deposits within the meaning of Section 73 to 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 and Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016. Accordingly, the provisions of para 3(v) of the Order are not applicable to the Company.

vi. Maintenance of cost records as required under sub-section (1) of Section 148 of the Companies Act, 2013 are not applicable to the Company.

vii. **(a)** According to the information and explanations given to us, the Company has been regular in depositing with appropriate authorities undisputed statutory dues and there are no undisputed amounts of Income Tax, Goods & Service Tax, Cess, Employees State Insurance, Customs Duty, Provident Fund and Professional Tax etc. outstanding as at the last day of financial year concerned for a period of more than six months from the date they became payable.

(b) There are no dues of Goods & Service Tax and Custom Duty on account of any dispute except following matters under Income Tax and Goods & Service Tax:

Sr. No.	Forum	Period	Remark
1	Income Tax Department u/s 154	F.Y. 2016-17	Rs. 69,09,140/- amount involved
2	Appeal to Commissioner of Income Tax (Appeal)	F.Y. 2012-13	Rs. 75,12,052/- amount involved
3	Appeal to Commissioner of Income Tax (Appeal)	F.Y. 2017-18	Rs. 23,29,246/- amount involved
4	Appeal to Commissioner of Income Tax (Appeal)	F.Y. 2019-20	Rs. 16,64,666/- amount involved
5	Penalty Proceedings u/s 271(1)(c)	F.Y. 2012-13	Pending Assessment
6	Penalty Proceedings u/s 271(1)(c)	F.Y. 2017-18	Pending Assessment
7	Penalty Proceedings u/s 271(1)(c)	F.Y. 2019-20	Pending Assessment
8	Revision Proceedings u/s 263	F.Y. 2017-18	Pending Assessment
9	Goods & Service Tax Appeal Proceedings (Delhi)	F.Y. 2017-18	Rs. 67,15,622/- amount involved
10	Goods & Service Tax Penalty u/s 122	F.Y. 2023-24	Pending Assessment

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viii. There are no transactions which are not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

ix. **(a)** The Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) The Company has not been declared willful defaulter by any bank or financial institution or other lender

(c) The term loans were applied for the purpose for which the loans were sanctioned

(d) Funds raised on short term basis have not been utilized for long term purposes

(e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) 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)** According to the information and explanations given to us, the Company had not raised money by way of initial public offer or further public offer during the year.

(b) According to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or convertible debentures during the year.

xi. **(a)** Based on the records examined by us and according to the information, explanations given to us, no fraud has been committed by the Company or any fraud committed on the Company by its officers or employees has been noticed or reported during the year.

(b) No report under sub-section (12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules 2014 with the Central Government.

(c) According to the information and explanation given to us, No whistle-blower complaints received during the year.

xii. The Company is not the Nidhi Company, therefore provisions of Para 3 (xii) (a) to (c) of the Order is not applicable to the Company.

xiii. Based on the records examined by us and according to the information & explanation given to us, the provisions of Section 177 and 188 of the Companies Act, 2013 regarding transaction with related parties have been complied with and details of the transaction as per applicable accounting standard have been disclosed in the notes to accounts of the Standalone Financial Statements.

xiv. **(a)** According to the information & explanation given to us, the Company has an Internal Audit System commensurate with the size and nature of its business.

(b) We have considered the internal audit report for the period under audit and there are no major issues raised by the internal auditor.

MANISH GOYAL & CO. Chartered Accountants

xv. Based on the records examined by us and according to the information & explanation given to us, no non-cash transactions with Directors or persons connected with him, have been taken place during the year, hence the provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. **(a)** According to the information & explanation given to us, the Company is registered under Section 45-IA of the Reserve Bank of India Act, 1934 as Non-Deposit Accepting or Holding Non-Banking Financial Company.

(b) According to the information & explanation given to us, the Company is Non-Banking Financial Company and having a valid Certificate of Registration (CoR) from Reserve Bank of India as per Reserve Bank of India Act, 1934.

(c) According to the information & explanation given to us, the Company is not a Core Investment Company (CIC), therefore CIC regulation of RBI are not applicable on the Company.

(d) According to the information & explanation given to us, there are no CIC in the group.

xvii. According to the information & explanation given to us, the Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.

xviii. There has been no resignation of the Statutory Auditors of the Company during the year.

xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the Auditor's knowledge of the Board of Directors and management plans, the Auditor is of the opinion that there is no material uncertainty exists as on the date of the audit report and that Company is 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.

xx. According to the information and explanations given to us, the provisions of Section 135 of the Act are applicable to the Company. The Company has made the required contributions during the year and there are no unspent amounts which are required to be transferred to the special account as on the date of our audit report. Accordingly, the provisions of paragraph 3(xx)(a) to (b) of the Order are not applicable to the Company.

Place : New Delhi
Date : 26th April 2024

For Manish Goyal & Co.
Chartered Accountants
Firm Reg. No. 006066C

(CA. MANISH GOYAL)
Partner
Membership No. 074778
UDIN : 24074778BKAPEP5265

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ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT OF
M/S PAISALO DIGITAL LIMITED
(Referred to in paragraph of our Report of even date for F. Y. 2023-24)

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB – SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013

We have audited the internal financial controls over financial reporting of **M/S PAISALO DIGITAL LIMITED** as of 31st March 2024 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls , both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, 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 system over financial reporting.

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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, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2024 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.

Place : New Delhi
Date : 26th April 2024

For Manish Goyal & Co.
Chartered Accountants
Firm Reg. No. 006066C

(CA. MANISH GOYAL)
Partner
Membership No. 074778
UDIN : 24074778BKAPEP5265

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M/S PAISALO DIGITAL LIMITED

BALANCE SHEET AS ON 31ST MARCH 2024

(₹ in Lakhs)

Sr. No.	Particulars	Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
I	**ASSETS**			
	(1) Financial Assets			
	(a) Cash & Cash Equivalents	1	1,077.23	2,558.68
	(b) Bank Balances other than (a) above	2	279.09	265.95
	(c) Derivative Financial Instruments	3	-	-
	(d) Receivables			
	(i) Trade Receivables	4	1,190.09	938.14
	(ii) Other Receivables		-	-
	(e) Loans	5	3,67,341.64	2,78,949.73
	(f) Investments	6	6,227.76	6,742.51
	(g) Other Financial Assets	7	5,804.64	6,873.83
	(2) Non Financial Assets			
	(a) Current Tax Assets (Net)	8	915.85	710.46
	(b) Deferred Tax Asset (Net)		864.02	66.06
	(c) Investment Property		-	-
	(d) Biological Assets other than Bearer plants		-	-
	(e) Property, Plant and Equipments	9	6,610.21	6,555.97
	(f) Capital Work-in-Progress		-	-
	(g) Intangible Assets under development		-	-
	(h) Goodwill		-	-
	(i) Other Intangible Assets	9	33.38	70.80
	(j) Other Non-Financial Assets	10	-	-
	Total Assets		**3,90,343.91**	**3,03,732.13**
II	**EQUITY AND LIABILITIES**			
	(1) Financial Liabilities			
	(a) Derivative Financial Instruments	11	-	-
	(b) Payables	12		
	(I) Trade Payables			
	(i) Total outstanding dues of Micro Enterprises and Small		265.55	11.31
	(ii) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		1,276.85	141.63
	(II) Other Payables			
	(i) Total outstanding dues of Micro Enterprises and Small		-	-
	(ii) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		1,091.82	952.48
	(c) Debt Securities	13	53,842.76	32,707.88
	(d) Borrowings (Other than Debt Securities)	14	1,82,813.31	1,40,172.57
	(e) Deposits	15	-	-
	(f) Subordinated Liabilities	16	8,900.00	8,900.00
	(g) Other Financial Liabilities	17	987.75	443.14
	(2) Non-Financial Liabilities			
	(a) Current Tax Liabilities (Net)	18	-	-
	(b) Provisions	19	4,403.80	3,489.93
	(c) Deferred Tax Liabilities (Net)	20	-	-
	(d) Other non-financial Liabilities	21	5,289.62	1,894.25
	(3) Equity			
	(a) Equity Share Capital	22	8,981.06	4,490.84
	(b) Other Equity	23	1,22,491.39	1,10,528.10
	Total Equity & Liabilities		**3,90,343.91**	**3,03,732.13**

Notes to the Accounts & Significant Accounting Policies annexed
Notes referred to above form an integral part of these Financial Statements
Signed in terms of our Report of even date

For Manish Goyal & Co.
Chartered Accountants
Firm Reg. No. 008966C

(CA. MANISH GOYAL)
Partner
Membership No. 074778
UDIN : 24074778BKAPEP5265

Place : New Delhi
Date : 26th April 2024

For and on behalf of the Board

(SUNIL AGARWAL)
Managing Director
DIN : 00006991

(HARISH SINGH)
Executive Director & CFO
DIN : 00039501

(MANENDRA SINGH)
Company Secretary
Membership No. : F7868

M/S PAISALO DIGITAL LIMITED

PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2024

(₹ in Lakhs)

Sr. No.	Particulars	Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
I	**Revenue from operations:**			
	(i) Interest Income	24	53,535.56	41,485.30
	(ii) Dividend Income		1.24	0.83
	(iii) Rental Income		-	-
	(iv) Fees and commission Income		6,233.51	811.06
	(v) Net gain on fair value changes	25	95.57	-
	(vi) Net gain on derecognition of financial instruments under amortised cost category		-	-
	(vii) Sale of products (including Excise Duty)		-	-
	(viii) Sale of services		-	-
	(ix) Others		638.38	-
	Total Revenue from Operations (I)		**60,504.26**	**42,297.19**
II	Other Income	26	-	-
	Total Income (I+II)		**60,504.26**	**42,297.19**
III	**Expenses:**			
	(i) Finance Costs	27	23,982.34	18,035.46
	(ii) Fees and commission expense		-	-
	(iii) Net loss on fair value changes		-	49.38
	(iv) Net loss on derecognition of financial instruments under amortised cost category		-	-
	(v) Impairment on financial instruments	28	246.63	4,454.08
	(vi) Cost of materials consumed		-	-
	(vii) Purchases of Stock-in-trade		-	-
	(viii) Changes in Inventories of finished goods, stock-in- trade and work-in- progress		-	-
	(ix) Employee Benefits Expenses	29	4,701.30	3,271.10
	(xi) Depreciation, amortization and impairment	30	339.62	328.68
	(x) Others expenses	31	7,439.27	3,316.62
	Total Expenses (III)		**36,709.16**	**29,455.32**
IV	Profit before exceptional items and tax **(II-III)**		**23,795.10**	**12,841.87**
V	Exceptional items		(58.32)	458.85
VI	Profit before tax **(IV-V)**		**23,853.42**	**12,383.02**
VII	**Tax Expense:**			
	(1) Current Tax		6,949.52	3,542.29
	(2) Deferred Tax		(797.95)	(328.52)
VIII	Profit for the period from continuing operations **(VI-VII)**		**17,701.85**	**9,169.25**
IX	Profit/(loss) from discontinued operations		-	-
X	Tax Expense of discontinued operations		-	-
XI	Profit/(loss) from discontinued operations (After tax) **(IX-X)**		-	-
XII	Profit for the period **(VIII+XI)**		**17,701.85**	**9,169.25**

M/S PAISALO DIGITAL LIMITED

PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2024

(₹ in Lakhs)

Sr. No.	Particulars	Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
XIII	**Other Comprehensive Income:**			
	(A) (i) Items that will not be reclassified to profit or loss (Revaluation of Properties)		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	Sub Total (A)		-	-
	(B) (i) Items that will be reclassified to profit or loss (specify items and amounts)		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
	Sub Total (B)		-	-
	Other Comprehensive Income (A+B)		-	-
XIV	Total Comprehensive Income for the period (XII+XIII) (Comprising Profit and other Comprehensive Income for the period)		17,701.85	9,169.25
XV	**Earnings per Equity Share (for continuing operations):**			
	Basic (Rs.)	34	3.83	2.06
	Diluted (Rs.)		3.83	2.06
XVI	**Earnings per Equity Share (for discontinued operations):**			
	Basic (Rs.)		-	-
	Diluted (Rs.)		-	-
XVII	**Earnings per Equity Share (for continuing and discontinued operations):**			
	Basic (Rs.)	34	3.83	2.06
	Diluted (Rs.)		3.83	2.06

Notes to the Accounts & Significant Accounting Policies annexed
Notes referred to above form an integral part of these Financial Statements
Signed in terms of our Report of even date

For Manish Goyal & Co.
Chartered Accountants
Firm Reg. No. 006066C

(CA. MANISH GOYAL)
Partner
Membership No. 074778
UDIN : 24074778BKAPEP5265

Place : New Delhi
Date : 26th April 2024

For and on behalf of the Board

(SUNIL AGARWAL)
Managing Director
DIN : 00006991

(HARISH SINGH)
Executive Director & CFO
DIN : 00039501

(MANENDRA SINGH)
Company Secretary
Membership No. : F7868

M/S PAISALO DIGITAL LIMITED

STATEMENT OF STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2024

Sr. No.	Particulars	Figures for current reporting period		Figures for previous reporting period	
A	**Cash Flow from Operating Activities:**				
	Net Profit before tax and extraordinary items and Interest		47,777.44		30,877.33
	Adjustments for				
I	Depreciation	339.62		243.59	
II	Deferred Expense W/O	-		85.09	
III	Impairment on financial instruments	246.63		4,454.08	
IV	Expenditure on CSR	211.70		176.01	
V	Dividend Income Received	(1.24)		(0.83)	
VI	Profit/loss on Sale of Shares	(95.57)		49.38	
VII	Profit/loss on Sale of Investments/Assets	(6.36)		(12.85)	
	Operating Profit before working capital changes		**48,472.22**		**35,871.80**
	Adjustments for				
I	Change in Other Financial Assets	(274.53)		(214.48)	
II	Change in Loans & Receivables	(88,775.93)		(49,475.69)	
III	Change in Payable & non financial liabilities	4,924.18		1,237.43	
IV	Misc. Expenses	-		-	
	Cash generated from Operations		**(35,654.06)**		**(12,580.94)**
I	Interest paid	(23,982.34)		(18,035.46)	
II	Income Tax paid	(7,154.93)		(3,496.33)	
III	Paid Expenses on CSR	(211.70)		(176.01)	
	Cash flow before Extraordinary Items		**(67,003.03)**		**(34,288.74)**
I	Extraordinary items		(58.32)		458.85
	Net Cash from Operating Activities		**(66,944.71)**		**(34,747.59)**
B	**Cash Flows from Investing Activities:**				
I	Purchase of Fixed Assets	(374.01)		(625.03)	
III	Sale of Fixed Assets	12.31		118.28	
IV	Purchase/transfer of Investments	621.92		(0.00)	
	Net Cash from Investing activities		**260.22**		**(506.75)**
C	**Net Cash from Financing Activities:**				
I	Proceeds from Borrowings	42,640.74		33,268.20	
II	Proceeds from Debt Service Repayment Account	544.61		191.64	
III	Proceeds from Debt Securities	21,134.88		376.99	
IV	Dividend Paid/(Received)	(447.78)		(448.19)	
V	Proceeds from Security Receipts	1,343.73		(1,500.00)	
VI	Money received against Share Warrant	-		5,234.63	
	Net Cash from Financing activities		**65,216.18**		**37,123.27**
	Net Increase/(decrease) in cash & cash equivalents		**(1,468.31)**		**1,868.92**
	Cash & Cash equivalents at beginning of period		**2,824.63**		**955.70**
	Cash & Cash equivalent at end of period		**1,356.32**		**2,824.63**

Signed in terms of our Report of even date

For Manish Goyal & Co.
Chartered Accountants
Firm Reg. No. 006066C

(CA. MANISH GOYAL)
Partner
Membership No. 074778
UDIN : 24074778BKAPEP5265

Place : New Delhi
Date : 26th April 2024

For and on behalf of the Board

(SUNIL AGARWAL)
Managing Director
DIN : 00006991

(HARISH SINGH)
Executive Director & CFO
DIN : 00039501

(MANENDRA SINGH)
Company Secretary
Membership No. : F7868

AUDITORS' REPORT

We have verified the attached Cash Flow Statement of M/s Paisalo Digital Limited, derived from audited financial statements and the books and records maintained by the Company for the year ended 31st March 2024 and 31st March 2023 and found the same in agreement here with.

For Manish Goyal & Co.
Chartered Accountants
Firm Reg. No. 006066C

(CA. MANISH GOYAL)
Partner
Membership No. 074778
UDIN : 24074778BKAPEP5265

Place : New Delhi
Date : 26th April 2024

M/S PAISALO DIGITAL LIMITED
MATERIAL ACCOUNTING POLICY INFORMATION

1. CORPORATE INFORMATION

M/S PAISALO DIGITAL LIMITED is a Middle Layer, as per RBI scale-based Regulation, Systemically Important Non-Deposit Taking Non-Banking Financial Company engaged in providing loans.

Paisalo Digital Limited is a 30 years old company primarily focusing on financing self-employed borrowers, a segment which is still untapped / unserved, driven by rising affluence, aspirations and favorable demographics.

The Company's successful digital mode of financing self – employed underserved / unserved, using state of art technology, has enabled to register significant growth. The Company is able to scale up its business operations through its intranet model of financing from more than 270 branches as on date and still growing. The Company has cumulatively served more than 1 million satisfied customers. While remaining focused on growth, Company consistently maintains high asset quality level and continues to build the institution on the strong pillars of ethics, values and corporate governance.

The equity of the company is listed on BSE since 2007 and on NSE since 2009. The registered office of the Company is situated at CSC, Pocket 52, Chitranjan Park, Delhi 110019 and the head office at Paisalo House, 74, Gandhi Nagar, NH-2, Agra 282003.

2. FUNCTIONAL AND PRESENTATION CURRENCY

These Financial Statements are presented in Indian rupees (value in Lakhs up to two decimal), which is the functional currency of the Company. All financial information is presented in Indian rupees.

3. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historic cost convention on an accrual basis, except where the same is considered at fair market value as required by Ind AS, the provisions of the Companies Act , 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI).

The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant amendment rules issued thereafter.

Financial statements have been presented in accordance with format prescribed for Non-Banking Financial Companies under Companies (Indian Accounting Standards) Rules, 2015 in Division III as per the notification No. G.S.R. 1022(E) dated 11.10.2018 as amended vide notification dated 24th March, 2021.

4. USE OF ESTIMATES AND JUDGMENTS

The preparation of the Financial Statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the Financial Statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in the Financial Statements have been disclosed in further notes. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the Financial Statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

M/S PAISALO DIGITAL LIMITED

MATERIAL ACCOUNTING POLICY INFORMATION

4.1 REVENUE RECOGNITION

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Company follows accrual basis for all revenue recognition. Interest income is recognized on due basis and penal income is recognized on receipt basis. For recognition of revenue, the valuation of listed shares is considered at market price and that of security receipts as per the valuation report as at Balance Sheet date.

4.2 INCOME TAXES

The Company's major tax jurisdiction is India. Significant judgments are involved in determining the provision for income taxes, including the amount expected to be paid or recovered in connection with uncertain tax positions.

Income tax expense comprises current and deferred tax. It is recognized in the statement of profit and loss except to the extent that it relates items recognized directly in equity or in OCI.

4.3 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment represent a small proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. Useful lives of PPE and intangible assets are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases where the useful lives are different from that prescribed in Schedule II, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

4.4 PROVISION

Provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation as at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

4.5 CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effect of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments and item of income or expenses associated with investing or financing cash flows. Cash flow from operating, investing and financing activities are segregated.

5. ACCOUNTING POLICIES

5.1 CASH & CASH EQUIVALENTS

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

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PAISALO DIGITAL LIMITED PAISALO

5.2 FINANCIAL INSTRUMENTS

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument.

Company has a business model of 'Hold to collect' with sole purpose of collecting principal and interest from loans, thus as per Ind AS 109- 'Financial Instruments' Loans are measured at amortized cost.

Other financial assets or liabilities maturing within one year from the balance sheet date are measured at the carrying value as the same approximate the fair value due to the short maturity of these instruments.

The valuation of listed shares is considered at market price and that of security receipts as per the valuation report as at Balance Sheet date.

5.3 IMPAIRMENT OF FINANCIAL ASSETS

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss of the financial assets on the basis of their credit risk exposure.

For the same, ECL is measured as per the management policy after performing due diligence of Company's historical data in regards to the respective asset. Also, since company is a RBI registered ND-SI- NBFC and as per RBI guidelines, a 0.4% provision for Standard Assets is created against Company's credit exposures.

The Company shows overdue installment amount of customers under trade receivables.

Expected Credit Loss model:

Company's Credit loss system is based on its credit risk function and the risk perceives. Under Ind AS, credit loss provisioning is mainly based on past trends and judgment of the entity. Implementation of expected credit losses not only consider historical data but also incorporates consideration to forward looking information.

ECL model is divided into three stages as follows:

Particulars Also Referred As	**Stage 1** Performing	**Stage 2** Under Performing	**Stage 3** Non Performing
Credit quality of assets Days Past Due	Not deteriorated significantly since its initial recognition 0 Days to 30 Days	Deteriorated significantly since its initial recognition 31 Days to 90 Days	Objective evidence of impairment More than 90 Days
Credit risk Recognize	Low 12 month ECL	Moderate to high Life time ECL	Very High Life time ECL
ECL	Represents financial asset's life time ECL that are expected to arise from default events that are possible within 12 months	ECL that results from all possible default events over the expected life of an instrument.	

Both 12 months ECL and life time ECL are calculated on individual and collective basis, depending on the nature of the underlying portfolio of financial instrument.

Determining significant increase in credit risk

It is very judgmental to determine the significant increase in credit risk, which enable entity to move from stage 1 to stage 2. i.e. to move from 12 month expected losses to life time expected losses. Entity need to assess significant increase in credit risk as compared to its initial recognition level by considering significant changes in financial position of a borrower, expected or current delay in payment, historical trend of the repeat borrowers etc.

Company also has a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition.

Forward looking information

ECL is based on history of financial asset and includes forward-looking statement; however, it is a forecast about future conditions over the entire expected life of a financial instrument. The forward-looking information is based on:

- Internal historical credit loss experience, and the period of time over which its historical data has been captured and the corresponding economic conditions represented in the past
- Effects that were not present in the past or to remove the effects that are not relevant for the future
- Macroeconomic factors such as interest rates

The Calculations of ECL

Company calculates ECL on the basis of probability-weighted average scenarios on the basis of historical data.

The calculation of ECL has following key elements of Company's internal estimates:

Probability of default (PD):

It is an estimate of the likelihood of default over a given time horizon.

Exposure at default:

Estimate of an exposure at a future default date –expected changes in exposure after the reporting date.

Loss Given Default:

Estimate of the loss arising on default. It is based on the difference between contractual cash flows that are due and expected to receive including from collateral. It is generally referred as a percentage of exposure at default.

Discount rate:

Used to discount an expected loss to a present value at the reporting date using the effective interest rate.

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PAISALO DIGITAL LIMITED PAISALO

ECL system:

Stage 1: At stage one 12 months ECL is recognized which is calculated as the portion of total outstanding advances, that are overdue till 30 days, that result from a default event on the financial instrument that are possible within 12 months after the reporting date. Company calculates the 12 months ECL provision based on the expectation of default occurring in 12 months following the reporting date. These expected 12 month default probabilities are applied to an EAD and multiplied by the expected LGD.

Stage 2: When a loan has shown a significant increase in the credit risk, i.e., where the same is overdue till 90 days, PDL records a provision for life time ECL. PDs and LGDs in this case are estimated over life span of the financial instrument.

Stage 3: When a loan is considered credit-impaired, i.e., where the same is overdue for past 90 days, Company recognize the lifetime expected credit losses. In this scenario PD is estimated at 100%. For Company, stage 3 incorporates the loans which are due past 90 days but, in certain cases where the internal assessment of the individual borrowers reflects that the overdue amount can be recovered in the near future then the same is subjected to some additional provision other than the prescribed provisioning.

Conclusion:

ECL concept is to recognize the expected loss on the defaulted advances on timely basis so as to present a true and fair view of financial position of the Company. Also, Ind AS states that entity can adopt any ECL model to present its historical trends adjusted for its forward-looking information. However, as per Company's internal policy, the Company follows a policy of writing off 100% of Sub-Standard Assets in respect oof these cases where possibility of recoveries are remote which does incorporate the requirements of Ind AS of better presentation of financial position.

Company ECL model is subjected to review every year.

5.4 DERECOGNITION OF FINANCIAL INSTRUMENTS

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognised from the balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

5.5 INVESTMENTS

Investments are carried at cost in the separate financial statements. Investments in subsidiary is measured at the previous GAAP carrying amount as per the provisions of Ind AS 27 – 'Separate Financial Statements'.

5.6 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any or at fair market value if the same present a better presentation of Company's financial position.

Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by the Management. 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. An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss on disposal of an item of property, plant and equipment is recognized in the statement of profit and loss.

