AROHAN FINANCIAL SERVICES LIMITED

CORPORATE IDENTITY NUMBER: U74140WB1991PLC053189

REGISTERED AND CORPORATE OFFICE	CONTACT PERSON	E-MAIL AND TELEPHONE	WEBSITE
PTI Building, 4th Floor, DP 9, Sector 5, Salt Lake, Parganas North, Kolkata 700 091, West Bengal, India	Anirudh Singh Thakur, Company Secretary and Chief Compliance Officer	**E-mail:** compliance@arohan.in **Tel:** +91 33 4015 6000	www.arohan.in

OUR PROMOTERS: AAVISHKAAR VENTURE MANAGEMENT SERVICES PRIVATE LIMITED, INTELLECTUAL CAPITAL ADVISORY SERVICES PRIVATE LIMITED, VINEET CHANDRA RAI AND SWATI RAI

DETAILS OF THE OFFER TO THE PUBLIC

TYPE	SIZE OF FRESH ISSUE	SIZE OF OFFER FOR SALE	TOTAL OFFER SIZE	ELIGIBILITY AND SHARE RESERVATION AMONG QIBs, NIBs AND RIBs
Fresh Issue and Offer for Sale	Up to [●] Equity Shares of face value of ₹10 each aggregating up to ₹6,000.00 million	Up to 40,437,529 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	Up to [●] Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	The Offer is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("**SCRR**") read with Regulation 31 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**SEBI ICDR Regulations**") and in compliance with Regulation 6(1) of the SEBI ICDR Regulations. For further details, see *"Other Regulatory and Statutory Disclosures—Eligibility for the Offer"* on page 622. For details in relation to share reservation among Qualified Institutional Buyers ("**QIBs**"), Non-Institutional Bidders ("**NIBs**"), Retail Individual Buyers ("**RIBs**") and Eligible Employees, see "*Offer Structure"* on page 644.

DETAILS OF THE OFFER FOR SALE BY SELLING SHAREHOLDERS^

NAME OF SELLING SHAREHOLDER^	TYPE	NUMBER OF EQUITY SHARES OFFERED / AMOUNT	WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE (₹)*
Teachers Insurance and Annuity Association of America	Investor Selling Shareholder	Up to 9,733,309 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	134.04
Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden N.V.	Investor Selling Shareholder	Up to 6,241,091 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	137.65
Aavishkaar Goodwell India Microfinance Development Company-II Limited	Investor Selling Shareholder	Up to 4,957,208 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	45.68
Tano India Private Equity Fund II	Investor Selling Shareholder	Up to 4,461,875 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	35.27
Maj Invest Financial Inclusion Fund II K/S	Investor Selling Shareholder	Up to 4,118,081 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	86.11
Danish Sustainable Development Goals Investment Fund K/S	Investor Selling Shareholder	Up to 3,994,607 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	148.35
TR Capital III Mauritius	Investor Selling Shareholder	Up to 2,598,649 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	115.24
Michael & Susan Dell Foundation	Investor Selling Shareholder	Up to 874,614 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	20.06
Legal owner Triodos Funds B.V. in its capacity as legal owner of Triodos Fair Share Fund represented by Triodos Investment Management B.V	Investor Selling Shareholder	Up to 772,027 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	123.79
Triodos Sicav II (acting on behalf of and for the benefit of its Sub-Fund Triodos Microfinance Fund represented by Triodos Investment Management B.V.)	Investor Selling Shareholder	Up to 772,028 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	123.79

**Weighted average cost of acquisition per Equity Share of face value ₹10, as certified by KGRS & Co, Chartered Accountants, bearing firm registration number 310014E, pursuant to their certificate dated May 15, 2026.*
^For a complete list of the Selling Shareholders and their respective weighted average costs of acquisition per Equity Share, see "Annexure A" on page 722.

RISK IN RELATION TO THE FIRST OFFER

This being the first public offering of Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹10 each. The Floor Price, Cap Price and Offer Price determined by our Company, in consultation with the Book Running Lead Managers, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under "*Basis for Offer Price*" on page 146 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "*Risk Factors*" on page 21.

ISSUER'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft Red Herring 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 makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Further, each Selling Shareholder, severally and not jointly, accepts responsibility for and confirms only the statements specifically made or confirmed expressly by it in this Draft Red Herring Prospectus to the extent such statements are solely in relation to such Selling Shareholder and its respective portion of the Offered Shares and assumes responsibility that such statements are true and correct in all material respects and not misleading in any material respect. No Selling Shareholder, severally or jointly, assumes responsibility for any other statements, disclosures, confirmations or undertakings in this Draft Red Herring Prospectus, including, *inter alia*, any of the statements made by or relating to our Company, any other Selling Shareholder or any other person(s).

LISTING

The Equity Shares to be offered through the Red Herring Prospectus are proposed to be listed on BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**" and together with BSE, the "**Stock Exchanges**"). For the purposes of the Offer, [●] is the Designated Stock Exchange.

BOOK RUNNING LEAD MANAGERS

NAME OF THE BOOK RUNNING LEAD MANAGER AND LOGO	CONTACT PERSON	E-MAIL AND TELEPHONE
DAM Capital Advisors Limited	Arpi Chheda / Jay Shah	**E-mail**: arohan.ipo@damcapital.in **Tel**: +91 22 4202 2500
Motilal Oswal Investment Advisors Limited	Sankita Ajinkya	**E-mail**: arohan.ipo@motilaloswal.com **Tel**: +91 22 7193 4380
SBI Capital Markets Limited	Krithika Shetty / Sylvia Mendonca	**E-mail**: arohan.ipo@sbicaps.com **Tel**: +91 22 4006 9807

REGISTRAR TO THE OFFER

NAME OF THE REGISTRAR	CONTACT PERSON	E-MAIL AND TELEPHONE
MUFG Intime India Private Limited *(Formerly Link Intime India Private Limited)*	Shanti Gopalkrishnan	**E-mail**: arohanfinancial.ipo@in.mpms.mufg.com **Tel**: +91 810 811 4949

(Please scan this QR code to view the DRHP and the Draft Abridged Prospectus)

BID/OFFER PROGRAMME					
ANCHOR INVESTOR BID / OFFER DATE[1]	**[●]**	**BID / OFFER OPENS ON**	**[●]**	**BID / OFFER CLOSES ON**[2][3]	**[●]**

(1) *Our Company, in consultation with the Book Running Lead Managers, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Offer Date shall be one Working Day prior to the Bid/Offer Opening Date.*

(2) *Our Company, in consultation with the Book Running Lead Managers, may consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.*

(3) *UPI mandate end time and date shall be at 5.00 p.m. on the Bid/Offer Closing Date.*

(4) *Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement aggregating up to ₹1,200.00 million prior to filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue, i.e., ₹1,200.00 million. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement, if undertaken, shall be appropriately made in the relevant sections of the RHP and the Prospectus and intimated to the Stock Exchanges within 24 hours of such Pre-IPO placement, in accordance with the SEBI ICDR Regulations.*

(Please scan this QR code to view the DRHP and the Draft Abridged Prospectus)

AAVISHKAAR GROUP

AROHAN FINANCIAL SERVICES LIMITED

Our Company was incorporated on September 27, 1991 at Kolkata, West Bengal, India as 'ANG Resources Private Limited', a private limited company under the Companies Act, 1956. Our Company was then converted into a public limited company under the Companies Act, 1956, and consequently, the name of our Company was changed to 'ANG Resources Limited' and a fresh certificate of incorporation dated October 20, 1995 was issued by the Registrar of Companies, West Bengal at Kolkata (the "**Registrar of Companies**"). Subsequently, the name of our Company was changed to 'Arohan Financial Services Limited' and a fresh certificate of incorporation dated March 25, 2008 was issued by the Registrar of Companies. Thereafter, our Company was converted into a private limited company under the Companies Act, 1956 and the name of our Company was changed to 'Arohan Financial Services Private Limited' and a fresh certificate of incorporation dated September 28, 2010 was issued by the Registrar of Companies. Our Company was then converted into a public limited company under the Companies Act, 2013 and the name of our Company was changed to 'Arohan Financial Services Limited'. A fresh certificate of incorporation dated May 25, 2018 was issued by the Registrar of Companies. For further details in relation to changes in the name and the registered office of our Company, see "*History and Certain Corporate Matters*" on page 392. Our Company is registered with the Reserve Bank of India (the "**RBI**") as a Non-Banking Financial Company – Micro Finance Institution ("**NBFC-MFI**") (certificate of registration no. B.05.02932). For further details, see "*Government and Other Approvals*" on page 616.

Registered and Corporate Office: PTI Building, 4th Floor, DP 9, Sector 5, Salt Lake, Parganas North, Kolkata 700 091, West Bengal, India
Contact Person: Anirudh Singh Thakur, Company Secretary and Chief Compliance Officer
Tel: +91 33 4015 6000; **E-mail:** compliance@arohan.in; **Website:** www.arohan.in
Corporate Identity Number: U74140WB1991PLC053189

OUR PROMOTERS: AAVISHKAAR VENTURE MANAGEMENT SERVICES PRIVATE LIMITED, INTELLECTUAL CAPITAL ADVISORY SERVICES PRIVATE LIMITED, VINEET CHANDRA RAI AND SWATI RAI

INITIAL PUBLIC OFFERING OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹10 EACH ("EQUITY SHARES") OF AROHAN FINANCIAL SERVICES LIMITED (OUR "COMPANY" OR THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹[●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹[●] PER EQUITY SHARE) (THE "OFFER PRICE") AGGREGATING UP TO ₹[●] MILLION (THE "OFFER") COMPRISING A FRESH ISSUE OF [●] EQUITY SHARES OF FACE VALUE OF ₹10 EACH BY OUR COMPANY AGGREGATING UP TO ₹6,000.00 MILLION (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 40,437,529 EQUITY SHARES OF FACE VALUE OF ₹10 EACH AGGREGATING UP TO ₹[●] MILLION BY THE SELLING SHAREHOLDERS AS SET OUT UNDER ANNEXURE A ON PAGE 722 (COLLECTIVELY REFERRED TO AS THE "SELLING SHAREHOLDERS", AND SUCH OFFER FOR SALE OF EQUITY SHARES BY THE SELLING SHAREHOLDERS, THE "OFFER FOR SALE"). THE OFFER INCLUDES A RESERVATION OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹10 EACH, AGGREGATING UP TO ₹[●] MILLION, FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES NOT EXCEEDING 5% OF OUR POST-OFFER PAID-UP EQUITY SHARE CAPITAL (THE "EMPLOYEE RESERVATION PORTION"). OUR COMPANY IN CONSULTATION WITH THE BRLMS, MAY OFFER A DISCOUNT OF UP TO ₹[●] TO THE OFFER PRICE (EQUIVALENT OF ₹[●] PER EQUITY SHARE) TO ELIGIBLE EMPLOYEES BIDDING IN THE EMPLOYEE RESERVATION PORTION ("EMPLOYEE DISCOUNT"). THE OFFER LESS THE EMPLOYEE RESERVATION PORTION IS HEREINAFTER REFERRED TO AS THE "NET OFFER". THE OFFER AND THE NET OFFER SHALL CONSTITUTE [●]% AND [●]%, RESPECTIVELY, OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

OUR COMPANY MAY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS ("BRLMS") CONSIDER A FURTHER ISSUE OF SPECIFIED SECURITIES FOR CASH CONSIDERATION AGGREGATING UP TO ₹1,200.00 MILLION, PRIOR TO FILING OF THE RED HERRING PROSPECTUS WITH THE ROC (THE "PRE-IPO PLACEMENT"). THE PRE-IPO PLACEMENT, IF UNDERTAKEN, WILL BE AT A PRICE TO BE DECIDED BY OUR COMPANY, IN CONSULTATION WITH THE BRLMS. IF THE PRE-IPO PLACEMENT IS COMPLETED, THE AMOUNT RAISED PURSUANT TO THE PRE-IPO PLACEMENT WILL BE REDUCED FROM THE FRESH ISSUE, SUBJECT TO COMPLIANCE WITH RULE 19(2)(b) OF THE SCRR. THE PRE-IPO PLACEMENT, IF UNDERTAKEN, SHALL NOT EXCEED 20% OF THE SIZE OF THE FRESH ISSUE, *i.e.*, ₹1,200.00 MILLION. PRIOR TO THE COMPLETION OF THE OFFER, OUR COMPANY SHALL APPROPRIATELY INTIMATE THE SUBSCRIBERS TO THE PRE-IPO PLACEMENT, PRIOR TO ALLOTMENT PURSUANT TO THE PRE-IPO PLACEMENT, THAT THERE IS NO GUARANTEE THAT OUR COMPANY MAY PROCEED WITH THE OFFER OR THE OFFER MAY BE SUCCESSFUL AND WILL RESULT INTO LISTING OF THE EQUITY SHARES ON THE STOCK EXCHANGES. FURTHER, RELEVANT DISCLOSURES IN RELATION TO SUCH INTIMATION TO THE SUBSCRIBERS TO THE PRE-IPO PLACEMENT, IF UNDERTAKEN, SHALL BE APPROPRIATELY MADE IN THE RELEVANT SECTIONS OF THE RHP AND THE PROSPECTUS AND INTIMATED TO THE STOCK EXCHANGES WITHIN 24 HOURS OF SUCH PRE-IPO PLACEMENT, IN ACCORDANCE WITH THE SEBI ICDR REGULATIONS. THE FACE VALUE OF THE EQUITY SHARE IS ₹10 EACH AND THE OFFER PRICE IS [●] TIMES THE FACE VALUE OF EQUITY SHARES. THE PRICE BAND (INCLUDING EMPLOYEE DISCOUNT, IF ANY) AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLMS AND WILL BE ADVERTISED IN ALL EDITIONS OF THE ENGLISH NATIONAL DAILY NEWSPAPER, [●], ALL EDITIONS OF THE HINDI NATIONAL DAILY NEWSPAPER, [●] AND KOLKATA EDITION OF THE BENGALI DAILY NEWSPAPER [●] (BENGALI BEING THE REGIONAL LANGUAGE OF WEST BENGAL, WHERE OUR REGISTERED AND CORPORATE OFFICE IS LOCATED) EACH WITH WIDE CIRCULATION, AT LEAST TWO WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE AND SUCH ADVERTISEMENT SHALL BE MADE AVAILABLE TO THE STOCK EXCHANGES FOR THE PURPOSE OF UPLOADING ON THEIR RESPECTIVE WEBSITES.

In case of any revision in the Price Band, the Bid/Offer Period will be extended by at least three additional Working Days after such revision of the Price Band, subject to the Bid/Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar unforeseen circumstances, our Company may, in consultation with the BRLMs, for reasons to be recorded in writing, extend the Bid/Offer Period for a minimum of one Working Day, subject to the Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the respective websites of the BRLMs and at the terminals of the Syndicate Members and by intimation to the Self-Certified Syndicate Banks and other Designated Intermediaries and the Sponsor Banks, as applicable.

The Offer is being made through the Book Building Process, in terms of Rule 19(2)(b) of the SCRR read with Regulation 31 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "**SEBI ICDR Regulations**") and in compliance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Net Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("**QIBs**", and such portion, the "**QIB Portion**"), provided that our Company may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations (the "**Anchor Investor Portion**"), of which 40% shall be reserved in the following manner (i) 33.33% of the Anchor Investor Portion shall be reserved for domestic Mutual Funds; and (ii) 6.67% of the Anchor Investor Portion shall be reserved for Life Insurance Companies and Pension Funds, subject to valid Bids being received from domestic Mutual Funds, Life Insurance Companies and Pension Funds, as applicable, at or above the Anchor Investor Allocation Price. Any under-subscription in the Life Insurance Companies and Pension Funds category specified in (ii) above may be allocated to domestic Mutual Funds, in accordance with the SEBI ICDR Regulations. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the remaining QIB Portion (other than Anchor Investor Portion) ("**Net QIB Portion**"). Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from the Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation will be added to the remaining QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Offer shall be available for allocation to Non-Institutional Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price, out of which (a) one-third of such portion shall be reserved for Bidders with application size of more than ₹200,000 and up to ₹1,000,000; and (b) two-thirds of such portion shall be reserved for Bidders with application size of more than ₹1,000,000 provided that the unsubscribed portion in either of such sub-categories may be allocated to Bidders in the other sub-category of Non-Institutional Bidders; and not less than 35% of the Net Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Further, Equity Shares of face value of ₹10 each will be allocated on a proportionate basis to Eligible Employees applying under the Employee Reservation Portion, subject to valid Bids received from them at or above the Offer Price (net of Employee Discount, if any, as applicable). All Bidders (except Anchor Investors) are mandatorily required to utilize the Application Supported by Blocked Amount ("**ASBA**") process by providing details of their respective ASBA accounts and UPI ID in case of UPI Bidders using the UPI Mechanism, as applicable, pursuant to which their corresponding Bid Amount will be blocked by the Self Certified Syndicate Banks ("**SCSBs**") or by the Sponsor Banks under the UPI Mechanism, as the case may be, to the extent of the respective Bid Amounts. Anchor Investors are not permitted to participate in the Offer through the ASBA process. For further details, see "*Offer Procedure*" on page 650.

RISK IN RELATION TO THE FIRST OFFER

This being the first public offering of Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹10. The Floor Price, Cap Price and Offer Price determined by our Company, in consultation with the Book Running Lead Managers, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under "*Basis for Offer Price*" on page 146 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the SEBI, nor does the SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "*Risk Factors*" on page 21.

ISSUER'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft Red Herring 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 makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Further, each Selling Shareholder, severally and not jointly, accepts responsibility for and confirms only the statements specifically made or confirmed expressly by it in this Draft Red Herring Prospectus to the extent such statements are solely in relation to such Selling Shareholder and its respective portion of the Offered Shares and assumes responsibility that such statements are true and correct in all material respects and not misleading in any material respect. No Selling Shareholder, severally or jointly, assumes responsibility for any other statements, disclosures, confirmations or undertakings in this Draft Red Herring Prospectus, including, inter alia, any of the statements made by or relating to our Company, any other Selling Shareholder or any other person(s).

LISTING

The Equity Shares offered through this Draft Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received an 'in-principle' approval from each of BSE and NSE for the listing of the Equity Shares pursuant to their letters dated [●] and [●], respectively. For the purposes of the Offer, the Designated Stock Exchange shall be [●]. A signed copy of the Red Herring Prospectus and the Prospectus shall be delivered to the RoC in accordance with the Companies Act. For details of the material contracts and documents that will be available for inspection from the date of the Red Herring Prospectus up to the Bid/Offer Closing Date, see "*Material Contracts and Documents for Inspection*" on page 693.

BOOK RUNNING LEAD MANAGERS			REGISTRAR TO THE OFFER
DAM CAPITAL	motilal oswal Investment Banking	SBICAPS Complete Investment Banking Solutions	MUFG MUFG Intime
DAM Capital Advisors Limited Altimus 2202, Level 22 Pandurang Budhkar Marg Worli, Mumbai 400018 Maharashtra, India **Tel**: +91 22 4202 2500 **E-mail**: arohan.ipo@damcapital.in **Website**: www.damcapital.in **Investor grievance e-mail**: complaint@damcapital.in **Contact person**: Arpi Chheda / Jay Shah **SEBI registration no.**: MB/INM000011336	**Motilal Oswal Investment Advisors Limited** Motilal Oswal Tower, Rahimtullah Sayani Road Opposite Parel ST Depot Prabhadevi, Mumbai 400 025 Maharashtra, India **Tel**: +91 22 7193 4380 **E-mail**: arohan.ipo@motilaloswal.com **Website**: www.motilaloswalgroup.com **Investor grievance e-mail**: moiaplredressal@motilaloswal.com **Contact person**: Sankita Ajinkya **SEBI registration no.**: INM000011005	**SBI Capital Markets Limited** 1501, 15th floor, A & B Wing Parinee Crescenzo Building Bandra Kurla Complex Bandra (East) Mumbai 400 051 Maharashtra, India **Tel**: +91 22 4006 9807 **E-mail**: arohan.ipo@sbicaps.com **Website**: www.sbicaps.com **Investor grievance e-mail**: investor.relations@sbicaps.com **Contact person**: Krithika Shetty/Sylvia Mendonca **SEBI registration no.**: INM000003531	**MUFG Intime India Private Limited *(Formerly Link Intime India Private Limited)*** C-101, Embassy 247 L.B.S. Marg, Vikhroli (West) Mumbai 400 083 Maharashtra, India **Tel**: +91 810 811 4949 **E-mail**: arohanfinancial.ipo@in.mpms.mufg.com **Investor grievance e-mail**: arohanfinancial.ipo@in.mpms.mufg.com **Website**: www.in.mpms.mufg.com **Contact person**: Shanti Gopalkrishnan **SEBI registration no.**: INR000004058

BID/OFFER PROGRAMME

ANCHOR INVESTOR BID / OFFER DATE[(1)]: [●]	BID/OFFER OPENS ON: [●]	BID/OFFER CLOSES ON[(2)(3)]: [●]

[(1)] Our Company may, in consultation with the Book Running Lead Managers, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Offer Date will be one Working Day prior to the Bid/Offer Opening Date.
[(2)] Our Company, in consultation with the Book Running Lead Managers, may consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.
[(3)] UPI mandate end time and date shall be at 5.00 p.m. on the Bid/Offer Closing Date.

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SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless otherwise specified or the context otherwise indicates, requires or implies, shall have the meanings as provided below. References to any legislation, act, regulation, rule, guideline, policy, circular, notification or clarification shall be deemed to include all amendments, supplements, re-enactments and modifications thereto, from time to time, and any reference to a statutory provision shall include any subordinate legislation made from time to time thereunder. The words and expressions used but not defined in this Draft Red Herring Prospectus will have the same meaning as assigned to such terms under the Companies Act, the SEBI Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act and the rules and regulations made thereunder, as applicable.

Notwithstanding the foregoing, the terms used in "Basis for Offer Price", "Statement of Possible Special Tax Benefits", "Industry Overview", "Key Regulations and Policies", "History and Certain Corporate Matters", "Restated Financial Information", "Financial Indebtedness", "Selected Statistical Information", "Outstanding Litigation and Material Developments", "Other Regulatory and Statutory Disclosures" and "Description of Equity Shares and Terms of the Articles of Association" on pages 146,169,177,379, 392, 435,582, 585, 606, 622 and 674, respectively, shall have the respective meanings ascribed to them in the relevant section.

General Terms

Term	Description
"Our Company" or "the Company" or "the Issuer" or "Arohan" or "we" or "us" or "our"	Arohan Financial Services Limited, a company incorporated under the Companies Act, 1956, whose registered and corporate office is situated at PTI Building, 4th Floor, DP 9, Sector 5, Salt Lake, Parganas North, Kolkata 700 091, West Bengal, India

Company Related Terms

Term	Description
Aavishkaar Group	Our Company, AVMS, I-Cap, Intellecap Advisory Services Private Limited, TribeTech, Aavishkaar Foundation, Aavishkaar Investment Advisers (IFSC) Private Limited, Aavishkaar Advisors Private Limited, Ashv, Intellecap Africa Private Limited (formerly Sankalp Consultancy Limited), Intellecap Inc., Intellecap Advisory Services Private Limited (Kenya Branch), Aavishkaar Carbon Platform Private Limited, and Intellecap GmbH collectively
AG II	Aavishkaar Goodwell India Microfinance Development Company II Ltd
"AoA" or "Articles" or "Articles of Association"	The articles of association of our Company, as amended
Amendment and Termination Agreement	Amendment and termination agreement to the SHA dated May 15, 2026
Arohan Compensation Policy	Our Company's compensation policy dated August 13, 2025
Ashv	Ashv Finance Limited
Audit Committee	The audit committee of our Board of Directors. For details, see "*Our Management—Committees of the Board—Audit Committee*" on page 412
AVMS	Aavishkaar Venture Management Services Private Limited
"Board" or "Board of Directors"	The board of directors of our Company. For details, see "*Our Management*" on page 401
Chairman and Non-Executive Independent Director	The chairman and non-executive independent director of our Board, being Dinesh Kumar Mittal. For details, see "*Our Management—Board of Directors*" on page 401
Company Secretary and Chief Compliance Officer	Our Company's company secretary and chief compliance officer, being Anirudh Singh Thakur. For details, see "*Our Management—Key Managerial Personnel of our Company*" on page 421
Corporate Selling Shareholders	The corporates who are participating in the Offer for Sale, as described in "*Annexure A*" on page 722
Corporate Promoters	The corporate promoters of our Company, namely, AVMS and I-Cap. For details, see "*Our Promoters and Promoter Group*" on page 426
Corporate Social Responsibility Committee	The corporate social responsibility committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013. For details, see "*Our Management—Committees of the Board*" on page 412
CCPS	Compulsorily convertible preference shares of face value of ₹10 each of our Company
Creditors Materiality Policy	The materiality policy of our Company adopted pursuant to a resolution of our Board dated May 13, 2026 for identification of material creditors, pursuant to the requirements of the SEBI

Term	Description
	ICDR Regulations and for the purposes of disclosure in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus
Director(s)	The director(s) on our Board
"Deputy Chief Executive Officer and Chief Financial Officer" or "Chief Financial Officer" or "CFO"	Our Company's deputy chief executive officer and chief financial officer, being Milind Ramchandra Nare. For details, see "*Our Management—Key Managerial Personnel of our Company*" on page 421
DSDG	Danish Sustainable Development Goals Investment Fund K/S
Equity Shares	Equity shares of face value of ₹10 each of our Company
ESOP 2010	The Arohan Employees Stock Option Plan 2010, as amended. For details, see in "*Capital Structure—Notes to Capital Structure—Employee Stock Option Schemes*" on page 127
ESOP 2018	The Arohan Employee Stock Option Plan 2018. For details, see "*Capital Structure—Notes to Capital Structure—Employee Stock Option Schemes*" on page 127
ESOP 2021	The Arohan Employee Stock Option Plan 2021. For details, see "*Capital Structure—Notes to Capital Structure—Employee Stock Option Schemes*" on page 127
ESOP Schemes	The employee stock option plans instituted by our Company, namely, the ESOP 2010, ESOP 2018 and ESOP 2021
FMO	Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden N.V.
Group Companies	Our Group Companies, namely, Aavishkaar Foundation, Ashv, Bharti Airtel Limited, Shivalik Small Finance Bank Limited, Intellecap Advisory Services Private Limited, and FMO. For details, see "*Our Group Companies*" on page 619
Group Companies Materiality Policy	The materiality policy of our Company adopted pursuant to a resolution of our Board dated May 13, 2026 for identification of group companies, pursuant to the requirements of the SEBI ICDR Regulations and for the purposes of disclosure in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus
I-Cap	Intellectual Capital Advisory Services Private Limited
IFIF	India Financial Inclusion Fund
Individual Promoters	The individual promoters of our Company, namely, Vineet Chandra Rai and Swati Rai. For details, see "*Our Promoters and Promoter Group*" on page 426
Individual Selling Shareholders	The individuals who are participating in the Offer for Sale, as described in "*Annexure A*" on page 722
Intellecash	Intellecash Microfinance Network Company Private Limited, which merged with and into our Company pursuant to the Scheme. For details, see "*History and Certain Corporate Matters—Details regarding Acquisition or Divestment of Business/Undertakings, Mergers, Amalgamations and Revaluation of Assets*" on page 397
Investor Selling Shareholders	The investors who are participating in the Offer for Sale, as described in "*Annexure A*" on page 722
IPO Committee	The IPO committee of our Board of Directors
"Key Managerial Personnel" or "KMP"	Key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations and Section 2(51) of the Companies Act. For details, see "*Our Management*" on page 401
Litigation Materiality Policy	The materiality policy of our Company adopted pursuant to a resolution of our Board dated May 13, 2026 for identification of material outstanding litigations, pursuant to the requirements of the SEBI ICDR Regulations and for the purposes of disclosure in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus
Maj Invest	Maj Invest Financial Inclusion Fund II K/S
Managing Director	The Managing Director on our Board, being, Manojkumar N Nambiar. For details, see "*Our Management—Board of Directors*" on page 401
"MoA" or "Memorandum" or "Memorandum of Association"	The memorandum of association of our Company, as amended
MSDF	Michael & Susan Dell Foundation
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board. For details, see "*Our Management—Committees of the Board—Nomination and Remuneration Committee*" on page 414
Non-Executive Director(s)	Non-executive director(s) of our Board, appointed as disclosed in *"Our Management—Our Board"* on page 401
Non-Executive Independent Director(s)	The non-executive independent Director(s) on our Board. For details, see "*Our Management—Board of Directors*" on page 401
Non-Executive Nominee Director(s)	The non-executive nominee Director(s) on our Board. For details, see "*Our Management—Board of Directors*" on page 401
Promoters	The promoters of our Company, namely, AVMS, I-Cap, Vineet Chandra Rai and Swati Rai. For details, see "*Our Promoters and Promoter Group*" on page 426
Promoter Group	The entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations. For details, see "*Our Promoters and Promoter Group*" on page 426

Term	Description
Registered and Corporate Office	The registered and corporate office of our Company, which is located at PTI Building, 4th Floor, DP 9, Sector 5, Salt Lake, Parganas North, Kolkata 700 091, West Bengal, India
Registrar of Companies	Registrar of Companies, West Bengal at Kolkata
Restated Financial Information	The restated statement of assets and liabilities of the Company as on December 31, 2025, March 31, 2025, March 31, 2024 and March 31, 2023, and the restated statement of profit and loss (including other comprehensive income), restated statement of cash flows and restated statement of changes in equity for the nine-month period ended December 31, 2025 and for the Financial Years ended March 31, 2025, March 31, 2024 and March 31, 2023 and the material accounting policies, and other explanatory information of the Company and restated in accordance with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI
Risk Management Committee	The risk management committee of our Board of Directors. For details, see "*Our Management— Committees of the Board—Risk Management Committee*" on page 418
RoC	The Registrar of Companies, Kolkata-II at Kolkata
Scheme	The scheme of arrangement with Intellecash approved by the National Company Law Tribunal, Mumbai by its order dated March 9, 2018 and the National Company Law Tribunal, Kolkata by its order dated March 26, 2018. For details, see "*History and Certain Corporate Matters—Details regarding Acquisition or Divestment of Business/Undertakings, Mergers, Amalgamations and Revaluation of Assets—Scheme of arrangement with Intellecash*" on page 397
Senior Management	Senior management of our Company in terms of Regulation 2(1)(bbbb) of the SEBI ICDR Regulations. For details, see *"Our Management—Senior Management of our Company"* on page 421
Selling Shareholders	Collectively, the Investor Selling Shareholders, the Corporate Selling Shareholders and the Individual Selling Shareholders
SHA	Amended and restated shareholders agreement dated May 2, 2023 by and amongst our Company, AVMS, I-Cap, Vineet Chandra Rai, Manojkumar N Nambiar, Tano, AG II, MSDF, Maj Invest, TR Capital, TIAA, FMO, DSDG and Arohan ESOP Trust read with the deed of adherence dated June 28, 2024 entered into by TMF and TFSF
Shareholders	The holders of the Equity Shares, from time to time
SIDBI	Small Industries Development Bank of India
"Statutory Auditor"	The statutory auditor of our Company, namely, B S R & Co. LLP, Chartered Accountants
Stakeholders' Relationship Committee	The stakeholders' relationship committee of our Board of Directors. For details, see "*Our Management—Committees of the Board—Stakeholders' Relationship Committee*" on page 417
Tano	Tano India Private Equity Fund II
TFSF	Legal owner Triodos Funds B.V. in its capacity as legal owner of Triodos Fair Share Fund represented by Triodos Investment Management B.V.
TIAA	Teachers Insurance and Annuity Association of America
TMF	Triodos Sicav II (acting on behalf of and for the benefit of its sub-fund Triodos Microfinance Fund represented by Triodos Investment Management B.V.)
TribeTech	TribeTech Private Limited
TR Capital	TR Capital III Mauritius

Offer Related Terms

Term	Description
Abridged Prospectus	A memorandum containing such salient features of a prospectus as may be specified by the SEBI in this regard
Acknowledgement Slip	The slip or document issued by the relevant Designated Intermediary to a Bidder as proof of registration of the Bid cum Application Form
"Allotment" or "Allot" or "Allotted"	Unless the context otherwise requires, allotment of Equity Shares pursuant to the Fresh Issue and transfer of Offered Shares pursuant to the Offer for Sale, in each case to the successful Bidders
Allotment Advice	Note or advice or intimation of Allotment sent to each successful Bidder who has been or is to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange
Allottee	A successful Bidder to whom the Equity Shares are Allotted
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion, in accordance with the SEBI ICDR Regulations and the Red Herring Prospectus, who has Bid for an amount of at least ₹100 million
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus. The Anchor Investor Allocation Price shall be determined by our Company in consultation with the BRLMs

Term	Description
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which shall be considered as an application for the Allotment in accordance with the requirements specified under the SEBI ICDR Regulations and the Red Herring Prospectus and the Prospectus
Anchor Investor Bid/Offer Date	One Working Day prior to the Bid/Offer Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to Anchor Investors shall be completed
Anchor Investor Offer Price	The final price at which Equity Shares will be Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price, but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company, in consultation with the BRLMs
Anchor Investor Pay-In Date	With respect to the Anchor Investor(s), the Anchor Investor Bid/Offer Date, and in the event the Anchor Investor Allocation Price is lower than the Anchor Investor Offer Price, no later than one Working Day after the Bid/Offer Closing Date and no later than the time on such day specified in the revised CAN
Anchor Investor Portion	Up to 60% of the QIB Portion, which may be allocated by our Company, in consultation with the BRLMs, to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. 33.33% of the Anchor Investor Portion shall be reserved for domestic Mutual Funds and 6.67% of the Anchor Investor Portion shall be reserved for Life Insurance Companies and Pension Funds, subject to valid Bids being received from domestic Mutual Funds, Life Insurance Companies and Pension Funds, as applicable, at or above the Anchor Investor Allocation Price. Any undersubscription in the portion reserved for Life Insurance Companies and Pension Funds as specified, may be allocated to domestic Mutual Funds, in accordance with the SEBI ICDR Regulations
"Application Supported by Blocked Amount" or "ASBA"	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and to authorize an SCSB to block the Bid Amount in the relevant ASBA Account and will include applications made by Retail Individual Bidders using the UPI Mechanism where the Bid Amount will be blocked upon acceptance of the UPI Mandate Request by Retail Individual Bidders using the UPI Mechanism
ASBA Account	A bank account maintained with an SCSB by an ASBA Bidder, as specified in the ASBA Form submitted by ASBA Bidders, for blocking the Bid Amount mentioned in the relevant ASBA Form and includes the account of a UPI Bidder, which is blocked upon acceptance of a UPI Mandate Request made by the UPI Bidder using the UPI Mechanism
ASBA Bid	A Bid made by an ASBA Bidder
ASBA Bidder(s)	Bidder(s), except Anchor Investors
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Banker(s) to the Offer	The Escrow Collection Bank(s), the Refund Bank(s), the Public Offer Account Bank(s) and the Sponsor Bank(s), as the case may be
Basis of Allotment	The basis on which Equity Shares shall be Allotted to successful Bidders under the Offer and which is described in "*Offer Procedure*" on page 650
Bid	An indication to make an offer during the Bid/Offer Period by ASBA Bidders pursuant to submission of the ASBA Form, or on the Anchor Investor Bid/Offer Date by the Anchor Investors pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto, in accordance with the SEBI ICDR Regulations and the Red Herring Prospectus and the relevant Bid cum Application Form. The term "Bidding" shall be construed accordingly
Bid Amount	In relation to each Bid, the highest value of the optional Bids indicated in the Bid cum Application Form and in the case of Retail Individual Bidders and Eligible Employees Bidding under the Employee Reservation Portion, Bidding at the Cut-off Price (net of Employee Discount, if any, as applicable), the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder or Eligible Employees Bidding under the Employee Reservation Portion, and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidder, as the case may be, upon submission of such Bid. In relation to Bids under the Employee Reservation Portion by Eligible Employees, such Bid Amount shall not exceed ₹500,000 (net of Employee Discount, if any, as applicable). However, the initial allocation to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹200,000. In the event of under-subscription in the Employee Reservation Portion after the initial allocation, such unsubscribed portion may be allocated on a proportionate basis to Eligible Employees who have Bid in the Employee Reservation Portion for a value in excess of ₹200,000, subject to the total Allotment to an Eligible Employee not exceeding ₹500,000 (net of Employee Discount, if any, as applicable)
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the case may be
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter

Term	Description
Bid/Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries shall not accept any Bids, which shall be published in all editions of the English national daily newspaper [●], all editions of the Hindi national daily newspaper [●] and the Kolkata edition of the Bengali daily newspaper [●] (Bengali being the regional language of West Bengal, where our Registered and Corporate Office is located), each with wide circulation. In case of any revision, the extended Bid/Offer Closing Date shall be widely disseminated by notification to the Stock Exchanges and shall also be notified on the websites of the BRLMs and at the terminals of the Syndicate Members and communicated to the Designated Intermediaries and the Sponsor Banks, which shall also be published in a public notice in the same newspapers in which the Bid/Offer Opening Date was published, as required under the SEBI ICDR Regulations
Bid/Offer Opening Date	Except in relation to any Bids received from Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, which shall be published in all editions of the English national daily newspaper [●], all editions of the Hindi national daily newspaper [●] and the Kolkata edition of the Bengali daily newspaper [●] (Bengali being the regional language of West Bengal, where our Registered and Corporate Office is located), each with wide circulation
Bid/Offer Period	Except in relation to Anchor Investors, the period between the Bid/Offer Opening Date and the Bid/Offer Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof, in accordance with the SEBI ICDR Regulations and in terms of the Red Herring Prospectus Our Company may, in consultation with the Book Running Lead Managers, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations. The Bid/Offer Period will comprise Working Days only
Bidder(s)	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor
Bidding Centres	The centres at which the Designated Intermediaries shall accept the ASBA Forms, *i.e.*, Designated Branches for SCSBs, Specified Locations for the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Book Building Process	The book building process, as provided in Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made
"Book Running Lead Managers" or "BRLMs"	The book running lead managers to the Offer, namely, DAM Capital, Motilal and SBICAPS
Broker Centres	The broker centres notified by the Stock Exchanges where ASBA Bidders can submit the ASBA Forms to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
CARE	CARE Analytics and Advisory Private Limited
CARE Report	Report titled *"Research Report on Micro Finance Industry"*, dated May 15, 2026, issued by CARE, exclusively commissioned and paid for by our Company in connection with the Offer
"CAN" or "Confirmation of Allocation Note"	A notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, on or after the Anchor Investor Bid/Offer Date
Cap Price	The higher end of the Price Band, subject to any revision thereto, above which the Offer Price and the Anchor Investor Offer Price will not be finalized and above which no Bids will be accepted, and which shall be at least 105% of the Floor Price and shall not be more than 120% of the Floor Price
Cash Escrow and Sponsor Bank Agreement	The cash escrow and sponsor bank agreement to be entered among our Company, the Selling Shareholders, the Book Running Lead Managers, the Syndicate Members, the Registrar to the Offer, and the Banker(s) to the Offer for, inter alia, collection of the Bid Amounts from the Anchor Investors, transfer of funds to the Public Offer Account and where applicable, refunds of the amounts collected from the Anchor Investors, on the terms and conditions thereof, in accordance with the UPI Circulars
Client ID	Client identification number maintained with one of the Depositories in relation to dematerialized account
"Collecting Depository Participant" or "CDP"	A depository participant as defined under the Depositories Act, registered with SEBI and who is eligible to procure Bids from relevant bidders at the Designated CDP Locations in terms of the SEBI RTA Master Circular and UPI Circulars issued by the SEBI, as per the list available on the websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com), as updated from time to time
Cut-off Price	The Offer Price finalized by our Company, in consultation with the BRLMs, which may be any price within the Price Band. Only Retail Individual Bidders Bidding in the Retail Portion and Eligible Employees Bidding in the Employee Reservation Portion are entitled to Bid at the Cut-off Price. No other category of Bidders is entitled to Bid at the Cut-off Price

Term	Description
Cut-off Time	For all pending UPI Mandate Requests, the Sponsor Bank(s) shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm on the Bid/Offer Closing Date
DAM Capital	DAM Capital Advisors Limited
Demographic Details	The demographic details of the Bidders including the Bidder's address, name of the Bidder's father/husband, investor status, occupation, bank account details and UPI ID, wherever applicable
Designated Branches	Such branches of the SCSBs which will collect the ASBA Forms used by the ASBA Bidders and a list of which is available on the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 and updated from time to time, or any such other website as may be prescribed by the SEBI
Designated CDP Locations	Such locations of the CDPs where ASBA Bidders can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the CDPs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com), as updated from time to time
Designated Date	The date on which funds are transferred by the Escrow Collection Bank(s) from the Escrow Account(s) to the Public Offer Account or the Refund Account, as the case may be, and/or the instructions are issued to the SCSBs (in case of UPI Bidders, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Offer Account or the Refund Account, as the case may be, in terms of the Red Herring Prospectus and the Prospectus after finalization of the Basis of Allotment in consultation with the Designated Stock Exchange following which Equity Shares will be Allotted in the Offer
Designated Intermediaries	Collectively, the Syndicate, Sub-Syndicate Members, SCSBs, Registered Brokers, CDPs and RTAs, who are authorized to collect Bid cum Application Forms from the Bidders in the Offer. In relation to ASBA Forms submitted by Retail Individual Bidders, Eligible Employees Bidding in the Employee Reservation Portion and Non-Institutional Bidders Bidding with an application size of up to ₹500,000 (not using the UPI Mechanism) authorizing an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs In relation to ASBA Forms submitted by UPI Bidders where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such UPI Bidders using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-syndicate, Registered Brokers, CDPs and RTAs In relation to ASBA Forms submitted by QIBs and Non-Institutional Bidders (not using the UPI Mechanism), Designated Intermediaries shall mean SCSBs, Syndicate, sub-syndicate, Registered Brokers, CDPs and RTAs
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the ASBA Forms to the RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com), updated from time to time
Designated Stock Exchange	[●]
Draft Abridged Prospectus	The memorandum containing such salient features of this Draft Red Herring Prospectus as may be specified by SEBI in this regard
"Draft Red Herring Prospectus" or "DRHP"	This draft red herring prospectus dated May 15, 2026 filed with the SEBI and issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer, including any addenda or corrigenda thereto
Eligible Employees	Any permanent employee, working in India or outside India (excluding such employees who are not eligible to invest in the Offer under applicable laws, rules, regulations and guidelines), of our Company, as on the date of the filing of the Red Herring Prospectus with the RoC and who continue to be permanent employee of our Company until the submission of the Bid cum Application Form and is a person resident in India (under the FEMA) as on the date of submission of the Bid cum Application Form, and a Director of our Company, whether whole-time or not, who is eligible to apply under the Employee Reservation Portion under applicable laws, rules, regulations and guidelines as on the date of filing of the Red Herring Prospectus with the RoC and who continues to be a Director of our Company, until the submission of the Bid cum Application Form and is a person resident in India (under the FEMA) as on the date of submission of the Bid cum Application Form, but not including the (i) Promoters; (ii) persons belonging to the Promoter Group; and (iii) Directors who either themselves or through their relatives or through any body corporate, directly or indirectly, hold more than 10% of the outstanding equity shares of our Company. The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee shall not exceed ₹500,000 (net of Employee Discount, if any, as applicable). However, the initial allocation to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹200,000 (net of Employee Discount, if any, as applicable). In the event of an under-subscription in the

Term	Description
	Employee Reservation Portion after the initial allocation, such unsubscribed portion may be allocated on a proportionate basis to Eligible Employees who have Bid in the Employee Reservation Portion, for a value in excess of ₹200,000 (net of Employee Discount, if any, as applicable), subject to the total Allotment to an Eligible Employee not exceeding ₹500,000 (net of Employee Discount, if any, as applicable)
Eligible FPI(s)	FPI(s) that are eligible to participate in the Offer in terms of applicable law and from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Bid cum Application Form and the Red Herring Prospectus will constitute an invitation to subscribe to or purchase the Equity Shares offered thereby
Eligible NRI(s)	NRI(s) from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Bid cum Application Form and the Red Herring Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares offered thereby
Employee Discount	Our Company, in consultation with the BRLMs, may offer a discount of up to [●]% of the Offer Price (equivalent to ₹[●] per Equity Share) to Eligible Employee(s) Bidding in the Employee Reservation Portion, which shall be announced at least two Working Days prior to the Bid/Offer Opening Date.
Employee Reservation Portion	The portion of the Offer, being up to [●] Equity Shares of face value of ₹10 each aggregating up to ₹[●] million, not exceeding 5% of the post-Offer paid-up equity share capital of our Company, available for allocation to Eligible Employees, on a proportionate basis
Escrow Account(s)	The 'no-lien' and 'non-interest bearing' account(s) to be opened with the Escrow Collection Bank(s) and in whose favor the Anchor Investors will transfer money through direct credit or NACH or NEFT or RTGS in respect of the Bid Amount when submitting a Bid
Escrow Collection Bank(s)	The bank(s) which are clearing members and registered with the SEBI as a banker to an issue under the SEBI BTI Regulations and with whom the Escrow Account(s) shall be opened, in this case being [●]
First Bidder	Bidder whose name appears first in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name also appears as the first holder of the beneficiary account held in joint names
Floor Price	The lower end of the Price Band, subject to any revision thereto, not being less than the face value of the Equity Shares at or above which the Offer Price and the Anchor Investor Offer Price will be finalized and below which no Bids will be accepted
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations
Fresh Issue	The issue of up to [●] Equity Shares of face value of ₹10 each aggregating up to ₹6,000.00 million by our Company. Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement aggregating up to ₹1,200.00 million prior to filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue, *i.e.*, ₹1,200.00 million. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement, if undertaken, shall be appropriately made in the relevant sections of the RHP and the Prospectus and intimated to the Stock Exchanges within 24 hours of such Pre-IPO placement, in accordance with the SEBI ICDR Regulations
"General Information Document" or "GID"	The General Information Document for investing in public issues prepared and issued in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars, as amended from time to time. The General Information Document shall be available on the websites of the Stock Exchanges and the BRLMs
Independent Chartered Accountant	KGRS & Co., Chartered Accountants
Life Insurance Company(ies)	An entity registered with the Insurance Regulatory and Development Authority of India under the provisions of the Insurance Act, 1938
Maximum RIB Allottees	The maximum number of Retail Individual Bidders who can be Allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to Retail Individual Bidders by the minimum Bid Lot, subject to valid Bids being received at or above the Offer Price
Monitoring Agency	[●], being a credit rating agency registered with SEBI
Monitoring Agency Agreement	Monitoring agency agreement to be entered into between our Company and the Monitoring Agency

Term	Description
Motilal	Motilal Oswal Investment Advisors Limited
Mutual Fund(s)	Mutual fund(s) registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 2026
Mutual Fund Portion	5% of the Net QIB Portion, or [●] Equity Shares of face value of ₹10 each, which shall be available for allocation only to Mutual Funds on a proportionate basis, subject to valid Bids being received at or above the Offer Price
Net Offer	The Offer net of the Employee Reservation Portion
Net Proceeds	The proceeds of the Fresh Issue less our Company's share of the Offer related expenses. For further information regarding use of the Net Proceeds and the Offer expenses, see "*Objects of the Offer*" on page 139
Net QIB Portion	The QIB Portion less the number of Equity Shares allocated to the Anchor Investors
Non-Institutional Bidders	All Bidders that are not QIBs or Retail Individual Bidders or Eligible Employees Bidding in the Employee Reservation Portion and who have Bid for Equity Shares for an amount of more than ₹200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Offer being not less than 15% of the Offer, or [●] Equity Shares of face value of ₹10 each, which shall be available for allocation to Non-Institutional Bidders in accordance with the SEBI ICDR Regulations, out of which (a) one-third of such portion shall be reserved for Bidders with application size of more than ₹200,000 and up to ₹1,000,000; and (b) two-thirds of such portion shall be reserved for Bidders with application size of more than ₹1,000,000, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders, subject to valid Bids being received at or above the Offer Price
Non-Resident	Person resident outside India, as defined under FEMA
Offer	The initial public offer of Equity Shares comprising of the Fresh Issue and the Offer for Sale Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement aggregating up to ₹1,200.00 million prior to filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue, *i.e.*, ₹1,200.00 million. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement, if undertaken, shall be appropriately made in the relevant sections of the RHP and the Prospectus and intimated to the Stock Exchanges within 24 hours of such Pre-IPO placement, in accordance with the SEBI ICDR Regulations
Offer Agreement	The agreement dated May 15, 2026 entered into among our Company, the Selling Shareholders and the BRLMs, pursuant to which certain arrangements are agreed to in relation to the Offer
Offer for Sale	The offer for sale of up to 40,437,529 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million by the Selling Shareholders, as set forth in "*Annexure A*" on page 722
Offer Price	The final price (within the Price Band) at which Equity Shares will be Allotted to successful Bidders (except for the Anchor Investors) in terms of the Red Herring Prospectus and the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price which will be decided by our Company in consultation with the BRLMs in terms of the Red Herring Prospectus and the Prospectus. The Offer Price will be decided by our Company, in consultation with the BRLMs, on the Pricing Date in accordance with the Book Building Process and the Red Herring Prospectus A discount of up to [●]% on the Offer Price (equivalent of ₹[●] per Equity Share) may be offered to Eligible Employees Bidding in the Employee Reservation Portion. The Employee Discount, if any, will be decided by our Company, in consultation with the Book Running Lead Managers.
Offer Proceeds	The Net Proceeds and the proceeds of the Offer for Sale which shall be available to the Selling Shareholders. For further information about use of the Offer Proceeds, see "*Objects of the Offer*" on page 139
Offered Shares	Up to 40,437,529 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million being offered for sale by the Selling Shareholders in the Offer for Sale
Pension Fund(s)	A fund registered with the Pension Fund Regulatory and Development Authority under the provisions of the Pension Fund Regulatory and Development Authority Act, 2013
Pre-IPO Placement	Our Company, in consultation with the BRLMs, may consider a further issue of specified securities for cash consideration prior to filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with