The Company depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives of assets are as follows:

Asset Category	Useful Life
Building	42 Year
Furniture & Fittings	10 Year
Computer Peripheral	3 Year
Vehicles	5 Year
Equipments, Plant & Machinery	10 Year
Intangible Assets (Software)	3 Year

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end. Company has restated the useful life of Building as per the report of an independent valuer.

Advances, if any, paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not ready to use before such date are disclosed under 'Capital Work-in-Progress'. Subsequent expenditures relating to property, plant and equipment are capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the Statement of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from the Financial Statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss.

5.7 IMPAIRMENT OF TANGIBLE ASSETS

Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If such assets are considered to be impaired, the impairment is to be recognized in the Statement of Profit and Loss and is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated depreciation) had no impairment loss been recognized for the asset in prior years.

5.8 INTANGIBLE ASSETS

Intangible assets are stated at cost less accumulated amortization and impairment or fair market value if the same present a better presentation of Company's financial position. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances). Amortization methods and useful lives are reviewed periodically including at each financial year end.

MANISH GOYAL & CO. Chartered Accountants

PAISALO DIGITAL LIMITED PAISALO

Software product development costs are also expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable. The cost during the development phase shall be capitalized as the cost of the app. The costs which can be capitalized include the cost of material, direct labour and overhead costs that are directly attributable to preparing the asset for its intended use. Over the period of time the Company has developed its own ERP software which is a core strength of the Company, the revaluation of which shall be taken up at later stage.

5.9 CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Contingent liabilities are disclosed for:

a. possible obligations which will be confirmed only by future events not wholly within the control of the Company, or

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

c. Contingent assets are disclosed wherein an inflow of economic benefits is probable.

d. The Company has not recognized the Assets & Liability in respect of Arbitration Decree.

5.10 SHARE CAPITAL

a. Ordinary shares are classified as equity, incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from proceeds.

b. The Company may capitalize permitted Reserves and Security Premium for Bonus Shares.

5.11 SEGMENT REPORTING POLICY

The Chief Executive Officer reviews the operation at the Company level. Therefore, the operations of the Company fall under "Financing activities" business only, which is considered to be the only segment in accordance with the provisions of Ind AS 108- Operating segment.

5.12 BUSINESS MODEL

During the previous year, the company entered into bilateral assignment transactions against outstanding loans. But the value of these loans are trivial in light of the Company's AUM, thus Company's business model continue to be 'Hold to collect' as per Ind AS 109- Financial Instruments.

5.13 EMPLOYEE RETIREMENT BENEFITS

Contributions to Provident Fund and Super Annuation Fund made during the year, are charged to Statement of Profit and Loss.

Employees Gratuity liabilities has been calculated on the basis of Projected Unit Credit method adopted by LIC of India at the time of renewal of gratuity policy. Accordingly, Company has made contribution in line of that which is charged to Statement of Profit & Loss Account in the year of contribution.

MANISH GOYAL & CO. Chartered Accountants

PAISALO DIGITAL LIMITED PAISALO

5.14 BORROWING COST

Borrowing costs, which are directly attributable to the acquisition /construction of fixed assets, till the time such assets are ready for intended use, are capitalized as a part of the cost of assets.

All borrowing costs other than mentioned above are expensed in the period they are incurred. In case of unamortized identified borrowing cost is outstanding at the year end, it is classified under loans and advances as unamortized cost of borrowings.

In case any loan is prepaid/ cancelled then the unamortized borrowing cost, if any, is fully expensed off on the date of prepayment/cancellation.

5.15 RELATED PARTY

A related party is a person or an entity that is related to the reporting entity. A related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.

A person or a close family member is related if he:

- Has control/joint control;
- Has significant influence;
- Is a member of the Key Managerial Personnel (KMP);

of the reporting entity or its parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity including:

- that person's children, spouse or domestic partner, brother, sister, father and mother;
- children of that person's spouse or domestic partner; and
- dependents of that person or that person's spouse or domestic partner.

Key Management Personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

Company has duly complied with all the disclosure requirements of Ind AS 24 "Related Party Disclosures"

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PAISALO DIGITAL LIMITED PAISALO

5.16 REVENUE RECOGNITION

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Company follows accrual basis for all revenue recognition. Interest income is recognized on due basis and penal income is recognized on receipt basis. For recognition of revenue, the valuation of listed shares is considered at market price and that of security receipts as per the valuation report as at Balance Sheet date.

Processing fees received from customer was recognized as income in the year of receipt under India GAAP. But, as per Ind AS, the same is now amortized over the period of relevant loan.

5.17 EARNINGS PER SHARE

The Earning per Share (Basic as well as Diluted) is calculated based on the net profit or loss for the period attributable to equity shareholders i.e. the net profit or loss for the period.

For the purpose of calculating (Basic and Diluted EPS), the number of equity shares taken are the weighted average number of equity shares outstanding during the period.

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PAISALO DIGITAL LIMITED PAISALO

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

Statement of Changes in Equity:

1. Current Reporting Period

(₹ in)

Balance at the beginning of the Current Reporting Period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in Equity share capital during the current year	Balance at the end of the current reporting period
44,91,46,990	-	44,91,46,990	44,90,21,990	89,81,68,980
44,91,46,990	-	**44,91,46,990**	**44,90,21,990**	**89,81,68,980**

1 Total shares includes forfeited shares

2 On March 21, 2024, the Company has alloted 449021990 equity shares of Re. 1/- pursunat to Bonus Issue to the existing shareholder.

2. Previous Reporting Period

(₹ in)

Balance at the beginning of the Current Reporting Period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in Equity share capital during the current year	Balance at the end of the current reporting period
4,39,24,699	-	4,39,24,699	439246990* 9900000#	44,91,46,990
4,39,24,699	-	**4,39,24,699**	-	**44,91,46,990**

1 Total shares includes forfeited shares

* W.e.f. July 1, 2022 the 1 equity share of Rs. 10/- each sub-divided / split into 10 equity shares of Re. one each

equity shares issued on conversion of warrants

List of Shareholders holding more than 5% shares of Company:

Sr. No.	Name of the Shareholders	No of Shares	% of shareholding
1	Equilibrated Venture Cflow Pvt Ltd	12,41,15,882	13.82
2	Sunil Agarwal	10,57,02,800	11.77
3	SBI Life Insurance Co. Ltd	6,35,14,495	7.07

List of Promoter's and Promoter Group Shareholding:

Sr. No.	Promoter Name	Number of Shares held	Percentage of total shares	Percentage change during the year
1	Sunil Agarwal	10,57,02,800	11.77	0.00
2	Suneeti Agarwal	71,66,000	0.80	0.00
3	Santanu Agarwal	3,37,04,000	3.75	0.00
4	Equilibrated Venture Cflow Pvt. Ltd.	12,41,15,882	13.82	2.79
5	Pri Caf Pvt. Ltd.	2,40,48,400	2.68	0.17
6	Pro Fitcch Pvt. Ltd.	2,23,21,220	2.49	0.17

PAISALO DIGITAL LIMITED

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

Note : 1 Cash & Cash Equivalents (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Cash Balances	709.27	77.44
2	**Bank Balances**		
	Current a/c with Scheduled Banks (Subject to reconciliation)	367.86	681.17
	Cheques/ Drafts on Hands	-	-
3	**In Fixed Deposits - Unencumbered**		
	With Banks	0.10	1,800.07
	Total	**1,077.23**	**2,558.68**

Note : 2 Bank Balances other than (a) above (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	**Bank Balances**		
	Current a/c with Scheduled Banks (Subject to reconciliation)	-	-
2	**In Fixed Deposits - Encumbered**		
	With Banks	279.09	265.95
	Total	**279.09**	**265.95**

- For details, Refer Note No. 40.

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

Note : 3 Derivative Financial Instruments (Assets)

(₹ in Lakhs)

Particulars	Current Year			Previous Year		
	Notional amounts	Fair Value Assets	Fair Value Liabilities	Notional amounts	Fair Value - Assets	Fair Value - Liabilities
Part I						
(i) Currency Derivatives						
—Spot and Forwards	-	-	-	-	-	-
—Currency Futures	-	-	-	-	-	-
—Currency Swaps	-	-	-	-	-	-
—Options purchased	-	-	-	-	-	-
—Options sold (written)	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (i)	-	-	-	-	-	-
(ii) Interest rate Derivatives						
—Forward Rate Agreements and Interest Rate Swaps	-	-	-	-	-	-
—Options purchased	-	-	-	-	-	-
—Options sold (written)	-	-	-	-	-	-
—Futures	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (ii)	-	-	-	-	-	-
(iii) Credit Derivatives	-	-	-	-	-	-
(iv) Equity linked Derivatives	-	-	-	-	-	-
(v) Other Derivatives (Please specify)	-	-	-	-	-	-
Total Derivative Financial Instruments (i)+(ii)+(iii)+(iv)+ (V)	-	-	-	-	-	-
Part II						
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:	-	-	-	-	-	-
(i) Fair value hedging	-	-	-	-	-	-
— Currency Derivatives	-	-	-	-	-	-
—Interest rate Derivatives	-	-	-	-	-	-
—Credit Derivatives	-	-	-	-	-	-
—Equity linked Derivatives	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (i)	-	-	-	-	-	-
(ii) Cash flow hedging	-	-	-	-	-	-
—Currency Derivatives	-	-	-	-	-	-
—Interest rate Derivatives	-	-	-	-	-	-
—Credit Derivatives	-	-	-	-	-	-
—Equity linked Derivatives	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (ii)	-	-	-	-	-	-
(iii) Net investment hedging	-	-	-	-	-	-
(iv) Undesignated Derivatives	-	-	-	-	-	-
Total Derivative Financial Instruments (i)+(ii)+(iii)+(iv)	-	-	-	-	-	-

Note : 4 Receivables

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	**Trade Receivables**		
	—Overdue Installments : Considered Good - Secured	290.79	58.69
	—Overdue Installments : Considered Good - Unsecured	195.46	189.01
	—Overdue Installments : Sub Standard Assets	703.84	690.44
2	Other Receivables	-	-
	Total	**1,190.09**	**938.14**

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NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

Note : 4 (a) Trade Receivable - Additional Disclosures:

Outstanding for following periods from the due date of payment (FY. 2023-24)

(₹ in Lakhs)

Sr. No.	Particulars	less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
1	Undisputed Trade Receivables - Considered Good	486.25		-	-	-	**486.25**
2	Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
3	Undisputed Trade Receivables - credit impaired		703.84	-	-	-	**703.84**
4	Disputed Trade Receivables - considered good	-	-	-	-	-	-
5	Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
	Grand Total	**486.25**	**703.84**	**-**	**-**	**-**	**1,190.09**

- Trade Receivable includes overdue loan cases financed by Paisalo Digital Limited

Outstanding for following periods from the due date of payment (FY. 2022-23)

(₹ in Lakhs)

Sr. No.	Particulars	less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
1	Undisputed Trade Receivables - Considered Good	247.70		-	-	-	**247.70**
2	Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
3	Undisputed Trade Receivables - credit impaired	-	690.44	-	-	-	**690.44**
4	Disputed Trade Receivables - considered good	-	-	-	-	-	-
5	Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
	Grand Total	**247.70**	**690.44**	**-**	**-**	**-**	**938.14**

M. WISH GOYAL & CO. Chartered Accountants

PAISALO DIGITAL LIMITED PAISALO

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

Note : 5 Loans

(₹ in Lakhs)

Particulars	Current Year						Previous Year					
	Amortised cost	Through other comprehensive income	Through profit or loss	Designated at fair value through profit or loss	Sub total	Total	Amortised cost	Through other comprehensive income	Through profit or loss	Designated at fair value through profit or loss	Subtotal	Total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11=8+9+10)	(12 =) (7)+(11)
Loans												
(A) (i) Bills Purchased and Bills Discounted	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Loans repayable on Demand	-	-	-	-	-	-	-	-	-	-	-	-
(iii) Term Loans	3,67,404.29	-	-	-	-	3,67,404.29	2,78,977.31	-	-	-	-	2,78,977.31
(iv) Leasing	-	-	-	-	-	-	-	-	-	-	-	-
(v) Factoring	-	-	-	-	-	-	-	-	-	-	-	-
(vi) Others (to be specified)	-	-	-	-	-	-	-	-	-	-	-	-
Total (A) - Gross	**3,67,404.29**	-	-	-	-	**3,67,404.29**	**2,78,977.31**	-	-	-	-	**2,78,977.31**
Less: Impairment loss allowance	62.65	-	-	-	-	62.65	27.58	-	-	-	-	27.58
Total (A) - Net	**3,67,341.64**	-	-	-	-	**3,67,341.64**	**2,78,949.73**	-	-	-	-	**2,78,949.73**
(B) (i) Secured by tangible assets	3,31,198.02	-	-	-	-	3,31,198.02	2,71,425.63	-	-	-	-	2,71,425.63
(ii) Secure d by intangible assets	-	-	-	-	-	-	-	-	-	-	-	-
(iii) Covered by Bank/Government Guarantees	-	-	-	-	-	-	-	-	-	-	-	-
(iv) Unsecured	36,206.27	-	-	-	-	36,206.27	7,551.68	-	-	-	-	7,551.68
Total (B) - Gross	**3,67,404.29**	-	-	-	-	**3,67,404.29**	**2,78,977.31**	-	-	-	-	**2,78,977.31**
Less: Impairment loss allowance	62.65	-	-	-	-	62.65	27.58	-	-	-	-	27.58
Total (B) - Net	**3,67,341.64**	-	-	-	-	**3,67,341.64**	**2,78,949.73**	-	-	-	-	**2,78,949.73**
(C) (I) Loans in India	3,67,404.29	-	-	-	-	3,67,404.29	2,78,977.31	-	-	-	-	2,78,977.31
(i) Public Sector	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Others (to be specified)	-	-	-	-	-	-	-	-	-	-	-	-
Total (C) - Gross	**3,67,404.29**	-	-	-	-	**3,67,404.29**	**2,78,977.31**	-	-	-	-	**2,78,977.31**
Less: Impairment loss allowance	62.65	-	-	-	-	62.65	27.58	-	-	-	-	27.58
Total (C) (I) - Net	**3,67,341.64**	-	-	-	-	**3,67,341.64**	**2,78,949.73**	-	-	-	-	**2,78,949.73**
(C) (II) Loans outside India	-	-	-	-	-	-	-	-	-	-	-	-
Less: Impairment loss allowance	-	-	-	-	-	-	-	-	-	-	-	-
Total (C) (II) - Net	-	-	-	-	-	-		-	-	-	-	-
Total C (I) and C (II)	**3,67,341.64**	-		-	-	**3,67,341.64**	**2,78,949.73**	-	-	-	-	**2,78,949.73**

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

Note : 6 Investments

(₹ in Lakhs)

Investments	Current Year							Previous Year						
		At Fair Value							At Fair Value					
	Amortised cost	Through Other Comprehensive Income	Through Profit or Loss	Designated at fair value through profit or loss	Sub - Total	Others*	Total	Amortised cost	Through Other Comprehensive Income	Through Profit or Loss	Designated at fair value through profit or loss	Sub - Total	Others*	Total
	(1)	(2)	(3)	(4)	(5) = (2)+(3)+(4)	(6)	(7) = (1)+(5)+(6)	(8)	(9)	(10)	(11)	(12) = (9)+(10)+(11)	(13)	(14) = (8)+(12)+(13)
Mutual funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Government securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other approved securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity instruments	223.86	-	-	-	-	-	223.86	128.29	-	-	-	-	-	128.29
Subsidiaries	4,223.91	-	-	-	-	-	4,223.91	4,223.91	-	-	-	-	-	4,223.91
Associates	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Joint Ventures	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others (specify)*	1,779.99	-	-	-	-	-	1,779.99	2,390.31	-	-	-	-	-	2,390.31
Total (A)	**6,227.76**	-	-	-	-	-	**6,227.76**	**6,742.51**	-	-	-	-	-	**6,742.51**
(i) Investments outside India	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Investments in India	6,227.76	-	-	-	-	-	6,227.76	6,742.51	-	-	-	-	-	6,742.51
Total (B)	**6,227.76**	-	-	-	-	-	**6,227.76**	**6,742.51**	-	-	-	-	-	**6,742.51**
Total (A) to tally with (B)	**6,227.76**	-	-	-	-	-	**6,227.76**	**6,742.51**	-	-	-	-	-	**6,742.51**
Less: Allowance for Impairment loss (C)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total - Net D = (A) - (C)	**6,227.76**	-	-	-	-	-	**6,227.76**	**6,742.51**	-	-	-	-	-	**6,742.51**

*Unquoted Shares of M/s Samast Vikas Limited

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NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

Note : 7 Others Financial Assets (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	**Secured, Considered Good**		
	Security Deposit*	35.74	27.24
	Advances to Staff	5.56	2.37
	Income Receivables	5.31	-
	Advances for Services	647.30	381.80
	Prepaid Expenses	13.87	6.59
	GST/Service Tax Cenvat	87.94	103.18
	Security Receipts	5,008.92	6,352.65
	Total	**5,804.64**	**6,873.83**

- * Security Deposit amount consists of telephone/mobile security,electrity security, rent security.

Note : 8 Current Tax Assets (Net) (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	**Advance Recoverable in cash or in kind or for value to be considered good**		
	Income Tax and TDS	7,735.01	8,838.27
	Balance with Revenue Authorities	130.00	130.00
	Provision for Taxation	(6,949.16)	(8,257.81)
	Total	**915.85**	**710.46**

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NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

Note : 9 Property, Plant and Equipment

(₹ in Lakhs)

Sr. No.	Particulars	Gross Block				Depreciaton				Net Block	
		Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	Addition during the year	Deduction during the year	Value at the end	WDV as on 31.03.2024	WDV as on 31.03.2023
I	**Tangible Assets**										
1	Land	-	-	-	-	-	-	-	-	-	-
2	Building	6313.46	0.00	-	6313.46	562.10	104.65	-	666.75	5646.71	5751.36
3	Furniture & Fittings	261.05	33.86	-	294.91	144.15	17.48	-	161.63	133.28	116.90
4	Computer Peripheral	384.24	217.95	-	602.19	231.21	96.31	-	327.52	274.67	153.03
6	Vehicles	586.82	86.45	35.04	638.23	135.16	57.78	17.49	175.45	462.78	451.66
7	Equipments, Plant & Machinery	240.42	33.70	-	274.12	157.40	23.95	-	181.35	92.77	83.02
	SUB TOTAL (A)	**7785.99**	**371.96**	**35.04**	**8122.91**	**1230.02**	**300.17**	**17.49**	**1512.70**	**6610.21**	**6555.97**
II	**Intangible Assets**										
1	Computer Software	531.47	2.04	-	533.51	460.67	39.46	-	500.13	33.38	70.80
2	Goodwill	-	-	-	-	-	-	-	-	-	-
	SUB TOTAL (B)	**531.47**	**2.04**	**-**	**533.51**	**460.67**	**39.46**	**-**	**500.13**	**33.38**	**70.80**
III	**Capital Work-in-progress**	-	-	-	-	-	-	-	-	-	-
	SUB TOTAL (C)	-	-	-	-	-	-	-	-	-	-
IV	**Intangible Assets Under Development**	-	-	-	-	-	-	-	-	-	-
	SUB TOTAL (D)	-	-	-	-	-	-	-	-	-	-
	Total [A+B+C+D] (Current Year)	**8317.46**	**374.01**	**35.04**	**8656.42**	**1690.69**	**339.62**	**17.49**	**2012.83**	**6643.59**	**6626.77**
	Total (Previous Year)	**7831.44**	**625.03**	**139.01**	**8317.46**	**1470.00**	**243.59**	**22.90**	**1690.69**	**6626.77**	**6361.44**

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NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

Note : 10 Other Non Financial Assets (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Deferred Revenue Expenditure	-	-
	Total	-	-

- Deferred Revenue Expenses are written off over a period of five years.

Note : 11 Derivative financial Instruments (Liabilities) (₹ in Lakhs)

Particulars	(Current Year)			Previous Year		
	Notional amounts	Fair Value Assets	Fair Value Liabilities	Notional amounts	Fair Value - Assets	Fair Value - Liabilities
Part I						
(i) Currency Derivatives						
—Spot and Forwards	-	-	-	-	-	-
—Currency Futures	-	-	-	-	-	-
—Currency Swaps	-	-	-	-	-	-
—Options purchased	-	-	-	-	-	-
—Options sold (written)	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (i)	-	-	-	-	-	-
(ii) Interest rate Derivatives						
—Forward Rate Agreements and Interest Rate Swaps	-	-	-	-	-	-
—Options purchased	-	-	-	-	-	-
—Options sold (written)	-	-	-	-	-	-
—Futures	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (ii)	-	-	-	-	-	-
(iii) Credit Derivatives	-	-	-	-	-	-
(iv) Equity linked Derivatives	-	-	-	-	-	-
(v) Other Derivatives (Please specify)	-	-	-	-	-	-
Total Derivative Financial Instruments (i)+(ii)+(iii)+(iv)+ (V)	-	-	-	-	-	-
Part II						
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:	-	-	-	-	-	-
(i) Fair value hedging						
— Currency Derivatives	-	-	-	-	-	-
—Interest rate Derivatives	-	-	-	-	-	-
—Credit Derivatives	-	-	-	-	-	-
—Equity linked Derivatives	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (i)	-	-	-	-	-	-
(ii) Cash flow hedging						
—Currency Derivatives	-	-	-	-	-	-
—Interest rate Derivatives	-	-	-	-	-	-
—Credit Derivatives	-	-	-	-	-	-
—Equity linked Derivatives	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (ii)	-	-	-	-	-	-
(iii) Net investment hedging	-	-	-	-	-	-
(iv) Undesignated Derivatives	-	-	-	-	-	-
Total Derivative Financial Instruments (i)+(ii)+(iii)+(iv)	-	-	-	-	-	-

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NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

Note : 12 Payables (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	**Trade Payables**		
	(i) Total outstanding dues of Micro Enterprises and Small Enterprises		
	(a) Sundry Creditors for Services	265.55	11.31
		265.55	**11.31**
	(ii) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		
	(a) SBI Assignment Payable	39.67	128.64
	(b) SIB Assignment Payable	2.06	3.86
	(c) Interest Payable on NCD	357.45	-
	(d) Interest Payable on Bank	256.91	-
	(e) Other Sundry Payables	620.76	9.12
		1,276.85	**141.62**
2	**Other Payables**		
	(i) Total outstanding dues of Micro Enterprises and Small Enterprises	-	-
	(ii) Total outstanding dues of creditors other than Micro enterprises and Small Enterprises		
	(a) Statutory Payables		
	Professional Tax Payable	0.01	0.01
	EPF Contribution Payable	30.96	20.25
	ESI Payable	9.79	6.80
	GST Payable	122.06	98.38
	TDS Payable	206.26	165.40
	LIC GSLI Payable	0.02	0.02
	(b) Expenses Payables	722.71	661.61
		1,091.81	**952.47**
	Total	**2,634.22**	**1,105.40**

MANISH GOYAL & CO. Chartered Accountants

PAISALO DIGITAL LIMITED PAISALO

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

Notes : 12 (a) Trade Payables Due for Payment 2023-24 (₹ in Lakhs)

Sr. No.	Particulars	less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
1	MSME	265.55	-	-	-	**265.55**
2	Others	1,276.85	-	-	-	**1,276.85**
3	Disputed Dues-MSME	-	-	-	-	**-**
4	Disputed Dues-Others	-	-	-	-	**-**
	Grand Total	**1,542.40**	**-**	**-**	**-**	**1,542.40**

Trade Payables Due for Payment 2022-23 (₹ in Lakhs)

Sr. No.	Particulars	less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
1	MSME	11.31	-	-	-	**11.31**
2	Others	141.62	-	-	-	**141.62**
3	Disputed Dues-MSME	-	-	-	-	**-**
4	Disputed Dues-Others	-	-	-	-	**-**
	Grand Total	**152.93**	**-**	**-**	**-**	**152.93**

- There are no due pending for more than 45 days

MANISH GOYAL & CO. Chartered Accountants

PAISALO DIGITAL LIMITED PAISALO

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

Note : 13 Debt Securities

(₹ in Lakhs)

Particulars	Current Year				Previous Year			
	At Amortised Cost	At Fair Value Through profit or loss	Designated at fair value through profit or loss	Total	At Amortised Cost	At Fair Value Through profit or loss	Designated at fair value through profit or loss	Total
	(1)	(2)	(3)	(4) = (1)+(2)+(3)	(5)	(6)	(7)	(8) = (5)+(6)+(7)
Liability component of compound Financial Instruments	-	-	-	-	-	-	-	-
Commercial Paper	6,957.76	-	-	6,957.76	-	-	-	-
Others (Bonds/ Debentures etc.)*	46,885.00	-	-	46,885.00	32,707.88	-	-	32,707.88
Total (A)	**53,842.76**	**-**	**-**	**53,842.76**	**32,707.88**	**-**	**-**	**32,707.88**
Debt Securities in India	53,842.76	-	-	53,842.76	32,707.88	-	-	32,707.88
Debt Securities outside India	-	-	-	-	-	-	-	-
Total (B) to tally with (A)	**53,842.76**	**-**	**-**	**53,842.76**	**32,707.88**	**-**	**-**	**32,707.88**

***Details of Non Convertible Debentures**

(₹ in Lakhs)

Debenture Series	Issued Date	Issued Amount	Rate of Interest	Interest Periodicity	Maturity Date	Maturity Amount	Current Year	Previous Year
Series-'PDL2020-3'	Feb-2020	900.00	12.00%	Monthly	Feb-2025	900.00	Yes	Yes
Series-'PDL-07-2020'	Jul-2020	5,000.00	10.50%	Quarterly	Apr-2023	5,000.00	Yes	Yes
Series-'PDL-12-2020'	Dec-2020	3,500.00	12.00%	Monthly	Dec-2023	3,500.00	Yes	Yes
Series-'PDL-02-2021'	Feb-2021	2,300.00	12.00%	Monthly	Feb-2026	2,300.00	Yes	Yes
Series-'PDL-07-2021'	July-2021	2,500.00	12.00%	Monthly	July-2026	2,500.00	Yes	Yes
Series-'PDL-09-2021'	Sep-2021	9,400.00	12.00%	Monthly	Sep-2026	9,400.00	Yes	Yes
Series-'PDL-09-02-2021'	Sep-2021	1,500.00	12.00%	Monthly	Sep-2026	1,500.00	Yes	Yes
Series-'PDL-02-2022'	Feb-2022	2,700.00	9.00%	Monthly	Feb-2029	2,700.00	Yes	Yes
Series-'PDL-07-2022'	Jul-2022	1,400.00	9.90%	Monthly	Jul-2032	1,400.00	Yes	Yes
Series-'PDL-01-2023'	Jan-2023	3,400.00	12.00%	Monthly	Jan-2033	3,400.00	Yes	Yes
Series-'PDL-04-2023'	Apr-2023	500.00	10.00%	Monthly	Apr-2033	500.00	Yes	No
Series-'PDL-04-2023'	Apr-2023	1,330.00	12.00%	Monthly	Apr-2033	1,330.00	Yes	No
Series-'PDL-04-2023'	Apr-2023	2,310.00	12.00%	On Maturity	Apr-2033	2,310.00	Yes	No
Series-'PDL-09-2023'	Sep-2023	500.00	12.00%	Monthly	Sep-2033	500.00	Yes	No
Series-'PDL-11-2023'	Nov-2023	850.00	9.95%	Monthly	Nov-2033	850.00	Yes	No
Series-'PDL-11-2023'	Nov-2023	1,000.00	9.95%	Quarterly	Nov-2026	1,000.00	Yes	No
Series-'PDL-12-2023'	Dec-2023	4,620.00	12.00%	Monthly	Dec-2033	4,620.00	Yes	No
Series-'PDL-12-2023'	Dec-2023	1,970.00	9.95%	Quarterly	Dec-2033	1,970.00	Yes	No
Series-'PDL-12-2023'	Dec-2023	1,200.00	9.95%	Quarterly	Mar-2025	1,200.00	Yes	No
Series-'PDL-12-2023'	Dec-2023	600.00	9.95%	Quarterly	Jun-2025	600.00	Yes	No
Series-'PDL-01-2024'	Jan-2024	1,971.00	9.95%	Quarterly	Jan-2034	1,971.00	Yes	No
Series-'PDL-02-2024'	Feb-2024	2,034.00	9.95%	Quarterly	Feb-2034	2,034.00	Yes	No

MANISH GOYAL & CO. Chartered Accountants

PAISALO DIGITAL LIMITED

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

Note : 14 Borrowings (Other than Debt Securities)

(₹ in Lakhs)

Particulars	Current Year				Previous Year			
	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
	(1)	(2)	(3)	(4) = (1)+(2)+(3)	(1)	(2)	(3)	(4) = (1)+(2)+(3)
(a) Term loans:								
(i) From banks	1,14,154.89	-	-	1,14,154.89	43,090.54	-	-	43,090.54
(ii) From other parties	-	-	-	-	-	-	-	-
(b) Deferred payment liabilities	-	-	-	-	-	-	-	-
(c) Loans from related parties	-	-	-	-	-	-	-	-
(d) Finance lease obligations	-	-	-	-	-	-	-	-
(e) Liability component of compound financial instruments	-	-	-	-	-	-	-	-
(f) Loans repayable on demand:								
(i) from banks	60,789.59	-	-	60,789.59	81,976.73	-	-	81,976.73
(ii) from other parties	-	-	-	-	-	-	-	-
(g) Other loans (specify nature)	-	-	-	-	-	-	-	-
(i) from other parties	7,868.83	-	-	7,868.83	15,105.30	-	-	15,105.30
Total (A)	**1,82,813.31**	-	-	**1,82,813.31**	**1,40,172.57**	-	-	**1,40,172.57**
Borrowings in India	1,82,813.31	-	-	1,82,813.31	1,40,172.57	-	-	1,40,172.57
Borrowings outside India	-	-	-	-	-	-	-	-
Total (B) to tally with (A)	**1,82,813.31**	-	-	**1,82,813.31**	**1,40,172.57**	-	-	**1,40,172.57**

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PAISALO DIGITAL LIMITED PAISALO

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

Note : 15 Deposits

(₹ in Lakhs)

Particulars	Current Year				Previous Year			
	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
	(1)	(2)	(3)	(4) = (1)+(2)+(3)	(5)	(6)	(7)	(*8) = (5)+(6)+(7)
Deposits								
(i) Public Deposits	-	-	-	-	-	-	-	-
(ii) Form Banks	-	-	-	-	-	-	-	-
(iii) From Others	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-

Note : 16 Subordinatd Liabilities

(₹ in Lakhs)

Particulars	Current Year				Previous Year			
	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
	(1)	(2)	(3)	(4) = (1)+(2)+(3)	(5)	(6)	(7)	(8) = (5)+(6)+(7)
Prepetual Debt Instruments to the extent that do not qualify as equity	-	-	-	-	-	-	-	-
Preferene Shares other than those that qualify as Equity	-	-	-	-	-	-	-	-
Others (Non-Convertable Debentures*)	8,900.00	-	-	8,900.00	8,900.00	-	-	8,900.00
Total (A)	**8,900.00**	-	-	**8,900.00**	**8,900.00**	-	-	**8,900.00**
Subordinated Liabilities in India	8,900.00	-	-	8,900.00	8,900.00	-	-	8,900.00
Subordinated Liabilities outside India	-	-	-	-	-	-	-	-
Total (B) to tally with (A)	**8,900.00**	-	-	**8,900.00**	**8,900.00**	-	-	**8,900.00**

*** Details of Non-Convertable Debentures**

(₹ in Lakhs)

Debenture Series	Issued Date	Issued Amount	Rate of Interest	Interest Periodicity	Maturity Date	Maturity Amount	Current Year	Previous Year
Series-'PDL 1808'	Aug-2018	8,100	14.00%	Monthly	Aug-2024	8,100	Yes	Yes
Series-'PDL2020-1'	Jan -2020	600	12.00%	Monthly	Jan-2026	600	Yes	Yes
Series-'PDL2020-2'	Feb-2020	100	12.00%	Monthly	Feb-2026	100	Yes	Yes
Series-'PDL2020-12'	Dec-2020	100	12.00%	Monthly	Dec-2030	100	Yes	Yes

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

Note : 17 Others Financial Liabilities

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Debt Service Repayment Account	987.75	443.14
	Total	**987.75**	**443.14**

Note : 18 Current Tax Liabilities (Net)

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	**Advance Recoverable in Cash or in kind or for value to be considered good**		
	Income Tax and TDS	-	-
	Balance with Revenue Authorities	-	-
	Provision for Taxation	-	-
	Total	-	-

Note : 19 Provisions

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Provision for Standard Assets	1,497.35	1,147.05
2	Provision for Proposed Dividend on Equity Shares	898.04	449.02
3	Provision for Expected Credit Loss	1,304.93	1,253.02
4	Provision for Sub Standard Assets	703.48	640.83
	Total	**4,403.80**	**3,489.93**

Note : 20 Deferred Tax Liabilities (Net)

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Opening Balance	(66.06)	262.46
	Tax on Timing difference on Property, Plant and Equipments	491.48	419.35
	Tax on Timing difference on Unearned Processing Fees	(1,355.50)	(485.41)
2	Total Deferred Tax Liability	(864.02)	(66.06)
	Provision for Deferred Tax required for the year (2-1)	(797.96)	(328.52)
	Total	**(864.02)**	**(66.06)**

Note : 21 Others Non Financial Liabilities

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Unearned Income of Processing Fees	5,289.62	1,894.25
	Total	**5,289.62**	**1,894.25**

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PAISALO DIGITAL LIMITED PAISALO

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

Note : 22 Share Capital (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	**AUTHORIZED CAPITAL**		
	120,00,00,000 Equity Shares of Re. 1 per share	12,000.00	12,000.00
	(Previous year 12,00,00,000 equity shares of Re. 10 each)		
	50,00,000 Preference Shares of Re. 10 each	500.00	500.00
		12,500.00	**12,500.00**
2	**ISSUED, SUBSCRIBED CAPITAL**		
	44,91,46,990 Equity Shares of Re. 1 per Share fully paid up	4,491.47	4,392.47
	(Previous year 43,92,46,990 Equity Shares of Re. 10 each)		
	Add: 44,90,21,990 Shares of Face value Re. 1 per Share fully paid up issued during the year as Bonus Shares	4,490.22	99.00
	(Previous year 99,00,000 Shares issued @ Rs. 70.50 each Face value of Re. 1 each)		
		8,981.69	**4,491.47**
3	**PAID UP CAPITAL**		
	44,90,21,990 Equity Shares of Re. 1 per Share fully paid up	4,490.22	4,391.22
	(Previous year 43,91,21,990 Equity Shares of Re. 1 each)		
	Add: 44,90,21,990 Share of Face value Re. 1 each issued as Bonus Shares in the ratio of 1:1	4,490.22	99.00
	(Previous year 99,00,000 Share Issued @70.5 each of Face value Re. 1 each)		
	Add: Share Forfeited a/c	0.63	0.63
	(Amount originally Paid up @ Rs 5 each on 12,500 Equity Shares of Re. 10 each)		
	Total	**8,981.06**	**4,490.84**

MANISH GOYAL & CO. Chartered Accountants

PAISALO DIGITAL LIMITED PAISALO

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

Note : 23 Other Equity

Current Reporting Period (₹ in Lakhs)

Particulars	Share Application money pending Allotment	Equity component of compound Financial Instruments	Statutory Reserves - RBI Reserve Fund	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Capital Redemption Reserve	Revaluation Reserve	Debt instruments through other Comprehensive Income	Equity Instruments through other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (Specify nature)	Money received against Share Warrants	Total
Balance at the beginning of the reporting period	-	-	17,365.93	2,415.21	38,091.52	51,355.44	714.12	250.00	335.88	-	-	-	-	-	-	-	**1,10,528.10**
Add: Any change due to IND AS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated Balances at the beginning of the reporting period	-	-	17,365.93	2,415.21	38,091.52	51,355.44	714.12	250.00	335.88	-	-	-	-	-	-	-	**1,10,528.10**
Total Comprehensive Income for the year	-	-	-	-	-	-	17,701.85	-	-	-	-	-	-	-	-	-	**17,701.85**
Money received as share warrant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share warrant converted into Share capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Security Premium on conversion of warrants into equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proposed Dividends	-	-	-	-	-	-	(898.04)	-	-	-	-	-	-	-	-	-	**(898.04)**
Depreciation on Revaluation Amount	-	-	-	-	-	-	9.08	-	(9.08)	-	-	-	-	-	-		-
Income Tax Impact due to IND AS on Processing Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bonus share issued	-	-	-	-	-	-4,490.22	-	-	-	-	-	-	-	-	-	-	**(4,490.22)**
Transfer to General Reserve	-	-	-	-	-	12,500.00	(12,500.00)	-	-	-	-	-	-	-	-	-	-
Transfer to Statutory Reserve Fund	-	-	3,540.37	-	-	-	(3,540.37)	-	-	-	-	-	-	-	-	-	-
Provision on Standard Assets	-	-	-	-	-	-	(350.30)	-	-	-	-	-	-	-	-	-	**(350.30)**
Expenditure on Corporate Social Responsibility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of the reporting period	-	-	20,906.30	2,415.21	38,091.52	59,365.22	1,136.34	250.00	326.80	-	-	-	-	-	-	-	**1,22,491.39**

M/s VISHAL GOYAL & CO. Chartered Accountants

PAISALO DIGITAL LIMITED PAISALO

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

Note : 23 Other Equity

Previous Reporting Period

(₹ in Lakhs)

Particulars	Share Application money pending Allotment	Equity component of compound Financial Instruments	Statutory Reserves - RBI Reserve Fund	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Capital Redemption Reserve	Revaluation Reserve	Debt Instruments through other Comprehensive Income	Equity Instruments through other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (Specify nature)	Money received against Share Warrants	Total
Balance at the beginning of the	-	-	15,532.08	2,415.21	31,211.02	45,055.44	315.66	250.00	344.96	-	-	-	-	-	-	1,744.88	**96,869.25**
Add: Any change due to IND AS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated Balances at the beginning of the reporting period	-	-	15,532.08	2,415.21	31,211.02	45,055.44	315.66	250.00	344.96	-	-	-	-	-	-	1,744.88	**96,869.25**
Total Comprehensive Income for the year	-	-	-	-	-	-	9,169.25	-	-	-	-	-	-	-	-	-	**9,169.25**
Money received as share warrant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,234.63	**5,234.63**
Share warrant converted into Share capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(99.00)	**(99.00)**
Security Premium on conversion of warrants into equity	-	-	-	-	6,881	-	-	-	-	-	-	-	-	-	-	(6,880.50)	-
Proposed Dividends	-	-	-	-	-	-	(458.92)	-	-	-	-	-	-	-	-	-	**(458.92)**
Depreciation on Revaluation Amount	-	-	-	-	-	-	9.08	-	(9.08)	-	-	-	-	-	-		-
Income Tax Impact due to IND AS on Processing Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to General Reserve	-	-	-	-	-	6,300	(6,300.00)	-	-	-	-	-	-	-	-	-	-
Transfer to Statutory Reserve Fund	-	-	1,834	-	-	-	(1,833.85)	-	-	-	-	-	-	-	-	-	-
Provision on Standard Assets	-	-	-	-	-	-	(187.10)	-	-	-	-	-	-	-	-	-	**(187.10)**
Balance at the end of the reporting period	-	-	17,365.93	2,415.21	38,091.52	51,355.44	714.12	250.00	335.88	-	-	-	-	-	-	-	**1,10,528.10**

MANISH GOYAL & CO. Chartered Accountants

PAISALO DIGITAL LIMITED PAISALO

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

Note : 24 Interest Income (₹ in Lakhs)

Particulars	Current Year			Previous Year		
	On Financial Assets measured at Fair value through OCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at Fair value through profit for loss	On Financial Assets measured at Fair value through OCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at Fair value through profit for loss
Interest on Loans	-	53,446.63	-	-	41,450.39	-
Interest Income from Investments	-	-	-	-	-	-
Interest on Deposits with Banks	-	19.91	-	-	10.66	-
Other Interest Income	-	69.02	-	-	24.25	-
Fee & Commssion Income	-	6,233.51	-	-	811.06	-
Dividend Income	-	1.24	-	-	0.83	-
Total	-	**59,770.31**	-	-	**42,297.19**	-

Note : 25 Net Gain/(Loss) on fair value changes (₹ in Lakhs)

Particulars	Current Year	Previous Year
(A) Net gain/ (loss) on Financial Instruments at Fair value through profit or loss		
(i) On trading portfolio:		
—Investments	-	-
—Derivatives	-	-
—Others	-	-
(ii) On Financial Instruments designated at fair value through profit or loss	95.57	(49.38)
(B) Others		
(i) Total Net gain/(loss) on fair value changes (c)	-	-
(ii) Fair Value changes:		
—Realised	-	-
—Unrealised	-	-
Total Net Gain/(Loss) on Fair value changes (D) to tally with (C)	**95.57**	**(49.38)**

MANISH GOYAL & CO. Chartered Accountants

PAISALO DIGITAL LIMITED PAISALO

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

Note : 26 Other Income

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Net gain/(loss) on ineffective portion of hedges	-	-
2	Net gain/(loss) on derecognition of property, plant and equipment	-	-
3	Net gain or loss on foreign currency transaction and translation (other than considered as finance cost)	-	-
4	Others	638.38	-
	Total	**638.38**	**-**

Note : 27 Finance Cost

(₹ in Lakhs)

Sr. No.	Particulars	Current Year		Previous Year	
		On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost	On Financial liabilities measured at fair valoue through profit or loss	On Financial liabilities measured at Amortised Cost
1	Interest on Deposits	-	-	-	-
2	Interest on Borrowings	-	15,773.17	-	11,867.88
3	Interest on Debt Securities	-	3,784.67	-	3,608.81
4	Interest on Subordinated Liabilities	-	1,233.37	-	1,230.00
5	Other Interest expense/ Bank Charges	-	3,191.13	-	1,328.77
	Total	**-**	**23,982.34**	**-**	**18,035.46**

MANISH GOYAL & CO. Chartered Accountants

PAISALO DIGITAL LIMITED PAISALO

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

Note : 28 Impairment on Financial Instruments

(₹ in Lakhs)

Particulars	Current Year		Previous Year	
	On Financial instruments measured at Fair value through OCI	On Financial instruments measured at Amortised Cost	On Financial instruments measured at Fair value through OCI	On Financial instruments measured at Amortised Cost
Bad Debts Written Off on Loans	-	132.08	-	4,414.93
Provision for NPA	-	62.65	-	27.58
Provision for Expected Credit Loss				
Additional Provision for Expected Credit Loss	-	51.90	-	11.57
Investments	-	-	-	-
Others (to be specified)	-	-	-	-
Total	**-**	**246.63**	**-**	**4,454.08**

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Note : 29 Employees Benefit Expenses (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Salaries and Wages to Employess	3,662.36	2,430.89
2	Directors Salaries & Allowances	649.25	633.82
3	Contribution to Provident and other funds	251.67	148.58
4	Share Based Payments to employees	-	-
5	Staff welfare expenses	138.02	57.81
	Total	**4,701.30**	**3,271.10**

- No remuneration has been paid to Directors except remuneration to Managing Director and Executive Directors. The remuneration paid to Managing Director and Executive Directors during the F.Y. 2023-24 Rs. 6,49,24,800 (Last year Rs. 6,33,82,058) which is within the limit as specified u/s 197 read with Schedule V of the Companies Act, 2013.

Note : 30 Depreciation & Amortised Cost (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Depreciation	339.62	243.59
2	Deffered Revenue Exp. w/o*	-	74.39
3	Goodwill w/o#	-	10.70
	Total	**339.62**	**328.68**

- *Deferred Expenses written off over a period of five years
- #Goodwill written off during the previous year

Note : 31 Other Expenses (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Car & Scooter Expenses	35.35	34.50
2	Travelling Expenses	1,304.99	577.59
3	Repair & Maintenance	183.99	104.61
4	Insurance Expenses	18.97	12.25
5	Electricity & Water Expenses	85.72	82.44
6	Rates & Taxes	4.35	7.75
7	Legal Expenses & Professional Fees	1,155.67	832.82
8	Printing & Stationery Expenses	309.01	150.27
9	Postage & Telephone Expenses	190.50	73.71
10	Auditors Remuneration	6.54	6.54
11	Rent	350.80	247.33
12	Rebate & Remission	287.16	190.09
13	Advertisement & Business Promotion Expenses	1,566.85	577.26
14	Recovery Expenses	1,361.10	(0.08)
15	Office and General Expenses	359.63	242.97
16	Loss/(Profit) on sale of Assets/Investments	(6.36)	(12.85)
17	Directors Sitting Fees & Expenses	13.30	13.41
18	Corporate Social Responsibility Expenditure	211.70	176.01
	Total	**7439.27**	**3316.62**

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32. Remuneration to Auditors:

(₹ in Lakhs)

Particulars	2023-24	2022-23
For Statutory Audit	4.50	4.50
For Tax Audit	1.50	1.50
Total	**6.00**	**6.00**

33. Earning per Share:

(₹ in Lakhs)

Particulars	2023-24	2022-23
Net profit for the year (After Tax)	17,701.85	9,169.25
Equity Shares in numbers (Weighted)	46,25,54,160	44,47,84,716
Basic and diluted Earning per share (Rs.)	**3.83**	**2.06**

34. Figures for the previous year have been regrouped/rearranged/reclassified and restated wherever considered necessary.

35. The company has paid all its dues to Small Scale Industrial Undertakings within the due time limit. There are no outstanding due pending more than 45 days under the Micro, Small and Medium Enterprises Act, 2006

36. a) Contingent Liabilities:

The company has given corporate guarantee for the loans taken by its wholly owned subsidiary Company M/s Nupur Finvest Pvt. Ltd. from the following Bank's / FI's / NBFCs

(₹ in Lakhs)

Name of Bank / Financial Institution	Facility	Amount o/s
Karnataka Bank Ltd	Cash Credit	2,000.00
Indian Bank	Cash Credit	500.00
State Bank of India	Term Loan	5,393.58
Bank of Baroda	Term Loan	1,597.22
Indian Bank	Term Loan	476.87
Tata Capital Financial Services Limited	Term Loan	353.10
Total		**10,320.77**

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b) Contingent Assets:

In March 2020, Paisalo Digital Limited engaged in a significant transaction involving the transfer of book-debts amounting to Rs. 23.29 Crores. These debts primarily consisted of loans extended to 'Bottom of Pyramid' customers, in accordance with a 10:90 risk and rewards sharing arrangement with Central Bank of India. This strategic move adhered to the regulatory guidelines set forth by the Reserve Bank of India (RBI), reflecting the company's commitment to prudent financial practices.

However, the unforeseen emergence of the Covid-19 Pandemic shortly thereafter precipitated unforeseen challenges within this demographic segment, resulting in a notable increase in loan defaults. Despite the company's proactive measures to mitigate these challenges, a portion of the loans turned non-performing, impacting both Paisalo Digital Limited and Central Bank of India.

Of particular concern was Central Bank of India's unilateral action on March 31, 2023, whereby they debited Paisalo Digital Limited's Cash Credit account by Rs. 5.38 Crores. This action, which deviated from the agreed terms of the transaction, has raised legal and operational concerns. Since the requests for resolution of dispute through negotiation have not been considered by the Bank hence the Company is in the process of filing pre-litigation mediation petition before the Hon'ble Court.

As a prudent accounting measure, the company has already charged this disputed amount to the profit and loss statement in the previous year as an exceptional item. However, given the merits of the company's position in contesting this debit, the amount continuous to be classified as a contingent asset pending resolution.