Term	Description
	the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue, *i.e.*, ₹1,200.00 million. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement, if undertaken, shall be appropriately made in the relevant sections of the RHP and the Prospectus and intimated to the Stock Exchanges within 24 hours of such Pre-IPO placement, in accordance with the SEBI ICDR Regulations
Price Band	Price band of a minimum price of ₹[●] per Equity Share (*i.e.,* the Floor Price) and the maximum price of ₹[●] per Equity Share (*i.e.*, the Cap Price), including any revisions thereof. The Price Band and the minimum Bid Lot for the Offer will be decided by our Company, in consultation with the BRLMs and shall be advertised in all editions of the English national daily newspaper [●], all editions of the Hindi national daily newspaper [●] and the Kolkata edition of the Bengali daily newspaper [●] (Bengali being the regional language of West Bengal, where our Registered and Corporate Office is located), each with wide circulation, at least two Working Days prior to the Bid/Offer Opening Date
Pricing Date	The date on which our Company, in consultation with the BRLMs, will finalize the Offer Price
Prospectus	The prospectus for the Offer to be filed with the RoC on or after the Pricing Date in accordance with Section 26 of the Companies Act and the SEBI ICDR Regulations, containing, *inter alia*, the Offer Price that is determined at the end of the Book Building Process, the size of the Offer and certain other information, including any addenda or corrigenda thereto
Public Offer Account	'No-lien' and 'non-interest-bearing' bank account to be opened in accordance with Section 40(3) of the Companies Act, with the Public Offer Account Bank to receive money from the Escrow Account(s) and the ASBA Accounts maintained with the SCSBs on the Designated Date
Public Offer Account Bank(s)	The bank(s) which are clearing members and registered with the SEBI as bankers to an issue and with which the Public Offer Account shall be opened, being [●]
QIB Portion	The portion of the Offer being not more than 50% of the Net Offer, or not more than [●] equity shares of face value ₹10 each, which shall be available for allocation on a proportionate basis to QIBs, including the Anchor Investor Portion (in which allocation shall be on a discretionary basis, as determined by our Company, in consultation with the BRLMs), subject to valid Bids being received at or above the Offer Price or the Anchor Investor Offer Price, as applicable
"Qualified Institutional Buyers", "QIBs" or "QIB Bidders"	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
"Red Herring Prospectus" or "RHP"	The red herring prospectus for the Offer to be issued by our Company in accordance with Section 32 of the Companies Act and the SEBI ICDR Regulations, which shall not have complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer, including any addenda or corrigenda thereto
Refund Account	Account opened with the Refund Bank from which refunds, if any, of the whole or part of the Bid Amount to the Bidders shall be made
Refund Bank	Banker to the Offer and with which Refund Account shall be opened, being [●]
Registered Brokers	The stock brokers registered under the Securities and Exchange Board of India (Stock Brokers) Regulations, 2026, as amended with SEBI and the Stock Exchanges having nationwide terminals, other than the BRLMs and the Syndicate Members and eligible to procure Bids in terms of the SEBI ICDR Master Circular and the UPI Circulars
Registrar Agreement	The agreement dated May 15, 2026 entered into among our Company, the Selling Shareholders and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer
"Registrar and Share Transfer Agents" or "RTAs"	Registrar and share transfer agents registered with the SEBI and eligible to procure Bids at the Designated RTA Locations as per the lists available on the website of BSE and NSE, and the UPI Circulars
"Registrar to the Offer" or "Registrar"	MUFG Intime India Private Limited (*Formerly Link Intime India Private Limited*)
"Retail Individual Bidders" or "RIBs"	Individual Bidders, other than Eligible Employees Bidding in the Employee Reservation Portion, who have Bid for Equity Shares for an amount of not more than ₹200,000 in any of the bidding options in the Net Offer (including HUFs applying through the *karta* and Eligible NRIs)
Retail Portion	The portion of the Offer being not less than 35% of the Offer, or [●] Equity Shares of face value ₹10 each, which shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price
Revision Form	The form used by the Bidders to modify the quantity of Equity Shares or the Bid Amount in their Bid cum Application Forms or any previous Revision Forms. QIBs and Non-Institutional Bidders

Term	Description
	are not allowed to withdraw or lower their Bids (in terms of the quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders and Eligible Employees Bidding in the Employee Reservation Portion can revise their Bids during the Bid/Offer Period and withdraw their Bids until the Bid/Offer Closing Date
SCORES	Securities and Exchange Board of India Complaint Redress System
SBICAPS	SBI Capital Markets Limited
"Self Certified Syndicate Banks" or "SCSBs"	The banks registered with SEBI, which offer the facility of ASBA services, (i) in relation to ASBA, where the Bid Amount will be blocked by authorising an SCSB, a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 and updated from time to time and at such other websites as may be prescribed by SEBI from time to time, (ii) in relation to Bidders using the UPI Mechanism, a list of which is available on the website of SEBI at sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as may be prescribed by SEBI and updated from time to time. Applications through UPI in the Offer can be made only through the SCSBs mobile applications (apps) whose name appears on the SEBI website. A list of SCSBs and mobile applications, which, are live for applying in public issues using UPI mechanism is provided as Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019. The list is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 and updated from time to time and at such other websites as may be prescribed by SEBI from time to time.
Share Escrow Agent	Share escrow agent appointed pursuant to the Share Escrow Agreement, namely, [●]
Share Escrow Agreement	Agreement to be entered into amongst our Company, the Selling Shareholders and the Share Escrow Agent in connection with the transfer of the respective portion of the Offered Shares by the Selling Shareholders and credit of such Equity Shares to the demat account of the Allottees
Specified Locations	Bidding Centres where the Syndicate will accept ASBA Forms from the Bidders
Sponsor Bank	[●], being a Banker to the Offer, appointed by our Company 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 Bidders using the UPI and carry out other responsibilities, in terms of the UPI Circulars
Stock Exchanges	Together, NSE and BSE
"Syndicate" or "Members of the Syndicate"	The BRLMs and the Syndicate Members, collectively
Syndicate Agreement	The agreement to be entered into among the BRLMs, the Syndicate Members, the Registrar to the Offer, the Selling Shareholders and our Company in relation to the collection of Bid cum Application Forms by the Syndicate
Syndicate Members	Intermediaries registered with the SEBI who are permitted to carry out activities as an underwriter, being [●]
Systemically Important Non-Banking Financial Company	In the context of a Bidder, a non-banking financial company registered with the RBI and as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
Underwriters	[●]
Underwriting Agreement	The agreement among the Underwriters, the Selling Shareholders and our Company to be entered into on or after the Pricing Date but prior to the filing of the Prospectus with the RoC
"Unified Payments Interface" or "UPI"	An instant payment mechanism developed by the NPCI
UPI Bidders	Collectively, individual investors applying as Retail Individual Bidders in the Retail Portion and individuals applying as Non-Institutional Bidders with an application size of up to ₹500,000 in the Non-Institutional Portion. Pursuant to the SEBI ICDR Master Circular, all individual investors applying in public issues where the application amount is up to ₹500,000 shall use the UPI Mechanism and shall provide their UPI ID in the Bid cum Application Form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity)
UPI Circulars	SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 (to the extent such circular is not rescinded by the SEBI RTA Master Circular, as applicable to RTA), the SEBI RTA Master Circular (to the extent it pertains to UPI), the SEBI ICDR Master Circular, SEBI circular no. SEBI/HO/DEPA-II/DEPA-II_SRG/P/CIR/2025/86 dated June 11, 2025 and any subsequent circulars or notifications issued by SEBI in this regard, along with the circulars issued by the Stock Exchanges in this regard, including the circulars issued by the NSE having reference no. 23/2022 dated July 22, 2022, and having reference no. 25/2022 dated August 3, 2022, and the circulars

Term	Description
	issued by BSE having reference no. 20220702-30 dated July 22, 2022, and having reference no. 20220803-40 dated August 3, 2022 and any subsequent circulars or notifications issued by the Stock Exchanges in this regard
UPI ID	An ID created on the UPI for single-window mobile payment system developed by the NPCI
UPI Mandate Request	A request (intimating the RIB by way of a notification on the UPI linked mobile application as disclosed by SCSBs on the website of SEBI and by way of an SMS on directing the RIB to such UPI linked mobile application) to the RIB initiated by the Sponsor Bank to authorize blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment
UPI Mechanism	The bidding mechanism that may be used by an RIB in accordance with the UPI Circulars to make an ASBA Bid in the Offer
UPI PIN	Password to authenticate UPI transaction
Working Day(s)	All days on which commercial banks in Mumbai are open for business. In respect of announcement of Price Band and Bid/Offer Period, Working Day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business. In respect of the time period between the Bid/ Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, Working Day shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per circulars issued by SEBI, including the UPI Circulars

Industry/Business Related Terms

Term	Description
ABB	Average bank balances
ACH	Automated clearance house
AUM	Assets under management
BC	Business correspondent
CAGR	Compound annual growth rate
CARE	CARE Ratings Limited
CBS	Core banking solution
Central India	Central India comprises the states of Madhya Pradesh and Chhattisgarh in India, which constitute our areas of operations in this region
CGT	Compulsory group training
CRAR	Capital to risk weighted assets ratio
CRM	Customer relationship management
Eastern India	Eastern India comprises the states of West Bengal, Bihar, Odisha, and Jharkhand in India, which constitute our areas of operations in this region
FIS	FIS Payment Solution & Services India Private Limited
GLP	Gross loan portfolio
GNPA	Gross non-performing assets
GRT	Group recognition test
ICRA	ICRA Limited
JLC	Joint liability center
JLG	Joint liability group
Low Income States	Low income states as defined in the CARE Report
Master Directions	Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025
MCA	Merchant cash advance facility
MFI	Microfinance institution
MFIN	Micro Finance Institutions Network
MIS	Management information system
MSME	Micro, small and medium enterprises
NBFC	Non-banking financial company registered with the RBI
NBFC-MFI	Non-banking financial company – micro finance institution
NBFC-ND-SI	Systemically important non-deposit taking non-banking financial company
NIM	Net interest margin
North-Eastern India	North-Eastern India comprises the state of Assam, Meghalaya and Tripura, in India, which constitute our areas of operations in this region
Northern India	Northern India comprises the state of Haryana, Uttar Pradesh and Uttarakhand in India, which constitute our areas of operations in this region
NPA	Non-performing asset
PAR	Portfolio at risk
Peer NBFC-MFIs	Peer NBFC-MFIs comprise the top 12 NBFC-MFIs in India based on AUM for the relevant period, along with select small finance banks (“SFBs”) and Bandhan Bank that have loan

Term	Description
	portfolios with a significant focus on the microfinance segment for whom data is available for the relevant benchmarks. Although regulatory requirements for qualifying assets differ between NBFC MFIs, SFBs and Bandhan Bank, such entities have been included as peers due to the comparable nature of microfinance loans, which are uniformly defined as collateral free loans to households with annual income of up to ₹300,000. (*Source: CARE Report*) For further information, see "*Industry Overview*" on page 177
PSL	Priority sector lending
RBI	The Reserve Bank of India
RoA	Return on assets
RoE	Return on equity
Sa-Dhan	The Association of Community Development Finance Institutions is a self-regulatory organization
SFB	Small finance bank
SHG	Self-help group
Southern India	Southern India comprises the state of Karnataka and Tamil Nadu in India, which constitute our areas of operations in this region
TAT	Turn-around time
Western India	Western India comprises the state of Gujarat, Maharashtra and Rajasthan in India, which constitute our areas of operations in this region

Key Performance Indicators

Term	Description
I. Financial measures	
A. GAAP measures	
Basic Earnings Per Equity Share	Basic Earnings Per Equity Share is calculated by dividing the profit for the year attributable to the owners by the weighted average number of equity shares outstanding during the year
Debt to Equity Ratio (times)	Debt to Equity Ratio (times) represents total borrowings divided by total equity attributable to shareholders as of the last day of the relevant period/years
Diluted Earnings Per Equity Share	Diluted Earnings Per Equity Share is calculated by dividing the profit for the year attributable to the owners for the year after giving impact of dilutive potential equity shares for the year by the weighted average number of Equity Shares and dilutive potential equity shares outstanding during the year
Net Interest Income	Net Interest Income represents interest on loan portfolio in the relevant period/years as reduced by finance costs in such period/years as per the Restated Financial Information
Profit / (Loss) After Tax	Profit After Tax represents our profit for the year (after tax) as per our Restated Financial Information for the relevant period/years
Total Assets	Total Assets represents our total assets as of the last day of the relevant period/years as per our Restated Financial Information
Total Borrowings	Total Borrowings represents the aggregate of debt securities, subordinated liabilities, and borrowings (other than debt securities), as per our Restated Financial Information for the relevant period/years
Total Expenses	Total Expenses represent the aggregate of finance costs, employee benefits expenses, depreciation and amortisation expense, impairment on financial instruments and other expenses as per the Restated Financial Information
Total Income	Total Income represents the aggregate of total revenue from operations and other income
Total Non-Interest Income	Total Non-Interest Income represents summation of dividend income, fees and commission income, net gain on fair value changes, net gain on derecognition of financial instruments under amortised cost category, other operating income and other income as per Restated Financial Information for the relevant period/years
B. Non-GAAP measures	
Adjusted pre-provision operating profit before tax	Adjusted pre-provision operating profit before tax represents profit before tax after adding back impairment on financial instruments for the relevant period/years as per the Restated Financial Information
Adjusted pre-provision operating profit before tax Growth	Adjusted pre-provision operating profit before tax Growth (%) represents percentage growth in pre provision operating profit for the relevant period/years over the previous period/years
Cost to Income Ratio (%)	Cost to Income Ratio (%) represents operating expenses as a percentage of total income less finance costs for the relevant period/years
Capital to risk weighted assets ratio (CRAR) (%)	Capital to risk weighted assets ratio (CRAR) (%) has been computed as addition of Tier I Capital and Tier II Capital divided by Total risk weighted Assets. Capital to risk weighted assets ratio (CRAR) (%) is computed in accordance with the applicable RBI guidelines
Net Interest Margin (%)	Net interest margin (%) represents net interest income loan portfolio for the relevant period/years as a percentage of average AUM for such period/years

Term	Description
Net Worth	Net Worth represents the aggregate value of the paid-up share capital and all reserves created out of the profits and 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. Here, Net Worth is sum of Equity share capital and Other equity
Provision Coverage Ratio (%)	Provision coverage ratio (%) represents Total Loss Allowances (Provisions) as required under Ind AS 109 held on Gross NPAs as of the last day of the relevant period/years, as a percentage of Gross NPAs as of the last day of the relevant period/years as per the Restated Financial Information
Return on Average Total Assets (%)	Return on Average Total Assets (%) is calculated as the profit after tax for the period/ years as a percentage of Average Total Assets (simple average of opening total assets and closing total assets) in such period/years
Return on Average Net Worth (%)	Return on Average Net Worth (%) is calculated as the profit after tax for the period/ years as a percentage of Average Net Worth in such period/years. Average Net Worth is calculated as the simple average of opening and closing Net Worth for such period / years
Tier I Capital (%)	Tier I Capital (%) represents the ratio of Tier I Capital to total risk weighted assets. Total risk weighted assets represents the weighted average of funded and nonfunded items after applying the risk weights as assigned by the RBI
Tier II Capital (%)	Tier II Capital ratio maintained by the Company in accordance with applicable RBI regulatory requirements. Tier II Capital (%) represents the ratio of Tier II Capital as a percentage of risk weighted assets. Total risk weighted assets represents the weighted average of funded and nonfunded items after applying the risk weights as assigned by the RBI
II. Operational measures	
AUM	AUM as of the last day of the relevant period/years represents aggregate of principal outstanding including principal overdue if any for all loans to customers held by our Company (i.e., on balance sheet loans) and assets transferred by way of securitisation, assignment of receivables and business correspondent receivables outstanding as of the last day of the relevant period/years
AUM Growth	AUM Growth (%) represents percentage growth in AUM as of the last day of the relevant period/years over the previous period/years
AUM Share in Top 3 states	AUM Share in Top 3 states represents proportion of AUM concentrated in the top three states as of the last day of the relevant period/years
AUM Per Branch	AUM per branch represents AUM as of the last day of the relevant period/years divided by number of branches as of the last day of the relevant period/years
Average Cost of Borrowings (%)	Average Cost of Borrowings (%) represents interest cost and related borrowing costs for the relevant period/years as a percentage of average borrowings outstanding for such period/years
Average Ticket Size – Microfinance Loans	Average Ticket Size – Microfinance Loans represents aggregate of all microfinance loan disbursement amounts extended to customers divided by total number of microfinance loans disbursed during the relevant period/years
Collection Efficiency (%)	Collection Efficiency (%) represents ratio of total collections including overdue, advance and prepayment collections to total billings for the relevant period/years
Credit Cost Ratio (%)	Credit Cost Ratio (%) represents impairment on financial instruments for the relevant period/years as a percentage of average AUM for such period/years
Credit Rating	Credit Rating represents external credit ratings assigned to the Company by recognised credit rating agencies for the relevant period/years
Gross Disbursement	Gross Disbursements represent aggregate of all loan amounts extended to customers during the relevant period/years
Gross Disbursement Growth (%)	Gross Disbursement Growth (%) represents percentage growth in disbursements for the relevant period/years over the previous period/years
Gross Disbursement Per Branch	Gross Disbursement per branch represents gross disbursements during the relevant period/years divided by number of branches as of the last day of such period/years
Gross NPA Ratio (%)	Gross NPA Ratio (%) represents gross non-performing assets as a percentage of gross loan portfolio as of the last day of the relevant period/years
Number of Active Borrowers	Number of Active Borrowers represents borrowers having at least one active loan account outstanding as of the last day of the relevant period/years, including loan accounts transferred by way of securitisation or assignment and outstanding as of such date
Number of Active Borrowers Growth (%)	Number of Active Borrowers Growth (%) is Percentage growth in number of active borrowers as of the last day of the relevant period/years over the previous period/years
Net NPA Ratio (%)	Net NPA Ratio (%) represents Net NPA as of the last day of the relevant period/years as a percentage of loans gross of impairment allowance reduced by the impairment allowance against the NPA assets as per Restated Financial Information for the relevant period/years
Number of States	Number of states in which the Company operates as of the last day of the relevant period/years
Number of Districts	Number of districts in which the Company operates as of the last day of the relevant period/years

Term	Description
Operating Expenses / Average AUM (%)	Operating Expenses / Average AUM (%) represents operating expenses excluding finance cost and impairment on financial instruments as a percentage of average AUM for the relevant period/years
Total Number of Branches	Total Number of Branches is total operational branches of the Company as of the last day of the relevant period/years
Total % of Digital Collection	Total % of Digital Collection is Proportion of total collections received through digital channels during the relevant period/years

Conventional and General Terms/Abbreviations

Term	Description
"₹" or "Rs." or "Rupees" or "INR"	Indian Rupees
AGM	Annual General Meeting
"Alternative Investment Funds" or "AIFs"	Alternative investment funds as defined in, and registered under, the SEBI AIF Regulations
"AS" or "Accounting Standards"	Accounting Standards issued by the Institute of Chartered Accountants of India
Banking Regulation Act	The Banking Regulation Act, 1949
BSE	BSE Limited
Basic EPS	Basic EPS is calculated by dividing the profit for the year attributable to the owners of the parent by the weighted average number of equity shares outstanding during the year
BNS	Bharatiya Nyaya Sanhita, 2023
BNSS	Bharatiya Nagarik Suraksha Sanhita, 2023
CAGR	Compounded Annual Growth Rate
Category I AIF	AIFs who are registered as "Category I Alternative Investment Funds" under the SEBI AIF Regulations
Category II AIF	AIFs who are registered as "Category II Alternative Investment Funds" under the SEBI AIF Regulations
Category I FPIs	FPIs registered as "Category I foreign portfolio investors" under the SEBI FPI Regulations
Category II FPIs	FPIs registered as "Category II foreign portfolio investors" under the SEBI FPI Regulations
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
"Companies Act" or "Companies Act, 2013"	The Companies Act, 2013, read with the rules, regulations, clarifications and modifications thereunder
Companies Act, 1956	The Companies Act, 1956, read with the rules, regulations, clarifications and modifications thereunder
Competition Act	The Competition Act, 2002
CSR	Corporate social responsibility
Depositories	NSDL and CDSL
Depositories Act	The Depositories Act, 1996
DIN	Director Identification Number
"DP" or "Depository Participant"	A depository participant as defined under the Depositories Act
DP ID	Depository Participant's identification number
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India
EGM	Extraordinary General Meeting
EPS	Earnings Per Share
FDI	Foreign Direct Investment
FDI Policy	Consolidated Foreign Direct Investment Policy notified by the DPIIT through notification dated October 15, 2020 effective from October 15, 2020
FEMA	The Foreign Exchange Management Act, 1999, read with the rules and regulations thereunder
"FEMA Non-debt Instruments Rules" or the "FEMA NDI Rules"	The Foreign Exchange Management (Non-debt Instruments) Rules, 2019
"Financial Year" or "Fiscal" or "Fiscal Year" or "FY"	Unless stated otherwise, the period of 12 months ending March 31 of that particular year
FIR	First information report
FPIs	Foreign portfolio investors as defined in, and registered with, the SEBI under the SEBI FPI Regulations
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
FVCI(s)	Foreign venture capital investors as defined in, and registered with, the SEBI under the SEBI FVCI Regulations
GAAR	General anti-avoidance rules

Term	Description
GDP	Gross domestic product
GST	Goods and services tax
HR	Human resources
HUF	Hindu undivided family
IBC	Insolvency and Bankruptcy Code, 2016
ICAI	The Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards of the International Accounting Standards Board
Income-tax Act	The Income-tax Act, 2025
Ind AS	The Indian Accounting Standards referred to and notified in the Ind AS Rules
Ind AS Rules	The Companies (Indian Accounting Standards) Rules, 2015
Indian GAAP	The Generally Accepted Accounting Principles in India
Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
Insurance Act	Insurance Act, 1938
IPC	Indian Penal Code, 1860
IPO	Initial public offering
IRDAI	Insurance Regulatory and Development Authority of India
IRDAI Investment Regulations	Insurance Regulatory and Development Authority of India (Actuarial, Finance and Investment Functions of Insurers) Regulations, 2024
ISIN	International Securities Identification Number
IST	Indian Standard Time
IT	Information technology
IT Act	Information Technology Act, 2000
KYC	Know Your Customer
LTLR	Long term lending rate
MAT	Minimum alternate tax
MCA	Ministry of Corporate Affairs, Government of India
MCLR	Marginal cost of funds based lending rate
MoU	Memorandum of Understanding
N.A.	Not applicable
NACH	National Automated Clearing House
NAV	Net asset value
NBFC	Non-Banking Financial Company
NCD	Non-convertible debentures
NEFT	National Electronic Fund Transfer
Negotiable Instruments Act	Negotiable Instruments Act, 1881
NPCI	National Payments Corporation of India
"NR" or "Non-resident"	A person resident outside India, as defined under the FEMA, including Eligible NRIs, FPIs and FVCIs registered with the SEBI
NRI	An individual resident outside India, who is a citizen of India
NSDL	National Securities Depository Limited
NSE	The National Stock Exchange of India 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% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately prior to such date had taken benefits under the general permission granted to OCBs under the FEMA. OCBs are not permitted to invest in the Offer
p.a.	Per annum
P&L	Profit and loss
P/E Ratio	Price/Earnings Ratio
PAN	Permanent account number allotted under the Income-tax Act
PAT	Profit after tax
Regulation S	Regulation S under the U.S. Securities Act
RoNW	Return on Net Worth
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI BTI Regulations	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019

Term	Description
SEBI FPI Master Circular	The SEBI master circular no. SEBI/HO/AFD/AFD-PoD-2/P/CIR/2024/70 dated May 30, 2024
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000
SEBI ICDR Master Circular	The SEBI master circular no. HO/49/14/14(2)2026-CFD-POD2/I/4518/2026 dated February 9, 2026
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Investment Advisers Regulations	Securities and Exchange Board of India (Investment Advisers) Regulations, 2013
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
SEBI Mutual Fund Regulations	Securities and Exchange Board of India (Mutual Funds) Regulations, 2026
SEBI Portfolio Manager Regulations	Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020
SEBI RTA Master Circular	The SEBI master circular no. HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated February 6, 2026
SEBI Registrars and STA Regulations	Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025
SEBI SBEB Regulations	Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
SEBI Stock Broker Regulations	Securities and Exchange Board of India (Stock Brokers) Regulations, 2026
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 as repealed by the SEBI AIF Regulations
SICA	The erstwhile Sick Industrial Companies (Special Provisions) Act, 1985
State Government	The government of a State of India
Stock Exchanges	BSE and NSE
STT	Securities transaction tax
TAN	Tax deduction and collection account number allotted under the Income-tax Act
TDS	Tax deducted at source
Trade Marks Act	Trade Marks Act, 1999
"U.S." or "USA" or "United States"	United States of America, its territories and possessions, any State of the United States, and the District of Columbia
"USD" or "US$"	United States Dollars
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
U.S. Securities Act	The United States Securities Act of 1933
VAT	Value added tax
VCFs	Venture capital funds as defined in and registered with the SEBI under the SEBI VCF Regulations
Wilful Defaulter or Fraudulent Borrower	Wilful defaulter or a fraudulent borrower as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations
"Year" or "calendar year"	Unless the context otherwise requires, shall mean the twelve month period ending December 31

CERTAIN CONVENTIONS, PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Certain Conventions

All references to "India" contained in this Draft Red Herring Prospectus are to the Republic of India and its territories and possessions and all references herein to the "Government", "Indian Government", "GoI", "Central Government" or the "State Government" are to the Government of India, central or state, as applicable. All references to the "U.S.", "USA" or the "United States" are to the United States of America and its territories and possessions.

Unless otherwise specified, any time mentioned in this Draft Red Herring Prospectus is in Indian Standard Time ("**IST**"). Unless indicated otherwise, all references to a year in this Draft Red Herring Prospectus are to a calendar year.

Unless stated otherwise, all references to page numbers in this Draft Red Herring Prospectus are to the page numbers of this Draft Red Herring Prospectus.

Financial Data

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 Year, unless stated otherwise, 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, the financial information in this Draft Red Herring Prospectus is derived from the restated statement of assets and liabilities of the Company as on December 31, 2025, March 31, 2025, March 31, 2024 and March 31, 2023 and the restated statement of profit and loss (including other comprehensive income), restated statement of changes in equity, and the restated statement of cash flows for the nine-month period ended December 31, 2025 and for the Financial Years ended March 31, 2025, March 31, 2024 and March 31, 2023, the material accounting policies and other explanatory notes, and restated in accordance with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI. For further information, see "*Restated Financial Information*" on page 435.

Ind AS, U.S. GAAP and IFRS differ in certain significant respects from other accounting principles and standards with which investors may be more familiar. We have not made any attempt to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those of IFRS or any other accounting principles or standards. If we were to prepare our financial statements in accordance with such other accounting principles, our results of operations, financial condition and cash flows may be substantially different. Prospective investors should consult their own professional advisers for an understanding of the differences between these accounting principles and those with which they may be more familiar. The degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, Ind AS, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with these accounting principles and regulations on our financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

All figures in decimals (including percentages) have been rounded off to two decimals. However, where any figures may have been sourced from third-party industry sources, such figures may be rounded-off to such number of decimal points as provided in such respective sources. In this Draft Red Herring Prospectus, (i) the sum or percentage change of certain 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. Any such discrepancies are due to rounding off.

The restated financial information as on and for the nine-month period ended December 31, 2025 is not indicative of full year results and accordingly, such financial information is not comparable to the restated financial information for the Financial Years ended March 31, 2025, March 31, 2024 and March 31, 2023.

Unless stated or the context requires otherwise, any percentage amounts, as disclosed in "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 21, 335 and 537, respectively, and elsewhere in this Draft Red Herring Prospectus have been calculated on the basis of the Restated Financial Information.

We use a variety of non-GAAP financial and operational performance indicators to measure and analyze our financial and

operational performance and financial condition from period to period, and to manage our business. Such non-GAAP measures include, but are not limited to Return on Average Total Assets (%), Return on Equity Ratio (%), Provision coverage ratio (%), Net Worth, Return on Net Worth (%) or RoNW (%), Average Net Worth, Average Borrowings to Average Net Worth, Net interest margin (%), Adjusted pre-provision operating profit before tax, Net asset value per equity share and earnings before interest, taxes, depreciation and amortisation ("**EBITDA**"), Adjusted expense to total income ratio (%) and Capital to risk weighted assets ratio (CRAR) (%) (collectively, "**Non-GAAP Measures**"). For a reconciliation of non-GAAP measures, see "*Management's Discussion and Analysis of our Results of Operations – Non-GAAP Measures*" on page 554. These financial and operational performance indicators are defined by our management and are presented, along with a brief explanation, in "*Selected Statistical Information*" on page 585. These financial and operational performance indicators have limitations as analytical tools. See "*Risk Factors—Certain non-GAAP financial measures relating to our operations and financial performance have been included in this Draft Red Herring Prospectus. These non-GAAP financial measures are not measures of operating performance or liquidity defined by Ind AS and may not be comparable.*" on page 63. As a result, these financial and operational performance indicators should not be considered in isolation from, or as a substitute for, analysis of our historical financial performance, as reported and presented in our Restated Financial Information included in this Draft Red Herring Prospectus. Further, these financial and operational performance indicators are not defined under Ind AS, and therefore, should not be viewed as substitutes for performance or profitability measures under Ind AS. While these financial and operational performance indicators may be used by other companies operating in the financial services industry in India, they may not be comparable to similar financial or performance indicators used by other companies. Other companies may use different financial or performance indicators or calculate these ratios differently, and similarly titled measures published by them may therefore not be comparable to those used by us.

Currency and Units of Presentation

All references to "₹" or "Rupees" or "Rs." or INR are to Indian Rupees, the official currency of the Republic of India.

All references to "US$" or "USD" are to United States Dollars, the official currency of the United States of America.

Certain numerical information has been presented in this Draft Red Herring Prospectus in "million" units. 1,000,000 represents one million and 1,000,000,000 represents one billion. However, where any figures that may have been sourced from third-party industry sources are expressed in denominations other than millions, such figures appear in this Draft Red Herring Prospectus expressed in such denominations as provided in their respective sources.

Exchange Rates

This Draft Red Herring Prospectus contains conversions of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

The table below sets forth, for the dates indicated, information with respect to the exchange rate between the Rupee and the respective foreign currencies.

Currency	Exchange rate as on*			
	December 31, 2025 (₹)	March 31, 2025 (₹)	March 31, 2024 (₹)	March 31, 2023 (₹)
1 USD	89.92	85.58	83.37	82.22

(Source: FBIL Reference Rate as available on https://www.fbil.org.in/)
Note: Exchange rate is rounded off to two decimal places
** In case March 31 or any date of any of the respective years is a public holiday, the previous working day, not being a public holiday, has been considered.*

Industry and Market Data

Unless stated otherwise, industry and market data used in this Draft Red Herring Prospectus have been obtained or derived from publicly available information as well as industry publications and sources such as a report dated May 15, 2026 and titled *"Research Report on Micro Finance Industry"* (the "**CARE Report**") that has been prepared by CARE Analytics and Advisory Private Limited ("**CARE**"), appointed by our Company pursuant to an engagement letter dated January 19, 2026 and such report has been commissioned and paid for by our Company for the purposes of confirming our understanding of the industry in connection with the Offer. Further, CARE pursuant to their consent letter dated May 15, 2026 has accorded its no objection and consent to use the CARE Report in connection with the Offer and has also confirmed that it is an independent agency and is not a related party of our Company, our Promoters, our Promoter Group, Directors, Key Managerial Personnel, Senior Management, Selling Shareholders or the Book Running Lead Managers. References to segments in "*Industry Overview*" on page 177 and information derived from the CARE Report are in accordance with the presentation, analysis and categorisation in the CARE Report.

Additionally, certain industry related information in "*Industry Overview*", "*Our Business*", "*Risk Factors*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operation*" on pages 177, 335, 21 and 537, respectively, has been derived from the CARE Report.

The CARE Report is available on the website of our Company at www.arohan.in/investor-relations/arohan-for-investors and has also been included in *"Material Contracts and Documents for Inspection—Material Documents"* on page 694.

These industry sources and publications are prepared based on information as on specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates and assumptions that may prove to be incorrect. The extent to which the industry and market data presented in this Draft Red Herring Prospectus is meaningful depends upon the reader's familiarity with, and understanding of, the methodologies used in compiling such information. There are no standard data gathering methodologies in the industry in which our Company conducts business. Methodologies and assumptions may vary widely among different market and industry sources. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those disclosed in "*Risk Factors—Certain sections of this Draft Red Herring Prospectus disclose information from the CARE Report which is a paid report and commissioned and paid for by us exclusively in connection with the Offer and any reliance on such information for making an investment decision in the Offer is subject to inherent risks.*" on page 62. Accordingly, no investment decision should be made solely on the basis of such information.

FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain forward-looking statements. All statements contained in this Draft Red Herring Prospectus that are not statements of historical fact constitute "forward-looking statements". These forward-looking statements generally can be identified by words or phrases such as "aim", "anticipate", "believe", "expect", "estimate", "intend", "objective", "plan", "project", "propose", "seek to", "likely", "will", "will continue", or other words or phrases of similar import. Similarly, statements that describe our Company's expected financial condition, results of operations, business, prospects, strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements made by us or any third parties in this Draft Red Herring Prospectus are based on our current plans, estimates, presumptions and expectations and are subject to risks, uncertainties and assumptions about our Company that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industry in which our Company operates and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India and globally, which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in laws, regulations and taxes, changes in competition in our industry, incidence of natural calamities and/or acts of violence. Certain information in "*Industry Overview*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations"* on pages 177, 335 and 537, respectively, of this Draft Red Herring Prospectus have been obtained from the CARE Report prepared by CARE, which has been commissioned by our Company.

For further discussion of factors that could cause the actual results to differ from the expectations, see "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 21, 335 and 537, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses in the future could materially differ from those that have been estimated.

We cannot assure investors that the expectation reflected in these forward-looking statements will prove to be correct. Given the uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

Forward-looking statements reflect the current views of our Company as on the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. None of our Company, our Directors, our KMPs, Senior Management, our Promoters, the Selling Shareholders, the Syndicate or any of their respective affiliates has 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 the SEBI ICDR Regulations, our Company will ensure that investors are informed of material developments from the date of this Draft Red Herring Prospectus until the date of Allotment. In accordance with regulatory requirements including requirements of SEBI and as prescribed under applicable law each of the Selling Shareholders will, severally and not jointly, ensure that our Company and BRLMs are informed of material developments in relation to the statements and undertakings specifically made or undertaken by such Selling Shareholder in relation to itself as a Selling Shareholder and its respective portion of the Offered Shares from the date of this Draft Red Herring Prospectus until the date of Allotment. Only statements and undertakings which are specifically confirmed or undertaken by the Selling Shareholders, as the case may be, in this Draft Red Herring Prospectus shall, severally and not jointly, be deemed to be statements and undertakings made by such Selling Shareholder.

SECTION II: RISK FACTORS

An investment in Equity Shares involves a high degree of risk. Investors should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. The risks described below are not the only ones relevant to us or our Equity Shares, or the industry in which we operate or to India. Additional risks and uncertainties, not currently known to us or that we currently do not deem material may also adversely affect our business, results of operations, financial condition and cash flows. If any or a combination of the following risks, or other risks that are not currently known or are not currently deemed material, actually occur, our business, results of operations, financial condition and cash flows could be adversely affected, the price of our Equity Shares could decline, and investors may lose all or part of their investment. In order to obtain a more detailed understanding of our Company and our business, prospective investors should read this section in conjunction with "Our Business", "Selected Statistical Information", "Industry Overview", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Restated Financial Information" on pages 335, 585, 177 and 537, respectively, as well as the other financial information contained in this Draft Red Herring Prospectus. In making an investment decision, prospective investors must rely on their own examination of us and our business and the terms of the Offer including the merits and risks involved.

Prospective investors should consult their tax, financial and legal advisors about the particular consequences of investing in the Offer. Unless specified or quantified in the relevant risk factors below, we are unable to quantify the financial or other impact of any of the risks described in this section. Prospective investors in our Equity Shares should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment in India, which may differ in certain respects from that of other countries.

This Draft Red Herring Prospectus also contains certain forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. For further information, see "Forward-Looking Statements" on page 20.

Unless the context requires otherwise, the financial information used in this section is derived from our Restated Financial Information on page 435. Our fiscal year ends on March 31 of each year, and references to a particular fiscal are to the twelve months ended March 31 of that year. Financial information for the nine months ended December 31, 2025 may not be indicative of the financial results for the full year and are not comparable with financial information for the years ended March 31, 2025, March 31, 2024 and March 31, 2023. Further, financial and operational information for the nine months ended December 31, 2025 has not been annualised.

*Unless otherwise indicated, industry and market data used in this section has been derived from industry publications, in particular, the report titled "Research Report on Micro Finance Industry" dated May 15, 2026 (the "**CARE Report**") prepared and issued by CARE Analytics and Advisory Private Limited, pursuant to an engagement letter dated January 19, 2026. The CARE Report has been exclusively commissioned and paid for by us in connection with the Offer. The CARE Report is available on the website of our Company at www.arohan.in/investor-relations/arohan-for-investors until the Bid / Offer Closing Date.*

INTERNAL RISK FACTORS

1. ***The Reserve Bank of India had directed our Company to cease and desist from sanction or disbursal of loans from October 21, 2024 which was lifted on January 3, 2025. Any such directions in the future from the RBI or any other regulatory authority, including in relation to suspension of our business, could adversely affect our business, financial condition, results of operations and reputation.***

As a registered NBFC-MFI, we are subject to stringent regulatory requirements stipulated by the Reserve Bank of India ("**RBI**"), including under the Reserve Bank of India Act, 1934, as amended ("**RBI Act**"). On October 17, 2024, the RBI issued an order under Section 45L(1)(b) of the RBI Act (the "**RBI Order**") against four NBFCs, including our Company, which directed such NBFCs, including our Company, to cease and desist from sanction or disbursal of loans with effect from close of business of October 21, 2024 until certain material supervisory concerns of the RBI were suitably remediated. In its corresponding press release, the RBI stated that this action was based on material supervisory concerns observed in the pricing policy of these companies in terms of their weighted average lending rate (WALR) and the interest spread charged over their cost of funds, which were found to be excessive and not in adherence with the applicable regulations. With respect to our Company, the RBI alleged the following deficiencies: (i) non-adherence to regulatory guidelines on pricing of loans; (ii) change in management without prior approval of the RBI; and (iii) non-adherence to the income recognition and asset classification norms ("**IRAC Norms**, and such findings, collectively, the "**RBI Findings**"). Further,

the RBI Order required our Company to place a copy of the RBI Order before our Board and submit the proposed remedial action plan, as approved by our Board, in relation to the RBI Findings with the RBI. Our Company was allowed to continue servicing the existing customers and carry out collection and recovery processes. For further information on other RBI orders directing regulated entities from cease and desist certain activities, see "*Industry Overview—RBI's Cease and Desist (C&D) orders to Microfinance Institutions (MFIs), update and measures or steps taken post supervisory restrictions"* on page 252.

Following deliberations at various Board meetings held after the RBI Order, our Company undertook remedial steps, including (i) amending the pricing policy; (ii) applying for post-facto approval for changes in the board composition; and (iii) rectifying and complying with the identified IRAC Norms. Our Company engaged in discussions and correspondence with the RBI to provide updates on the steps taken by our Company with respect to the RBI Findings and given the adverse impact of the RBI Order on our Company, we requested the RBI to revoke the RBI Order. On January 3, 2025, the RBI after having satisfied itself based on Company's submissions, and in view of Company's adoption of revamped processes, systems, and commitment to ensure adherence to the regulatory guidelines on an ongoing basis, especially for ensuring fairness in the loan pricing, lifted the restrictions on our Company levied pursuant to the RBI Order ("**RBI Revocation Order**"), and our Company, accordingly, resumed its business, including sanction and disbursement of loans, with effect from January 4, 2025. The RBI Order had a significant impact on our operations and the financial condition in Fiscal 2025, specifically in second half of Fiscal 2025 and first half of Fiscal 2026. Particularly, our AUM, disbursements, non-performing assets ("**NPAs**"), operating expenses, number of active customers added during the period/years and profit after tax for the period/ years were impacted as set forth below:

Particulars	**As of / For the Nine Months ended December 31, 2025**	**As of / For the Year Ended March 31,**		
		2025	**2024**	**2023**
AUM [(1)] (₹ million)	63,084.14	60,025.77	71,120.41	53,573.71
Gross disbursements [(2)] (₹ million)	44,916.84	46,356.63	67,088.91	52,992.75
Operating expenses [(3)]	3,998.31	5,277.05	4,512.08	3,392.32
Number of Active Customers added during the period/ year[(4)]	(1,85,696)	(2,72,288)	3,98,392	1,48,110
Gross non-performing assets ("**Gross NPAs**")[(5)] (₹ million)	1,017.16	1,692.96	1,136.22	1,451.36
Net non-performing assets ("**Net NPAs**")[(6)] (₹ million)	233.46	309.85	-	104.54
Profit after tax for the period/ year (₹ million)	607.44	1,096.86	3,138.21	707.16

Notes:

(1) AUM as of the last day of the relevant period/years represents aggregate of principal outstanding including principal overdue if any for all loans to customers held by our Company (i.e., on-balance-sheet loans) and assets transferred by way of securitisation, assignment of receivables and business correspondent receivables outstanding as of the last day of the relevant period/years.

(2) Gross Disbursements represent the aggregate of all loan amounts extended to all our customers for the relevant period/years.

(3) Operating expenses represents total expenses as reduced by finance costs and impairment on financial instruments for the relevant period/years as per the Restated Financial Information.

(4) Number of Active Customers are defined as the aggregate of borrowers who had an active loan account as of the last day of the relevant period/years.

(5) Gross NPAs as of the last day of the relevant period/years represents gross loans as per Restated Financial Information which are required to be classified as NPA as per the income recognition, asset classification and provisioning norm issued and modified by RBI from time to time.

(6) Net NPAs as of the last day of the relevant period/years represents Gross NPAs as reduced by the Impairment allowance against the NPA assets as per Restated Financial Information.

For further information in relation to the impact of the RBI Order on our Company's financial condition, see *"Management's Discussion and Analysis of Financial Condition and Results of Operations—Significant Factors Affecting Operations"* and *"Management's Discussion and Analysis of Financial Condition and Results of Operations—Results of Operations—Fiscal 2025 Compared to Fiscal 2024"* on pages 537 and 562, respectively. For further information on other RBI orders directing regulated entities from cease and desist certain activities, see "*Industry Overview—RBI's Cease and Desist (C&D) orders to Microfinance Institutions (MFIs), update and measures or steps taken post supervisory restrictions"* on page 252. Subsequent to the RBI Revocation Order, the RBI continues its supervisory engagement, including, requesting certain clarifications from our Company on its pricing policy, including the blended rate of interest, to which our Company has appropriately responded.

Our Company, pursuant to the letter dated December 13, 2024, had requested the RBI to provide an interim relief to our Company's qualifying assets ratio falling below 75.00% of the total assets (which was required to be at least 75.00% in accordance with the erstwhile Master Direction – Reserve Bank of India (Regulatory Framework for Microfinance Loans) Directions, 2022) due to non-disbursement of new loans in light of the RBI Order. In this regard, the RBI granted an interim

relief until March 31, 2025, which was extended to September 30, 2025. Subsequently, our Company managed to report a qualifying assets ratio in excess 75.00% of the total assets as prescribed by the extant guidelines. Further, pursuant to the circular bearing number RBI/2025-26/44 dated June 6, 2025 issued by the RBI, the requirement of qualifying assets requirement ("**QAR**") limit was decreased from 75.00% to 60.00% of the total assets.

After the RBI Revocation Order, based on certain commercial considerations, including a review of pricing and loan renewal policy of peers and industry practices, our Company represented to the RBI, among other things, the need for an increased pricing of interest rates and a new loan renewal process with the facility, to net off a few undue installments. Followed by such representations to the RBI (i) our Company initiated net off of loans with effect from July 14, 2025, which was noted by our Board in its meeting held on August 13, 2025; and (ii) our Board, in its meeting held on August 13, 2025, approved changes to the pricing of interest rates offered by our Company, with effect from August 14, 2025 ("**Increased Pricing**").

Subsequently, the RBI conducted the inspection of our Company's books of accounts and other records for Fiscals 2023, 2024 and 2025. The RBI highlighted certain risks, including in relation to governance and oversight, business, market, liquidity and operations. Our Company has submitted the relevant response, documents and certificates to the RBI, and correspondence with the RBI in this regard is ongoing. For further information, see "*— As a non-banking financial company, non-compliance with the Reserve Bank of India's observations made during its periodic inspections could expose us to penalties and restrictions which could have an adverse effect on our business, results of operations, financial condition and cash flows*" on page 26.

Any further adverse findings or determination of non-compliances by the RBI, including in relation to the Increased Pricing or our submissions to the IRAR Observations or any differences in the interpretations of the applicable laws could result in, among other things, suspension of lending business of our Company or increased compliance obligations for our Company, which would disrupt our operations and adversely affect our business, financial condition, results of operations and reputation. In addition, the increased supervision by the RBI could divert management's time, attention, and consume financial resources. There can be no assurance that similar situations will not arise in the future. Any such directions in the future from the RBI or any other regulatory authority, including in relation to suspension of our business, could adversely affect our business, financial condition, results of operations and reputation.

2. ***Our gross non-performing assets ("Gross NPAs") were ₹ 1,017.16 million, ₹ 1,692.96 million, ₹ 1,136.22 million and ₹ 1,451.36 million as of December 31, 2025, March 31, 2025, March 31, 2024 and March 31, 2023, respectively. If we are unable to control the level of non-performing assets in the future, or if we are unable to maintain adequate provisioning coverage, or if there is any change in regulatorily mandated provisioning requirements, our business, results of operations, financial condition and cash flows condition could be adversely affected.***

Microfinance loans are unsecured and are susceptible to various operational and credit risks which may result in increased levels of NPAs. We are primarily focused on providing a range of income-generating and financial inclusion offerings to financially underserved and unserved customers across rural and semi-urban states in India with limited or no access to formal financial services. For further information, see "*Our Business – Business Operations – Product Portfolio*" on page 356. There may be uncertainty as to the customers' ability to repay their loans and fulfil other obligations under the terms of the loan agreements.

Our customers may have inadequate proof of income, or minimal or no credit history or credit bureau data. Our customers and their businesses are also susceptible to deteriorating economic conditions or other economic, social or political developments in India or to natural disasters, epidemics, pandemics and man-made disasters, including acts of war, terrorist attacks and other events occurring in areas where they live. Our customers may also borrow additional loans from other creditors which may lead to over-indebtedness and consequently be unable to repay us when faced with competing repayment obligations. Moreover, there is no precise method for predicting loan and credit losses. Our credit monitoring and risk management policies and provisions may not be adequate to control our NPAs.

If we are unable to control or reduce the level of our NPAs, our business, results of operations, financial condition and cash flows could be adversely affected. The table below sets forth details in relation to our NPAs as of the dates indicated.

Particulars	As of December 31, 2025	As of March 31,		
		2025	2024	2023
Gross NPAs[(1)] (₹ million) (I)	1,017.16	1,692.96	1,136.22	1,451.36
Net NPAs[(2)] (₹ million) (II)	233.46	309.85	-	104.54
Gross loans (₹ million) (III)	60,190.34	59,342.99	67,861.95	50,668.61

Particulars	As of December 31, 2025	As of March 31,		
		2025	2024	2023
Gross NPAs/Gross loans[3] (%) (IV = I/III)	1.69%	2.85%	1.67%	2.86%
Net NPAs/Gross loans[4] (%) (V = II/ III)	0.39%	0.53%	-	0.21%
Total Loss Allowances (Provisions) as required under Ind AS 109 (VI)	783.70	1,383.11	1,136.22	1,346.82
Provision coverage ratio (%) [5] (VII = VI/ I)	77.05%	81.70%	100.00%	92.80%

Notes:

(1) Gross NPAs as of the last day of the relevant period/years represents gross loans as per Restated Financial Information which are required to be classified as NPA as per the Income Recognition, Asset classification and provisioning norm issued and modified by RBI from time to time.

(2) Net NPAs as of the last day of the relevant period/years represents Gross NPAs as reduced by the Impairment allowance against the NPA assets as per Restated Financial Information.

(3) Gross NPAs/Gross loans (%) represents Gross NPAs as of the last day of the relevant period/years as a percentage of gross loans as per Restated Financial Information for the relevant period/years.

(4) Net NPAs/Gross loans(%) represents Net NPAs as of the last day of the relevant period/years as a percentage of loans gross of impairment allowance reduced by the impairment allowance against the NPA assets as per Restated Financial Information for the relevant period/years.

(5) Provision coverage ratio (%) represents Total Loss Allowances (Provisions) as required under Ind AS 109 held on Gross NPAs as of the last day of the relevant period/years, as a percentage of Gross NPAs as of the last day of the relevant period/years as per the Restated Financial Information. For a reconciliation of non-GAAP measures, see "Management's Discussion and Analysis of our Results of Operations – Non-GAAP Measures" on page 554.