37. Disclosure of Related party transactions:

A. Wholly owned Subsidiary — Nupur Finvest Pvt. Ltd.

B. List of related parties and relationship

Related Party	**(Relation)**
Key Managerial Personnel	
Mr. Sunil Agarwal	(Managing Director & Chief Executive Officer)
Mr. Harish Singh	(Executive Director & Chief Finance Officer)
Mr. Anoop Krishna	(Executive Director)
Mr. Santanu Agarwal	(Deputy Managing Director)
Mr. Manendra Singh	(Company Secretary)
Relatives of K M P	
Mr. Purushottam Agrawal	(Father of Mr. Sunil Agarwal)
Mrs. Raj Agarwal	(Mother of Mr. Sunil Agarwal)
Mrs. Neetu Agarwal	(Spouse of Mr. Sunil Agarwal)
Mrs. Priti Chauhan	(Spouse of Mr. Harish Singh)
Mrs. Sushila Devi Chauhan	(Mother of Mr. Harish Singh)
Ms. Suneeti Agarwal	(Daughter of Mr. Sunil Agarwal)
Mr. Pranav Chauhan	(Son of Mr. Harish Singh)
Mrs. Mamta Krishna	(Spouse of Mr. Anoop Krishna)

C. Enterprises over which significant influence exercised by Key Managerial Personnel/Relatives of Key Managerial Personnel

1. Aanjneya Motor Pvt. Ltd.
2. Equilibrated Venture Cflow Pvt. Ltd.
3. Harish Singh HUF
4. R N R Automate Pvt. Ltd.
5. Repartee Infrastructures Pvt. Ltd.
6. Radiance Techno Powers Company Pvt. Ltd.
7. Raj Shiksha Foundation
8. SCS Education Foundation
9. Saadhvi Cinfra Projects Pvt. Ltd.
10. Pri Caf Private Limited
11. Pro Fitcch Private Limited

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D. Disclosures required for Related party transactions

(₹ in Lakhs)

Name of Party	Nature	Amount	Amount Receivable/ (Payable)
Mr. Sunil Agarwal	Remuneration to Director	393.60	(18.80)
Mr. Harish Singh	Remuneration to Director	33.00	(2.26)
Mr. Anoop Krishna	Remuneration to Director	45.60	(2.75)
Mr. Santanu Agarwal	Salary	180.00	(9.00)
Mr. Manendra Singh	Salary	15.32	(0.98)
Mr. Santanu Agarwal	Loan Received	52.00	—
Mr. Santanu Agarwal	Interest Expenses	1.88	—
Mr. Pranav Chauhan	Interest Payment (on NCD)	24.07	—
Mrs. Priti Chauhan	Interest Payment (on NCD)	8.32	
Nupur Finvest Pvt. Ltd.	Interest Expenses	883.69	—
Nupur Finvest Pvt. Ltd.	Loan given	2,690.00	—
Nupur Finvest Pvt. Ltd.	Interest received on ICD	25.92	—
Mr. Sunil Agarwal	Dividend Paid	52.85	—
Mr. Santanu Agarwal	Dividend Paid	16.85	—
Ms. Suneeti Agarwal	Dividend Paid	3.58	—
Pro Fitcch Pvt. Ltd.	Dividend Paid	11.10	—
Equilibrated Ventures Cflow Pvt. Ltd.	Dividend Paid	51.70	—
Pri Caf Pvt. Ltd.	Dividend Paid	11.96	—
Equilibrated Ventures Cflow Pvt. Ltd.	Subscription to NCDs	490.00	—
Santanu Agarwal	Subscription to NCDs	135.00	—
Priti Chauhan	Subscription to NCDs	220.00	—
Issue of Equity Shares pursuant to Bonus Issue to Promoter Group			
Name	**Category**	**No. of Shares**	**Face value**
Mr. Sunil Agarwal	Promoter	52851400	528.51
Mr. Santanu Agarwal	Member of Promoter Group	16852000	168.52
Ms. Suneeti Agarwal	Member of Promoter Group	3583000	35.83
Pro Fitcch Pvt. Ltd.	Member of Promoter Group	11160610	111.61
Equilibrated Ventures Cflow Pvt. Ltd.	Member of Promoter Group	62057941	620.58
Pri Caf Pvt. Ltd.	Member of Promoter Group	12024200	120.24

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Notes:

(1) Related party relationship is as identified by the Company on the basis of information available with them and accepted by the auditors as correct.

(2) No amount has been written off or written back during the year in respect of debt due from or to related parties.

(3) Company has entered into transactions with certain parties as listed above during the year under consideration. Full disclosures have been made and the Board/Audit Committee considers such transactions to be in normal course of business and at rates agreed between the parties.

(4) The key management personnel and their relatives have given personal guarantees and collaterals for loans raised by the Company but Company has not provided any guarantee to these persons nor paid any consideration for furnishing such guarantees.

(5) Company has extended its guarantee to Banks/ Financial Institutions for credit facilities availed by the wholly owned subsidiary Nupur Finvest Pvt Ltd.

38. Working Capital, Working Capital Demand Loan and Term Loan Borrowings:

The Company has an arrangement with a consortium of twelve banks under the leadership of Bank of Baroda for its working capital requirements. The facility is primarily secured by the hypothecation of book-debts / receivables of the Company and collaterally by mortgage of immovable properties including office premises, a flat owned by the Company and four commercial properties by third parties as well as personal and corporate guarantees. The outstanding details of the member banks in the consortium is as under:

(₹ in Lakhs)

Sr. No.	Name of Bank	Facility	Outstanding	Sanctioned Amount	Share in Consortium (%)
1	Bank of Baroda	CC+WCDL	9, 945.17	10,000.00	9.45%
2	Bank of Baroda TL	Term Loan	2,500.00	8,125.00	7.68%
3	Punjab National Bank	CC+WCL	11,982.61	12,000.00	11.34%
4	Punjab National Bank	Term Loan	1,499.65	6,000.00	5.67%
5	Bank of India	CC+WCDL	4,547.87	4,550.00	4.30%
6	Union Bank of India	CC	6,454.37	6,500.00	6.14%
7	Union Bank of India	Term Loan	10,000.00	10,000.00	9.45%
8	UCO Bank	CC+WCDL	3,698.26	3,700.00	3.50%
9	UCO Bank TL	Term Loan	2,499.90	5,000.00	4.72%
10	IDBI Bank	CC+WCDL	2,494.78	2,500.00	2.36%
11	IDBI Bank	Term Loan	458.33	1,000.00*	0.94%
12	Bank of Maharashtra	CC+WCDL	1,228.25	2,500.00	2.36%
13	Bank of Maharashtra	Term Loan	934.18	2,500.00	2.36%
14	State Bank of India	CC	488.15	500.00	0.47%
15	State Bank of India TL	Term Loan	3,096.56	3,450.00	3.26%
16	Karnataka Bank	CC	4,955.95	5,000.00	4.72%
17	Dhanlaxmi Bank	CC+WCDL	2,487.48	2,500.00	2.36%
18	Dhanlaxmi Bank TL	Term Loan	416.67	2,500.00	2.36%
19	CSB Bank	CC+WCDL	7,485.86	7,500.00	7.09%
20	Indian Bank	CC+WCDL	5,020.86	5,000.00	4.72%
21	Indian Bank	Term Loan	1,897.04	5,000.00	4.72%
	Total		**84,091.94**	**1,05,825.00**	**100.00**

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Term Loans sanctioned under Multiple Banking Arrangement

(₹ in Lakhs)

Sr. No.	Name of Bank	Outstanding	Sanctioned Amount
1	South Indian Bank	1,199.54	1,500.00
2	State Bank of India	31,474.10	45,000.00
3	Canara Bank	18,375.00	22,500.00
4	Indian Bank	3,156.97	5,000.00
5	Indian Overseas Bank	7,125.00	7,500.00
6	Bank of Maharashtra	9,247.66	10,000.00
	Total	**70,578.27**	**91,500.00**

Term Loans sanctioned by Financial Institutions under Multiple Banking Arrangement

(₹ in Lakhs)

Sr. No.	Name of Bank	Outstanding	Sanctioned Amount
1	Indian Renewable Energy Development Agencies Ltd.	20,000.00	20,000.00
	Total	**20,000.00**	**20,000.00**

Term loan sanctioned for vehicle

(₹ in Lakhs)

Sr. No.	Name of Bank	Outstanding	Sanctioned Amount
1	Bank of Baroda	119.36	139.50
2	Bank of Baroda	26.88	33.68
3	Bank of Baroda	78.85	98.00
4	Bank of Baroda	22.64	26.70
5	Bank of Baorda	26.55	27.50
	Total	**274.28**	**325.38**

39. During the financial year 2023-24, Company has allotted bonus equity shares to the existing shareholders of the Company holding shares at the closing of business hours on the Record Date i.e. March 20, 2024 in the ratio of 1:1 i.e 1 (One) Bonus Equity Share of Re. 1/- (Rupee One only) each for every 1 (One) fully paid-up Equity Share of Re. 1/- (Rupee One only) each held by them, by capitalization of Rs 44,90,21,990/- standing to the credit of the Company's General Reserve Account as per the Audited financial statement of the Company as at March 31, 2023.

40. Detail of Bank FDR's (principal amount) held as on 31.03.2024:

Held to avail Cash Credit facility against FDRs

(₹ in Lakhs)

1	Punjab National Bank	Cash Credit	8.50
	Subtotal	**(A)**	**8.50**

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Held as Guarantee

(₹ in Lakhs)

1	Punjab National Bank	Guarantee	0.88
	Subtotal	**(B)**	**0.88**

Held as Guarantee

(₹ in Lakhs)

1	State Bank of India	Guarantee	10.00
2	State Bank of India	Guarantee	15.00
3	State Bank of India	Guarantee	25.00
	Subtotal	**(C)**	**50.00**

Held as Guarantee / Security / Overdraft facility

(₹ in Lakhs)

1	Bank of Baroda	Guarantee / Security / Overdraft facility	205.00
	Subtotal	**(D)**	**205.00**

Held as Guarantee

(₹ in Lakhs)

1	Bank of India	Guarantee	10.00
	Subtotal	**(E)**	**10.00**

Held as Investment

(₹ in Lakhs)

1	Punjab National Bank	Unencumbered	0.10
	Subtotal	**(F)**	**0.10**
	Grand Total of FDR's	**(A+B+C+D+E+F)**	**274.48**

41. Reconciliation of Book Debt Assigned to the Consortium Banks with the Book Debts (Inventory) of the Company as on the date of Balance Sheet:

(₹ in Lakhs)

Sr. No.	Particulars	Value as per Book Debt Statement	Value of Inventory as per Balance Sheet	Difference	Reason
1	Standard Assets	3,69,668.81	3,67,766.41	1902.39	Some Disbursement / payments / Bad Debts were omitted to consider in MIS, pending reconciliation while submitting the Book Debts Statements.
2	Sub Standard Asset	-	765.31	765.31	Not Qualified for DP Purpose

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42. Arbitration Awards:

The amount of such Decrees available for execution stands at Rs. 17,487.60 (Previous year Rs. 17,487.60) Lakhs as on the date of Balance Sheet. All these cases have already been written off in the books of accounts hence there are no impact on the profit and loss account of the Company for current as well as in the previous years:

(₹ in Lakhs)

Sr. No.	Particulars	Amount
1	Opening balance of Arbitration Awards	17,487.60
2	Add: New Arbitration Award procured during the year	-
3	Less: Arbitration Award Challenged / Closed during the year	-
	Arbitration Awards available for Execution	17,487.60

43. Capital Risk Adequacy Ratio (CRAR):

(₹ in Lakhs)

	Particulars	2023-24	2022-23
i)	CRAR %	35.92%	40.34%
ii)	CRAR – Tier I Capital %	32.77%	36.49%
iii)	CRAR – Tier II Capital %	3.16%	3.85%
iv)	Amount of subordinated debt raised as Tier-II Capital	8,900	8,900
v)	Liquidity Coverage Ratio	2.78	2.45
vi)	Amount raised by issue of Perpetual Debt Instruments	Nil	Nil

44. Investments:

(₹ in Lakhs)

				Particulars	2023-24	2022-23
1)	Value of Investments					
	i)	Gross value of Investments				
		a)		In India	6,506.95	8,808.53
		b)		Outside India	Nil	Nil
	ii)	Provision for Depreciation				
		a)		In India	Nil	Nil
		b)		Outside India	Nil	Nil
	iii)	Net Value of Investments				
		a)		In India	6,506.95	8,808.53
		b)		Outside India	Nil	Nil
2)	Movement of Provisions held towards depreciation on investments					
	i)	Opening Balance			Nil	Nil
	ii)	ADD: Provision made during the year			Nil	Nil
	iii)	Less: Write – off / write – back of excess provisions during the year			Nil	Nil
	iv)	Closing Balance			Nil	Nil

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45. The Company had not taken any exposure in Derivatives during the financial year 2023-24.

46. Disclosure relating to Securitization:

i) The Company has not done securitization of any of its loans & advances to any organization during the financial year 2023-24 and there is no outstanding amount as on Balance Sheet date. Also, the Company has not sold its financial assets to any Securitization/Reconstruction Company for Asset Reconstruction. Further the Company has not undertaken new assignment transactions during the Financial Year 2023-24.

ii) Details of stock assigned / sold during the year prior to RBI Notification dated 24 September, 2021

(₹ in Lakhs)

	Particulars	2023-24	2022-23
1	No. of accounts sold	N.A.	N.A.
2	Aggregate outstanding	N.A.	N.A.
3	Aggregate consideration received	N.A.	N.A.

iii) The Company has not purchased any non-performing assets (NPAs) from other NBFCs or financial institutions

a) Disclosures pursuant to RBI Notification - RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated 6 August 2020 and RBI/2021-22/31/DOR.STR.REC.11 /21.04.048/2021-22 dated 5 May 2021

There were no borrower accounts where resolution plans had been implemented under RBI 's Resolution Framework 2.0 dated 5 May 2021 during the year.

b) Disclosures pursuant to RBI Notification - RBI /DOR/2021-22/86 DOR.STR.REC.51 /21.04.048/2021-22 dated 24 September 2021

(a) Details of transfer through assignment in respect of loans not in default during the financial year ended 31 March, 2024

Amount of loans transferred through assignment	Nil
Retention of beneficial economic interest	Nil
Weighted average residual maturity	Nil
Weighted average holding period	Nil
Coverage of tangible security coverage	Nil
Rating-wise distribution of rated loans	Nil

(b) Details of loans (not in default) acquired through assignment during the financial year ended 31 March, 2024

Amount of loans transferred through assignment	Nil
Retention of beneficial economic interest	Nil
Weighted average residual maturity	Nil
Weighted average holding period	Nil
Coverage of tangible security coverage	Nil
Rating-wise distribution of rated loans	Nil

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(c) Details of stressed loans transferred during the financial year ended 31 March, 2024

Particulars	To Asset Reconstruction Companies (ARC)		To permitted transferees	
	NPA	SMA	NPA	SMA
Number of accounts	Nil	Nil	Nil	Nil
Aggregate principal outstanding of loans transferred (Rs. in crore)	Nil	Nil	Nil	Nil
Weighted average residual tenor of the loans transferred (in years)	Nil	Nil	Nil	Nil
Net book value of loans transferred (at the time of transfer (Rs. in crore)	Nil	Nil	Nil	Nil
Aggregate consideration (Rs. in crore)	Nil	Nil	Nil	Nil

In addition to above the Company has transferred written off loans amounting to Rs. Nil for a consideration of Rs. Nil.

(d) The Company has not acquired any stressed loan during the financial year ended 31 March, 2024.

c) Pursuant to the RBI circular dated 12 November 2021 - "Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances - Clarifications', the Company has aligned its definition of default from number of instalments outstanding approach to Days Past Due approach. On 15 February 2022, RBI allowed deferment till 30 September 2022 of Para 1 of this circular pertaining to upgrade of Non-performing accounts. However, the Company has not opted for this deferment and such alignment does not have any significant impact on the financial results for the quarter and year ended 31 March 2024.

iv) Co-Lending done by the company with Banks

Paisalo Digital Ltd. has strategically partnered with a five esteemed banks, including State Bank of India, Bank of Baroda, UCO Bank, Punjab National Bank, and Karnataka Bank, to facilitate Co-Lending agreements. This symbiotic alliance underscores the company's commitment to fostering financial inclusivity and empowering underserved segments such as the agriculture (AGRI) sector, micro, small, and medium enterprises (MSMEs), and small businesses.

The essence of this collaboration lies in the seamless provision of easy and hassle-free loans with a quick turnaround time, addressing the diverse financing needs of these critical sectors. By pooling resources and expertise, Paisalo Digital Ltd. and its banking partners are able to leverage synergies, capitalize on operational efficiencies, and optimize risk management practices.

Under the Co-Lending model, both Paisalo Digital Ltd. and its partner banks share the responsibility of disbursing loans, with the former contributing 20% of the total loan amount and the latter contributing the remaining 80%. This equitable distribution of risk and rewards is underpinned by a robust regulatory framework established by the RBI, ensuring compliance and adherence to best practices.

One of the key advantages of this collaborative approach is the ability to offer competitive interest rates to borrowers, thereby enhancing affordability and accessibility to credit. While the bank's interest rates are benchmarked against prevailing sectoral norms, Paisalo Digital Ltd. retains the flexibility to set its own rates within regulatory constraints, ensuring a fair and transparent lending process.

Furthermore, the recent policy directives issued by the Reserve Bank of India on Co-Lending have provided greater clarity and impetus to this innovative financing model. By harnessing digital technologies and embracing end-to-end digitalization, Paisalo Digital Ltd. and its banking partners are poised to revolutionize the lending landscape, driving financial inclusion and fostering economic empowerment at the grassroots level.

In summary, Co-Lending represents a paradigm shift in collaborative finance, offering a compelling value proposition for both borrowers and lenders alike. As Paisalo Digital Ltd. continues to chart new frontiers in inclusive finance, its strategic partnerships and innovative initiatives are set to redefine the contours of sustainable growth and development in the financial services sector.

47. Asset Liability Management Maturity pattern of certain items of Assets and Liabilities as on 31st March, 2024:

(₹ in Lakhs)

	Upto 14 days	Over 14 days to 1 month	Over 1 month & Upto 2 months	Over 2 months & Upto 3 months	Over 3 months & Upto 6 months	Over 6 month & upto 1 year	Over 1 year & Upto 3 years	Over 3 years & upto 5 years	Over 5 Years	Total
Deposits	—	—	—	—	—	—	—	—	—	—
Advances	7,138	9,090	16,735	14,576	46,058	78,890	1,38,947	53,452	3,646	**3,68,532**
Investments (Bank FDR)	—	—	—	—	—	—	279	—	—	**279**
Borrowings	138	4,285	5,665	5,068	18,749	47,674	1,04,080	30,216	29,681	**2,45,556**
Foreign Currency Assets	—	—	—	—	—	—	—	—	—	—
Foreign Currency Liabilities	—	—	—	—	—	—	—	—	—	—

48. Exposures:

a) Exposures to Real Estate Sector

(₹ in Lakhs)

Category			2023-24	2022-23
Direct Exposure				
i)	Residential Mortgages			
	Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented		8,702	14,453
ii)	Commercial Real Estate			
	Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based limits		8,341	—
iii)	Investments in Mortgage Backed Securities (MBS) and other securitized exposures			
	a)	—	—	—
	b)	—	—	—
Indirect Exposure			—	—

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b) Capital Market Exposure

(₹ in Lakhs)

S. No.	Particulars[1]	Current Year	Previous Year
1	Direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt	6,227.76	6,742.51
2	Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity oriented mutual funds	—	—
3	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security	—	—
4	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances.	3,814.81	1,500.00
5	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers.	—	—
6	Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources		
7	Bridge loans to companies against expected equity flows / issues	—	—
8	Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds		
9	Financing to stockbrokers for margin trading	—	—
10	All exposures to Alternative Investment Funds: (i) Category I (ii) Category II (iii) Category III	—	—
	Total exposure to capital market	**10,042.57**	**8,242.51**

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c) Sectoral Exposure

(₹ in Lakhs)

Sectors	Current Year			Previous Year		
	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities	36,206	—	—	7,741	—	—
2. Industry						
i. Micro & Small	31,655	—	—	21,137	—	—
ii. Medimum	2,95,421	765	0.26	2,46,421	696	0.28
Others	—	—	—	—	—	—
Total of Industry (i+ii+...+Others)	**3,27,076**	**765**	**0.26**	**2,67,568**	**696**	**0.28**
3. Services						
i. Retail Trade	2,643	—	—	2,232	—	—
ii. ...	—	—	—	—	—	—
Others	—	—	—	—	—	—
Total of Services (i+ii+...+Others)	**2,643**	—	—	**2,232**	—	—
4. Personal Loans						
i other Retail Loans	2,607	—	—	2,317	—	—
ii...	—	—	—	—	—	—
Others	—	—	—	—	—	—
Total of Personal Loans (i+ii+...+Others)	**2,607**	—	—	**2,317**	—	—
5. Others, if any (please specify)	—	—	—	—	—	—

d) Details of financing of parent company products : NIL

e) Details of Single Borrower Limit and Group Borrower Limit exceeded by NBFC

The company has adhered to the Prudential Exposure norms as prescribed by RBI and has not given any advances exceeding the limits as prescribed for Single borrower and Group Borrower.

f) Unsecured Advances

The unsecured advances outstanding as at Balance Sheet date are Rs. 36,206.27 Lakhs. The Company does not have any loan or advances which are partially secured against any sort of licenses, rights, authorizations charged to the company.

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49. Registration obtained from other financial sector regulators:

RBI Registration No. : B-14.02997
Company Identification No. : L65921DL1992PLC120483

The company has never been penalized for any non-compliance by financial sector regulators.

50. Bank borrowings and Long Term Debt Securites of the Company have been assigned rating of "IVR AA/STABLE OUTLOOK" by Infomerics Valuation and Rating Pvt. Ltd. which denotes "Instruments with this rating are considered to have adequate degree of safety regarding timely servicing of financial obligations. Such instruments carry low credit risk". Similarly, the Company has been assigned rating of "IVR A1+ (IVR A One Plus)" for Commercial Paper by Infomerics Valuation and Rating Pvt Ltd which denotes "Securities with this rating are considered to have very strong degree of safety regarding timely payment of financial obligation. Such instruments carry lowest credit risk."

51. Provisions and Contingencies:

(₹ in Lakhs)

Break up of Provisions and contingencies	2023-24	2022-23
Provisions for depreciation on investment	Nil	Nil
Provision towards NPA	63	28
Provision on Standard Accounts in default @ 5%	Nil	Nil
Provision for Expected Credit Loss	52	12
Provision made towards income tax	6,950	3,542
Other provision and contingencies (Contingent Liability- Guarantee)	10,320	14,002
Provision for Standard Assets	350	187

52. Non-Convertible Redeemable Debentures (NCDs):

During the financial year 2023-24, the Company has issued Redeemable INR Denominated Non-Convertible Debentures (NCDs) as under

(₹ in Lakhs)

Nature of Debenture	Date of Allotment	Interest Rate p.a. (%)	Tenure	No. of Debentures	Face Value per Debenture	Amount
Unsecured Unlisted NCDs	13th April 2023	10.00	120 Months	5	100	500
Unsecured Unlisted NCDs	29th April 2023	12.00	120 Months	364	10	3640
Unsecured Unlisted NCDs	2nd September 2023	12.00	120 Months	50	10	500
Secured Listed NCDs	27th September 2023	9.95	36 Months	5000	1	5000
Unsecured Unlisted NCDs	07th November 2023	9.95	120 Months	85	10	850
Secured Listed NCDs	16th November 2023	9.95	36 Months	1000	1	1000
Unsecured Unlisted NCDs	8th December 2023	12.00	120 Months	462	10	4620
Secured Listed NCDs	15th December 2023	9.95	120 Months	1970	1	1970
Secured Listed NCDs	28th December 2023	9.95	15 Months	1200	1	1200
Secured Listed NCDs	28th December 2023	9.95	18 Months	600	1	600
Secured Listed NCDs	18th January 2024	9.95	120 Months	1971	1	1971
Secured Listed NCDs	27th February 2024	9.95	119 Months 24 days	2034	1	2034

53. Commercial Papers (CP):

During the financial year 2023-24, the Company has issued the following Commercial Papers as under:

(₹ in Lakhs)

Nature of CP	Date of Allotment	Maturity Date	No. of CP	Face Value per CP	Maturity Value
Unlisted	06th April 2023	27th March 2024	360	5	1800
Listed	10th November 2023	24th January 2024	600	5	3000
Listed	10th November 2023	29th January 2024	600	5	3000
Listed	10th November 2023	09th February 2024	600	5	3000
Unlisted	20th December 2023	13th September 2024	240	5	1200
Listed	30th January 2024	30th April 2024	600	5	3000
Listed	12th February 2024	13th May 2024	600	5	3000

Interest on above CPs varies between 9% to 11% per annum.

54. Concentration of Deposits, Advances, Exposures and NPAs:

a) Concentration of Deposits

The Company has not taken any deposits from public.

b) Concentration of Advances

(₹ in Lakhs)

Total Advances to twenty largest borrowers	66,353.62
% of advances to twenty largest borrowers to total advances of the NBFC	18.00%

c) Concentration of Exposures

(₹ in Lakhs)

Total Exposure to twenty largest borrowers / customers	66,353.62
% of exposures to twenty largest borrowers / customers to total exposure of the NBFC on borrowers / customers	18.00%

d) The Company has not made any unhedged foreign currency exposures during the year.

e) Concentration of NPAs

Provisioning for Substandard Assets/Doubtful Assets/Loss Assets has been made in compliance with the directions of Reserve Bank of India. As per decision of the Board of Directors in the cases where loan installments are overdue for more than 180 days past due and management is of the opinion that its recovery chances are very remote or negligible, the Company writes off these accounts (Net of Future Interest Charges) as bad debts. In all other cases where loan installments are overdue for more than 180 days past due the provisioning for non-performing assets is made in compliance with Non-Banking Financial Company Systemically Important Non-Deposit Taking Company and Deposit Taking Company (Reserve Bank) Directions 2016, as applicable to the company. As per the RBI Directions dated 1st September 2016 updated as on 23rd February 2018 Company has made general provision of 0.40% of Standard assets. Other directives of Reserve Bank of India have been duly complied with. The details of top 4 NPA's written off during the year are given below:

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(₹ in Lakhs)

Sr. No.	Total Exposure to Top Four NPA Accounts	% of Total Exposure	Amount
1	Jagwar Conbuild Pvt Ltd	0.33	1,210
2	Mahesh Kumar Pilania	0.14	504
3	EVA Exporters Pvt Ltd	0.08	312
4	Paras Wadhwa	0.05	194
	Total	**0.60**	**2,220**

f) Movement of NPAs

(₹ in Lakhs)

		Particulars	2023-24	2022-23
(i)	Net NPAs to Net Advance (%)		0.02%	0.02%
(ii)	**Movement of NPAs (Gross)**			
	(a)	Opening balance	696.29	3569.34
	(b)	Additions during the year	69.02	1.03
	(c)	Reductions during the year	—	2874.08
	(d)	Closing balance	765.31	696.29
(iii)	**Movement of Net NPAs**			
	(a)	Opening balance	55.47	2,956.10
	(b)	Additions during the year	61.83	—
	(c)	Reductions during the year	55.47	2,900.63
	(d)	Closing balance	61.83	55.47
(iv)	**Movement of provisions for NPAs (excluding provisions on standard assets)**			
	(a)	Opening balance	640.83	613.24
	(b)	Provisions made during the year	62.65	314.89
	(c)	Write -back of excess provisions	—	287.30
	(d)	Write off	—	—
	(e)	Closing Balance	703.48	640.83

g) Sector wise NPAs (Write Offs)

(₹ in Lakhs)

Sr. No.	Category	% of Write offs to Total Advances	
		2023-24	2022-23
1	Agriculture & Allied activities	0.18	0.24
2	MSME	0.30	0.46
3	Corporate Borrowers	0.55	1.41
4	Services	0.01	0.18
5	Unsecured Personal Loans	—	—
6	Auto Loans	0.05	—
7	Other Personal Loans (LAP)	0.05	0.04
	Total	**1.14**	**2.33**

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55. The Company is domiciled in India and does not have any joint venture, associate or subsidiary abroad.

56. Related party Exposure

(₹ in Lakhs)

Related Party	Parent (as per ownership or control)		Subsidiaries		Associates /Joint ventures		Key Management Personnel		Relatives of Key Management Personnel		Others*		Total	
Items	CY	PY	CY	PY	CY	PY	CY	PY	CY	PY	CY	PY	CY	PY
Borrowings#	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Deposits#	—	—	—	—	—	—	65	655	420	200	—	—	485	855
Placement of deposits#	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Advances#	—	—	2,690	477	—	—	—	—	—	—	—	—	2,690	477
Investments#	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Purchase of fixed/other assets	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Sale of fixed/other assets/Portfolio	—	—	—	7,119	—	—	—	—	—	—	—	—	—	7,119
Interest paid	—	—	884	549	—	—	2	40	32	24	—	—	918	613
Interest received	—	—	26	4	—	—	—	—	—	—	—	—	26	4
Others*	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Remuneration	—	—	—	—	—	—	668	658	—	—	—	—	668	658
Rent	—	—	—	—	—	—	—	—	—	9	—	—	—	9
Dividend	—	—	—	—	—	—	70	70	4	4	75	71	149	145
Bonus Share	—	—	—	—	—	—	697	—	36	—	852	—	1,585	—
Subscription of NCDs	—	—	—	—	—	—	135	—	220	—	490	—	845	—

CY – Current Year 2023-24 & PV – Previous Year 2022-23

57. Off Balance Sheet SPVs sponsored:

The Company has not sponsored off Balance Sheet SPVs.

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58. Disclosures of Complaints:

Sr. No.		Particulars	2023-24	2022-23
Complaints received by the NBFC from its customers				
1.		Number of complaints pending at beginning of the year	—	—
2.		Number of complaints received during the year	10	6
3.		Number of complaints disposed during the year	10	6
	3.1	Of which, number of complaints rejected by the NBFC	—	—
4.		Number of complaints pending at the end of the year	—	—
Maintainable complaints received by the NBFC from Office of Ombudsman				
5.*		Number of maintainable complaints received by the NBFC from Office of Ombudsman	—	—
	5.1.	Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	—	—
	5.2	Of 5, number of complaints resolved through conciliation/ mediation/advisories issued by Office of Ombudsman	—	—
	5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	—	—
6.*		Number of Awards unimplemented within the stipulated time (other than those appealed)	—	—

Top five grounds of complaints received by the NBFCs from customers

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
Current Year					
Payment made by borrower but still showing overdue in CIBIL	—	8	100	—	—
Delayed payment interest is pending	—	1	100	—	—
Made full payment but not get NOC	—	1	100	—	—
Total	**—**	**10**	**67**	**—**	**—**
Previous Year					
Payment made by borrower but still showing overdue in CIBIL	—	4	33	—	—
Delayed payment interest is pending	—	—	—	—	—
Made full payment but not get NOC	—	—	—	—	—
Demanding of release property paper	—	2	100	—	—
Total	**—**	**6**	**(25)**	**—**	**—**

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59. Uncertainty relating to the global health pandemic from COVID-19 ("Covid-19"):

a) The global landscape remains fraught with challenges, chiefly stemming from the widespread COVID-19 pandemic. This unprecedented crisis has precipitated multifaceted repercussions, including sweeping governmental interventions, a resilient economic rebound post a severe global recession, surging inflation rates, geopolitical tensions such as the conflict in Ukraine, and substantial economic sanctions imposed on Russia.

b) In light of the enduring ramifications of the global pandemic, Paisalo Digital Ltd. has proactively instituted alternative work modalities to safeguard the health and well-being of its workforce and business associates. These measures encompass the facilitation of remote work arrangements, particularly for operations and call centers during periods of enforced lockdowns. Equipping employees with requisite technological infrastructure has ensured the secure and efficient delivery of services to borrowers.

Throughout the fiscal year, the company has fostered robust communication channels via virtual sessions with branches, employees, and business associates, thereby sustaining proactive engagement with customers. Services such as Door Step Sourcing and Servicing have been meticulously executed, adhering to stringent safety protocols and implementing essential non-pharmaceutical interventions. Despite prevailing challenges, the majority of branches, employees, and business associates have remained operational, playing a pivotal role in extending essential credit to borrowers.

Furthermore, Paisalo Digital Ltd. has swiftly adapted to evolving circumstances, innovating digital and analog tools to facilitate credit requests and optimize loan recovery mechanisms.

c) During the financial year 2023-24, no significant governmental, regulatory, or banking frameworks were introduced explicitly targeting COVID-19 relief or aid for Non-Banking Financial Companies (NBFCs) like Paisalo Digital Ltd. However, NBFCs have increasingly served as conduits for governmental and major banking institutions, leveraging their local presence to directly support households in need.

The stability in funding and liquidity afforded to Paisalo Digital Ltd. is fortified by its entrenched local footprint, robust credit and risk assessment methodologies, and enduring partnerships with esteemed banking entities.

60. Paisalo Digital Ltd demonstrated robust performance in the fiscal year 2023-2024, achieving a notable non-fund based income of Rs. 1102.288 Lakhs. This income category encompasses various revenue streams such as fees, commissions, and ancillary activities, reflecting the company's diversified approach towards income generation.

In its pursuit of optimizing non-fund based income, Paisalo Digital Ltd strategically deployed a range of initiatives:

a) **Business Correspondent Services:** Acting as a Business Correspondent for esteemed institutions like State Bank of India and Bank of India, Paisalo Digital extended comprehensive banking and financial services to underbanked or unbanked regions and demographics. By serving as an intermediary, facilitating banking transactions, and providing services on behalf of partner institutions, the company garnered commissions and fees, thereby enhancing its non-interest income.

b) **Ancillary Financial Services:** Complementing its core lending operations, Paisalo Digital Ltd ventured into ancillary financial services. These encompass a spectrum of activities such as transaction-based services, which generate fees and commissions based on the value of transactions or assets under management. This diversification strategy contributed significantly to the augmentation of non-fund based income.

c) **Cross-Selling of Products:** Recognizing the potential for revenue growth within its existing customer base, Paisalo Digital implemented targeted cross-selling strategies. By promoting additional financial products and services to its clientele, the company aimed to capitalize on existing relationships and deepen customer engagement. This strategic approach not only fosters customer loyalty but also serves as a lucrative avenue for increasing non-fund based income.

These initiatives underscore Paisalo Digital Ltd's commitment to innovation and diversification, positioning the company for sustained growth and profitability in the dynamic financial landscape. Through strategic foresight and proactive market engagement, Paisalo Digital Ltd continues to explore avenues for maximizing revenue generation and creating long-term value for stakeholders.

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61. Expected Credit Loss:

Comparison of Provisioning done under ECL model and under RBI prudential norms requirements:

(₹ in Lakhs)

Asset Classification as per RBI Norms	Asset Classi-fication 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**	3,59,130	2,155	3,56,975	1,437	718
	Stage 1	7,048	282	6,766	28	254
	Stage 2	1,588	151	1,438	6	145
Subtotal		**3,67,766**	**2,588**	**3,65,179**	**1,471**	**1,117**
Non-Performing Assets (NPA)						
Substandard	**Stage 3**	69	16	53	7	9
Doubtful - up to 1 year	**Stage 3**	—	—	—	—	—
1 to 3 years	**Stage 3**	—	—	—	—	—
More than 3 years	**Stage 3**	—	—	—	—	—
Subtotal for doubtful		69	16	53	7	9
Loss Assets	**Stage 3**	696	696	—	696	—
Subtotal for NPA		**765**	**712**	**53**	**703**	**9**
Loss	**Stage 3**	132	132	—	132	—
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset and Provisioning (IRACP) norms Classification						
	Stage 1	10,321	206	10,114	—	206
	Stage 2	—	—	—	—	—
	Stage 3	—	—	—	—	—
Subtotal		10,321	206	10,114	—	206
Total	**Stage 1**	3,76,499	2,643	3,73,856	1,465	1,178
	Stage 2	1,588	151	1,438	7	145
	Stage 3	765	712	53	703	9
	Total	**3,78,852**	**3,506**	**3,75,347**	**2,175**	**1,332**
LESS : Provision for ECL previous year balance		—	1,253	—	—	—
Less : Provision for NPA		—	703	—	—	—
Less : Provision for Standard Assets		—	1,498	—	—	—
Expected Credit Loss		—	52	—	—	—

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62. Risk Management Framework:

The company operates within a landscape of diverse risks that could significantly impact its business, operations, and financial performance. These risks include Credit Risk, Liquidity & Funding Risk, Market Risk, and Operational Risk. To address these challenges, the management has developed a comprehensive risk management framework aimed at identifying, analyzing, and mitigating potential threats while ensuring adherence to predefined risk limits.

i) Creating a Stable Business Planning Environment

One of the primary objectives of the risk management framework is to establish a stable business planning environment by minimizing the impact of interest rate fluctuations on the company's business plan. This involves assessing the potential effects of interest rate changes on the company's financial position and operations, enabling more accurate forecasting and strategic decision-making.

ii) Achieving Greater Predictability to Earnings

Another key goal is to achieve greater predictability in earnings by determining the financial value of expected earnings in advance. This entails forecasting future earnings based on various factors such as market conditions, customer behavior, and economic trends. By accurately predicting earnings, the company can better allocate resources, plan investments, and manage its financial performance effectively.

A) Credit Risk

Credit risk represents the potential financial loss to the company if a customer or counterparty fails to fulfill its contractual obligations. This risk primarily emanates from trade and other receivables, cash equivalents, and bank balances. To assess credit risk, the company utilizes various metrics such as installment default rate, overdue position, and debt management efficiency.

Credit risk is closely monitored through the analysis of credit exposures, portfolio monitoring, and evaluation of customer and portfolio concentration risk. Moreover, the risk management unit employs a robust control framework to manage credit risk effectively. This framework involves aligning credit and debt management policies, leveraging external data from credit bureaus, and conducting regular reviews of portfolios and delinquencies by senior and middle management teams.

By implementing these strategies, Paisalo Digital Ltd aims to proactively identify and mitigate credit risks, thereby safeguarding its financial stability and ensuring the continuity of its operations.

(a) Loans, Trade & Other Receivables

Managing credit risk from loans, trade, and other receivables is a multifaceted process that involves a comprehensive approach to mitigate potential financial losses and uphold the company's financial stability. Here's a detailed overview of how the company manages credit risk:

1. **Establishing Credit Limits:** The company meticulously sets credit limits for each customer, taking into account various factors such as creditworthiness, financial history, and repayment capacity. These credit limits serve as a safeguard against excessive borrowing and minimize the risk of default.

2. **Credit Approvals Process:** Every credit request undergoes a stringent approval process that evaluates the creditworthiness of the customers and assesses associated risks. This process involves analyzing financial statements, credit reports, and other relevant information to determine the likelihood of repayment. Only credit requests meeting predefined risk criteria are approved.

3. **Continuous Creditworthiness Monitoring:** The company continuously monitors the creditworthiness of its customers to identify any changes in their financial circumstances that may impact their ability to repay loans or fulfill obligations. This ongoing monitoring involves regular reviews of credit reports, financial statements, and market trends to assess credit risk profiles accurately.

4. **Regular Monitoring of Receivables:** The company maintains a vigilant stance by regularly monitoring outstanding receivables to ensure timely repayment by customers. This includes tracking payment schedules, identifying overdue accounts, and implementing effective collection strategies for delinquent accounts. By closely monitoring receivables, the company can promptly identify potential credit risks and take appropriate actions to mitigate them.

5. **Ageing Analysis:** The company conducts thorough ageing analysis of loans and trade receivables to categorize outstanding receivables based on their ageing profile. This analysis helps identify accounts that are overdue or at risk of default, enabling the company to prioritize collection efforts and allocate resources efficiently. By understanding the ageing profile of receivables, the company can implement targeted credit management strategies to minimize credit risk exposure.

The ageing of loans & trade receivables is as follows:

(₹ in Lakhs)

Particulars	As at 31st March 2024
Loans	3,67,341.64
Less: Allowances for expected credit loss	1,304.93
	3,66,036.71
Trade & Other Receivables	
Outstanding for less than one year	1,190.09
Less: Allowance for doubtful debts	703.48
	486.61
Total	**3,66,523.32**

(b) Cash & Cash Equivalents & Other Bank Balances

Regarding the management of cash and cash equivalents, the company maintains a robust evaluation process for assessing the creditworthiness of banks and financial institutions where funds are held. This evaluation occurs regularly and involves comprehensive assessments of financial stability, regulatory compliance, and risk management practices. By ensuring the creditworthiness of banking partners, the company mitigates the risk associated with cash holdings and safeguards its liquidity position. The company holds cash and cash equivalents and other bank balances of Rs. 1356.32 Lakh at 31 March 2024.

B) Liquidity & Funding Risk

Liquidity risk poses a substantial threat to the Company's ability to fulfill its financial obligations, particularly those settled through cash or other financial assets. This risk encompasses several dimensions, including funding risk, which manifests in various scenarios:

1. ****Inability to Raise Incremental Funds**:** The company faces the risk of being unable to secure additional borrowings or deposits to meet its operational needs or fulfill repayment obligations. This could arise due to limitations in accessing capital markets or reluctance from lenders amidst uncertain economic conditions.

2. ****Cash Flow Mismatches**:** Funding risk also emerges when long-term assets cannot be financed over their expected term, leading to discrepancies in cash flows. Such mismatches may arise from unexpected changes in market conditions or disruptions in the funding environment.

3. ****Market Volatility Impacting Funding**:** Volatility in financial markets can further exacerbate funding risk by hindering the company's ability to source funds from banks and money markets. Fluctuations in interest rates, credit spreads, or investor sentiment may impede access to funding avenues, heightening liquidity concerns.

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Measuring liquidity risk involves several key metrics and assessments:

1. ****Identification of Structural and Dynamic Liquidity Gaps**:** The company analyzes structural and dynamic liquidity statements to identify gaps between available funds and near-term liabilities. This entails assessing the maturity profile of assets and liabilities to gauge liquidity adequacy.

2. ****Assessment of Incremental Borrowing Needs**:** Evaluating the incremental borrowings required to fulfill repayment obligations and support the company's business plan amidst prevailing market conditions is crucial. This assessment considers factors such as interest rate environment, credit availability, and funding costs.

3. ****Monitoring Liquidity Coverage Ratio (LCR)**:** The company tracks its liquidity coverage ratio in adherence to regulatory guidelines, ensuring sufficient high-quality liquid assets are held to cover short-term liquidity needs under stress scenarios.

Managing liquidity risk involves proactive measures implemented by the treasury team:

1. ****Gap Analysis and Scenario Testing**:** The company continuously assesses the gap between fund visibility and near-term liabilities, considering evolving liquidity conditions and regulatory requirements for non-banking financial companies (NBFCs). Stress tests and scenario analyses are conducted to evaluate potential liquidity shortfalls and compare them against available buffers.

2. ****Adaptive Funding Strategies**:** A dynamic approach to funding involves aligning funding sources with emerging market conditions in banking and money markets. The company adjusts its funding mix and borrowing strategies to optimize liquidity and mitigate funding risks.

3. ****Maintaining Liquidity Buffers**:** Building and maintaining liquidity buffers is essential to mitigate liquidity risk. These buffers serve as a cushion during periods of funding stress and provide resilience against unexpected liquidity shocks.

4. ****Strategic Asset-Liability Management**:** The company employs positive asset-liability management practices to match asset and liability durations, reducing the risk of cash flow mismatches. This entails aligning asset maturities with liability obligations to minimize funding gaps.

5. ****Diversification and Relationship Management**:** Diversifying funding sources and cultivating strong relationships with banks and financial institutions enhance the company's ability to access funding under diverse market conditions. Maintaining a robust pipeline of sanctions and approvals ensures access to funding avenues when needed.

   In essence, the management of liquidity risk is a dynamic and multifaceted endeavor, requiring a proactive and strategic approach from the treasury team. Through the judicious application of liquidity buffers, long-term funding strategies, asset-liability management, pipeline management, and prudent loan assignments, the treasury team fortifies the Company's liquidity position, safeguards against funding uncertainties, and fosters financial resilience in an ever-evolving financial landscape.

C) Market Risk

Market risk, a critical facet of financial risk management, underscores the potential for future earnings, fair values, or cash flows to incur losses due to adverse fluctuations in market rates and prices, or the values of market risk-sensitive instruments. This encompasses Currency Risk, Interest Rate Risk, and Price Risk, each demanding meticulous assessment and proactive management strategies.

1. ****Measurement Techniques**:** Market risk is quantified through a suite of sophisticated metrics and methodologies, including Value at Risk (VaR), basis point value (PV01), and modified duration analysis. These tools facilitate a comprehensive evaluation of portfolio dynamics and the potential impact on income streams, particularly in terms of net interest income. The Company's exposure to market risk is analyzed across various dimensions, encompassing equity investments, interest rate fluctuations within investment portfolios, and the implications of floating rate assets and liabilities with varying maturity profiles.

2. ****Monitoring Protocols**:** Rigorous monitoring protocols are employed to track fluctuations in equity prices and interest rate sensitivities under diverse stress test scenarios. Through simulated simulations of probable interest rate movements, both fixed and floating assets and liabilities are scrutinized to gauge resilience under adverse market conditions. This proactive monitoring framework enables the identification of vulnerabilities and informs timely risk mitigation strategies.

3. ****Management Strategies**:** The management of market risk is entrusted to the Company's treasury team, operating under the guidance of the Board. This dedicated team implements a multi-faceted approach tailored to address specific risk exposures:

   - ****Currency Risk**:** Given the Company's exclusive operations within India, exposure to foreign currency risk is mitigated.

   - ****Interest Rate Risk**:** The Company actively manages interest rate risk by closely monitoring market interest rate movements and their potential impact on interest-bearing liabilities and assets. This proactive stance enables the Company to adapt swiftly to changing interest rate environments and optimize its interest rate exposure.

   - ****Price Risk**:** Equity price risk arising from investments is managed through prudent portfolio diversification strategies. The Company strategically diversifies its investment portfolio within predefined limits to mitigate concentration risk and optimize risk-adjusted returns.

4. ****Governance Framework**:** The management of market risk is conducted under the oversight of the Board of Directors. The treasury team, comprising seasoned professionals with expertise in financial risk management, implements risk mitigation strategies in alignment with the Board's directives and risk appetite. This ensures that market risk management practices are consistent with the Company's strategic objectives and regulatory compliance obligations.

   In essence, the management of market risk requires a judicious blend of quantitative analysis, robust monitoring mechanisms, and proactive risk mitigation strategies. By leveraging sophisticated measurement techniques, rigorous monitoring protocols, and strategic management frameworks, the Company navigates the complexities of market risk dynamics while safeguarding its financial stability and optimizing long-term performance.

D) Operational Risk

Operational risk, a multifaceted challenge inherent in the company's operational landscape, arises from a spectrum of sources, encompassing internal processes, human resources, technological systems, and external factors. To effectively manage operational risks, the Company has instituted a comprehensive framework of internal controls and procedures, meticulously designed to govern critical activities across various functional domains, including loan acquisition, customer service, IT operations, and finance functions.

1. ****Internal Control Systems**:** At the heart of operational risk management lies a robust system of internal controls, meticulously crafted to mitigate the risk of inadequate or failed internal processes, people, or systems. These controls span a myriad of functions, facilitating proactive identification and remediation of potential vulnerabilities. Through continuous monitoring and assessment, the Company endeavors to strengthen its internal control environment, ensuring operational resilience and efficiency.

2. ****Internal Audit Oversight**:** Internal Audit plays a pivotal role in operational risk management, conducting comprehensive reviews of all operational functions at least annually. This diligent scrutiny serves to unearth process gaps and deficiencies in a timely manner, enabling corrective actions to be implemented promptly. By providing independent assurance and insights, Internal Audit reinforces the Company's commitment to sound governance practices and operational excellence.

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PAISALO DIGITAL LIMITED PAISALO

3. ****Compliance and Control Units**:** Within the IT and Operations functions, dedicated compliance and control units operate in tandem to uphold the integrity and security of internal processes. Through continuous monitoring and evaluation, these units assess adherence to regulatory requirements and internal policies, proactively identifying and addressing operational risks. By fostering a culture of compliance and risk awareness, these units contribute to the Company's resilience in the face of evolving operational challenges.

4. ****Disaster Recovery and Business Continuity Planning**:** Recognizing the imperative of business continuity in the face of unforeseen events, the Company has established robust Disaster Recovery (DR) and Business Continuity Plans (BCP). These plans are meticulously crafted to ensure the seamless continuation of operations and services to customers in the event of natural disasters, technological outages, or other disruptive incidents. Regular testing and analysis of these plans enable the Company to identify and rectify any gaps in the framework, bolstering its readiness to navigate unforeseen disruptions effectively.

   In essence, operational risk management is woven into the fabric of the Company's governance framework, underpinned by a relentless commitment to process excellence, regulatory compliance, and business continuity. Through the concerted efforts of internal control systems, audit oversight, compliance units, and robust disaster recovery planning, the Company strives to fortify its operational resilience and safeguard its business operations against a spectrum of potential risks and contingencies.

61. Additional information pursuant to Ministry of Corporate Affairs notification dated March 24, 2021 with respect to amendments in Schedule iii of Companies Act, 2013:

i) The Company has made provision for dividend @ Rs. 0.10 each per share and the same will be declared & paid after the approval of the shareholders in their Annual General Meeting.

ii) All the borrowings of the Company are used for the specific purpose for which it was taken.

iii) There are no proceedings which have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

iv) The Company is not a willful defaulter as declared by any bank or financial Institution or any other lender.

v) 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.

vi) There are no charges or satisfaction yet to be registered with Registrar of Companies (ROC) beyond the statutory period.

vii) 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.

viii) There are no transactions which are not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

xi) The Company has not traded or invested in Crypto currency or Virtual Currency during the year.