As of December 31, 2025, our Gross NPAs amounted to ₹ 1,017.16 million and our Net NPAs amounted to ₹ 233.46 million. We may be required to restructure certain loans from time to time, and any such restructured loans that subsequently become non-performing could adversely affect our asset quality, provisioning requirements and financial condition. Further, our peers may have better asset quality, which may in turn lead to our peers having higher profitability and lower provisioning requirements. Any incorrect estimation of risks, including those relating to collection efficiency and default estimation, 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 adverse developments in the Indian and global economy, political factors, changes in borrower behaviour and demographic patterns, natural calamities, diseases and changes in regulations, including requirements on us to lend to stipulated sectors. While our Gross NPAs/Gross loans decreased from 2.85% as of March 31, 2025 to 1.69% as of December 31, 2025, our asset quality indicators including our portfolio at risk "**PAR**" ratios have fluctuated during the periods presented. For further information on our asset quality indicators see, "*– An increase in portfolio at risk over 30 days ("PAR >30") and portfolio at risk over 90 days ("PAR>90") may adversely affect our asset quality, business, results of operations, financial condition and cash flows.*" on page 34. Any deterioration in our NPA portfolio or insufficiency in provisioning coverage in the future could adversely affect our ability to raise additional capital and debt funds, as well as our business, results of operations, financial condition and cash flows.

There can be no assurance that our risk management frameworks will effectively anticipate such losses or that our reserves will be sufficient to cover our actual losses, or that we will be able to effectively control and reduce the level of the impaired loans in our total loan portfolio. In such instances, our business, results of operations, financial condition and cash flows could be adversely affected.

3. Our business requires funds regularly, and any disruption in our funding sources could have an adverse effect on our business, results of operations, financial condition and cash flows.

As a microfinance institution, our liquidity and ongoing profitability are largely dependent upon our timely access to, and the costs associated with, raising funds. 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. Our Company's funding requirements have been met through a combination of non-convertible debentures, term loans and subordinated debt, cash credit and overdraft facilities, external commercial borrowings and assigning or securitising a portion of the receivables from our loan portfolio to banks, NBFCs and other financial institutions. Our Company's business growth, liquidity and profitability depend, and will continue to depend, on our ability to access diversified, relatively stable and low-cost funding sources.

The table below provides our Total Borrowings and contractual maturities within one year as of the dates indicated:

Particulars	As of December 31, 2025	As of March 31,		
		2025	2024	2023
Total Borrowings [(1)] (₹ million) (I)	52,194.32	47,034.03	60,158.43	45,334.90
Secured borrowings [(2)] (₹ million) (II)	49,700.25	43,037.42	56,170.00	41,102.11
Unsecured borrowings [(3)] (₹ million) (III)	2,494.07	3,996.61	3,988.43	4,232.79
Total liabilities and equity (IV)	74,618.38	68,857.87	81,154.41	60,181.71
Total Borrowings as a percentage of total liabilities and equity [(4)] (%) (V = I/IV*100)	69.95%	68.31%	74.13%	75.33%
Secured borrowings as a percentage of total liabilities and equity [(5)] (%) (VI = II/IV*100)	66.61%	62.50%	69.21%	68.30%
Unsecured borrowings as a percentage of total liabilities and equity [(6)] (%) (VII = III/IV*100)	3.34%	5.80%	4.91%	7.03%
Contractual maturities within one year [(7)] (₹ million)	32,851.62	30,516.16	33,831.04	25,817.17

(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/ years as per the Restated Financial Information.

(2) Secured borrowings is calculated as sum of debt securities and borrowings (other than debt securities) for the relevant period/years as per the Restated Financial Information.

(3) Unsecured borrowings is calculated as subordinated liabilities for the relevant period/years as per the Restated Financial Information.

(4) Total Borrowings as a percentage of total liabilities and equity is calculated as Total Borrowings for the relevant period/years as a percentage of total liabilities and equity for such year/ period as per the Restated Financial Information.

(5) Secured borrowings as a percentage of total liabilities and equity is calculated as sum of debt securities and borrowings (other than debt securities) for the relevant period/years as a percentage of total liabilities and equity for such period/years as per the Restated Financial Information.

(6) Unsecured borrowings as a percentage of total liabilities and equity is calculated as subordinated liabilities for the relevant period/years as a percentage of total liabilities and equity for such period/years as per the Restated Financial Information.

(7) Contractual maturities within one year represent the aggregate of borrowings based on their respective maturity periods, classified into the following time buckets in accordance with the Restated Financial Information: one to seven days, eight to 14 days, 15 to 30/31 days, one to two months, two to three months, three to six months, and six months to one year.

In order to make these payments, we may need to either generate sufficient cash inflows to retire the debt, or may need to refinance our debt, or alternatively, raise equity capital. There can be no assurance that we will be able to raise adequate equity capital as and when required or will be able to arrange for refinancing on terms that are commercially better than those available previously, or at all, or that our business will generate sufficient cash to enable us to service our existing debts or to fund other liquidity needs. For further information on our Company's borrowings and borrowing profile, see "*Financial Indebtedness"* and "*Selected Statistical Information – Borrowing Profile*" and "*Selected Statistical Information - Asset Liability Management*" on pages 582, 595 and 598, respectively.

Our ability to borrow funds on acceptable terms and refinance existing debt may also be affected by a variety of factors, including our performance, credit ratings, the regulatory environment and government policy initiatives in India, the overall attractiveness of the microfinance or NBFC sector to attract investment or lending from different institutions, liquidity in the credit markets, asset liability mismatch, the strength of the lenders from whom we borrow, the amount of eligible collateral and accounting changes that may impact calculations of covenants in our financing agreements. While we have not experienced any event of default in respect of our borrowings during the nine months ended December 31, 2025 and the last three fiscals, our access to funding and cost of funds are sensitive to external assessments of our credit profile and regulatory actions. In this regard, during Fiscal 2025, the RBI issued a cease-and-desist order against our Company and CARE Ratings Limited downgraded our long-term credit rating from "A" to "A-". For further information, see "— *The Reserve Bank of India had directed our Company to cease and desist from sanction or disbursal of loans from October 21, 2024, until January 3, 2025. Any such directions in the future from the RBI or any other regulatory authority, including in relation to suspension of our business, could adversely affect our business, financial condition, results of operations and reputation.*" on page 21.

In addition, adverse actions by regulatory authorities, including supervisory directions or restrictions on business activities,

deterioration in credit ratings by rating agencies, or a general deterioration in macroeconomic or financial market conditions that constricts the availability of credit, could in the future increase our borrowing costs, limit access to funding or make it more difficult for us to raise funds on acceptable terms.

Any such developments could adversely affect our liquidity, growth prospects, results of operations and financial condition. The capital and lending markets are highly volatile and our access to liquidity could be adversely affected by prevailing economic conditions. These conditions may result in increased borrowing costs and difficulty in accessing funds in a cost-effective manner. Changes in economic and financial conditions or continuing lack of liquidity in the market could make it difficult for us to access funds at competitive rates. As a financial services company, we also face certain regulatory restrictions on our ability to raise money from international markets which may further constrain our ability to raise funds at attractive rates. Our primary source of funds to repay our borrowings is from business inflows, high quality liquid assets and shortfall if any is borrowed from market. While we have not faced any such instances in the nine months ended December 31, 2025 and the last three fiscals, if we are unable to obtain adequate financing or financing on terms satisfactory to us, as and when we require it, our ability to grow or support our business and to respond to business challenges would be limited and could have an adverse effect on our business, results of operations, financial condition and cash flows.

4. ***As a non-banking financial company, non-compliance with the Reserve Bank of India's observations made during its periodic inspections could expose us to penalties and restrictions which could have an adverse effect on our business, results of operations, financial condition and cash flows.***

As an NBFC, we are subject to periodic inspections by the RBI under Section 45N of the RBI Act, pursuant to which the RBI inspects our books of accounts and other records for the purpose of verifying the correctness or completeness of any statement, information or particulars furnished to the RBI.

The RBI in its inspection reports issued in relation to our Company for Fiscals 2023, 2024 and 2025, has observed non-compliance, in relation to, among others, (i) systematic and regular assessment of household income prior to sanctioning of new credit facilities to existing borrowers; (ii) two-factor authentication for updating mobile number of a customer; (iii) maintaining of accurate record of cross sell; and (iv) interest rates. Certain conduct and governance issues were also identified including deficiencies in governance and customer conduct, non-adherence to qualifying assets criteria, not obtaining prior approval for management changes, deficiencies in compliance monitoring and approval system, non-deliberation of interest rate risks/high liquidity at Board level committees, deficiencies in coverage of internal audit process and strategy.

Further, the RBI has also highlighted credit, market, liquidity and operational risks including high slippage ratio, high stressed assets, deviations in loan sanction, low cash recovery, deficiencies in interest rate computation model, deficiencies in liquidity coverage ratio ("**LCR**") computations, managing outsourced activities, fraud risk management and liquidity statements, non-monitoring of certain stock ratios, FEMA violations, non-adherence to disclosure norms, pendency in audit observations, non-adherence to Know Your Customer ("**KYC**") /anti-money laundering ("**AML**") guidelines and outsourcing deficiencies.

We believe that we have responded satisfactorily to the RBI's observations pursuant to the inspections conducted until date, as and when required and have also implemented certain procedures, policies, compliance monitoring systems and controls. However, there can be no assurance that the RBI or any other regulatory authority will not make similar or additional observations in the future or that we will be able to respond to all such queries to the satisfaction of the RBI or such other authorities, in a timely manner or at all.

In the event that we are unable to satisfactorily address the observations of the RBI or are unable to comply with any specified RBI requirements, for any reason, we may be subject to monetary sanctions and may also be restricted in our ability to conduct our business. For further information, see "*Risk Factors - The Reserve Bank of India had directed our Company to cease and desist from sanction or disbursal of loans from October 21, 2024 until January 3, 2025. Any such directions in the future from the RBI or any other regulatory authority, including in relation to suspension of our business, could adversely affect our business, financial condition, results of operations and reputation*" on page 21.

In the event of or to the extent that any grave deficiencies are found in the future, which we are unable to rectify, any levy of fines or penalties against us, or the suspension or cancellation of our registration with the RBI, business, results of operations, financial condition and cash flows could be adversely affected.

5. ***In the nine months ended December 31, 2025 and the last three Fiscals, our interest income accounted for 91.58%, 93.27%, 86.73% and 86.99% of our total income, respectively. Our financial performance is vulnerable to interest rate risk, and an inability to manage our interest rate risk could impact our net interest income and adversely affect our business, results of operations, financial condition and cash flows.***

Our results of operations depend substantially on the level of our net interest income ("**Net Interest Income**"), which is the difference between our interest income ("**Interest Income**") and finance costs. The table below provides our interest income and total income for the period/years indicated.

Particulars	For the nine months ended December 31, 2025	For the Year Ended March 31,		
		2025	2024	2023
Interest Income (₹ million)	10,376.59	15,811.78	14,176.86	9,490.49
Total income (₹ million)	11,330.54	16,952.62	16,346.34	10,909.96

The table below provides our Net Interest Income and Net interest margin (%) for the period/years indicated.

Particulars	For the nine months ended December 31, 2025	For the Year Ended March 31,		
		2025	2024	2023
Net Interest Income[(1)] (₹ million)	6,071.99	8,590.85	7,606.32	4,419.49
Net interest margin (%)[(2)]	9.86%	13.10%	12.20%	9.32%

Notes:

(1) Net Interest Income represents interest on loan portfolio in the relevant period/years as reduced by finance costs in such period/years as per the Restated Financial Information.

(2) Net interest margin (%) represents net interest income loan portfolio for the relevant period/years as a percentage of average AUM for such period/years For a reconciliation of non-GAAP measures, see "Management's Discussion and Analysis of our Results of Operations – Non-GAAP Measures" on page 554.

The fluctuation in Net interest margin (%) was primarily attributable to macroeconomic and regulatory factors, including an increase in funding costs amid a higher interest rate environment, competitive pressures across the microfinance sector, and a shift towards more conservative underwriting and risk-based pricing during a period of elevated industry-wide asset quality stress. Being a non-deposit taking NBFC, we are exposed to greater interest rate risks as compared to banks or deposit taking NBFCs. Some of our liabilities carry fixed rates of interest and others are linked to the respective banks' benchmark prime lending rate or base rate or other external benchmarks. Set forth below are the details of our fixed rate liabilities and variable rate liabilities, as of the dates indicated.

Particulars	As of December 31, 2025	As of March 31,		
		2025	2024	2023
Fixed rate liabilities [(1)] **(I)** (₹ million)	8,817.08	8,084.67	16,470.73	20,055.54
Fixed rate liabilities as percentage of total principal carrying borrowings **(II = I/ V)** (%)	16.88%	17.19%	27.36%	44.30%
Variable rate liabilities [(2)] **(III)** (₹ million)	43,427.53	38,954.81	43,734.35	25,214.56
Variable rate liabilities as percentage of total principal carrying borrowings **(IV = III/ V)** (%)	83.12%	82.81%	72.64%	55.70%
Total principal carrying borrowings[(3)] (V = I + III) (₹ million)	**52,244.61**	**47,039.48**	**60,205.08**	**45,270.10**

Note:

(1) Fixed rate liabilities are principal carrying amount of debt securities, borrowings (other than debt securities), subordinated liabilities and liability against securitisation as of the last day of the relevant period/years as per the Restated Financial Information which are at the fixed rate of interest over the tenure.

(2) Variable rate liabilities are principal carrying amount of debt securities, borrowings (other than debt securities), subordinated liabilities as of the last day of the relevant period/years as per the Restated Financial Information whose rate of interest varies over the tenure.

(3) Total principal carrying borrowing represents the aggregate of principal carrying amount of debt securities, borrowings (other than debt securities) and subordinated liabilities as of the last day of the relevant period/ years as per the Restated Financial Information.

Any change in interest rates would affect our interest expenses on our floating interest-bearing liabilities as well as our Net Interest Income and Net interest margin (%). Any increase in the rate of interest at which we borrow from our lenders, without a corresponding increase in the interest rates we are able to charge our borrowers, could expose us to interest rate

risk. In an increasing interest rate environment, where a significant portion of our loans to customers are extended at fixed interest rates while our borrowing costs are variable or subject to repricing, increases in our cost of borrowing could adversely affect our Net Interest Income and Net interest margin (%). The table below sets forth our finance costs and total expenses for the period indicated.

Particulars	For the nine months ended December 31, 2025	For the Year Ended March 31,		
		2025	2024	2023
	(₹ million, except percentages)			
Finance costs (₹ million) (A)	3,849.00	6,319.58	5,922.33	4,686.45
Total expenses (₹ million) (B)	10,538.43	15,571.77	12,222.01	10,010.42
Finance costs as a percentage of total expenses (%) (C = A/B)	36.52%	40.58%	48.46%	46.82%

We are exposed to the following risks in relation to increasing interest rates:

- increases in the rates of interest charged (where floating rates are typically used) on certain financing products in our borrowing portfolio, which would result in increase in interest payout for such loans, adversely affecting our Net interest margin (%);
- availing new loans at higher interest rates;
- reductions in the volume of loan disbursements as a result of the customer's inability to service high interest rate payments; and
- inability to raise low cost funds as compared to some of our competitors, who may have access to lower cost deposits or borrowings.

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. In the event of an increase in the interest rates that we are required to pay on our borrowings, we cannot assure you that we will be able to pass such increased costs to our customers. Pursuant to the Reserve Bank of India (Non-Banking Financial Companies – Responsible Business Conduct) Directions, 2025, we are prohibited from charging pre-payment penalties on floating rate term loans sanctioned for purposes other than business to individual borrowers, with or without co-obligants. Currently, our Company does not offer floating rate loan products. However, if our Company introduces floating rate loan products in the future, it would not be permitted to levy pre-payment penalties on such loans in accordance with applicable regulatory requirements. Further, to the extent that our borrowings are linked to market interest rates which increase, or to the extent that we are unable to supplement our sources of liquidity with borrowings from lenders, we may have to pay interest on our borrowings at a higher rate.

In addition, the value of any interest rate hedging instruments we may enter into in the future, may be affected by changes in interest rates. Interest rates are also typically correlated with inflation rates, as the RBI has historically sought to mitigate rising inflation by raising interest rates. Our inability to effectively and efficiently manage interest rate variations could adversely affect our result of operations and profitability.

While there have been no such instances of fluctuation in interest rates that materially impacted our operations during the nine months ended December 31, 2025 and the last three Fiscals, there can be no assurance that we will be able to adequately manage our interest rate risk in the future, which could have an adverse effect on our Net Interest Income and margins, which could in turn have an adverse effect on our business, results of operations, financial condition and cash flows.

6. ***We have incurred indebtedness and an inability to comply with existing and future repayments and other covenants in our financing agreements could adversely affect our business, results of operations, financial condition and cash flows.***

As of December 31, 2025 our Total Borrowings were ₹ 52,194.32 million. We will continue to incur additional indebtedness in the future. Our level of indebtedness has certain consequences to us, such as:

- increasing our vulnerability to general adverse economic, industry and competitive conditions;
- limiting our flexibility in planning for, or reacting to, changes in our business and the industry;
- affecting our credit ratings;
- availing new loans at higher interest rates;
- limiting our ability to borrow additional amounts in the future; and

- increasing our finance costs.

Our financing agreements contain restrictive covenants that require us to obtain prior approval from our lenders for, among other things:

- effecting any change in our capital structure;
- amendments to the memorandum of association and articles of association of our Company;
- change in shareholding pattern, ownership, controlling interest and control;
- formulating any scheme of amalgamation or reconstruction;
- change in the management of our Company, including changes in the composition of the board of directors and the key managerial personnel;
- investment by way of share capital or extending loans or advances or placing deposits with any other entity (including our Group Companies);
- declaration of dividend except out of profits relating to the financial year;
- carrying out change in our business; and
- making any pre-payment of principal amounts due under our borrowing facilities.

Our Company has entered into several types of borrowing facilities of varying terms and tenures from lenders. For further information see "*Financial Indebtedness"* on page 582. In the nine months ended December 31, 2025 and Fiscals 2025, 2024 and 2023, we did not undertake any restructuring of our borrowing facilities.

In addition, our Company has in the past not been in compliance, and may continue to be non-compliant, with certain financial covenants under certain of its financing agreements with lenders. For instance, our Company was not in compliance with certain financial covenants between Fiscals 2021 and 2023, primarily on account of the impact of COVID-19 on our business. Further, our Company was in breach of financial covenants in Fiscal 2025, on account of the cease and desist order issued by RBI on October 17, 2024. However, no adverse action was taken by any of the lender on account of such non-compliance. For further information in relation to the breach of financial covenants, see, "*Restated Financial Information – Note 55 - Disclosures pursuant to RBI notifications – (d) Breach of Financial Covenant*" on page 519. As of the date of this Draft Red Herring Prospectus, none of our lenders have issued any notice of default or required us to repay any part of our borrowings on account of such non-compliance. As on December 31, 2025, our Company is not in any breach of financial covenants for any of its financing arrangements with its lenders.

We have sought consents from lenders to enable us to undertake the Offer, we cannot assure you that such consents will be granted in time or at all, or such lenders will not seek additional undertakings, impose further terms and conditions which may be onerous for us. Out of 40 lenders as on January 31, 2026, we have received consents from 36 lenders, constituting 91.91% of our Total Borrowings as on January 31, 2026. Any failure to obtain the remaining consents could lead to changes in our plans or strategies, including our capital raising plan through the Offer. Such failure could also result in consequent termination of facilities availed by us from these lenders which could adversely affect our business, financial condition, results of operations and cash flows.

Further, we cannot assure you that our lenders will not, in the future, seek to enforce their rights in respect of any past, present or future breaches or that we will be able to obtain any waivers from any or all lenders. In the absence of waivers for any non-compliance of the covenants, we may continue to be in default of the covenants and our lenders have the right to, among others, declare all amounts outstanding under the relevant loan agreements immediately due and payable together with accrued and unpaid interest (which could result in up to all our Total Borrowings becoming due and payable) or to convert the loans into equity shares.

Non-compliances with loan covenants by our Company would constitute an event of default under the relevant financing agreements which could further trigger cross-defaults under other loan agreements, and would entitle the respective lenders to declare a default against our Company and enforce remedies under the terms of the financing documents, that include, among others, acceleration in repayment of the amounts outstanding under the financing documents, the right to convert the loan into equity, enforcement of any security interest created under the financing documents, taking possession of the assets given as security in respect of the financing documents, charging default interest, appointing nominee directors and cancelling any outstanding commitments under the facility. Moreover, if the lenders of a material amount of the outstanding loans declare an event of default simultaneously, our Company may be unable to pay its debts when they fall due, which would have an adverse effect on our business, results of operations, financial condition and cash flows.

7. ***If we are unable to maintain our collection efficiencies or control the level of non-recovery of loans, our business, profitability, results of operations, financial condition and cash flows could be adversely affected.***

Our operations are inherently susceptible to the risk of non-recovery of loans, which could adversely affect our financial condition and results of operations. Our profitability depends on our ability to evaluate the repayment capabilities of our customers, assessment of the credit risks and pricing our loans accordingly. The tenure of our loans typically ranges from 12 to 36 months, during which borrowers may encounter various challenges that impact their ability to repay. We use a combination of credit appraisal processes, collections management systems, and data-driven analytical tools to reduce the risk of non-repayment. Factors contributing to non-recovery include economic downturns, natural disasters, political instability, and personal financial crises of borrowers. Set forth below are our collection efficiency in the nine months ended December 31, 2025 and the last three Fiscals.

Particulars	Nine months ended December 31, 2025	Fiscal		
		2025	2024	2023
	(₹ million, except percentages and ratios)			
Collection efficiencies[(1)] (%)	108.67%	103.92%	108.85%	112.42%
- Scheduled collection (₹ million)	40,948.73	61,208.09	51,314.50	33,246.01
- Advance / prepayment collection (₹ million)	6,111.44	6,045.11	6,699.52	7,745.50
- Total collection[(2)] (₹ million)	47,538.14	67,712.44	58,554.17	41,820.19

Notes:

(1) Collection efficiency (%) is calculated as a ratio of total collections (including overdue, advance and prepayment collections) to billings for the relevant period/years.

(2) Total collection is calculated as sum of scheduled, overdue, advance and prepayment collections.

In cases of persistent default or non-payment, we initiate appropriate legal and recovery actions through various available channels. These actions include our Company initiating its recovery process for outstanding dues by issuing legal demand notices to various borrowers by our Company. However, due to failure to comply with such demand notices by the defaulting borrowers, our Company initiated pre-litigation recovery proceedings against the defaulting borrowers before various National *Lok Adalats* across India, and filed complaints under Section 138 of the Negotiable Instruments Act for cheque dishonour, wherever applicable, among other remedies available under applicable laws. These legal processes are undertaken to reinforce repayment discipline and facilitate recovery; however, legal proceedings can be time-consuming, resource-intensive, and subject to procedural delays.

Further, the outcome of any legal action is inherently uncertain, and there is no assurance that the decisions in such matters will be in favour of our Company or will result in full or timely recovery of outstanding amounts. Any prolonged delays, adverse judgements, or inability to realise recoveries through legal channels may further increase our credit costs and negatively affect our financial performance. For further information, see *"Outstanding Litigation and Material Developments—Litigation involving our Company—Criminal proceedings by our Company"* on page 607.

In addition, we offer collateral free loans to customers who are willing to borrow in a group and agree to accept joint liability for the group's loans, which we refer to as the joint liability group model ("**JLG model**"). Under our JLG model, loans are provided to individual customers, but the group guarantees the repayment of loans. This means that if a customer is unable to repay their loan, other members of the same JLG are responsible for making such repayment on their behalf. While such losses have occurred, we are unable to quantify the exact amount of losses attributable solely to such instances. We cannot assure you that JLG members will always be able to pay on behalf of the overdue members in the future.

Any recurrence or increase in such repayment failures by JLG members could adversely affect our asset quality, results of operations, cash flows and financial condition. A high non-recovery rate or decrease in collection efficiency could lead to an increase in our NPAs, necessitating higher provisioning and write-offs, thereby impacting our profitability and capital adequacy. We may also be required to write-off NPAs when we have no reasonable expectation of recovering the underlying amounts, and such derecognitions can affect our balance sheet. Additionally, persistent non-recovery issues could erode investor confidence, limit our ability to raise capital, and adversely affect our credit ratings.

8. ***We have had negative net cash flows from operating activities in the past and may continue to have negative cash flows in the future. Negative cash flows over extended periods or significant negative cash flows in the short term, could impact our ability to operate our business and implement our growth plans.***

The following table sets forth our cash flows for the period/ years indicated:

Particulars	Nine months ended December 31, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Net cash (used in)/ generated from operating activities (₹ million)	(1,332.20)	9,456.80	(13,953.74)	(9,738.79)
Net cash (used in)/ generated from investing activities (₹ million)	(2,987.45)	(1,288.03)	440.28	(715.47)
Net cash generated/ (used in) from financing activities (₹ million)	5,034.88	(13,193.62)	17,337.46	6,483.58
Cash and cash equivalents at the end of the period/years (₹ million)	5,079.99	4,364.76	9,389.61	5,565.61

A significant increase in loans extended to customers during the nine months ended December 31, 2025, Fiscal 2024 and Fiscal 2023 resulted in higher cash outflows, leading to negative cash flows from operating activities during these periods. Negative cash flows over extended periods or significant negative cash flows in the short term, could impact our ability to operate our business and implement our growth plans. For further details, see "*Financial Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 435 and 537, respectively.

9. ***Our business requires us to deal with large volumes of small value cash transactions exposing us to operational risks including fraud, petty theft, embezzlement, or other misconduct. If we fail to maintain an effective system of internal controls, we may not be able to successfully manage, or accurately report, our financial risks which could adversely affect our business, results of operations, financial condition and cash flows.***

We are exposed to operational risks, including fraud, petty theft, embezzlement, or other misconduct by employees or other third parties, as we handle a large volume of small value cash transactions. These risks are compounded due to our business model, which involves a large amount of delegation of power and responsibilities to our employees. Given the high volume of transactions processed by us, certain instances of fraud and misconduct may go unnoticed before they are discovered and rectified, if at all. If we discover instances of fraud, theft or misconduct, and pursue the crime to the full extent of the law or with our insurance providers, there can be no assurance that we will recover the amounts in part or in full.

The table below sets forth the total amount involved in instances of fraud and the total amount of loans given against fictitious documents during the periods indicated.

Particulars	Nine months ended December 31, 2025	Fiscal		
		2025	2024	2023
Number of fraud cases detected and reported	1,872	2,668	2,005	624
Total amount involved in instances of fraud (₹ million)	30.52	56.83	42.95	13.79
Total amount involved in instances of fraud as percentage of total revenue from operations	0.27%	0.34%	0.26%	0.13%

For further information related to first information reports filed in connection with frauds, see "*Outstanding Litigation and Material Developments I. Litigation involving our Company—(b) Criminal Proceedings by our Company" on page 607.* Our Company has obtained insurance coverage for certain operational risks, including fidelity insurance, burglary insurance and money insurance, to mitigate losses arising from events such as fraud, theft or loss of cash in the course of operations.

While we maintain an internal audit process to ensure that all internal policies and procedures are followed, generate and analyse data to monitor financial and operational performance, and report deviations from our internal protocols to our operations staff and management team, our internal audit function also undertakes periodic reviews of cash handling processes, including verification of cash collections, reconciliation with system records, staff accountability checks and exception reporting. In the nine months ended December 31, 2025 and the last three Fiscals, instances of cash loss identified through such audits have been limited and not material in relation to our overall operations; however, there can be no assurance that we will be able to completely eliminate these operational risks. maintain an internal control framework and an independent internal audit function, which reports directly to the Audit Committee of our Board. Our internal audit

department is a concurrent check and balance mechanism and monitors our adherence to internal controls and regulatory requirements and provides input and recommendations to strengthen our governance, control and risk management frameworks. However, notwithstanding these controls and oversight mechanisms, internal controls, including internal audit processes, may not be able to prevent or detect all errors, lapses, frauds or operational failures in a timely manner, and any material deficiency or breakdown in such controls could adversely affect our business, results of operations, financial condition and cash flows. For further information see, "*Our Business – Business Operations - Risk Management – Internal Audit*" and "*Our Business Strengths - Proprietary Credit Scoring Model Driving Underwriting Discipline and Risk Based Pricing*" on pages 369 and 349, respectively. We have also integrated a large portion of our business operations with technology-based tools and platforms to minimise the amount of cash handled. Our dependence on technology and automated systems to record and process transactions may further increase these operational risks. Fraud, petty theft, embezzlement, or other misconduct may result from technical system flaws or employee tampering or manipulation of those systems, which can be difficult to detect. Accordingly, any such instances of fraud, petty theft, embezzlement, or other misconduct may adversely affect our business, results of operations, financial condition and cash flows.

10. ***Some of our corporate records and regulatory filings, including those relating to allotments of our Equity Shares in the past are not traceable. We cannot assure you that the above form filings and resolutions will be available in the future or that we will not be subject to any penalty imposed by the regulatory authorities in this respect.***

Certain corporate records of and regulatory filings made by our Company, including those in relation to certain: (i) changes to the authorised share capital of our Company; (ii) allotments of Equity Shares by our Company; and (iii) changes to the Memorandum of Association of our Company, are not traceable. In particular, corporate records and regulatory filings in relation to allotments of Equity Shares since the date of incorporation of our Company until 2006 are not available. Such untraceable corporate records, requisite filings and receipts in relation to such form filings, required to be made with regulatory authorities pertain to actions including, but not limited to:

- Form 2, payment challans and Board resolutions for allotment of 242,200 Equity Shares between September 28, 1991 and September 22, 1993;
- Form 2, payment challans and Board resolutions for allotment of 757,800 Equity Shares between September 23, 1993 and October 31, 1994;
- Form 2 and payment challan for allotment of 124,500 Equity Shares between November 1, 1994 and September 28, 2001;
- acceptance letters from (i) AVMS; (ii) Vidyanand Jha; (iii) Aryan Chatterjee; and (iv) Lokesh in relation to the rights issue dated January 19, 2017;
- acceptance letter from Swaminathan Aiyar for 98,362 Equity Shares in relation to the rights issue dated January 27, 2017;
- Form 5 for increase in our authorized share capital since our incorporation until September 30, 1996;
- Offer letters, acceptance letters, rejection letters and renunciation letters in relation to rights issue dated February 14, 2009;
- Board resolution approving rights issue dated February 14, 2009 in relation to allotment of 130,000 Equity Shares;
- Form SH 4 for the transfer dated November 15, 2016 from Manojkumar N Nambiar to AVMS;
- Annual returns for the financial years 1992, 1995, 1998 and 2000;
- (i) Board resolution; (ii) Shareholders resolution; and (iii) Form 1B along with challan in relation to change of name of the Company from 'ANG Resources Private Limited' to 'ANG Resources Limited';
- Payment challan for Form 2 for allotments dated December 16, 2006, September 27, 2007 and July 4, 2008;
- Acceptance letters from (i) AVMS; (ii) Vidyanand Jha; (iii) Aryan Chatterjee; and (iv) Lokesh in relation to the rights issue dated January 19, 2017;
- Acceptance letter from Swaminathan Aiyar for 98,362 Equity Shares in relation to the rights issue dated January 27, 2017;
- (i) Board resolution; (ii) Shareholders resolution; and (iii) Form 1B along with challan in relation to change of name of the Company from 'ANG Resources Private Limited' to 'ANG Resources Limited';
- Challan for Form 23 in relation to the shareholders resolution for change of name from 'ANG Resources Limited' to 'Arohan Financial Services Limited';
- Challan for Form 23 in relation to the shareholders resolution for change of name from 'Arohan Financial Services Limited ' to 'Arohan Financial Services Private Limited';
- Challan for Form 32 in relation to Manojkumar N Nambiar's appointment as Managing Director on October 3, 2012; and

In relation to these missing records, we have conducted an extensive search of our records with the RoC and have also relied on the search report dated May 15, 2026 issued by M/s DVD & Associates, practising company secretaries, engaged by our Company, who have independently carried out their search/ inspection of documents available in the digital records/database maintained on the Ministry of Corporate Affairs portal at www.mca.gov.in, carried out a digital as well as a physical search of the documents filed by our Company with the RoC as per the list maintained by the RoC in accordance with the Disposal of Records (in the Offices of the Registrar of Companies) Rules, 2003 in relation to the corporate records which have been disposed off, and viewed other secretarial records maintained by our Company at various offices and other premises of our Company, and have certified that the corporate records and the forms, as set out above are not traceable at the offices of the RoC, or available on the MCA portal or at the offices of our Company. We have also, by a letter dated May 13, 2026, informed the RoC regarding such missing corporate records and regulatory filings. Accordingly, we have relied on other documents, including annual returns filed by our Company for corroborating the share capital history and relevant corporate actions of our Company.

Additionally, we are also unable to trace certain other documents such as the board resolutions for the amendments made to the MoA in the board meetings held on July 31, 2012, September 19, 2013 and March 10, 2015, board resolution taking note of the initial subscription to the MoA, board resolution authorizing and approving the issuance of Equity Shares for the rights issue dated February 14, 2009 and the corresponding letters of offer, acceptance, rejection and renunciation letters, shareholders' resolution for allotment of shares on October 4, 2013 and March 28, 2018, shareholders' resolution dated September 26, 2013 and challan of certain form filings filed with the RoC. We cannot assure you that the above form filings and resolutions will be available in the future. While no legal proceeding or regulatory action has been initiated against our Company in relation to such untraceable records as of the date of this Draft Red Herring Prospectus, we also cannot assure you that we will not be subject to any penalty imposed by the regulatory authorities in this respect.

11. ***Our Capital to risk weighted assets ratio (CRAR) (%) was 31.20%, 34.09%, 29.01% and 28.74%; and total equity was ₹ 20,918.07 million, ₹ 20,251.28 million, ₹ 19,147.56 million and ₹ 13,380.25 million as of December 31, 2025, March 31, 2025, March 31, 2024 and March 31, 2023, respectively. We may be required to increase our capital adequacy ratio which may result in changes to our business and accounting practices that could adversely affect our business, results of operations, financial condition and cash flows.***

We are subject to regulations prescribed by the RBI under which, among others, we are also required to maintain a minimum Capital to risk weighted assets ratio (CRAR) (%) consisting of Tier I Capital and Tier II Capital of 15.00% in relation to our aggregate risk-weighted assets of on-balance sheet and risk adjusted value of off-balance sheet items. The Tier I Capital of our Company, at any point of time, shall not be less than 10.00% of the risk weighted assets as per the RBI (Non-Banking Financial Companies – Prudential Norms on Capital Adequacy) Directions, 2025. The following table sets forth certain information relating to the Capital to risk weighted assets ratio (CRAR) (%) of our Company as of the period/years indicated:

Particulars	**As of**			
	December 31, 2025	**March 31, 2025**	**March 31, 2024**	**March 31, 2023**
	(₹ million, except percentages)			
Tier I Capital (I)	18,747.99	18,921.42	17,355.88	10,523.68
Tier II Capital (II)	382.43	1,341.44	1,391.29	1,353.64
Total Capital (III = I + II)	**19,130.42**	**20,262.86**	**18,747.17**	**11,877.32**
Total risk weighted assets	**61,306.20**	**59,438.26**	**64,632.57**	**41,320.82**
CRAR - Tier I Capital (%)	30.58%	31.82%	26.85%	25.46%
CRAR - Tier II Capital (%)	0.62%	2.27%	2.16%	3.28%
Total equity	20,918.07	20,251.28	19,147.56	13,380.25
Capital to risk weighted assets ratio (CRAR) (%)	**31.20%**	**34.09%**	**29.01%**	**28.74%**

For a reconciliation of non-GAAP measures, see "*Management's Discussion and Analysis of our Results of Operations – Non-GAAP Measures*" on page 554.

The RBI may in future prescribe a higher capital adequacy ratio which may require us to increase our equity capital. This may not be possible within the prescribed time limit or at all, which may in turn force us to draw on our risk weighted assets. For instance, RBI (Commercial Banks- Prudential Norms on Capital Adequacy) Directions, 2025 and RBI (NBFC-Prudential Norms on Capital Adequacy) Directions, 2025, increased the risk weights on certain category of assets and bank exposure on NBFC, which may result in higher capital requirements.The RBI may also in the future require compliance with other prudential norms and standards, which may require us to alter our business and accounting practices or take other actions that could adversely affect our business, results of operations, financial condition and cash flows.

12. ***An increase in portfolio at risk over 30 days ("PAR >30") and portfolio at risk over 90 days ("PAR>90") may adversely affect our asset quality, business, results of operations, financial condition and cash flows.***

Portfolio at risk over 30 days ("**PAR >30**") is a key indicator of asset quality and credit risk, representing the proportion of loans overdue by more than 30 days. Whereas, portfolio at risk over 90 days ("**PAR>90**") represents Stage 3 assets and is an indicator of loans with higher credit risk and potential impairment. An increase in PAR>30 may signal rising stress in our loan portfolio, potentially leading to higher non-performing assets, increased provisioning requirements, and adverse impact on our profitability and financial condition. Set forth below are our PAR>30 and PAR>90 rates as of the dates indicated:

(₹ million, except for percentages)

Particulars	As of			
	December 31, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Total Stage 2 Gross Carrying Amount as per Ind AS (I)	678.76	1,124.40	410.15	2,732.04
Total Stage 3 Gross Carrying Amount as per Ind AS (II)	978.99	1,641.29	1,115.79	1,372.13
Par>30 (III=I+II)	1,657.75	2,765.69	1,525.94	4,104.17
Gross loans (IV)	60,190.34	59,342.99	67,861.95	50,668.61
PAR>30 [(1)] (%) (V=III/IV)	**2.75%**	**4.66%**	**2.25%**	**8.10%**
PAR>90 [(2)] (%) (VI=II/IV)	**1.63%**	**2.77%**	**1.64%**	**2.71%**

Note:

(1) PAR>30 represents the summation of stage 2 and stage 3 assets. 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. Stage 3 (more than 90 days) includes loan assets that have objective evidence of impairment at the reporting date.

(2) PAR>90 represents the stage 3 assets as of the last day of the relevant period/years.

The movement in our PAR>30 and PAR>90 rates may be attributable to, among other factors, macroeconomic stress, borrower overleveraging, deterioration in borrower repayment capacity, localised disruptions, operational challenges in collections, or other factors affecting our borrowers. An increase in PAR>30 or PAR>90 may result in higher credit costs, increased provisioning requirements, higher write-offs and deterioration in our asset quality. If our PAR>30 or PAR>90 rates increase, or if we are unable to effectively monitor, manage and recover overdue loans, our business, results of operations, financial condition and cash flows may be adversely affected.

13. ***We may face asset-liability mismatches which would expose us to interest rate and liquidity risks that could have an adverse effect on our business, results of operations, financial condition and cash flows.***

Assets and liabilities mismatches ("**ALM**"), which represent a situation when the financial terms of institutional assets and liabilities do not match, are a key financial parameter. We cannot assure you that we will be able to maintain a positive ALM. The following table sets forth certain information relating to our tenor as of the period/years indicated:

Particulars	As of			
	December 31, 2025	March 31, 2025	March 31, 2024	March 31, 2023
	(*Number of Years*)			
Average tenor of our assets	1.94	2.01	1.98	1.82
Average tenor of our liabilities	2.51	2.82	2.78	2.93

We face liquidity risk due to varying periods over which our assets and liabilities mature. As is typical for NBFCs, part of our funding requirement is met through short-term borrowing sources such as cash credit facilities. However, each of our financial assets has varying average tenure, average yield and average maturity. Though we pay careful attention to the maturity of liabilities while creating financial assets, it may happen that maturity of assets do not match the liabilities. Consequently, our inability to raise further credit facilities or renew our existing facilities in a timely and cost-effective manner or at all, may lead to mismatches in our assets and liabilities, which in turn may adversely affect our operations, financial performance and cash flows. Further, mismatches between our assets and liabilities are compounded in case the assets are restructured and we need to give the customers longer tenure loans. Additionally, if competition forces us to provide longer tenure loans to the customers, this may also result in mismatches, which could in turn have a material adverse effect on our business, results of operations, financial condition and cash flows. Further, in the event of adverse interest rate movements or significant maturity mismatches, we may also face increased funding costs, reduced Net interest margin (%), and potential difficulty in meeting our repayment obligations as they fall due. This could result in liquidity stress, impact our ability to grow our loan book, and may require us to access emergency funding or sell assets at unfavourable terms, which could adversely affect our business, results of operations, financial condition and cash flows. Prolonged or significant mismatches could also affect investor and lender confidence, potentially leading to higher borrowing costs or restricted access to capital markets. For further information, see "*Selected Statistical Information - Asset Liability Management*" on page 598.

14. Our loan portfolio may no longer continue to be classified as priority sector lending by the RBI. We cannot guarantee our ability to respond to changes in regulation or ability to prevent subsequent risks to our financial condition, results of operations and/or cash flows.

The RBI currently mandates domestic scheduled commercial banks (excluding regional rural banks and small finance banks) and foreign banks with 20 branches and above, operating 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". These include advances to agriculture, micro, small and medium enterprises ("**MSME**"), export credit and other sectors where the Government seeks to encourage flow of credit for developmental reasons. Banks in India that have traditionally been constrained or unable to meet these requirements directly have instead relied on institutions such as us that are focused on microfinance lending to help them meet their priority sector lending targets. Loans by banks to NBFC-MFI which are members of RBI recognised self-regulatory organisation for the sector, for on-lending to individuals and members of self help groups/ joint liability groups are eligible for categorisation as priority sector advances under respective categories such as agriculture, MSME, social infrastructure and others, provided that the micro finance institutions adhere to the conditions prescribed in the RBI (Non-Banking Financial Companies – Microfinance Institution) Directions, 2026. Further, for non-performing assets related to microfinance loans of NBFC-MFIs, provisioning norms states that the aggregate loan provision to be maintained by NBFC-MFIs at any point of time shall not be less than the higher of (a) 1% of the outstanding loan portfolio or (b) 50.00% of the aggregate loan instalments which are overdue for more than 90 days and less than 180 days and 100.00% of the aggregate loan instalments overdue for 180 days or more. For further information on these regulations, see *"Key Regulations and Policies in India"* on page 379.

In the event that the laws relating to priority sector lending as applicable to the banks undergo a change, or if any part of our loan portfolio is no longer classified as a priority sector lending by the RBI, our ability to raise resources based on priority sector advances would be hampered. We cannot guarantee our ability to respond to changes in regulation or ability to prevent subsequent risks to our financial condition, results of operations and/or cash flows.

15. The security of our IT systems may fail and adversely affect our business, results of operations, financial condition and cash flows.

We are dependent on the effectiveness of our information security policies and procedures, and our capabilities to protect our IT systems and the data such systems contain or transmit. An external information security breach, such as a hacker attack, fraud, a virus or worm, or an internal problem with information protection, such as failure to control access to sensitive systems, could materially interrupt our business operations or cause disclosure or modification of sensitive or confidential information. Our operations also rely on the secure processing, storage and transmission of confidential and other information in our computer systems and networks. Our computer systems, software and networks may be vulnerable to unauthorised access, computer viruses or other cyber-attacks or events that could compromise the integrity and security of our data. Although we maintain procedures and policies to protect our IT systems, such as network security devices, data back-up, disaster recovery and business continuity systems, any failure of our IT systems could result in business interruption, financial loss, regulatory actions, legal liability and harm to our reputation. Further, any delay in implementation or disruption of the functioning of our IT systems could disrupt our ability to track, record and process financial information or customer repayments, manage creditors/debtors or engage in normal business activities. While we

have not faced any such instances in the nine months ended December 31, 2025 and the last three Fiscals, any such occurrences in the future could adversely affect our business, results of operations, financial condition and cash flows.

We are dependent on various external vendors for the implementation of aspects of our IT operations, including infrastructure and hardware, networking, managing our datacentre and back-up support for disaster recovery. We are therefore exposed to the risk that external vendors or service providers may be unable to fulfil, or are delayed in fulfilling, their contractual obligations to us (or will be subject to the risk of fraud or operational errors by their respective employees) and the risk that their (or their vendors') business continuity and data security systems prove to be inadequate or fail to perform. While we have not faced any such instances in the nine months ended December 31, 2025 and the last three Fiscals, we cannot guarantee protection against the event that an external vendor or service provider fails to abide by their contractual obligations, and any subsequent adverse effects on our business, results of operations, financial condition and cash flows.

Numerous domestic and international laws and regulations address privacy and the collection, storing, sharing, use, disclosure, and protection of certain types of data. The GoI has enacted the Digital Personal Data Protection Act, 2023, as amended ("**DPDP Act**") and introduced the Digital Personal Data Protection Rules, 2025, ("**DPDP Rules**") in a phased manner, which provides for personal data protection and privacy of individuals, regulates cross border data transfer, and provides several exemptions for personal data processing by the Government, and lays down norms for cross-border transfer of personal data including ensuring the accountability of entities processing personal data. The GoI has set out an implementation timeline for the DPDP Act and the DPDP Rules over an 18-month period starting from November 2025. Once brought into effect, the obligations will apply to 'data fiduciaries' (i.e., entities that determine the purpose and means of processing personal data) and will require them to, among others, implement technical and security standards, comply with breach notification requirements which will include notifying affected data principals, to ensure that data principals are able to exercise the rights granted to them under the DPDP Rules, and also comply with transfer, disclosure, and retention requirements for personal data processing. Further, it also provides for the establishment of a Data Protection Board of India to direct any urgent remedial or mitigation measures in the event of a personal data breach, and to inquire into such personal data breach and impose penalty as provided as per provisions of the DPDP Act. It imposes restrictions and obligations on data fiduciaries, including obtaining valid consent for data processing, implementing reasonable security safeguards, enabling data principals to exercise their rights, notifying data breaches to the Data Protection Board and affected individuals, and appointing a Data Protection Officer.

In addition, the future success of our business will depend in part on our ability to respond to technological advances and to emerging industry standards and practices on a cost-effective and timely basis. The development and implementation of new technology could present risks. There can be no assurance that we will successfully implement new technologies effectively or adapt our technology and systems to meet customer requirements or emerging industry standards. If we are unable to advance and scale our technology-enabled infrastructure, we may be unable to effectively utilise our technology platform as a business resource, maintain consistent levels of customer service, enhance our operational efficiency, and create scalable advantages for our organisation. In addition, if we are unable to introduce and integrate new information technology systems across our business to ensure that our technology remains advanced and our business remains scalable, our business could be adversely affected.

16. We derive a portion of our AUM from our operations in West Bengal^, Bihar, Uttar Pradesh, Odisha and Assam (i.e., 37.73% 18.33%, 11.83%, 7.37% and 7.11% as of December 31, 2025, respectively), and any adverse developments in these states could affect our operations, business and results of operations.

As of December 31, 2025, 82.37% of our AUM is derived from our operations in five states, namely West Bengal^, Bihar, Uttar Pradesh, Odisha and Assam. Set forth below are details of our AUM distribution as of December 31, 2025 in our top 10 States in terms of AUM:

S. No.	Particulars	AUM (As of December 31, 2025) (₹ million)	Percentage of Total AUM (%)
1.	West Bengal^	23,800.32	37.73%
2.	Bihar	11,564.90	18.33%
3.	Uttar Pradesh	7,460.10	11.83%
4.	Odisha	4,648.05	7.37%
5.	Assam	4,483.69	7.11%
6.	Jharkhand	3,597.74	5.70%
7.	Madhya Pradesh	2,343.70	3.72%
8.	Karnataka	1,611.95	2.56%

S. No.	Particulars	AUM (As of December 31, 2025) (₹ million)	Percentage of Total AUM (%)
9.	Gujarat	762.33	1.20%
10.	Chhattisgarh	683.15	1.08%
Total AUM		**60,955.92**	**96.63%**

^Includes organic business portfolio in West Bengal and inorganic business portfolio across India.

For further information of our state-wise AUM, see "*Selected Statistical Information - Geographical Spread of AUM*" on page 591. If there is a sustained downturn in the economy of those regions or a sustained change in financial patterns in those regions for any reason, our financial position may be adversely affected.

17. A significant portion of our loans are to Active Customers located in West Bengal, Bihar, Uttar Pradesh and Assam (i.e., 34.90% 18.46%, 12.50% and 7.88% as of December 31, 2025, respectively) and any adverse changes in the conditions affecting these regions including local unrest, may have an adverse effect on our business, results of operations, financial condition and cash flows.

The following table sets forth the geographic spread of our Company based on the number of Active Customers as of the period/years indicated:

State	As of December 31, 2025		As of March 31, 2025		As of March 31, 2024		As of March 31, 2023	
	No. of Active Customers	Percentage of Total Active Customers (%)	No. of Active Customers	Percentage of Total Active Customers (%)	No. of Active Customers	Percentage of Total Active Customers (%)	No. of Active Customers	Percentage of Total Active Customers (%)
Assam	1,53,923	7.88%	94,428	4.42%	47,936	1.99%	1,64,262	8.16%
Bihar	3,60,469	18.46%	4,44,330	20.78%	5,40,770	22.43%	4,64,133	23.06%
Chhattisgarh	22,091	1.13%	25,747	1.20%	40,497	1.68%	40,495	2.01%
Gujarat	30,075	1.54%	36,005	1.68%	23,067	0.96%	-	-
Haryana	2,091	0.11%	2,428	0.11%	1,695	0.07%	-	-
Jharkhand	1,16,037	5.94%	1,35,015	6.31%	1,69,901	7.05%	1,42,258	7.07%
Karnataka	42,552	2.18%	18,163	0.85%	53	0.00%	-	-
Madhya Pradesh	77,391	3.96%	98,575	4.61%	1,31,050	5.44%	95,363	4.74%
Maharashtra	24,041	1.23%	31,485	1.47%	20,293	0.84%	-	-
Meghalaya	9	0.00%	9	0.00%	9	0.00%	640	0.03%
Odisha	1,49,939	7.68%	2,02,571	9.47%	2,80,299	11.63%	2,39,809	11.92%
Rajasthan	17,355	0.89%	27,953	1.31%	45,057	1.87%	21,948	1.09%
Tamil Nadu	16,232	0.83%	5,229	0.24%	686	0.03%	-	-
Tripura	9,136	0.47%	10,454	0.49%	8,028	0.33%	7,030	0.35%
Uttar Pradesh	2,44,103	12.50%	3,35,728	15.70%	4,46,227	18.51%	3,16,949	15.75%
Uttarakhand	5,954	0.30%	8,586	0.40%	11,278	0.47%	3,773	0.19%
West Bengal	6,81,514	34.90%	6,61,902	30.95%	6,44,050	26.70%	5,15,844	25.63%
Total	**19,52,912**	**100.00%**	**21,38,608**	**100.00%**	**24,10,896**	**100.00%**	**20,12,504**	**100.00%**

Note: Number of Active Customers are defined as the aggregate of borrowers who had an active loan account as of the last day of the relevant period/years.