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PAISALO DIGITAL LIMITED PAISALO

M/S PAISALO DIGITAL LIMITED

Schedule to the Balance Sheet of a Non-Deposit taking Non-Banking Financial Company (As required in Non-Banking Financial Company Systemically Important Non Deposit Taking Company and Deposit Taking Company (Reserve Bank) Directions, 2016:

(₹ in Lakhs)

		PARTICULARS	2023-24	
LIABILITIES SIDE:				
1.	**Loans and advances availed by the NBFCs inclusive of interest Amount accrued thereon but not paid**		**Amount Outstanding**	**Overdue**
	(a)	Debentures		
		Secured	13,775	—
		Unsecured	42,367	—
		(other than falling within the meaning of public deposits*)		
	(b)	Deferred Credits	—	—
	(c)	Term Loans		
		Bank of Baroda (Term Loan a/c)	2,500	—
		State Bank of India (Term Loan a/c)	34,570	—
		Dhanlaxmi Bank (Term Loan a/c)	418	—
		UCO Bank (Term Loan a/c)	2,500	—
		Bank of Maharashtra (Term Loan a/c)	10,182	—
		Canara Bank (Term Loan a/c)	18,459	—
		Indian Bank (Term Loan a/c)	5,054	—
		Punjab National Bank (Term Loan a/c)	1,500	—
		South Indian Bank (Term Loan a/c)	1,200	—
		IDBI Bank (Term Loan a/c)	458	—
		Indian Overseas Bank (Term Loan a/c)	7,125	—
		Union Bank of India (Term Loan a/c)	10,036	—
		IREDA (Term Loan a/c)	20,000	—
		Bank of Baroda (Car Term Loan a/c)	274	—
	(d)	Inter-corporate loans and borrowing	7,869	—
	(e)	Commercial Paper	7,087	—
	(f)	Other Loans (specify nature)		
		Bank of Baroda (WCDL a/c)	6,000	—
		IDBI Bank (WCDL a/c)	1,800	—
		Punjab National Bank (WCDL a/c)	7,200	—
		UCO Bank (WCDL a/c)	2,220	—
		Bank of India (WCDL a/c)	2,733	—
		Bank of Maharashtra (WCDL a/c)	760	—
		CSB Bank (WCDL a/c)	4,500	—
		Dhanlaxmi Bank (WCDL a/c)	1,500	—
		Indian Bank (WCDL a/c)	3,027	—
		Punjab National Bank (Cash Credit a/c)	4,783	—
		Bank of India (Cash Credit a/c)	1,822	—
		Bank of Baroda (Cash Credit a/c)	3,945	—
		Indian Bank (Cash Credit a/c)	1,994	—
		UCO Bank (Cash Credit a/c)	1,478	—

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M/S PAISALO DIGITAL LIMITED

(₹ in Lakhs)

				IDBI Bank (Cash Credit a/c)	695	—
				Bank of Maharashtra(Cash Credit a/c)	469	—
				State Bank of India (Cash Credit a/c)	488	—
				CSB Bank (Cash Credit a/c)	2,986	—
				Dhanlaxmi Bank (Cash Credit a/c)	987	—
				Union Bank of India (Cash Credit a/c)	6,454	—
				Karnataka Bank (Cash Credit a/c)	4,956	—
2.	**Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid)**					
	(a)			In the form of Unsecured debentures	—	—
	(b)			In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	—	—
	(c)			Other public deposits	—	—
				*Please see Note 1 below		
ASSETS SIDE:						
3.	**Break-up of Loans and Advances including bills receivables (other than those included in (4) below)**					
		(a)		Secured	3,31,331	995
		(b)		Unsecured	36,011	195
4.	**Break -up of Leased Assets and stock on hire and hypothecation loans counting towards AFC activities**					
	(i)			Lease assets including lease rentals under sundry debtors		
		(a)		Financial lease	—	—
		(b)		Operating lease	—	—
	(ii)			Stock on hire including hire charges under sundry debtors		
		(a)		Assets on hire	—	—
		(b)		Repossessed Assets	—	—
	(iii)			Other loans counting towards AFC activities		
		(a)		Loans where assets been repossessed	—	—
		(b)		Loans other than (a) above	—	—
5.	**Break-up of Investments**					
	1			Current Investments		
		Quoted				
		(i)		Shares		
			(a)	Equity	—	—
			(b)	Preference	—	—
		(ii)		Debentures and Bond	—	—
		(iii)		Units of mutual funds	—	—
		(iv)		Government Securities	—	—
		(v)		Others (please specify)	—	—
		Unquoted				
		(i)		Shares		
			(a)	Equity (Group Companies) (Net)	—	—
			(b)	Preference	—	—

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(₹ in Lakhs)

		(ii)	Debentures and Bonds		—	—
		(iii)	Units of mutual funds		—	—
		(iv)	Government Securities		—	—
		(v)	Others (please specify)			
			Fixed Deposit with NBFC		—	—
			Fixed deposit with Banks		—	—
			Interest accrued		—	—
	2	Long Term Investments				
		Quoted				
		(i)	Share			
			(a)	Equity	224	—
			(b)	Preference	—	—
		(ii)	Debentures and Bonds		—	—
		(iii)	Units of mutual funds		—	—
		(iv)	Government Securities		—	—
		(v)	Others (Please specify)		—	—
		Unquoted				
		(i)	Share			
			(a)	Equity- Subsidiary Company	4,224	—
			(b)	Equity- Other Company	1,780	—
			(b)	Preference	—	—
		(ii)	Debentures and Bonds		—	—
		(iii)	Units of mutual funds		—	—
		(iv)	Government Securities		—	—
		(v)	Others (please specify)			
			Investment in Partnership/LLP		—	—
			Fixed Deposit with Banks		274	—
			Interest accrued		5	—

(6) Borrower group-wise classification of assets financed as in (2) and (3) above
Please see Note 2

(₹ in Lakhs)

Category			Amount net of provisions		Total
			Secured	Unsecured	
1	Related parties**				
	(a)	Subsidiaries	—	—	—
	(b)	Companies in the same group	—	—	—
	(c)	Other related parties	—	—	—
2	Other than related parties		3,32,326	36,206	3,68,532
	Total		**3,32,326**	**36,206**	**3,68,532**

M/S PAISALO DIGITAL LIMITED

(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)

(₹ in Lakhs)

Particulars			Market Value / Value Break up or Fair Value or NAV	Book Value (Net of provisions)
1	Related parties **			
	(a)	Subsidiaries	4,224	4,224
	(b)	Companies in the same group	—	—
	(c)	Other related parties	—	—
2	Other than related parties		2,004	2,004
	Total		**6,228**	**6,228**

** As per IND AS of ICAI.

(8) Other Information

(₹ in Lakhs)

Particulars			Amount
1	Gross Non-performing Assets		
	(a)	Related Parties	—
	(b)	Other than related parties	765
2	Net Non-Performing Assets		
	(a)	Related Parties	—
	(b)	Other than related parties	62
3	Assets acquired in satisfaction of debt		—

Notes:

1. Provisioning norms shall be applicable as prescribed in the Non-Banking Financial Company-Systemically Important Non-Deposit Taking Company and Deposit Taking Company (Reserve Bank) Direction, 2016.
2. All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term or current in column (5) above.

Signed in terms of our Report of even date

For Manish Goyal & Co.
Chartered Accountants
Firm Reg. No. 006066C

(CA. MANISH GOYAL)
Partner
Membership No. 074778
UDIN : 24074778BKAPEP5265

Place : New Delhi
Date : 26th April 2024

For and on behalf of the Board

(SUNIL AGARWAL)
Managing Director
DIN : 00006991

(HARISH SINGH)
Executive Director & CFO
DIN : 00039501

(MANENDRA SINGH)
Company Secretary
Membership No. : F7868

MANISH GOYAL & CO.
CHARTERED ACCOUNTANTS

F-6, FIRST FLOOR,
FRIENDS TRADE CENTRE,
66, NEHRU NAGAR, AGRA-282002

INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

TO
THE MEMBERS OF
M/S PAISALO DIGITAL LIMITED
NEW DELHI

REPORT ON THE AUDIT OF CONSOLIDATED FINANCIAL STATEMENTS

OPINION

We have audited the accompanying Consolidated Financial Statements of **M/S PAISALO DIGITAL LIMITED** (hereinafter referred to as "the Holding Company") and its wholly owned subsidiary M/s Nupur Finvest Private Limited (the Holding Company and its subsidiary together referred to as "the Group") which comprise of the Consolidated Balance Sheet as at 31st March 2024, the Consolidated Statement of Profit and Loss including Statement of Comprehensive Income and the Consolidated Cash Flow Statement for the year then ended and notes to the consolidated Financial Statements, including a summary of material accounting policy information and other explanatory information.

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 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Company as at 31st March 2024 of consolidated profit and loss including statement of comprehensive income and its Consolidated Cash Flows for the year then ended.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013. 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 ethical requirements that are relevant to our audit of the Consolidated Financial Statements in India in terms of the Code of Ethics issued by ICAI and the relevant provisions of the Companies Act, 2013, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

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

The Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in term of the requirements of the Companies Act, 2013 (the Act) that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Companies in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Company, as aforesaid.

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AGRA | LUCKNOW | NOIDA | MORADABAD

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Company are responsible for overseeing the financial reporting process of the Company.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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 relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books;

c. The audit of all the branch offices of the Company has been conducted by us, hence Section 143(8) is not applicable;

d. The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss including (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

e. In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

f. On the basis of the written representations received from the directors of the Company as on 31st March 2024 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary Company incorporated in India, none of the directors of the Group companies, is disqualified as on 31st March 2024 from being appointed as a director in terms of Section 164 (2) of the Act;

g. With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and

h. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

i. With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules 2014, in our opinion and to the best of our information and according to the explanations given to us:

i) The Company does not have any pending litigations (other than in the ordinary course of business) which would impact its financial position.

ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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iv) **(a)** The management has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity (ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.

v) As stated in Note 63 to the standalone financial statements

(a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

(b) The Company has not declared and has not paid any interim dividend during the year.

(c) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

vi) Based on our examination carried out in accordance with the Implementation Guidance on Reporting on Audit Trail under Rule 11(g) of the Companies (Audit and Auditors) Rules,2014 (Revised 2024 Edition) issued by the Institute of Chartered Accountants of India, which included test checks and we report that the company have used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with.

REPORT ON MATTERS SPECIFIED UNDER COMPANIES (AUDITOR'S REPORT) ORDER, 2020

There has not been any qualification or adverse remarks by the auditors in the Companies (Auditor's Report) Order (CARO) reports of the Companies included in the consolidated financial statements.

Place : New Delhi
Date : 26th April 2024

For Manish Goyal & Co.
Chartered Accountants
Firm Reg. No. 000066C

(CA. MANISH GOYAL)
Partner
Membership No. 074778
UDIN : 24074778BKAPEO1902

MANISH GOYAL & CO.
CHARTERED ACCOUNTANTS
INDIA

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FRIENDS TRADE CENTRE,
66, NEHRU NAGAR, AGRA-282002

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT OF
M/S PAISALO DIGITAL LIMITED
(Referred to in paragraph of our Report of even date for F. Y. 2023-24)

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (i) OF SUB – SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013

In conjunction with our audit of the Consolidated Financial Statements of the Company as of and for the year ended 31st March, 2024 we have audited the internal financial controls over financial reporting of **M/S PAISALO DIGITAL LIMITED** (hereinafter referred to as "the Company") and its wholly owned subsidiary M/s Nupur Finvest Private Limited, which are companies incorporated in India, as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the 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") issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, 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 Company's internal financial controls system over financial reporting.

MANISH GOYAL & CO. Chartered Accountants

PHONE-: (0562) 4032000, 2852560, 2524553
MOBILE-: 91-97600 20853; E-MAIL-: MANISHGOYALFCA@GMAIL.COM
AGRA | LUCKNOW | NOIDA | MORADABAD

MANISH GOYAL & CO.
CHARTERED ACCOUNTANTS

F-6, FIRST FLOOR,
FRIENDS TRADE CENTRE,
66, NEHRU NAGAR, AGRA-282002

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 unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the consolidated financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Company, its subsidiary Company, which are Companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2024 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.

Place : New Delhi
Date : 26th April 2024

For Manish Goyal & Co.
Chartered Accountants
Firm Reg. No. 005066C

(CA. MANISH GOYAL)
Partner
Membership No. 074778
UDIN : 24074778BKAPEO1902

PHONE-: (0562) 4032000, 2852560, 2524553
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M/S PAISALO DIGITAL LIMITED

CONSOLIDATED BALANCE SHEET AS ON 31ST MARCH 2024

(₹ in Lakhs)

Sr. No.	Particulars	Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
I	**ASSETS**			
	(1) Financial Assets			
	(a) Cash & Cash Equivalents	1	1,091.90	2,563.16
	(b) Bank Balances other than (a) above	2	365.73	347.90
	(c) Derivative Financial Instruments	3	-	-
	(d) Receivables			
	(i) Trade Receivables	4	1,224.86	975.11
	(ii) Other Receivables		-	-
	(e) Loans	5	3,92,701.03	3,14,042.46
	(f) Investments	6	2,003.85	2,518.60
	(g) Other Financial Assets	7	5,991.36	6,998.58
	(2) Non Financial Assets			
	(a) Current Tax Assets (Net)	8	1,396.90	1,178.57
	(b) Deferred Tax Asset (Net)		857.89	50.60
	(c) Investment Property		-	-
	(d) Biological Assets other than Bearer plants		-	-
	(e) Property, Plant and Equipments	9	6,610.87	6,557.00
	(f) Capital Work-in-Progress		-	-
	(g) Intangible Assets under development		-	-
	(h) Goodwill		-	-
	(i) Other Intangible Assets	9	33.38	70.80
	(j) Other Non-Financial Assets	10	40.68	84.67
	Total Assets		**4,12,318.45**	**3,35,387.45**
II	**EQUITY AND LIABILITIES**			
	(1) Financial Liabilities			
	(a) Derivative Financial Instruments	11	-	-
	(b) Payables	12		
	(I) Trade Payables			
	(i) Total outstanding dues of Micro Enterprises and Small Enterprises		265.55	11.31
	(ii) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		1,276.85	141.63
	(II) Other Payables			
	(i) Total outstanding dues of Micro Enterprises and Small Enterprises		-	-
	(ii) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		1,381.36	1,161.34
	(c) Debt Securities	13	60,462.76	39,997.88
	(d) Borrowings (Other than Debt Securities)	14	1,96,176.93	1,62,820.94
	(e) Deposits	15	-	-
	(f) Subordinated Liabilities	16	8,900.00	8,900.00
	(g) Other Financial Liabilities	17	987.75	443.14
	(2) Non-Financial Liabilities			
	(a) Current Tax Liabilities (Net)	18	-	-
	(b) Provisions	19	4,623.07	3,744.41
	(c) Deferred Tax Liabilities (Net)	20	-	
	(d) Other non-financial Liabilities	21	5,302.52	1,913.04
	(3) Equity			
	(a) Equity Share Capital	22	8,981.06	4,490.84
	(b) Other Equity	23	1,23,960.60	1,11,762.92
	Total Equity & Liabilities		**4,12,318.45**	**3,35,387.45**

Notes to the Accounts & Significant Accounting Policies annexed
Notes referred to above form an integral part of these Financial Statements
Signed in terms of our Report of even date

For Manish Goyal & Co.
Chartered Accountants
Firm Reg. No. 006066C

(CA. MANISH GOYAL)
Partner
Membership No. 074778
UDIN : 24074778BKAPEO1902

Place : New Delhi
Date : 26th April 2024

For and on behalf of the Board

(SUNIL AGARWAL)
Managing Director
DIN : 00006991

(HARISH SINGH)
Executive Director & CFO
DIN : 00039501

(MANENDRA SINGH)
Company Secretary
Membership No. : F7868

M/S PAISALO DIGITAL LIMITED

CONSOLIDATED PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2024

(₹ in Lakhs)

Sr. No.	Particulars	Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
I	**Revenue from operations:**			
	(i) Interest Income	24	58,897.86	46,507.10
	(ii) Dividend Income		1.24	0.83
	(iii) Rental Income		-	-
	(iv) Fees and commission Income		6,241.56	811.06
	(v) Net gain on fair value changes	25	95.57	-
	(vi) Net gain on derecognition of financial instruments under amortised cost category		-	-
	(vii) Sale of products (including Excise Duty)		-	-
	(viii) Sale of services		-	-
	(ix) Others		638.38	-
	Total Revenue from Operations (I)		**65,874.61**	**47,318.99**
II	Other Income	26	-	-
	Total Income (I+II)		**65,874.61**	**47,318.99**
III	**Expenses:**			
	(i) Finance Costs	27	27,007.29	20,867.00
	(ii) Fees and commission expense		-	-
	(iii) Net loss on fair value changes		-	49.38
	(iv) Net loss on derecognition of financial instruments under amortised cost category		-	-
	(v) Impairment on financial instruments	28	1,177.86	5,390.14
	(vi) Cost of materials consumed		-	-
	(vii) Purchases of Stock-in-trade		-	-
	(viii) Changes in Inventories of finished goods, stock-in- trade and work-in- progress		-	-
	(ix) Employee Benefits Expenses	29	4,902.77	3,467.12
	(xi) Depreciation, amortization and impairment	30	339.99	329.08
	(x) Others expenses	31	8,375.86	4,139.67
	Total Expenses (III)		**41,803.77**	**34,242.40**
IV	Profit before exceptional items and tax **(II-III)**		**24,070.84**	**13,076.59**
V	Exceptional items		(47.60)	452.87
VI	Profit before tax **(IV-V)**		**24,118.44**	**12,623.72**
VII	**Tax Expense:**			
	(1) Current Tax		7,028.46	3,586.24
	(2) Deferred Tax		(807.32)	(324.38)
VIII	Profit for the period from continuing operations **(VI-VII)**		**17,897.30**	**9,361.86**
IX	Profit/(loss) from discontinued operations		-	-
X	Tax Expense of discontinued operations		-	-
XI	Profit/(loss) from discontinued operations (After tax) **(IX-X)**		-	-
XII	Profit for the period **(VIII+XI)**		**17,897.30**	**9,361.86**

MANISH GOYAL & CO. Chartered Accountants

PAISALO DIGITAL LIMITED

M/S PAISALO DIGITAL LIMITED

CONSOLIDATED PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2024

(₹ in Lakhs)

Sr. No.	Particulars	Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
XIII	**Other Comprehensive Income:**			
	(A) (i) Items that will not be reclassified to profit or loss (Revaluation of Properties)		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	Sub Total (A)		-	-
	(B) (i) Items that will be reclassified to profit or loss (specify items and amounts)		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
	Sub Total (B)		-	-
	Other Comprehensive Income (A+B)		-	-
XIV	Total Comprehensive Income for the period **(XII+XIII)** (Comprising Profit and other Comprehensive Income for the period)		**17,897.30**	**9,361.86**
XV	**Earnings per Equity Share (for continuing operations):**			
	Basic (Rs.)	34	3.87	2.10
	Diluted (Rs.)		3.87	2.10
XVI	**Earnings per Equity Share (for discontinued operations):**			
	Basic (Rs.)		-	-
	Diluted (Rs.)		-	-
XVII	**Earnings per Equity Share (for continuing and discontinued operations):**			
	Basic (Rs.)	34	3.87	2.10
	Diluted (Rs.)		3.87	2.10

Notes to the Accounts & Significant Accounting Policies annexed
Notes referred to above form an integral part of these Financial Statements
Signed in terms of our Report of even date

For Manish Goyal & Co.
Chartered Accountants
Firm Reg. No. 006066C

(CA. MANISH GOYAL)
Partner
Membership No. 074778
UDIN : 24074778BKAPEO1902

Place : New Delhi
Date : 26th April 2024

For and on behalf of the Board

(SUNIL AGARWAL)
Managing Director
DIN : 00006991

(HARISH SINGH)
Executive Director & CFO
DIN : 00039501

(MANENDRA SINGH)
Company Secretary
Membership No. : F7868

M/S PAISALO DIGITAL LIMITED

STATEMENT OF CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2024

(₹ in Lakhs)

Sr. No.	Particulars	Figures for current reporting period		Figures for previous reporting period	
A	**Cash Flow from Operating Activities:**				
	Net Profit before tax and extraordinary items and Interest		51,078.13		33,943.60
	Adjustments for				
I	Depreciation	339.99		244.00	
II	Deferred Expense W/O	-		85.09	
III	Impairment on financial instruments	1,177.85		5,390.14	
IV	Expenditure on CSR	211.70		176.01	
V	Dividend Income Received	(1.24)		(0.83)	
VI	Profit/loss on Sale of Shares	(95.57)		49.38	
VII	Profit/loss on Sale of Investments/Assets	(6.36)		(12.85)	
	Operating Profit before working capital changes		**52,704.50**		**39,874.54**
	Adjustments for				
I	Change in Other Financial Assets	(336.49)		(283.77)	
II	Change in Loans & Receivables	(79,967.91)		(61,215.55)	
III	Change in Payable & non financial liabilities	4,998.97		1,379.23	
IV	Misc. Expenses	44.00		(24.71)	
	Cash generated from Operations		**(22,556.93)**		**(20,270.26)**
I	Interest paid	(27,007.29)		(20,867.00)	
II	Income Tax paid	(7,246.75)		(3,450.93)	
III	Paid Expenses on CSR	(211.70)		(176.01)	
	Cash flow before Extraordinary Items		**(57,022.67)**		**(44,764.20)**
I	Extraordinary items		(47.60)		452.87
	Net Cash from Operating Activities		**(56,975.07)**		**(45,217.07)**
B	**Cash Flows from Investing Activities:**				
I	Purchase of Fixed Assets	(374.01)		(625.67)	
II	Sale of Fixed Assets	12.31		118.28	
III	Purchase/transfer of Investments	621.92		-	
IV	Purchase of Security Receipts	-		-	
	Net Cash from Investing activities		**260.22**		**(507.39)**
C	**Net Cash from Financing Activities:**				
I	Proceeds from Borrowings	33,355.99		41,596.27	
II	Proceeds from Debt Service Repayment Account	544.61		191.64	
III	Proceeds from Debt Securities	20,464.88		2,526.99	
IV	Dividend Paid/(Received)	(447.78)		(448.19)	
V	Purchase of Security Receipts	1,343.73		(1,500.00)	
VI	Money received against Share Warrant	-		5,234.63	
	Net Cash from Financing activities		**55,261.43**		**47,601.34**
	Net Increase/(decrease) in cash & cash equivalents		**(1,453.42)**		**1,876.88**
	Cash & Cash equivalents at beginning of period		**2,911.05**		**1,034.18**
	Cash & Cash equivalent at end of period		**1,457.63**		**2,911.06**

Signed in terms of our Report of even date

For Manish Goyal & Co.
Chartered Accountants
Firm Reg. No. 006066C

(CA. MANISH GOYAL)
Partner
Membership No. 074778
UDIN :
UDIN : 24074778BKAPEO1902
Place : New Delhi
Date : 26th April 2024

For and on behalf of the Board

(SUNIL AGARWAL)
Managing Director
DIN : 00006991

(HARISH SINGH)
Executive Director & CFO
DIN : 00039501

(MANENDRA SINGH)
Company Secretary
Membership No. : F7868

AUDITORS' REPORT

We have verified the attached Cash Flow Statement of M/s Paisalo Digital Limited, derived from audited financial statements and the books and records maintained by the Company for the year ended 31st March 2024 and 31st March 2023 and found the same in agreement here with.

For Manish Goyal & Co.
Chartered Accountants
Firm Reg. No. 006066C

(CA. MANISH GOYAL)
Partner
Membership No. 074778
UDIN : 24074778BKAPEO1902

Place : New Delhi
Date : 26th April 2024

M/S PAISALO DIGITAL LIMITED

MATERIAL ACCOUNTING POLICY INFORMATION

A. PRINCIPLE OF CONSOLIDATION

The Consolidated Financial Statements relate to **M/S PAISALO DIGITAL LIMITED** (the Company) and its subsidiary M/s Nupur Finvest Private Limited. The Consolidated Financial Statements have been prepared on the following basis:

a) The Consolidated Financial Statements have been prepared in accordance with Indian Accounting Standard (AS) 110- "Consolidated Financial Statements". The financials are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra- group transactions.

b) Investment in Associate Companies has been accounted under the equity method as per "Accounting for Investments in Associates in Consolidated Financial Statements".

c) As far as possible, the Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

B. INVESTMENTS OTHER THAN IN SUBSIDIARIES AND ASSOCIATES

Investments other than in subsidiaries and associates have been accounted as per Accounting Standards "Accounting for Investments".

C. OTHER MATERIAL ACCOUNTING POLICY INFORMATION

These are set out under "material accounting policy information" as given in the Company's separate financial statements.

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

Statement of Changes in Equity:

1. Current Reporting Period

(₹ in)

Balance at the beginning of the Current Reporting Period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in Equity share capital during the current year	Balance at the end of the current reporting period
44,91,46,990	-	44,91,46,990	44,90,21,990 -	89,81,68,980
44,91,46,990	**-**	**44,91,46,990**	**44,90,21,990**	**89,81,68,980**

1 Total shares includes forfeited shares

2 On March 21, 2024, the Company has alloted 449021990 equity shares of Re. 1/- pursunat to Bonus Issue to existing shareholders.