The following table sets forth the state-wise spread of our AUM as of period/years indicated:

State	As of December 31, 2025		As of March 31, 2025		As of March 31, 2024		As of March 31, 2023	
	AUM (₹ million)	Percentage of Total AUM (%)	AUM (₹ million)	Percentage of Total AUM (%)	AUM (₹ million)	Percentage of Total AUM (%)	AUM (₹ million)	Percentage of Total AUM (%)
Assam	4,483.69	7.11%	2,679.39	4.46%	1,253.24	1.76%	3,974.61	7.42%
Bihar	11,564.90	18.33%	12,559.62	20.92%	16,198.06	22.78%	12,820.61	23.93%
Chhattisgarh	683.15	1.08%	651.25	1.08%	958.61	1.35%	998.14	1.86%
Gujarat	762.33	1.20%	926.13	1.54%	860.92	1.21%	-	-
Haryana	59.81	0.09%	63.76	0.12%	62.52	0.09%	-	-
Jharkhand	3,597.74	5.70%	3,550.71	5.92%	4,732.34	6.65%	3,842.55	7.17%
Karnataka	1,611.95	2.56%	799.69	1.33%	2.43	0.00%	-	-
Madhya Pradesh	2,343.70	3.72%	2,360.15	3.93%	3,629.47	5.10%	2,415.11	4.50%

State	As of December 31, 2025		As of March 31, 2025		As of March 31, 2024		As of March 31, 2023	
	AUM (₹ million)	Percentage of Total AUM (%)	AUM (₹ million)	Percentage of Total AUM (%)	AUM (₹ million)	Percentage of Total AUM (%)	AUM (₹ million)	Percentage of Total AUM (%)
Maharashtra	493.22	0.78%	759.85	1.27%	733.21	1.03%	-	-
Meghalaya	0.10	0.00%	0.10	0.00%	0.10	0.00%	8.75	0.02%
Odisha	4,648.05	7.37%	5,372.12	8.95%	8,039.59	11.30%	6,654.42	12.42%
Rajasthan	508.76	0.81%	568.03	0.95%	1,168.98	1.64%	775.33	1.45%
Tamil Nadu	678.46	1.08%	219.00	0.36%	28.19	0.04%	-	-
Tripura	212.42	0.34%	266.08	0.44%	215.90	0.31%	145.39	0.27%
Uttar Pradesh	7,460.10	11.83%	7,990.31	13.31%	12,635.05	17.77%	8,608.78	16.07%
Uttarakhand	175.45	0.27%	163.37	0.27%	304.16	0.43%	132.07	0.25%
West Bengal^	23,800.32	37.73%	21,096.20	35.15%	20,297.63	28.54%	13,197.96	24.64%
Total	**63,084.14**	**100.00%**	**60,025.77**	**100.00%**	**71,120.41**	**100.00%**	**53,573.71**	**100.00%**

^ *Includes organic business portfolio in West Bengal and inorganic business portfolio across India.*

The States of West Bengal^, Bihar, Uttar Pradesh and Assam collectively constituted 75.00% of our AUM as of December 31, 2025. Any local unrest, local activism, natural disasters, public health emergencies or legislative action focused on the microfinance industry in these states could impact our business model and collection efficiency thereby leading to an adverse impact on our revenue from operations, business and cash flows. For instance, the Assam Micro Finance Incentives and Relief Scheme (AMFIRS), 2021 ("**AMFIRS**") was introduced in Assam to provide relief to stressed borrowers who have availed loans from microfinance lending institutions by encouraging and helping them to regularise their payments by providing partial / full relief from repaying the loans. The eligibility criteria of the AMFIRS is restricted only to those borrowers in Assam whose household income is lesser than ₹ 0.12 million in rural households and is lesser than ₹ 0.20 million in semi-urban or urban households, which ends up excluding certain set of low-income borrowers who might not be considered eligible due to the combined income of household exceeding the threshold and would not be considered eligible to avail benefit of the AMFIRS, leading to shortfall at the time of repayment and lower collection efficiency by micro-finance lending institutions in Assam. Further, on May 19, 2023, the Government of Assam approved the inclusion of a third category within the AMFIRS to provide assistance to microfinance borrowers whose accounts have been classified as non-performing assets with an outstanding principal amount up to ₹ 25,000.00 as on March 31, 2021 and not covered under first or second category. We cannot assure you that such factors will not have an adverse effect on our business, results of operations, financial condition and cash flows.

18. ***The non-convertible debentures of our Company are listed on BSE Limited, and are subject to rules and regulations with respect to such listed non-convertible debentures. If we fail to comply with such rules and regulations, we may be subject to certain penal actions, which may have an adverse effect on our business, results of operations, financial condition and cash flows. Further, the trading in our non-convertible debentures may be limited or sporadic, which may affect our ability to raise debt financing in future.***

Our non-convertible debentures are listed on the debt segment of BSE Limited ("**NCDs**"). We are required to comply with the applicable rules and regulations, including the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended and applicable provisions of the SEBI Listing Regulations, in connection with our NCDs. If we fail to comply with such rules and regulations, we may be subject to certain penal actions, including, without limitation, restrictions on the further issuance of securities and the freezing of transfers of securities, which may have an adverse effect on our business, results of operations, financial condition and cash flows. While during the nine months ended December 31, 2025 and the Fiscals 2025, 2024 and 2023, there have not been any instances where we were penalized on account of a failure to comply with such rules and regulations, we cannot assure you that there will not be any such non-compliance in the future, which may adversely affect our business, results of operations, financial condition and cash flows.

In addition, as a debt listed company, our Company is subject to the continuous disclosure obligations under the SEBI Listing Regulations. This requires us to publish our quarterly financial results for every quarter within 45 days from the completion of the previous quarter. Under the SEBI Listing Regulations, while companies with listed equity shares are required to release their financial results within 45 days of the end of a quarter, newly listed companies may publish their quarterly financial results up to 21 days from the date of its equity shares being listed on the stock exchanges. As a result, debut issuers may release their quarterly results for the first time beyond the 45 days from the completion of a quarter. However, since we are a debt listed entity, we are unable to avail such relief granted by the SEBI Listing Regulations. Non-compliance with SEBI Listing Regulations may subject us to certain actions initiated by the stock exchanges, including, without limitation, the imposition of fines.

Under our debenture trust deeds, we are required to submit copies of the quarterly financial results to the respective debenture trustees within the prescribed timelines, being 45 days from the end of the relevant quarter or 10 days from the date of the Board meeting in which such results are approved, whichever is later. While during the nine months ended December 31, 2025 and the Fiscals 2025, 2024 and 2023, there have not been any instances of delay in submission of such information to the trustee, we cannot assure you that there will not be any such non-compliance in future. In the event of such non-compliance, we may be subject to certain enforcement actions by our debenture trustees, such as, without limitation, the acceleration of repayment of all amounts due after the debenture trustees obtain consent from the RBI, the release of the recovery expense fund after the debenture trustees obtain consent from the debenture holders, the enforcement of charge created over hypothecated assets, if any applicable, and the levying of a default interest rate. Any such action taken by the stock exchanges or the debenture trustees may adversely affect our business, reputation, results of operations and financial condition. Further, trading in our NCDs has been limited and we cannot assure you that the NCDs will be frequently traded on the BSE or that there would be any market for the NCDs. Further, we cannot predict if and to what extent a secondary market may develop for the NCDs or at what price the NCDs will trade in the secondary market or whether such market will be liquid or illiquid, which may adversely affect our ability to raise capital through the issuance of new NCDs.

19. In the past, there have been delays in compliance with foreign investment reporting requirements under the FEMA regulations. Our Company filed compounding applications to regularize such delays and have paid the corresponding penalty fees.

Our Company is also required to make various filings with the RBI and other relevant authorities pursuant to the provisions of RBI regulations, the Companies Act and other regulations. Our Company has in the past been delayed in reporting inward remittances in relation to the issuance of certain Equity Shares, and has paid a compounding fee to the RBI for such delay. Further, we have also delayed in filing Form ECB 2 for the month ended June 30, 2022 and had to pay a penalty fee of ₹ 5,000.00 to the RBI. There has also been an instance of delay in filing of Form FC-TRS for the transfer dated April 7, 2022 from Tano India Private Equity Fund II to Universal Trustees Private Limited and we had to pay a penalty of ₹15,900.00. There can be no assurance that such delays may not occur, and that our Company will not be adversely affected.

20. If we fail to maintain the quality of customer service, we may face difficulties in maintaining existing and acquiring new customers and our business may be harmed.

If we fail to provide quality customer service, our customers may be less inclined to continue their financial activities with us or recommend us to new customers, and may switch to our competitors. Customers may raise complaints against us if they are dissatisfied with the terms and conditions of our loans, such as high interest rates or hidden charges. Customers might also experience delays in loan disbursement or face challenges in the repayment process, including difficulties in accessing customer support or resolving disputes. Additionally, technical issues, such as problems with online platforms or mobile applications, may also prompt customers to seek redress. Set forth below are details of the customer complaints received by us in the period/ years indicated:

Particulars	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Complaints received by the NBFC from its customers				
Number of complaints pending at beginning of the period/years	22	28	21	71
Number of complaints received during the period/years	3,429	2,205	2,414	1,360
Number of complaints disposed during the period/years	3,301	2,211	2,407	1,410
Of which, complaints rejected by the NBFC	-	-	-	-
Number of complaints pending at the end of the period/years	**150**	**22**	**28**	**21**
Maintainable complaints received by the NBFC from Office of Ombudsman				
Number of maintainable complaints received by the NBFC from Office of Ombudsman	19	29	34	19
- Number of complaints resolved in favour of the NBFC by office of ombudsman.	19	29	33	19

Particulars	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
- Number of complaints resolved through conciliation/ mediation/ advisories issued by Office of Ombudsman	-	-	1	-
Number of complaints resolved after passing of awards by Office of Ombudsman against the NBFC	-	-	-	-
Number of awards unimplemented within the stipulated time (other than those appealed)	-	-	-	-

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

The number of complaints pending at the end of period/years increased to 150 as of December 31, 2025 from 22 as of March 31, 2025. Any inability to resolve complaints in a timely and satisfactory manner may increase regulatory scrutiny, adversely affect customer trust and harm our reputation. For further information, see "*Restated Financial Information – Disclosure of customer complaints*" on page 508.

If we are unable to redress such consumer complaints and grievances in a timely, efficient and satisfactory manner, our business, reputation and prospects may be adversely affected.

21. If we are unable to measure or verify customer creditworthiness or repayment ability data and information, or if any misleading or inaccurate data or information is provided, our business may be adversely impacted.

We provide loans to financially underserved customers based on their creditworthiness and repayment ability. We measure and verify a prospective customer's creditworthiness and repayment ability by reviewing their credit history using credit bureau data. We follow KYC guidelines prescribed by RBI for potential customers to obtain information such as their income, assets, financial transactions and credit history and verify their place of employment and residence, as applicable, through telephonic conversations and physical visits. We also rely on third party service providers such as external legal and technical valuers for collateral valuation and credit bureaus for records of prospective customers. However, some of our customers are often first-time loan seekers for whom there is no available credit history or credit bureau data. Unlike certain developed economies, a nationwide credit bureau only became operational in India in 2004, so there is less financial information available about individuals or SMEs. This means that it is often difficult to analyse the credit risk of a prospective customer. Our customers are also, generally, not financially literate and have a low-level of education, which means they often do not have up-to-date business records, if at all. Our customers may have borrowed funds which are not part of banking records or business records, requiring us to measure and verify their creditworthiness and repayment ability may be difficult and our financial performance. For further information regarding methods adopted by our Company to verify creditworthiness, see "*Our Business – Risk Management"* on page 368.

The table below sets forth certain details regarding our number of Active Customers, new Active Customers added and number of new to credit customers in the period/years indicated:

Particulars	As of			
	December 31, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Number of Active Customers[(1)]	19,52,912	21,38,608	24,10,896	20,12,504
New Active Customers added	5,61,164	5,09,765	9,39,073	6,98,859
Number of new to credit customers[(2)]	3,75,931	4,60,818	5,68,399	4,17,096
Percentage of new to credit customers to Active Customers (%)	19.25%	21.55%	23.58%	20.73%

(1) Number of Active Customers are defined as the aggregate of borrowers who had an active loan account as of the last day of the relevant period/years.

(2) New to credit customers refers to the customers availing loan for the first time having no credit history.

However, the provision and collection of erroneous or misleading information may affect our judgement of credit worthiness of potential customers, and the value of and title to collateral. Set forth below are details in relation to loans given against fictitious documents in the period/years indicated:

Particulars	As of December 31, 2025	As of March 31,		
		2025	2024	2023
No. of cases	73	90	49	5
Amount of fraud (₹ million)	4.37	13.42	16.94	0.86
Recovery* (₹ million)	0.67	0.65	0.52	0.31
Amount provided for (₹ million)	3.70	12.77	16.42	0.55

(*) Includes claims receivable filed with insurance company.

For further information, see "*Restated Financial Information – Information on instances of fraud identified during the period/ years*" on page 508.

In addition, we rely on statistical risk models and other analytical tools to evaluate and estimate credit risk, and support our decision-making processes. While these models are updated, tested, and monitored periodically, they are inherently subject to limitations, assumptions, and potential errors. Any defects, inaccurate parameters, modelling gaps, or failure of these models to accurately predict risk particularly in changing market conditions could lead to incorrect credit assessments, unexpected losses, or suboptimal business decisions. In the ordinary course of business there have been instances where customers have provided inaccurate or misleading data. However, we have not experienced any adverse impact to our business in the nine months ended December 31, 2025 and the last three Fiscals due to such instances. If we are unable to measure or verify such data and information, or if any misleading or inaccurate data or information is provided, our business may be adversely impacted.

22. *There are outstanding legal proceedings involving our Company, Promoters, Directors and Key Managerial Personnel. Any adverse outcome in such legal proceedings could affect our business, results of operations, financial condition and cash flows.*

There are outstanding legal proceedings involving our Company, Promoters, Directors and Key Managerial Personnel which are pending at different levels of adjudication before various courts, tribunals and other authorities. Such proceedings could divert the management's time and attention and consume financial resources, whether in defending against or pursuing such proceedings, as the case may be. Further, we have initiated certain recovery proceedings against our borrowers, for the dishonour of cheques. 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. Any unfavourable decision in connection with such proceedings, individually or in the aggregate, could adversely affect our business, results of operations, financial condition and cash flows.

The summary of such outstanding material legal proceedings as of the date of this Draft Red Herring Prospectus is set out below:

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchange against our Promoters	Material Civil Litigation	Aggregate amount involved (₹ million)^
Company						
By our Company	1,181	N.A.	N.A.	N.A.	1	861.35
Against our Company	6	5	15	N.A.	-	137.87
Directors						
By our Directors	-	N.A.	N.A.	N.A.	-	-
Against our Directors	1	1	7	N.A.	1	1.55
Promoters						
By our Promoters	-	N.A.	N.A.	N.A.	-	-
Against our Promoters	-	3	-	-	-	12.71
Key Managerial Personnel						
By our Key Managerial Personnel	-	N.A.	N.A.	N.A.	-	-
Against our Key Managerial Personnel	1	N.A.	-	N.A.	-	261.16
Senior Management						
By our Senior Management	-	N.A.	N.A.	N.A.	-	-

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchange against our Promoters	Material Civil Litigation	Aggregate amount involved (₹ million)^
Against our Senior Management	-	N.A.	-	N.A.	-	-

^*To the extent ascertainable.*

Further, as on the date of this Draft Red Herring Prospectus, there are no pending litigation proceedings involving any of our Group Companies which will have a material impact on our Company.

We cannot assure you that any of these matters will be settled in favour of our Company, Directors or Key Managerial Personnel, or that no additional liability will arise out of these proceedings, or no penalty may be imposed by the regulatory authorities. Further, we cannot assure you that there will be no new legal and regulatory proceedings involving our Company, Promoters or Directors or Key Managerial Personnel or Senior Management in the future. An adverse outcome in any of these proceedings could have an adverse effect on our business, results of operations, financial condition and cash flows. For further details, see "*Outstanding Litigation and Material Developments*" on page 606.

23. We are subject to the regulatory framework governing the financial services industry, including the various regulatory requirements of the Reserve Bank of India. Non-compliance of the regulations or changes in existing regulations could adversely affect our business, results of operations, financial condition and cash flows.

As an NBFC, we have to mandatorily obtain a certificate of registration issued by the RBI and comply with other regulatory requirements as stipulated by the RBI from time to time. For instance, we are required to maintain a capital adequacy ratio which shall not be less than 15.00% of our aggregate risk weighted assets on-balance sheet and of risk adjusted value of off-balance sheet items and our Tier I Capital, at any point in time, shall not be less than 10.00% and Tier II capital should not exceed Tier I Capital. For further information, see "*Key Regulations and Policies*" on page 379. Our total equity was ₹ 20,918.07 million as of December 31, 2025. As of December 31, 2025, our Capital to risk weighted assets ratio (CRAR) (%) was 31.20%, with CRAR-Tier I Capital (%) comprising 30.58% and CRAR-Tier II Capital (%) comprising 0.62%. For a reconciliation of non-GAAP measures, see "*Management's Discussion and Analysis of our Results of Operations – Non-GAAP Measures*" on page 554.

As we continue to grow our loan portfolio and asset base we will be required to raise additional Tier I Capital and Tier II Capital in order to remain in compliance with the applicable capital adequacy ratios. Further, the RBI may increase its minimum Capital to risk weighted assets ratio (CRAR) (%) threshold, which may require us to raise additional capital. In addition, adverse regulatory developments relating to the assessment and recognition of NPAs and provisioning may have an adverse effect on our financial performance. Our repayment schedules may not be adequate to cater to any losses arising out of unanticipated adverse regulatory developments. Further, the RBI may also in the future require compliance with other prudential norms and standards, which may require us to alter our business and accounting. In addition, any change in RBI or other government regulations in relation to securitizations by NBFCs could have an adverse impact on our securitization plans in the future. In addition, we are also subject to the corporate laws, taxation laws and other laws in effect in India which require continued monitoring and compliance on our part. If we fail to comply with these requirements, or a regulator alleges we have not complied with these requirements, we may be subject to penalties and compounding proceedings.

24. We are subject to stringent regulations governing the banking and financial services industry in India. We may fail to obtain, maintain or extend our statutory and regulatory approvals to operate or expand our business in a timely manner or at all, or to comply with the terms and conditions of our existing regulatory approvals and licenses, which may impede our operations.

We are registered with, and our business is regulated by the RBI as an NBFC-MFI. As a registered NBFC-MFI, we are subject to stringent microfinance lending guidelines. Further, we are also regulated by the SEBI since our non-convertible debentures are listed on the wholesale debt segment of the BSE. We therefore are required to comply with certain regulations and are also required to obtain certain statutory and regulatory approvals, sanctions, licenses, registrations and permissions for operating and expanding our business. We may not receive or be able to renew such approvals in the time frames anticipated by us, or at all, which could adversely affect our business. If we do not receive, renew or maintain the regulatory approvals required to operate our business, it may have an adverse effect on the continuity of our business and

may impede our effective operations in the future.

All NBFC-MFIs are also required to become member of at least one self-regulatory organization recognized by the RBI ("**SROs**") and are also required to comply with the code of conduct prescribed by such SRO. Our Company is a member of the Micro Finance Industry Network ("**MFIN**"), an RBI recognised SRO. MFIN regularly issues directives, advisories and guidance notes to its members to ensure that industry standards are maintained.

Further, with effect from January 4, 2024, we act as a corporate agent for the IRDAI. As such, non-compliance with the regulatory requirements and observations made by IRDAI during any of its inspections could expose us to regulatory actions, penalties and restrictions which could have an adverse effect on our business, results of operations, financial condition and cash flows. We have not faced any such instances in the preceding nine months ended December 31, 2025 and the last three Fiscals.

Applicable laws and regulations impose numerous requirements on us, including those relating to asset classification and prescribed levels of capital adequacy, reserves and provisioning. The laws and regulations governing the banking and financial services industry in India have become increasingly complex and cover a wide variety of issues, such as interest rates, liquidity, investments, ethical issues, money laundering and privacy. Further, the RBI may also in the future require compliance with other prudential norms and standards, which may require us to alter our business and accounting. In addition, any change in RBI or other government regulations in relation to securitizations by NBFCs could have an adverse impact on our securitization plans in the future. In addition, we are also subject to the corporate laws, taxation laws and other laws in effect in India which require continued monitoring and compliance on our part. If we fail to comply with these requirements, or a regulator alleges we have not complied with these requirements, we may be subject to penalties and compounding proceedings. These laws and regulations may be amended, supplemented or changed at any time such that we may be required to redesign our activities and incur additional expenses to comply with such laws and regulations, which could adversely affect our business and our financial performance. For further information, see "*Key Regulations and Policies"* on page 379. Any non-compliance with the applicable regulatory framework may attract penalties, sanctions, revocation of approvals, or refusal to grant approvals by the regulatory authorities. Also see, *"—The Reserve Bank of India had directed our Company to cease and desist from sanction or disbursal of loans from October 21, 2024 until January 3, 2025. Any such directions in the future from the RBI or any other regulatory authority, including in relation to suspension of our business, could adversely affect our business, results of operations, financial condition and cash flows." and "—As a non-banking financial company, non-compliance with the Reserve Bank of India's observations made during its periodic inspections could expose us to penalties and restrictions which could have an adverse effect on our business, results of operations, financial condition and cash flows."* on pages 21 and 26, respectively.

We are also required to maintain certain statutory and regulatory permits and approvals for our business. From time to time, we will be required to renew such permits and approvals and obtain new permits and approvals for any proposed operations. There can be no assurance that the relevant authorities will issue any of such permits or approvals in the timeframe anticipated by us, or at all, which thereby may adversely impact our business and operations. For further information, see "*Government and Other Approvals*" on page 616.

25. Loans due within 36 months account for a majority of our loan portfolio, and a significant reduction in short term loans may result in a corresponding decrease in our portfolio and financial position.

A majority of the loans that we extend have a tenure ranging from 12 months to 36 months. As of December 31, 2025, 97.80% i.e., ₹ 61,697.02 million of our loan portfolio comprised loans with tenures between 12 months and 36 months. The relatively short-term nature of our loans means that the sustainability of our loan portfolio is less certain than if a larger portion of our loans had longer maturity. As our customers may choose not to obtain new or additional loans from us, upon maturity of their existing loans, if competition in the market increases. In such instances, our portfolio would run down and hence, our resultant income would be adversely affected. Changes in the tenure of our loan products could result in asset liability mismatches and expose us to interest rate and liquidity risks. For instance, if the tenure of our loans is extended, the mismatch between the maturity profiles of our assets and liabilities could widen. This could lead to increased liquidity risk, as we may need to refinance our liabilities more frequently than our assets mature. Additionally, changes in interest rates could impact our cost of funds and the returns on our assets differently, affecting our Net interest margin (%). Furthermore, if we are unable to effectively manage these mismatches, it could lead to higher costs of borrowing and reduced profitability. Our ability to raise funds at competitive rates could be compromised, and we may face difficulties in meeting our financial obligations. This could adversely affect our business, results of operations, financial condition and cash flows.

26. ***A significant portion of our branches are located in West Bengal, Bihar, Odisha and Uttar Pradesh (i.e., 192, 173, 104 and 173 branches in the nine months ended December 31, 2025, respectively) and any adverse changes in the conditions affecting these regions including local unrest, may have an adverse effect on our business, results of operations, financial condition and cash flows.***

The following table sets forth our number of branches, districts and states covered as of the dates indicated:

Particulars	As of			
	December 31, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Number of States	17	17	16	13
Number of Districts	320	323	293	254
Number of Branches	**1,073**	**1,103**	**976**	**830**

The following table sets forth our branches by State / Territory as of the dates indicated:

State	As of			
	December 31, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Assam	71	77	83	86
Bihar	173	179	163	144
Chhattisgarh	23	23	24	23
Gujarat	31	33	29	-
Haryana	3	4	4	1
Jharkhand	58	58	56	43
Karnataka	70	70	3	-
Madhya Pradesh	76	76	78	58
Maharashtra	26	26	25	-
Meghalaya	1	1	1	1
Odisha	104	109	106	102
Rajasthan	32	34	37	31
Tamil Nadu	24	24	-	-
Tripura	9	9	10	10
Uttar Pradesh	173	177	170	150
Uttarakhand	7	7	7	7
West Bengal	192	196	180	174
Total	**1,073**	**1,103**	**976**	**830**

Our branches are also located primarily in West Bengal, Bihar, Odisha and Uttar Pradesh. For further information, see "*Selected Statistical Information –Branches by State/Territory*" on page 592. Our concentration in certain States indicated above where our operations are focussed, 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 financial position may be adversely affected.