2. Previous Reporting Period

(₹ in)

Balance at the beginning of the Current Reporting Period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in Equity share capital during the current year	Balance at the end of the current reporting period
4,39,24,669	-	4,39,24,669	439246990* 9900000#	4,39,24,699
4,39,24,669	**-**	**4,39,24,669**	**-**	**4,39,24,699**

1 Total shares includes forfeited shares

* W.e.f. July 1, 2022 the 1 equity share of Rs. 10/- each sub-divided / split into 10 equity shares of Re. one each

equity shares issued on conversion of warrants

List of Shareholders holding more than 5% shares of Company:

Sr. No.	Name of the Shareholders	No of Shares	% of shareholding
1	Equilibrated Venture Cflow Pvt Ltd	12,41,15,882	13.82
2	Sunil Agarwal	10,57,02,800	11.77
3	SBI Life Insurance Co. Ltd	6,35,14,495	7.07

List of Promoter's and Promoter Group Shareholding:

Sr. No.	Promoter Name	Number of Shares held	Percentage of total shares	Percentage change during the year
1	Sunil Agarwal	10,57,02,800	11.77	0.00
2	Suneeti Agarwal	71,66,000	0.80	0.00
3	Santanu Agarwal	3,37,04,000	3.75	0.00
4	Equilibrated Venture Cflow Pvt. Ltd.	12,41,15,882	13.82	2.79
5	Pri Caf Pvt. Ltd.	2,40,48,400	2.68	0.17
6	Pro Fitcch Pvt. Ltd.	2,23,21,220	2.49	0.17

MANISH GOYAL & CO. Chartered Accountants

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

Note : 1 Cash & Cash Equivalents **(₹ in Lakhs)**

Sr. No.	Particulars	Current Year	Previous Year
1	Cash Balances	715.07	79.79
2	**Bank Balances**		
	Current a/c with Scheduled Banks (Subject to reconciliation)	376.73	683.30
	Cheques/ Drafts on Hands	-	-
3	**In Fixed Deposits - Unencumbered**		
	With Banks	0.10	1,800.07
	Total	**1,091.90**	**2,563.16**

Note : 2 Bank Balances other than (a) above **(₹ in Lakhs)**

Sr. No.	Particulars	Current Year	Previous Year
1	**Bank Balances**		
	Current a/c with Scheduled Banks (Subject to reconciliation)	-	-
2	**In Fixed Deposits - Encumbered**		
	With Banks	365.73	347.90
	Total	**365.73**	**347.90**

- Fore details, Refer Note No. 40 of Standalone Financial Statement

MANISH GOYAL & CO. Chartered Accountants

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

Note : 3 Derivative Financial Instruments (Assets)

(₹ in Lakhs)

Particulars	Current Year			Previous Year		
	Notional amounts	Fair Value Assets	Fair Value Liabilities	Notional amounts	Fair Value - Assets	Fair Value - Liabilities
Part I						
(i) Currency Derivatives						
—Spot and Forwards	-	-	-	-	-	-
—Currency Futures	-	-	-	-	-	-
—Currency Swaps	-	-	-	-	-	-
—Options purchased	-	-	-	-	-	-
—Options sold (written)	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (i)	-	-	-	-	-	-
(ii) Interest rate Derivatives						
—Forward Rate Agreements and Interest Rate Swaps	-	-	-	-	-	-
—Options purchased	-	-	-	-	-	-
—Options sold (written)	-	-	-	-	-	-
—Futures	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (ii)	-	-	-	-	-	-
(iii) Credit Derivatives	-	-	-	-	-	-
(iv) Equity linked Derivatives	-	-	-	-	-	-
(v) Other Derivatives (Please specify)	-	-	-	-	-	-
Total Derivative Financial Instruments (i)+(ii)+(iii)+(iv)+ (V)	-	-	-	-	-	-
Part II						
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:	-	-	-	-	-	-
(i) Fair value hedging	-	-	-	-	-	-
— Currency Derivatives	-	-	-	-	-	-
—Interest rate Derivatives	-	-	-	-	-	-
—Credit Derivatives	-	-	-	-	-	-
—Equity linked Derivatives	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (i)	-	-	-	-	-	-
(ii) Cash flow hedging	-	-	-	-	-	-
—Currency Derivatives	-	-	-	-	-	-
—Interest rate Derivatives	-	-	-	-	-	-
—Credit Derivatives	-	-	-	-	-	-
—Equity linked Derivatives	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (ii)	-	-	-	-	-	-
(iii) Net investment hedging	-	-	-	-	-	-
(iv) Undesignated Derivatives	-	-	-	-	-	-
Total Derivative Financial Instruments (i)+(ii)+(iii)+(iv)	-	-	-	-	-	-

Note : 4 Receivables

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	**Trade Receivables**		
	—Overdue Installments : Considered Good - Secured	302.20	72.81
	—Overdue Installments : Considered Good - Unsecured	218.82	211.86
	—Overdue Installments : Sub Standard Assets	703.84	690.44
2	Other Receivables	-	-
	Total	**1,224.86**	**975.11**

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

Notes No. : 4 (a) Trade Receivable - Additional Disclosures:

Outstanding for following periods from the due date of payment (FY. 2023-24) **(₹ in Lakhs)**

Sr. No.	Particulars	Less than 6 Months	6 Months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
1	Undisputed Trade Receivables - Considered Good	521.02	-	-	-	-	**521.02**
2	Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	**-**
3	Undisputed Trade Receivables - credit impaired	-	703.84	-	-	-	**703.84**
4	Disputed Trade Receivables - considered good	-	-	-	-	-	**-**
5	Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	**-**
6	Disputed Trade Receivables - credit impaired	-	-	-	-	-	**-**
	Grand Total	**521.02**	**703.84**	**-**	**-**	**-**	**1,224.86**

- Trade Receivable includes overdue loan cases financed by Paisalo Digital Limited

Outstanding for following periods from the due date of payment (FY. 2022-23) **(₹ in Lakhs)**

Sr. No.	Particulars	Less than 6 Months	6 Months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
1	Undisputed Trade Receivables - Considered Good	284.67	-	-	-	-	**284.67**
2	Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	**-**
3	Undisputed Trade Receivables - credit impaired	-	690.44	-	-	-	**690.44**
4	Disputed Trade Receivables - considered good	-	-	-	-	-	**-**
5	Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	**-**
6	Disputed Trade Receivables - credit impaired	-	-	-	-	-	**-**
	Grand Total	**284.67**	**690.44**	**-**	**-**	**-**	**975.11**

MANISH GOYAL & CO. Chartered Accountants

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

Note : 5 Loans

(₹ in Lakhs)

Particulars	Current Year						Previous Year					
	Amortised cost	Through other comprehensive income	Through profit or loss	Designated at fair value through profit or loss	Sub total	Total	Amortised cost	Through other comprehensive income	Through profit or loss	Designated at fair value through profit or loss	Subtotal	Total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11=8+9+10)	(12 =) (7)+(11)
Loans												
(A) (i) Bills Purchased and Bills Discounted	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Loans repayable on Demand	-	-	-	-	-	-	-	-	-	-	-	-
(iii) Term Loans	3,92,763.68	-	-	-	-	3,92,763.68	3,14,070.05	-	-	-	-	3,14,070.05
(iv) Leasing	-	-	-	-	-	-	-	-	-	-	-	-
(v) Factoring	-	-	-	-	-	-	-	-	-	-	-	-
(vi) Others (to be specified)	-	-	-	-	-	-	-	-	-	-	-	-
Total (A) - Gross	**3,92,763.68**	-	-	-	-	**3,92,763.68**	**3,14,070.05**	-	-	-	-	**3,14,070.05**
Less: Impairment loss allowance	62.65	-	-	-	-	62.65	27.58	-	-	-	-	27.58
Total (A) - Net	**3,92,701.03**	-	-	-	-	**3,92,701.03**	**3,14,042.46**	-	-	-	-	**3,14,042.46**
(B) (i) Secured by tangible assets	3,55,951.10	-	-	-	-	3,55,951.10	3,04,010.15	-	-	-	-	3,04,010.15
(ii) Secured by intangible assets	-	-	-	-	-	-	-	-	-	-	-	-
(iii) Covered by Bank/Government Guarantees	-	-	-	-	-	-	-	-	-	-	-	-
(iv) Unsecured	36,812.58	-	-	-	-	36,812.58	10,059.90	-	-	-	-	10,059.90
Total (B) - Gross	**3,92,763.68**	-	-	-	-	**3,92,763.68**	**3,14,070.05**	-	-	-	-	**3,14,070.05**
Less: Impairment loss allowance	62.65	-	-	-	-	62.65	27.58	-	-	-	-	27.58
Total (B) - Net	**3,92,701.03**	-	-	-	-	**3,92,701.03**	**3,14,042.46**	-	-	-	-	**3,14,042.46**
(C) (I) Loans in India	3,92,763.68	-	-	-	-	3,92,763.68	3,14,070.05	-	-	-	-	3,14,070.05
(i) Public Sector	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Others (to be specified)	-	-	-	-	-	-	-	-	-	-	-	-
Total (C) - Gross	**3,92,763.68**	-	-	-	-	**3,92,763.68**	**3,14,070.05**	-	-	-	-	**3,14,070.05**
Less: Impairment loss allowance	62.65	-	-	-	-	62.65	27.58	-	-	-	-	27.58
Total (C) (I) - Net	**3,92,701.03**	-	-	-	-	**3,92,701.03**	**3,14,042.46**	-	-	-	-	**3,14,042.46**
(C) (II) Loans outside India	-	-	-	-	-	-	-	-	-	-	-	-
Less: Impairment loss allowance	-	-	-	-	-	-	-	-	-	-	-	-
Total (C) (II) - Net	-	-	-	-	-	-		-	-	-	-	-
Total C (I) and C (II)	**3,92,701.03**			-	-	**3,92,701.03**	**3,14,042.46**	-	-	-	-	**3,14,042.46**

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

Note : 6 Investments

(₹ in Lakhs)

Investments	Current Year							Previous Year						
		At Fair Value							At Fair Value					
	Amortised cost	Through Other Comprehensive Income	Through Profit or Loss	Designated at fair value through profit or loss	Sub - Total	Others*	Total	Amortised cost	Through Other Comprehensive Income	Through Profit or Loss	Designated at fair value through profit or loss	Sub - Total	Others*	Total
	(1)	(2)	(3)	(4)	(5) = (2)+(3)+(4)	(6)	(7) = (1)+(5)+(6)	(8)	(9)	(10)	(11)	(12) = (9)+(10)+(11)	(13)	(14) = (8)+(12)+(13)
Mutual funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Government securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other approved securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity instruments	223.86	-	-	-	-	-	223.86	128.29	-	-	-	-	-	128.29
Subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Associates	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Joint Ventures	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others (specify)*	1,779.99	-	-	-	-	-	1,779.99	2,390.31	-	-	-	-	-	2,390.31
Total (A)	**2,003.85**	-	-	-	-	-	**2,003.85**	**2,518.60**	-	-	-	-	-	**2,518.60**
(i) Investments outside India	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Investments in India	2,003.85	-	-	-	-	-	2,003.85	2,518.60	-	-	-	-	-	2,518.60
Total (B)	**2,003.85**	-	-	-	-	-	**2,003.85**	**2,518.60**	-	-	-	-	-	**2,518.60**
Total (A) to tally with (B)	**2,003.85**	-	-	-	-	-	**2,003.85**	**2,518.60**	-	-	-	-	-	**2,518.60**
Less: Allowance for Impairment loss (C)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total - Net D = (A) - (C)	**2,003.85**	-	-	-	-	-	**2,003.85**	**2,518.60**	-	-	-	-	-	**2,518.60**

- *Unquoted Shares of M/s Samast Vikas Limited

MANISH GOYAL & CO. Chartered Accountants

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

Note : 7 Others Financial Assets

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	**Secured, Considered Good**		
	Security Deposit*	35.84	27.35
	Advances to Staff	5.56	2.37
	Income Receivables	5.31	-
	Advances for Services	651.80	386.29
	Prepaid Expenses	13.87	6.59
	GST/Service Tax Cenvat	270.06	223.33
	Security Receipts	5,008.92	6,352.65
2	Arbitration Awards/ Decree Recievable	-	-
	Total	**5,991.36**	**6,998.58**

- * Security Deposit amount consists of telephone/mobile security,electrity security, rent security.

Note : 8 Current Tax Assets (Net)

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	**Advance Recoverable in cash or in kind or for value to be considered good**		
	Income Tax and TDS	8,294.99	9,350.32
	Balance with Revenue Authorities	130.00	130.00
	Provision for Taxation	(7,028.09)	(8,301.75)
	Total	**1,396.90**	**1,178.57**

MANISH GOYAL & CO. Chartered Accountants

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

Note : 9 Property, Plant and Equipment (₹ in Lakhs)

Sr. No.	Particulars	Gross Block				Depreciaton				Net Block	
		Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	Addition during the year	Deduction during the year	Value at the end	WDV as on 31.03.2024	WDV as on 31.03.2023
I	**Tangible Assets**										
1	Land	-	-	-	-	-	-	-	-	-	-
2	Building	6,313.46	-	-	6,313.46	562.10	104.65	-	666.75	5,646.71	5,751.36
3	Furniture & Fittings	273.70	33.86	-	307.56	156.77	17.48	-	174.25	133.31	116.93
4	Computer Peripheral	400.55	217.95	-	618.50	246.70	96.58	-	343.28	275.22	153.85
5	Vehicles	586.82	86.45	35.04	638.23	135.16	57.78	17.49	175.45	462.78	451.66
6	Equipments, Plant & Machinery	242.74	33.70	-	276.44	159.54	24.05	-	183.59	92.85	83.20
	SUB TOTAL (A)	**7,817.27**	**371.96**	**35.04**	**8,154.19**	**1,260.27**	**300.54**	**17.49**	**1,543.32**	**6,610.87**	**6,557.00**
II	**Intangible Assets**										
1	Computer Software	531.47	2.04	-	533.51	460.67	39.46	-	500.13	33.38	70.80
2	Goodwill	-	-	-	-	-	-	-	-	-	-
	SUB TOTAL (B)	**531.47**	**2.04**	**-**	**533.51**	**460.67**	**39.46**	**-**	**500.13**	**33.38**	**70.80**
III	**Capital Work-in-progress**	-	-	-	-	-	-	-	-	-	-
	SUB TOTAL (C)	-	-	-	-	-	-	-	-	-	-
IV	**Intangible Assets Under Development**	-	-	-	-	-	-	-	-	-	-
	SUB TOTAL (D)	-	-	-	-	-	-	-	-	-	-
	Total [A+B+C+D] (Current Year)	**8,348.74**	**374.00**	**35.04**	**8,687.70**	**1,720.94**	**340.00**	**17.49**	**2,043.45**	**6,644.25**	**6,627.80**
	Total (Previous Year)	**7,862.08**	**625.67**	**139.01**	**8,348.74**	**1,499.86**	**243.98**	**22.90**	**1,720.94**	**6,627.80**	**6,362.22**

MANISH GOYAL & CO. CHARTERED ACCOUNTANTS

M/S PAISALO DIGITAL LIMITED

(FORMERLY KNOWN AS M/S S. E. INVESTMENTS LIMITED)

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

Note : 10 Other Non Financial Assets

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Deferred Revenue Expenditure	-	-
2	Unexpired Expenses of Processing Fees	40.68	84.67
	Total	**40.68**	**84.67**

- Deferred Revenue Expenses are written off over a period of five years.

Note : 11 Derivative financial Instruments (Liabilities)

(₹ in Lakhs)

Particulars	(Current Year)			Previous Year		
	Notional amounts	Fair Value Assets	Fair Value Liabilities	Notional amounts	Fair Value - Assets	Fair Value - Liabilities
Part I						
(i) Currency Derivatives						
—Spot and Forwards	-	-	-	-	-	-
—Currency Futures	-	-	-	-	-	-
—Currency Swaps	-	-	-	-	-	-
—Options purchased	-	-	-	-	-	-
—Options sold (written)	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (i)	-	-	-	-	-	-
(ii) Interest rate Derivatives						
—Forward Rate Agreements and Interest Rate Swaps	-	-	-	-	-	-
—Options purchased	-	-	-	-	-	-
—Options sold (written)	-	-	-	-	-	-
—Futures	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (ii)	-	-	-	-	-	-
(iii) Credit Derivatives	-	-	-	-	-	-
(iv) Equity linked Derivatives	-	-	-	-	-	-
(v) Other Derivatives (Please specify)	-	-	-	-	-	-
Total Derivative Financial Instruments (i)+(ii)+(iii)+(iv)+ (V)	-	-	-	-	-	-
Part II						
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:	-	-	-	-	-	-
(i) Fair value hedging						
— Currency Derivatives	-	-	-	-	-	-
—Interest rate Derivatives	-	-	-	-	-	-
—Credit Derivatives	-	-	-	-	-	-
—Equity linked Derivatives	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (i)	-	-	-	-	-	-
(ii) Cash flow hedging						
—Currency Derivatives	-	-	-	-	-	-
—Interest rate Derivatives	-	-	-	-	-	-
—Credit Derivatives	-	-	-	-	-	-
—Equity linked Derivatives	-	-	-	-	-	-
—Others	-	-	-	-	-	-
Sub Total (ii)	-	-	-	-	-	-
(iii) Net investment hedging	-	-	-	-	-	-
(iv) Undesignated Derivatives	-	-	-	-	-	-
Total Derivative Financial Instruments (i)+(ii)+(iii)+(iv)	-	-	-	-	-	-

MANISH GOYAL & CO. Chartered Accountants

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

Note : 12 Payables

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	**Trade Payables**		
	(i) Total outstanding dues of Micro Enterprises and Small Enterprises		
	(a) Sundry Creditors for Services	265.55	11.31
		265.55	**11.31**
	(ii) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		
	(a) SBI Assignment Payable	39.67	128.64
	(b) SIB Assignment Payable	2.06	3.86
	(c) Interest Payable on NCD	357.45	-
	(d) Interest Payable on Bank	256.91	-
	(e) Other Sundry Payables	620.76	9.12
		1,276.85	**141.62**
2	**Other Payables**		
	(i) Total outstanding dues of Micro Enterprises and Small Enterprises	-	-
	(ii) Total outstanding dues of creditors other than Micro enterprises and Small Enterprises		
	(a) Statutory Payables		
	Professional Tax Payable	0.01	0.01
	EPF Contribution Payable	30.98	20.27
	ESI Payable	9.79	6.80
	GST Payable	122.06	98.38
	TDS Payable	298.21	237.70
	LIC GSLI Payable	0.02	0.02
	(b) Expenses Payables	920.29	798.16
		1,381.36	**1,161.34**
	Total	**2,923.76**	**1,314.27**

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

Note : 12 (a) Trade Payables Due for Payment 2023-24

(₹ in Lakhs)

Sr. No.	Particulars	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
1	MSME	265.55	-	-	-	**265.55**
2	Others	1,276.85	-	-	-	**1,276.85**
3	Disputed Dues-MSME	-	-	-	-	**-**
4	Disputed Dues-Others	-	-	-	-	**-**
	Grand Total	**1,542.40**	**-**	**-**	**-**	**1,542.40**

Trade Payables Due for Payment 2022-23

(₹ in Lakhs)

Sr. No.	Particulars	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
1	MSME	11.31	-	-	-	**11.31**
2	Others	141.62	-	-	-	**141.62**
3	Disputed Dues-MSME	-	-	-	-	**-**
4	Disputed Dues-Others	-	-	-	-	**-**
	Grand Total	**152.93**	**-**	**-**	**-**	**152.93**

- There are no dues pending for more than 45 days

MANISH GOYAL & CO. Chartered Accountants

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

Note : 13 Debt Securities

(₹ in Lakhs)

Particulars	Current Year				Previous Year			
	At Amortised Cost	At Fair Value Through profit or loss	Designated at fair value through profit or loss	Total	At Amortised Cost	At Fair Value Through profit or loss	Designated at fair value through profit or loss	Total
	(1)	(2)	(3)	(4) = (1)+(2)+(3)	(5)	(6)	(7)	(8) = (5)+(6)+(7)
Liability component of compound Financial Instruments	-	-	-	-	-	-	-	-
Commercial Paper	6,957.76	-	-	6,957.76	-	-	-	-
Others (Bonds/ Debentures etc.)*	53,505.00	-	-	53,505.00	39,997.88	-	-	39,997.88
Total (A)	**60,462.76**	**-**	**-**	**60,462.76**	**39,997.88**	**-**	**-**	**39,997.88**
Debt Securities in India	60,462.76	-	-	60,462.76	39,997.88	-	-	39,997.88
Debt Securities outside India	-	-	-	-	-	-	-	-
Total (B) to tally with (A)	**60,462.76**	**-**	**-**	**60,462.76**	**39,997.88**	**-**	**-**	**39,997.88**

***Details of Non Convertible Debentures**

(₹ in Lakhs)

Debenture Series	Issued Date	Issued Amount	Rate of Interest	Interest Periodicity	Maturity Date	Maturity Amount	Current Year	Previous Year
Series-'PDL2020-3'	Feb-2020	900.00	12.00%	Monthly	Feb-2025	900.00	Yes	Yes
Series-'PDL-07-2020'	Jul-2020	5,000.00	10.50%	Quarterly	Apr-2023	5,000.00	Yes	Yes
Series-'PDL-12-2020'	Dec-2020	3,500.00	12.00%	Monthly	Dec-2023	3,500.00	Yes	Yes
Series-'PDL-02-2021'	Feb-2021	2,300.00	12.00%	Monthly	Feb-2026	2,300.00	Yes	Yes
Series-'PDL-07-2021'	July-2021	2,500.00	12.00%	Monthly	July-2026	2,500.00	Yes	Yes
Series-'PDL-09-2021'	Sep-2021	9,400.00	12.00%	Monthly	Sep-2026	9,400.00	Yes	Yes
Series-'PDL-09-02-2021'	Sep-2021	1,500.00	12.00%	Monthly	Sep-2026	1,500.00	Yes	Yes
Series-'PDL-02-2022'	Feb-2022	2,700.00	9.00%	Monthly	Feb-2029	2,700.00	Yes	Yes
Series-'PDL-07-2022'	Jul-2022	1,400.00	9.90%	Monthly	Jul-2032	1,400.00	Yes	Yes
Series-'PDL-01-2023'	Jan-2023	3,400.00	12.00%	Monthly	Jan-2033	3,400.00	Yes	Yes
Series-NFPL-10-2021'	Oct-2021	4,300.00	12.00%	Monthly	Oct-2028	4,300.00	Yes	Yes
Series-'NFPL-12-2021'	Dec-2021	600.00	14.00%	Monthly	Dec-2031	600.00	No	Yes
Series-'NFPL-03-2022'	Mar-2022	240.00	12.00%	Monthly	Mar-2027	240.00	Yes	Yes
Series-'NFPL-05-2022'	May-2022	550.00	12.00%	Monthly	May-2027	550.00	Yes	Yes
Series-'NFPL-06-2022'	Jun-2022	700.00	12.00%	Monthly	Jun-2032	700.00	Yes	Yes
Series-'NFPL-07-2022'	Jul-2022	1,500.00	12.00%	Monthly	Jul-2032	1,500.00	Yes	Yes
Series-'PDL-04-2023'	Apr-2023	500.00	10.00%	Monthly	Apr-2033	500.00	Yes	No
Series-'PDL-04-2023'	Apr-2023	1,330.00	12.00%	Monthly	Apr-2033	1,330.00	Yes	No
Series-'PDL-04-2023'	Apr-2023	2,310.00	12.00%	On Maturity	Apr-2033	2,310.00	Yes	No
Series-'PDL-09-2023'	Sep-2023	500.00	12.00%	Monthly	Sep-2033	500.00	Yes	No
Series-'PDL-11-2023'	Nov-2023	850.00	9.95%	Monthly	Nov-2033	850.00	Yes	No
Series-'PDL-11-2023'	Nov-2023	1,000.00	9.95%	Quarterly	Nov-2026	1,000.00	Yes	No
Series-'PDL-12-2023'	Dec-2023	4,620.00	12.00%	Monthly	Dec-2033	4,620.00	Yes	No
Series-'PDL-12-2023'	Dec-2023	1,970.00	9.95%	Quarterly	Dec-2033	1,970.00	Yes	No
Series-'PDL-12-2023'	Dec-2023	1,200.00	9.95%	Quarterly	Mar-2025	1,200.00	Yes	No
Series-'PDL-12-2023'	Dec-2023	600.00	9.95%	Quarterly	Jun-2025	600.00	Yes	No
Series-'PDL-01-2024'	Jan-2024	1,971.00	9.95%	Quarterly	Jan-2034	1,971.00	Yes	No
Series-'PDL-02-2024'	Feb-2024	2,034.00	9.95%	Quarterly	Feb-2034	2,034.00	Yes	No

MANISH GOYAL & CO. Chartered Accountants

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

Note : 14 Borrowings (Other than Debt Securities)

(₹ in Lakhs)

Particulars	Current Year				Previous Year			
	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
	(1)	(2)	(3)	(4) = (1)+(2)+(3)	(1)	(2)	(3)	(4) = (1)+(2)+(3)
(a) Term loans:								
(i) From banks	1,21,622.56	-	-	1,21,622.56	56,269.76	-	-	56,269.76
(ii) From other parties	353.10	-	-	353.10	2,283.02	-	-	2,283.02
(b) Deferred payment liabilities	-	-	-	-	-	-	-	-
(c) Loans from related parties	-	-	-	-	-	-	-	-
(d) Finance lease obligations	-	-	-	-	-	-	-	-
(e) Liability component of compound financial instruments	-	-	-	-	-	-	-	-
(f) Loans repayable on demand:								
(i) from banks	62,755.32	-	-	62,755.32	84,381.37	-	-	84,381.37
(ii) from other parties	-	-	-	-	-	-	-	-
(g) Other loans (specify nature)	-	-	-	-	-	-	-	-
(i) from other parties	11,445.95	-	-	11,445.95	19,886.79	-	-	19,886.79
Total (A)	**1,96,176.93**	**-**	**-**	**1,96,176.93**	**1,62,820.94**	**-**	**-**	**1,62,820.94**
Borrowings in India	1,96,176.93	-	-	1,96,176.93	1,62,820.94	-	-	1,62,820.94
Borrowings outside India	-	-	-	-	-	-	-	-
Total (B) to tally with (A)	**1,96,176.93**	**-**	**-**	**1,96,176.93**	**1,62,820.94**	**-**	**-**	**1,62,820.94**

MANISH GOYAL & CO. Chartered Accountants

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

Note : 15 Deposits

(₹ in Lakhs)

Particulars	Current Year				Previous Year			
	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
	(1)	(2)	(3)	(4) = (1)+(2)+(3)	(5)	(6)	(7)	(*8) = (5)+(6)+(7)
Deposits								
(i) Public Deposits	-	-	-	-	-	-	-	-
(ii) From Banks	-	-	-	-	-	-	-	-
(iii) From Others	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-

Note : 16 Subordinatd Liabilities

(₹ in Lakhs)

Particulars	Current Year				Previous Year			
	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	At Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
	(1)	(2)	(3)	(4) = (1)+(2)+(3)	(5)	(6)	(7)	(8) = (5)+(6)+(7)
Perpetual Debt Instruments to the extent that do not qualify as equity	-	-	-	-	-	-	-	-
Preferene Shares other than those that qualify as Equity	-	-	-	-	-	-	-	-
Others (Non-Convertable Debentures*)	8,900.00	-	-	8,900.00	8,900.00	-	-	8,900.00
Total (A)	**8,900.00**	-	-	**8,900.00**	**8,900.00**	-	-	**8,900.00**
Subordinated Liabilities in India	8,900.00	-	-	8,900.00	8,900.00	-	-	8,900.00
Subordinated Liabilities outside India	-	-	-	-	-	-	-	-
Total (B) to tally with (A)	**8,900.00**	-	-	**8,900.00**	**8,900.00**	-	-	**8,900.00**

*** Details of Non-Convertable Debentures**

(₹ in Lakhs)

Debenture Series	Issued Date	Issued Amount	Rate of Interest	Interest Periodicity	Maturity Date	Maturity Amount	Current Year	Previous Year
Series-'PDL 1808'	Aug-2018	8,100	14.00%	Monthly	Aug-2024	8,100	Yes	Yes
Series-'PDL2020-1'	Jan -2020	600	12.00%	Monthly	Jan-2026	600	Yes	Yes
Series-'PDL2020-2'	Feb-2020	100	12.00%	Monthly	Feb-2026	100	Yes	Yes
Series-'PDL2020-12'	Dec-2020	100	12.00%	Monthly	Dec-2030	100	Yes	Yes

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NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

Note : 17 Others Financial Liabilities (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Debt Service Repayment Account	987.75	443.14
	Total	**987.75**	**443.14**

Note : 18 Current Tax Liabilities (Net) (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	**Advance Recoverable in Cash or in Kind or for value to be considered good**		
	Income Tax and TDS	-	-
	Provision for Taxation	-	-
	Total	**-**	**-**

Note : 19 Provisions (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Provision for Standard Assets	1,598.94	1,287.58
2	Provision for Proposed Dividend on Equity Shares	898.04	449.02
3	Provision for Expected Credit Loss	1,422.60	1,366.98
4	Provision for Sub Standard Assets	703.48	640.83
	Total	**4,623.06**	**3,744.41**

Note : 20 Deferred Tax Liabilities (Net) (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Opening Balance	(50.60)	273.78
	Tax on Timing difference on Property, Plant and Equipments	490.81	418.68
	Tax on Timing difference on Deferred Revenue Expenditures	-	-
	Tax on Timing difference on Unexpired Processing Fees	9.96	20.73
	Tax on Timing difference on Unearned Processing Fees	(1,358.66)	(490.01)
2	Total Deferred Tax Liability	(857.89)	(50.60)
	Provision for Deferred Tax required for the year (2-1)	(807.28)	(324.38)
	Total	**(857.89)**	**(50.60)**

Note : 21 Others Non Financial Liabilities (₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Unearned Income of Processing Fees	5,302.52	1,913.04
	Total	**5,302.52**	**1,913.04**

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M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

Note : 22 Share Capital **(₹ in Lakhs)**

Sr. No.	Particulars	Current Year	Previous Year
1	**AUTHORIZED CAPITAL**		
	120,00,00,000 Equity Shares of Re. 1 per share	12,000.00	12,000.00
	(Previous year 12,00,00,000 equity shares of Rs. 10 each		
	50,00,000 Preference Shares of Rs. 10 each	500.00	500.00
		12,500.00	**12,500.00**
2	**ISSUED, SUBSCRIBED CAPITAL**		
	43,92,46,990 Equity Shares of Rs. 1 per Share fully paid up	4,491.47	4,392.47
	(Previous year 42,30,46,99 Equity Shares of Re. 10 each)		
	Add: 44,90,21,990 Shares of Face value Re. 1 per Share	4,490.22	99.00
	fully paid up issued during the year as Bonus Shares		
	(Previous year 99,00,000 Shares issued @ Rs. 70.50 each Face value of Re. 1 each)		
		8,981.69	**4,491.47**
3	**PAID UP CAPITAL**		
	44,90,21,990 Equity Shares of Re. 1 per Share fully paid up	4,490.22	4,391.22
	(Previous year 43,91,21,990 Equity Shares of Re. 1 each)		
	Add: 44,90,21,990 Share of Face value Re. 1 each issued as Bonus Shares in the ratio of 1:1	4,490.22	99.00
	(Previous year 99,00,000 Share Issued @70.5 each of Face value Re. 1 each)		
	Add: Share Forfeited a/c	0.63	0.63
	(Amount originally Paid up @ Rs. 0.50 each on 1,25,000 Equity Shares of Re. 1 each)		
	Total	**8,981.06**	**4,490.84**

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

Note : 23 Other Equity

Current Reporting Period

(₹ in Lakhs)

Particulars	Share Application money pending Allotment	Equity component of compound Financial Instruments	Statutory Reserves - RBI Reserve Fund	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Capital Redemption Reserve	Revaluation Reserve	Debt instruments through other Comprehensive Income	Equity Instruments through other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (Specify nature)	Money received against Share Warrants	Total
Balance at the beginning of the reporting period	-	-	17,686.82	2,415.21	38,091.52	52,135.11	848.38	250.00	335.88	-	-	-	-	-	-	-	**1,11,762.92**
Add: Any change due to IND AS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated Balances at the beginning of the reporting period	-	-	17,686.82	2,415.21	38,091.52	52,135.11	848.38	250.00	335.88	-	-	-	-	-	-	-	**1,11,762.92**
Total Comprehensive Income for the year	-	-	-	-	-	-	17,897.30	-	-	-	-	-	-	-	-	-	**17,897.30**
Money received as share warrant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share warrant converted into Share capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Security Premium on conversion of warrants into equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proposed Dividends	-	-	-	-	-	-	(898.04)	-	-	-	-	-	-	-	-	-	**(898.04)**
Depreciation on Revaluation Amount	-	-	-	-	-	-	9.08	-	(9.08)	-	-	-	-	-	-	-	-
Income Tax Impact due to IND AS on Processing Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bonus share issued	-	-	-	-	-	(4,490.22)	-	-	-	-	-	-	-	-	-	-	**(4,490.22)**
Transfer to General Reserve	-	-	-	-	-	12,500.00	(12,500.00)	-	-	-	-	-	-	-	-	-	-
Transfer to Statutory Reserve Fund	-	-	3,579.46	-	-	-	(3,579.46)	-	-	-	-	-	-	-	-	-	-
Provision on Standard Assets	-	-	-	-	-	-	(311.36)	-	-	-	-	-	-	-	-	-	**(311.36)**
Expenditure on Corporate Social Responsibility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of the reporting period	-	-	21,266.28	2,415.21	38,091.52	60,144.89	1,465.90	250.00	326.80	-	-	-	-	-	-	-	**1,23,960.60**

MANISH GOYAL & CO. Chartered Accountants

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

Note : 23 Other Equity

Previous Reporting Period (₹ in Lakhs)

Particulars	Share Application money pending Allotment	Equity component of compound Financial Instruments	Statutory Reserves - RBI Reserve Fund	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Capital Redemption Reserve	Revaluation Reserve	Debt Instruments through other Comprehensive Income	Equity Instruments through other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (Specify nature)	Money received against Share Warrants	Total
Balance at the beginning of the reporting period	-	-	15,814.44	2,415.21	31,211.02	45,835.11	339.06	250.00	344.96	-	-	-	-	-	-	1,744.88	**97,954.68**
Add: Any change due to IND AS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**
Restated Balances at the beginning of the reporting period	-	-	15,814.44	2,415.21	31,211.02	45,835.11	339.06	250.00	344.96	-	-	-	-	-	-	1,744.88	**97,954.68**
Total Comprehensive Income for the year	-	-	-	-	-	-	9,361.86	-	-	-	-	-	-	-	-	-	**9,361.86**
Money received as share warrant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,234.63	**5,234.63**
Share warrant converted into Share capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(99.00)	**(99.00)**
Security Premium on conversion of warrants into equity	-	-	-	-	6,880.50	-	-	-	-	-	-	-	-	-	-	(6,880.50)	**-**
Proposed Dividends	-	-	-	-	-	-	(458.92)	-	-	-	-	-	-	-	-	-	**(458.92)**
Depreciation on Revaluation Amount	-	-	-	-	-	-	9.08	-	(9.08)	-	-	-	-	-	-	-	**-**
Income Tax Impact due to IND AS on Processing Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**
Transfer to General Reserve	-	-	-	-	-	6,300.00	(6,300.00)	-	-	-	-	-	-	-	-	-	**-**
Transfer to Statutory Reserve Fund	-	-	1,872.38	-	-	-	(1,872.38)	-	-	-	-	-	-	-	-	-	**-**
Provision on Standard Assets	-	-	-	-	-	-	(230.33)	-	-	-	-	-	-	-	-	-	**(230.33)**
Expenditure on Corporate Social	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Balance at the end of the reporting period	-	-	17,686.82	2,415.21	38,091.52	52,135.11	848.38	250.00	335.88	-	-	-	-	-	-	-	**1,11,762.91**

MANISH GOYAL & CO. Chartered Accountants

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

Note : 24 Interest Income

(₹ in Lakhs)

Particulars	Current Year			Previous Year		
	On Financial Assets measured at Fair value through OCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at Fair value through profit for loss	On Financial Assets measured at Fair value through OCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at Fair value through profit for loss
Interest on Loans	-	58,786.12	-	-	46,437.42	-
Interest Income from Investments	-	-	-	-	-	-
Interest on Deposits with Banks	-	25.11	-	-	14.51	-
Other Interest Income	-	86.63	-	-	55.17	-
Fee and Commssion Income	-	6,241.56	-	-	811.06	-
Dividend Income	-	1.24	-	-	0.83	-
Total	**-**	**65,140.66**	**-**	**-**	**47,318.99**	**-**

Note : 25 Net Gain/(Loss) on fair value changes

(₹ in Lakhs)

Particulars	Current Year	Previous Year
(A) Net gain/ (loss) on Financial Instruments at Fair value through profit or loss		
(i) On trading portfolio:		
—Investments	-	-
—Derivatives	-	-
—Others	-	-
(ii) On Financial Instruments designated at fair value through profit or loss	95.57	(49.38)
(B) Others		
(i) Total Net gain/(loss) on fair value changes (c)	-	-
(ii) Fair Value changes:		
—Realised	-	-
—Unrealised	-	-
Total Net Gain/(Loss) on Fair value changes (D) to tally with (C)	**95.57**	**(49.38)**

MANISH GOYAL & CO. Chartered Accountants

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NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

Note : 26 Other Income

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Net gain/(loss) on ineffective portion of hedges	-	-
2	Net gain/(loss) on derecognition of property, plant and equipment	-	-
3	Net gain or loss on foreign currency transaction and translation (other than considered as finance cost)	-	-
4	Others	638.38	-
	Total	**638.38**	**-**

Note : 27 Finance Cost

(₹ in Lakhs)

Sr. No.	Particulars	Current Year		Previous Year	
		On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost
1	Interest on Deposits	-	-	-	-
2	Interest on Borrowings	-	17,899.05	-	13,767.58
3	Interest on Debt Securities	-	4,614.51	-	4,478.78
4	Interest on Subordinated Liabilities	-	1,233.37	-	1,230.00
5	Other Interest expense/ Bank Charges	-	3,260.36	-	1,390.64
	Total	**-**	**27,007.29**	**-**	**20,867.00**

MANISH GOYAL & CO. Chartered Accountants

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NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

Note : 28 Impairment on Financial Instruments

(₹ in Lakhs)

Particulars	Current Year		Previous Year	
	On Financial instruments measured at Fair value through OCI	On Financial instruments measured at Amortised Cost	On Financial instruments measured at Fair value through OCI	On Financial instruments measured at Amortised Cost
Bad Debts Written Off on Loans	-	1,059.59	-	5,346.62
Provision for NPA	-	62.65	-	27.58
Provision for Expected Credit Loss				
Additional Provision for Expected Credit Loss		55.62		15.94
Investments	-	-	-	-
Others (to be specified)	-	-	-	-
Total	**-**	**1,177.86**	**-**	**5,390.14**

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

Note : 29 Employees Benefit Expenses

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Salaries and Wages to Employess	3,863.61	2,626.70
2	Directors Salaries & Allowances	649.25	633.82
3	Contribution to Provident and other funds	251.90	148.79
4	Share Based Payments to employees	-	-
5	Staff welfare expenses	138.01	57.81
	Total	**4,902.77**	**3,467.12**

- No remuneration has been paid to Directors except remuneration to Managing Director and Executive Directors. The remuneration paid to Managing Director and Executive Directors during the F.Y. 2023-24 Rs. is 6,49,24,800 (Last year Rs. 6,33,82,058) which is within the limit as specified u/s 197 read with Schedule V of the Companies Act, 2013.

Note : 30 Depreciation & Amortised Cost

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Depreciation	339.99	244.00
2	Deffered Revenue Exp. w/o*	-	74.39
3	Goodwill w/o#	-	10.70
	Total	**339.99**	**329.08**

- *Deferred Expenses written off over a period of five Years.
- *Goodwill written off during the Years.

Note : 31 Other Expenses

(₹ in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
1	Car & Scooter Expenses	36.15	35.19
2	Travelling Expenses	1,305.18	577.69
3	Repair & Maintenance	183.99	104.61
4	Insurance Expenses	18.97	12.25
5	Electricity & Water Expenses	85.72	82.44
6	Rates & Taxes	4.35	7.75
7	Legal Expenses & Professional Fees	1,309.91	915.64
8	Printing & Stationery Expenses	309.01	150.27
9	Postage & Telephone Expenses	190.56	73.77
10	Auditors Remuneration	7.36	7.35
11	Rent	350.80	247.33
12	Rebate & Remission	287.16	190.15
13	Advertisement & Business Promotion Expenses	2,346.35	1,313.01
14	Recovery Expenses	1,361.10	(0.08)
15	Office and General Expenses	360.61	245.73
16	Loss/(Profit) on sale of Assets/Investments	(6.36)	(12.85)
17	Directors Sitting Fees & Expenses	13.30	13.41
18	Corporate Social Responsibility Expenditure*	211.70	176.01
	Total	**8,375.86**	**4,139.67**

- *Refer Note 31 of Standalone Financial Statements.

MANISH GOYAL & CO. Chartered Accountants

M/S PAISALO DIGITAL LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

32. Remuneration to Auditors:

(₹ in Lakhs)

	2023-24	2022-23
For Statutory Audit	4.98	4.98
For Tax Audit	1.77	1.77
Total	**6.75**	**6.75**

33. Earning per Share:

(₹ in Lakhs)

	2023-24	2022-23
Net profit for the year (After Tax)	17,897.30	9,361.88
Equity Shares in numbers (Weighted)	46,25,54,160	44,47,84,716
Basic and diluted Earning per share	3.87	2.10

34. Figures for the previous year have been regrouped/rearranged/reclassified and restated in compliance with the IND AS wherever considered necessary.

35. The Paisalo Digital Limited has given corporate guarantee for the loans taken by its wholly owned subsidiary Company M/s Nupur Finvest Pvt. Ltd. from the following Bank's / FI's / NBFCs:

(₹ in Lakhs)

Name of Bank / Financial Institution	Facility	Amount o/s
Karnataka Bank Ltd	Cash Credit	2,000.00
Indian Bank	Cash Credit	500.00
State Bank of India	Term Loan	5,393.58
Bank of Baroda	Term Loan	1,597.22
Indian Bank	Term Loan	476.87
Tata Capital Financial Services Limited	Term Loan	353.10
Total		**10,320.77**

For Contingent Assets refer note no. 37 (b) Notes to the Accounts of Standalone Financial Statements of Paisalo Digital Limited.

36. Disclosure of Related party transactions:

Refer note no. 37 (A, B & C) of Notes to the Account of Standalone Financial Statement of Paisalo Digital Limited.

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NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

D. Disclosures required for Related party transactions

(₹ in Lakhs)

Name of Party	Nature	Amount	Amount Receivable/ (Payable)
Mr. Sunil Agarwal	Remuneration to Director	393.60	(18.80)
Mr. Harish Singh	Remuneration to Director	33.00	(2.26)
Mr. Anoop Krishna	Remuneration to Director	45.60	(2.75)
Mr. Santanu Agarwal	Salary	180.00	(9.00)
Mr. Manendra Singh	Salary	15.32	(0.98)
Mr. Santanu Agarwal	Loan Received	52.00	—
Mr. Santanu Agarwal	Interest Expenses	1.88	—
Mr. Pranav Chauhan	Interest Payment (on NCD)	24.07	—
Mrs. Priti Chauhan	Interest Payment (on NCD)	8.32	
Mr. Sunil Agarwal	Dividend Paid	52.85	—
Mr. Santanu Agarwal	Dividend Paid	16.85	—
Ms. Suneeti Agarwal	Dividend Paid	3.58	—
Pro Fitcch Pvt. Ltd.	Dividend Paid	11.10	—
Equilibrated Ventures Cflow Pvt. Ltd.	Dividend Paid	51.70	—
Pri Caf Pvt. Ltd.	Dividend Paid	11.96	—
Equilibrated Ventures Cflow Pvt. Ltd.	Subscription to NCDs	490.00	—
Santanu Agarwal	Subscription to NCDs	135.00	—
Priti Chauhan	Subscription to NCDs	220.00	—
Issue of Equity Shares pursuant to Bonus Issue to Promoter Group			
Name	**Category**	**No. of Shares**	**Face value**
Mr. Sunil Agarwal	Promoter	52851400	528.51
Mr. Santanu Agarwal	Member of Promoter Group	16852000	168.52
Ms. Suneeti Agarwal	Member of Promoter Group	3583000	35.83
Pro Fitcch Pvt. Ltd.	Member of Promoter Group	11160610	111.61
Equilibrated Ventures Cflow Pvt. Ltd.	Member of Promoter Group	62057941	620.58
Pri Caf Pvt. Ltd.	Member of Promoter Group	12024200	120.24

Notes:

(1) Related party relationship is as identified by the Company on the basis of information available with them and accepted by the auditors as correct.

(2) No amount has been written off or written back during the year in respect of debt due from or to related parties.

(3) Company has entered into transactions with certain parties as listed above during the year under consideration. Full disclosures have been made and the Board/Audit Committee considers such transactions to be in normal course of business and at rates agreed between the parties.

(4) The key management personnel and their relatives have given personal guarantees and collaterals for loans raised by the Company but Company has not provided any guarantee to these persons nor paid any consideration for furnishing such guarantees.

(5) Holding Company has extended its guarantee to Banks/ Financial Institutions for credit facilities availed by the wholly owned subsidiary Nupur Finvest Pvt Ltd.

37. Term Loan facility:

The Nupur Finvest Private Limited has taken following Term Loans which are fully secured by first charge on hypothecation of Book debts, personal guarantees of Directors and Corporate guarantee of its Holding Company Paisalo Digital Limited, the details of which are given hereunder.

(₹ in Lakhs)

Name of Financial Institutions / Banks	Date of Sanction	Sanctioned Amount	Terms of repayment	Maturity Date
Satin Creditcare Limited	09th Dec 2020	1,000.00	36 monthly installments	Dec 2023
Satin Finserv Limited	09th Dec 2020	200.00	36 monthly installments	Dec 2023
State Bank of India	02nd Jun 2021	3,000.00	20 quarterly installments	Jun 2026
State Bank of India	31st Jan 2022	1,500.00	15 quarterly installments	Mar 2026
Tata Capital Financial Services Ltd	25th Mar 2022	1,500.00	30 monthly installments	Jan 2024
Indian Bank	01st Aug 2022	1,000.00	36 monthly installments	Aug 2025
State Bank of India	27th Dec 2022	3,500.00	15 quarterly Installments	Sep 2026
Bank of Baroda	23rd Jan 2023	2,500.00	36 monthly installments	Feb 2026

For other details of facilities and loans refer note no. 38 Notes to the Accounts of Standalone Financial Statements of Paisalo Digital Limited.

a) The Nupur Finvest Private Limited has taken following Term Loans which are fully secured by first charge on hypothecation of Book debts, the details of which are given hereunder

(₹ in Lakhs)

Name of Financial Institutions	Date of Sanction	Sanctioned Amount	Terms of repayment	Maturity Date
Unity Small Finance Bank#	20th Oct 2022	3,000.00	Principal to repaid in two installments Rs. 15 Cr each at the end of 15th and 18th month from the date of disbursement.	Mar 2024 June 2024

#The Company has repaid the loan in full during the year.

MANISH GOYAL & CO. Chartered Accountants

b) The Nupur Finvest Private Limited has taken unsecured Term Loans, the details of which is as under

(₹ in Lakhs)

Name of Financial Institutions	Date of Sanction	Sanctioned Amount	Terms of repayment	Maturity Date
Satin Creditcare Limited	24th June 2022	1,200.00	36 monthly installments	June 2025

The above loan has been repaid in full during the year.

38. Working Capital Borrowings:

The Nupur Finvest Private Limited has availed working capital facility from Karnataka Bank Ltd., This facility is secured by hypothecation of books debts / receivables, equitable mortgage of immovable property belonging to the third party, personal guarantee of Directors and Corporate guarantee of its Holding Company.

(₹ in Lakhs)

S. No.	Name of Bank	Sanctioned Amount	Date of Sanction
1	Karnataka Bank Ltd.	2,000.00	28th December, 2015
2	Indian Bank	500.00	01st Aug 2022
	Total	**2,500.00**	

39. Additional information as required in respect of Consolidated Financial Statements:

(₹ in Lakhs)

Name of the Entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
1	2	3	4	5
Total Consolidated	100	1,32,941.66	100	17,897.30
Holding Co. :				
Paisalo Digital Limited	95.72	1,27,248.53	98.91	17,701.85
		(Note 1)		(Note 2)
Subsidiaries-Wholly Owned :				
Nupur Finvest Pvt. Ltd.	4.28	5,693.13	1.09	195.45

Paisalo Digital Limited is not having any foreign subsidiary company / joint Venture

Note 1. Net of Investment in Subsidiary Company

Note 2. Net of Income from Subsidiary Company

MANISH GOYAL & CO. Chartered Accountants

M/S PAISALO DIGITAL LIMITED

FORM NO. AOC-I

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

Statement containing salient features of the financial statements of subsidiaries/associate companies/joint ventures:

Part "A" : Subsidiaries

(₹ in Lakhs)

1	Name of Subsidiary	M/s Nupur Finvest Pvt. Ltd.
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same i.e. April 1, 2023 to March 31, 2024
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A.
4	Share Capital	536.96
5	Reserves	5,156.17
6	Total Assets	26,204.56
7	Total Liabilities	26,204.56
8	Investments	—
9	Turnover	5,396.28
10	Profit before Taxation	265.03
11	Provision for Taxation	69.57
12	Profit after Taxation	195.46
13	Proposed Dividend (excluding dividend distribution tax)	—
14	% of shareholding	100%

Name of subsidiaries which are yet to commence operation : NA

Names of subsidiaries which have been liquidated or sold during the year : NA

Part "B" : Associates and Joint Venture : NIL

Signed in terms of our Report of even date

For and on behalf of the Board

For Manish Goyal & Co.
Chartered Accountants
Firm Reg. No. 006066C

(CA. MANISH GOYAL)
Partner
Membership No. 074778
UDIN : 24074778BKAPEO1902

(SUNIL AGARWAL)
Managing Director
DIN : 00006991

(HARISH SINGH)
Executive Director & CFO
DIN : 00039501

(MANENDRA SINGH)
Company Secretary
Membership No. : F7868

Place : New Delhi
Date : 26th April 2024