In recent years, we have increased the scope of our branch network. A consequence of expanding our branch network is that we may be exposed to certain additional risks, including: (i) difficulties arising from operating a larger and more complex organisation; (ii) the failure to efficiently and optimally allocate management, technology and other resources across our branch network; (iii) the failure to manage third-party service providers in relation to any outsourced services; (iv) difficulties in the integration of new branches with our existing branch network; (v) difficulties in supervising local operations from our centralised locations; (vi) difficulties in hiring skilled personnel in sufficient numbers to operate the new branches locally and management to supervise such operations from centralised locations; (vii) the failure to compete effectively with competitors; (viii) the failure to maintain the level of customer service in the new branches, which may adversely affect our brand and reputation; (ix) difficulties arising from coordinating and consolidating corporate and administrative functions, including integration of internal controls and procedures; and (x) unforeseen legal, regulatory, property, labour or other issues. If we are unable to effectively implement our business plans, roll out new offerings, or expand geographically as planned, our growth may slow or decline. Increased costs, delays, or underperformance of new initiatives may limit our ability to achieve targeted results. Past growth, such as rapid loan or customer base expansion may not be sustained, especially in more competitive or regulated markets. We cannot assure you that we will be successful in achieving our target benchmark level of efficiency and productivity in our operations and across our branch network. For further details, see "*Our Business – Strategies - Diversify Portfolio Through Geographical Coverage, Strengthened Customer Engagement Initiatives, Cross Sell Led Offerings and Selective Secured Lending"* on page 352.

27. ***As an NBFC, we are subject to RBI's regulations in relation to excess interest. Non-adherence and non-compliance of the same could adversely affect our business, results of operations, financial condition and cash flows.***

Under the Reserve Bank of India (Non- Banking Financial Companies – Responsible Business Conduct) Directions, 2025, the RBI mandates that NBFCs adopt an interest rate model considering factors such as the cost of funds, margin, and risk premium to determine the rate of interest to be charged for loans and advances. The interest rates, the approach for gradations of risk and the rationale for charging different rates to various borrower categories must be disclosed to the borrower in the application form and communicated explicitly in the sanction letter. Additionally, these rates should be made available on the company's website or published in relevant newspaper. The rate of interest must also be annualised rate so that the borrower is aware of the exact rates that would be charged to the account. Though interest rates are not regulated by the RBI, rates of interest beyond a certain level may be seen to be excessive and not conforming with the normal financial practice. Except as disclosed in "*The Reserve Bank of India had directed our Company to cease and desist from sanction or disbursal of loans from October 21, 2024 which was lifted on January 3, 2025. Any such directions in the future from the RBI or any other regulatory authority, including in relation to suspension of our business, could adversely affect our business, financial condition, results of operations and reputation",* on page 21, we have adhered to the conditions stipulated by the RBI in relation to excess interest in the nine months ended December 31, 2025 and the last three Fiscals. In case of any non-adherence to the conditions stipulated by the RBI, our business, results of operations, financial condition and cash flows could be adversely affected, if we fail to comply with these requirements in the future, or if the RBI alleges that we have not complied with these requirements.

28. ***In the nine months ended December 31, 2025, Fiscal 2025, Fiscal 2024 and Fiscal 2023, our Company's attrition rate for permanent employees was 34.64%, 38.23%, 38.94% and 34.61%, respectively. We depend on our senior management and key personnel, and if we are unable to recruit and retain senior management and key personnel, our business, results of operations, financial condition and cash flows may be adversely affected.***

Our success depends on the continued service of our Senior Management, Key Managerial Personnel, and qualified personnel, and the loss of any senior employee and the inability to find an adequate replacement may adversely affect our business, results of operations, financial condition and cash flows. For further details, see "*Our Management*" on page 401. While there has been no instance in the nine months ended December 31, 2025 and the last three Fiscals, where the resignation of any Senior Management or Key Managerial Personnel had an adverse impact on our business, results of operations, financial condition and cash flows, we cannot assure you that such instance will not arise in the future. We compete with several other banking and other financial institutions for such personnel and no assurance can be given that we will be successful in hiring or retaining appropriately qualified people. The specialised skills we require in our industry are difficult and time-consuming to acquire and, as a result, are in short supply. Our inability to hire, train and retain a sufficient number of qualified personnel could adversely affect our operations. We may also be required to increase our levels of employee compensation and benefits more rapidly than in the past to remain competitive in attracting skilled personnel. If we cannot hire or retain appropriately qualified people, our ability to expand our business could be impaired and our revenue could decline.

The RBI has in its past inspection reports made observations in relation to the high attrition rates, dependency on outsourced activities, deficiencies in managing outsourced activities and inadequacies in training within our Company. Our high attrition rates have resulted in increased hiring and training expenses of our Company.

The following table sets forth the attrition rate for our permanent employees and Key Managerial Personnel and members of Senior Management of our Company for the period/years indicated:

Particulars	As at/for the Nine months ended December 31, 2025	As of /For the year ended March 31, 2025	As of / For the year ended March 31, 2024	As of/ For the year ended March 31, 2023
Number of employees	9,502	10,252	9,333	8,030
Number of employees resigned	5,037	6,345	5,952	4,250
Attrition Rate* (%)	34.64%	38.23%	38.94%	34.61%
Total number of Key Managerial Personnel	3	3	3	3
Number of Key Managerial Personnel resigned	0	0	0	0
Attrition Rate of Key Managerial Personnel	-	-	-	-

Particulars	As at/for the Nine months ended December 31, 2025	As of /For the year ended March 31, 2025	As of / For the year ended March 31, 2024	As of/ For the year ended March 31, 2023
(%)*				
Total Number of members of Senior Management (other than Key Managerial Personnel)	8	6	7	6
Number of members of Senior Management (other than Key Managerial Personnel) resigned	0	3	3	2
Attrition rate of members of the Senior Management Personnel (other than Key Managerial Personnel) (%)*	0.00%	33.33%	30.00%	22.22%

** Attrition rate is calculated as exit in the relevant period/ years divided sum of opening head count and new joining in the relevant period/ year.*

Any loss of members of our senior management team or key personnel could significantly delay or prevent the achievement of our business objectives, affect our succession planning and could harm our business and customer relationships. Availability of experienced employees in the microfinance sector can be limited. In addition to leadership roles, we also rely heavily on our ground-level and operational personnel who support day-to-day processes and customer servicing. Attrition at these levels can be relatively higher due to the nature of roles and market competition for skilled talent. Elevated turnover among such employees may lead to operational disruptions, service delays, reduced customer satisfaction, and increased recruitment and training costs. Inadequate staffing or the inability to maintain a stable and experienced workforce could impair our ability to meet customer expectations and fulfil service commitments. We cannot assure you that we will be able to attract and retain talented professionals, or prevent the resignation or loss of key management personnel, which may have an adverse impact on our business, results of operations, financial condition and cash flows may be adversely affected. For information in relation to change in our KMPs and Senior Management in the last three years, see "*Our Management – Changes in the Key Managerial Personnel and Senior Management*" on page 424.

29. *Delay/ default in payment of statutory dues may attract penalties and in turn have an adverse impact on our financial condition.*

We are required to make certain payments to various statutory authorities from time to time, including but not limited to payments pertaining to employee provident fund, employee state insurance, income tax and excise duty. The table below provides the details of statutory dues paid by our Company in relation to our employees during period/years indicated.

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Particulars	Nine months ended December 31, 2025			Fiscal 2025			Fiscal 2024			Fiscal 2023		
	Number of employees as at December 31, 2025	Statutory dues paid *(₹ million)*	Statutory dues unpaid *(₹ million)*	Number of employees as at March 31, 2025	Statutory dues paid *(₹ million)*	Statutory dues unpaid *(₹ million)*	Number of employees as at March 31, 2024	Statutory dues paid *(₹ million)*	Statutory dues unpaid *(₹ million)*	Number of employees as at March 31, 2023	Statutory dues paid *(₹ million)*	Statutory dues unpaid *(₹ million)*
The Employees Provident Fund and Miscellaneous Provisions Act, 1952	9,502	369.30	0.02	10,252	483.82	-	9,333	379.40	-	8,030	284.82	-
Employee State Insurance Act, 1948	9,502	36.93	-	10,252	57.20	-	9,333	53.84	-	8,030	43.61	-
Professional Taxes	9,502	7.82	0.18	10,252	9.24	-	9,333	8.69	-	8,030	7.14	-
Labour Welfare Fund	9,502	0.16	-	10,252	0.33	-	9,333	0.22	-	8,030	0.17	-
Income Tax Act, 1961 (TDS on Salary)	9,502	62.09	-	10,252	96.95	-	9,333	67.73	-	8,030	55.86	-

There have been no instances of non-payment or defaults in the payment of statutory dues/liabilities by our Company. There has been no delay in the payment of statutory dues/liabilities under the said acts, except as follows:

Particulars	Nine months ended December 31, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Number of Instances	Amount delayed *(₹ million)*	Number of Instances	Amount delayed *(₹ million)*	Number of Instances	Amount delayed *(₹ million)*	Number of Instances	Amount delayed *(₹ million)*
The Employees Provident Fund and Miscellaneous Provisions Act, 1952	1	0.01	1	0.16	13	4.61	28	3.80
Employee State Insurance Act, 1948	-	-	-	-	-	-	-	-
Professional Taxes	9	0.03	21	0.41	12	0.35	4	0.06
Labour Welfare Fund	-	-	-	-	-	-	-	-
Income Tax Act, 1961 (TDS on Salary)	-	-	-	-	-	-	1	3.96

Except as provided above, the obligation towards statutory dues has been in compliance with the terms of the applicable laws.

As detailed above, there have been a few instances of failure to pay statutory dues in the nine months ended December 31, 2025 and the last three Fiscals, we cannot assure you that we will be able to pay our statutory dues timely, or at all, in the future. Any failure or delay in payment of such statutory dues may expose us to statutory and regulatory action, as well as significant penalties, and may adversely impact our business, results of operations, financial condition and cash flows.

30. Any increase in or realisation of our contingent liabilities could adversely affect our financial condition.

Set forth below are our contingent liabilities and commitments as of December 31, 2025, as per our Restated Financial Information:

Particulars	**As of December 31, 2025**
(a) Claims against the Company not acknowledged as debt (₹ million)	
Demand for income tax received from income tax authorities in respect of which the Company has gone for appeal. Based on the management assessment, crystallization of liability on these items is not considered probable and hence not acknowledged as debt by the Company (₹ million)	49.14
(b) Guarantees excluding financial guarantee (₹ million)	
(c) Other money for which our Company is contingently liable (₹ million)	-
Total (d = a + b + c) (₹ million)	49.14

If at any time we are compelled to pay all or a material proportion of these contingent liabilities, it may have an adverse effect on our business, results of operations, financial condition and cash flows. Furthermore, we cannot assure you that we will not incur similar or increased levels of contingent liabilities in the current Fiscal or in the future. For further details, see "*Restated Financial Information*" on page 435.

31. We have experienced downgrade in our credit ratings in the past. Any downgrades in the future could increase our finance costs and adversely affect our business, results of operations, financial condition and cash flows.

The cost and availability of capital depend in part on our short-term and long-term credit ratings. Credit ratings reflect the opinions of rating agencies on our financial strength, operating performance, strategic position and ability to meet our obligations. Any downgrade in our credit ratings could weaken our relationships and negotiating power with our lenders, increase the average cost of borrowing, and cause our lenders to impose additional terms and conditions or charge higher premiums in respect of any financing or refinancing arrangements that we enter into in the future. As of the date of this Draft Red Herring Prospectus, we have dual credit ratings from CARE and ICRA as per the following table:

Instrument	**Rating Agency**	**Rating**
Bank facilities programme	ICRA	A(Stable)
Non-convertible debentures	ICRA	A(Stable)
Subordinated debt	ICRA	A(Stable)
Long-term bank facilities – Fund based	ICRA	A(Stable)
Long-term bank facilities and Long-term instruments	CARE	CARE A- (Stable)
Non-convertible Debenture/Subordinate Debt	ICRA	A(Stable)

CARE ratings had previously downgraded our Company's rating for subordinated debentures to CARE D, on account of non-payment of interest to specific debenture holders due to incorrect account details ("**Technical Defect**") and delay in deposit of an unpaid interest amount towards separate escrow account on the due date. The ratings were simultaneously upgraded/ reinstated to CARE A- (RWD) by CARE, as the non-payment was on account of the Technical Defect and after our Company deposited such amounts in a separate escrow account with a scheduled

commercial bank, in line with CARE Ratings' policy on default recognition and policy on curing period. Further, during Fiscal 2025, the RBI issued a cease-and-desist order against our Company and CARE Ratings Limited downgraded our long-term credit rating from "A" to "A-". Further, ICRA had also previously downgraded our Company's rating to [ICRA]D for our NCD programmes in similar circumstances. The rating was simultaneously upgraded to [ICRA]A (Stable) in line with ICRA's policy on default recognition. For further information, see "*— The Reserve Bank of India had directed our Company to cease and desist from sanction or disbursal of loans from October 21, 2024, until January 3, 2025. Any such directions in the future from the RBI or any other regulatory authority, including in relation to suspension of our business, could adversely affect our business, financial condition, results of operations and reputation.*" on page 21. There can be no assurance that we will not face instances of downgrade in credit ratings in the future, whether due to shifts in shareholding, changes in management, or broader market factors. Any adverse credit ratings could increase borrowing costs and adversely affect our business, results of operations, financial condition and cash flows.

32. We assign or securitise a portion of our loan receivables to banks and other institutions. Any deterioration in the performance of any pool of receivables assigned may adversely impact our financial performance.

As part of our means of raising or managing funds, we assign or securitise a portion of our loan receivables to banks and other financial institutions to obtain funding and minimize our risk. Such assignment or securitisation transactions are conducted on the basis of our internal estimates of our funding requirements, which vary from time to time. We also may be required to provide credit enhancements for securitisation transactions by way of fixed deposits or corporate guarantees. Such deposits would be liquidated, or such guarantees would be invoked in the event and to the extent of any shortfall in the collection of receivables.

Our assignment and securitisation transactions are subject to the Reserve Bank of India (Non-Banking Financial Companies - Securitisation Transactions) Directions, 2025, as amended. Any amendments to or changes in such statutory or regulatory requirements, including requirements relating to asset eligible for securitization, minimum holding period, minimum retention requirements, credit enhancements, may impose additional compliance obligations on NBFC-MFIs. Further, the Reserve Bank of India (Non-Banking Financial Companies – Transfer and Distribution of Credit Risk) Directions, 2025, as amended, enables the transfer and acquisition of loan exposures in compliance with the policy approved by the Board and the RBI directions. 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. All transactions must meet the requirements as detailed in the policy. In addition, the transfer of stressed loans is required to be done through assignment or novation only, *i.e.*, loan participation is not permitted in the case of stressed loans. However, transfer of loans which are not in default can be transferred through assignment or novation or loan participation contracts. The table below sets forth the details of securitizations and assignments for the period/years indicated:

Particulars	As of December 31, 2025	As of March 31,		
		2025	2024	2023
	(₹ million, except percentages)			
Total Borrowings[(1)] (A)	52,194.32	47,034.03	60,158.43	45,334.90
Liability against securitisation from banks (B)	4,579.84	93.46	3,960.13	6,730.18
Liability against securitisation from banks as a percentage of Total Borrowings (%) (C = B/A)	8.77%	0.20%	6.58%	14.85%
Assignments (D)	3,213.91	1,129.20	3,680.88	3,319.22
Assignments as a percentage of Total Borrowings (%) (E = D/A)	6.16%	2.40%	6.12%	7.32%

Note:

(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/ years as per the Restated Financial Information.

In the event the banks or financial institutions do not realize the receivables due under loans that have been securitized, the relevant banks or financial institutions can enforce the underlying credit enhancements assured by us. Furthermore, while we have not been named in any legal proceeding in the nine months ended December 31, 2025 and the last three Fiscals, however, in the future we may also be named as a party in legal proceedings initiated by such bank or financial institution in relation to the assigned or securitized assets. Any change in the statutory and/or the regulatory requirements in relation to assignments or securitisations by financial institutions, including the guidelines prescribed

by the RBI and the Government of India, could have an adverse impact on our ability to conduct or enter into assignment or securitisation transactions in the future.

Further, any deterioration in the performance of any pool 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. Also, there can be no assurance that our future NPA ratios will be consistent with prior experience or at levels that will enable us to maintain our current quality of loan portfolio. This could have an adverse impact on our business prospects, financial condition and results of operations and our securitization plans in the future.

33. We may face difficulties and incur additional expenses in operating in non-urban areas, where infrastructure may be limited.

A significant number of our customers are located in non-urban areas in India, which may have limited infrastructure, particularly for transportation, electricity and internet bandwidth. We may also face difficulties in conducting operations, transporting our personnel and equipment and implementing technology measures in such areas. There may also be increased costs in conducting our business and operations, implementing security measures and expanding our reach. Set forth below is the exposure in terms of AUM to borrowers in non-urban areas as of the period/years indicated:

Particulars	As of December 31, 2025	As of March 31, 2025	As of March 31, 2024	As of March 31, 2023
AUM from borrowers located in non-urban areas (₹ million)	46,691.83	45,592.43	56,212.69	44,713.56
AUM from borrowers located in non-urban areas, as a percentage of total AUM (%)	74.02%	75.95%	79.04%	83.46%

Note: AUM as of the last day of the relevant period/years represents aggregate of principal outstanding including principal overdue if any for all loans to customers held by our Company (i.e., on-balance-sheet loans) and assets transferred by way of securitisation, assignment of receivables and business correspondent receivables outstanding as of the last day of the relevant period/years.

We cannot assure you that such costs will not be incurred or will not increase in the future as we expand our business in non-urban markets and such increased costs could adversely affect our profitability.

34. Our insurance-related income is dependent on third-party insurers and regulatory permissions, and any adverse changes to these arrangements could affect our revenue and reputation.

We distribute life and health insurance products issued and underwritten by third-party insurance companies pursuant to tie-up arrangements. We do not underwrite or assume insurance risk in respect of such products, and our role is limited to distribution in accordance with applicable regulations. Consequently, our insurance-related income and customer experience are dependent on the policies, processes, claims management practices and financial soundness of the respective insurance companies.

Any adverse developments involving these insurers, including delays in or disputes relating to claim settlement, changes in product features, commission structures or termination or non-renewal of distribution arrangements, could negatively affect our insurance-related income, customer satisfaction and reputation. In addition, our insurance distribution activities are subject to regulatory oversight by the Insurance Regulatory and Development Authority of India ("**IRDAI**") and the RBI, and any changes in applicable laws, regulations or supervisory expectations governing the distribution of insurance products by NBFC-MFIs could restrict or adversely impact our ability to continue such activities.

Further, since insurance products are also a part of our lending operations, any increased regulatory scrutiny, customer complaints or adverse publicity arising from insurance distribution or claim-handling issues could expose us to reputational risks and potential regulatory action, which may have an adverse effect on our business, results of operations, financial condition and cash flows.

35. ***The financing industry is becoming increasingly competitive with significant presence of NBFCs, public and private sector banks that have extensive branch networks, and other financial services companies. Increasing competition may have an adverse effect on our Net interest margin (%) and other income, and, if we are unable to compete successfully, our market share may decline.***

Our primary competition historically has been other NBFCs (including NBFC-MFIs) and banks (including SFBs). These financial institutions, particularly the larger ones, could compete with us for business as well as procurement of funds at competitive rates.

In addition, the SRO has set out guidelines applicable to microfinance institutions which restrict the number of microfinance institutions that can extend loans to the same borrower, limiting the indebtedness of the borrower and RBI has also stipulated maximum household income of ₹ 0.30 million as eligibility criteria for MFI customers and such customers should have fixed obligation to income ratio ("**FOIR**") not exceeding 50.00%, or such other limit as may be prescribed under applicable guidelines. The presence of microfinance institutions in India is not uniform; certain regions have a concentration of a large number of microfinance institutions while other regions have very few or even no microfinance institution. In any particular region, the level of competition depends on the number of microfinance institutions that operate in such region.

Our ability to compete effectively will largely depend on our ability to maintain our margin. Our margins depend on our ability to raise low-cost funding in the future combined with our ability to decrease our operating expenses. Many of our competitors are large institutions, which may have larger customer bases, funding sources, branch networks and capital compared to us. Certain competitors may be more flexible than we are and better positioned to take advantage of market opportunities. As a result of increased competition, loans are becoming increasingly standardised and terms such as variable (or floating) rate interest options, lower processing fees, and monthly reset periods are becoming increasingly common. Furthermore, the spread between the lowest and the highest rate of interest offered by various lenders continues to reduce. This competition may intensify further as a result of regulatory changes and market liberalisation. These competitive pressures affect the industry in which we operate as a whole, and our future success will depend to a large extent on our ability to respond in an effective and timely manner to these competitive pressures. There can be no assurance we will be able to react effectively to these or other market developments or compete effectively with new and existing peers in the increasingly competitive finance industry.

Competition in our industry also depends on, among other things, the evolution of government policies relating to the industry, the entry of new participants, and the extent to which there is a consolidation among banks and financial institutions in India. Increasing competition may have an adverse effect on our Net interest margin (%) and other income, and, if we are unable to compete successfully, our market share may decline.

36. ***Certain of our Group Companies are subject to regulation and regulatory oversight by various regulators in India. Non-compliance with regulations could expose such Group Companies to penalties, suspension and restrictions as well as cancellation of their license.***

Certain of our Group Companies are subject to regulations and regulatory oversight by regulatory authorities in India, including RBI and IRDAI. For instance, Ashv Finance Limited and Shivalik Small Finance Bank Limited are regulated by the RBI and the IRDAI. Applicable regulations set forth various requirements in relation to, among other things, the manner in which a company carries out its business and internal operations, and various periodical compliances and filings, including but not limited to the filing of forms and declarations with the relevant authorities. Any failure to comply with the applicable laws and regulations may expose the relevant Group Companies to penalties and regulatory scrutiny that may damage our reputation, which could have an adverse effect on our business, results of operations, financial condition and cash flows.

37. ***We may not be able to manage future growth or restructuring effectively, which may have an adverse impact on our business and financial condition.***

Our growth strategy includes: (i) diversifying our portfolio through geographic expansion, strengthened customer engagement initiatives, cross-sell-led offerings and selective secured lending; (ii) strengthening our core operating fundamentals across the customer and credit lifecycle; (iii) strengthening our balance sheet and improving operating leverage; and (iv) continuing to improve customer experience through technology infrastructure.

As we expand into new geographies, we may be exposed to increased Gross NPAs risk due to limited historical data, differences in customer behaviour, varied economic, social and political conditions, and unfamiliar local market dynamics. The credit risk profile in such geographies may differ from that of our established markets, and our existing credit appraisal, underwriting standards and recovery mechanisms may require adjustments. Until our models, processes and controls are appropriately calibrated for such new geographies, our ability to assess borrower risk and predict delinquency trends may be constrained.

We may not be able to maintain our historical growth rates, asset quality or portfolio quality. Our ability to grow our business and loan portfolio may also be affected by external factors beyond our control, including demand for our loans, domestic economic conditions, RBI monetary and regulatory policies, inflation, competition and the availability of cost-effective debt capital. We have experienced certain adverse developments, including a reduction in our gross loans and the closure or merger of certain existing branches during the nine months ended December 31, 2025 and the last three Fiscals. If we are unable to expand our operations effectively, or if our existing or new branches perform sub-optimally, our ability to grow our business, support our operations and respond to business challenges may be limited, which could adversely affect our business, results of operations, financial condition and cash flows.

There can be no assurance that our growth strategy will continue to be successful. Our ability to sustain and manage growth depends on, among other factors, the effectiveness of our operating model and risk controls, our ability to respond to market trends, customer needs and competitive pressures, our ability to develop and scale new products and enter appropriate geographies, continued access to funding and capital at competitive rates, and our ability to recruit and retain skilled personnel. Sustained growth may also place significant pressure on our management, systems, controls, technology platforms, customer service standards and operational processes. If we are unable to manage these requirements effectively, our business growth and financial performance may be adversely affected.

We have in the past grown, and may continue to grow, through mergers and acquisitions. The integration of acquired businesses involves various risks, including diversion of management attention, difficulties in assimilating different business practices, systems, controls and personnel, challenges in operating a larger and more complex organisation, and unanticipated costs, expenses, non-compliances or liabilities. If we fail to successfully integrate any businesses that we may acquire, manage growth resulting from such acquisitions, or realise anticipated cost savings, synergies or revenue enhancements, our ability to compete effectively and our business, results of operations, financial condition and cash flows could be materially adversely affected.

38. Our fees and commission income is subject to volatility and depends on cross-sell and insurance-related activities, which may not be sustainable or grow at the same pace as our core lending operations.

A portion of our total revenue from operations is derived from fees and commission income, including income from cross-sell activities and insurance-related commissions and ancillary insurance income. Such income streams are inherently variable and are influenced by factors such as customer uptake of ancillary products, regulatory requirements governing distribution of third-party products, insurer partnerships, changes in commission structures, and operational execution at the field level.

The following table sets forth details of our fees and commission income for the period/years indicated:

Particulars	Nine months ended December 31, 2025	Fiscal		
		2025	2024	2023
	(₹ million, except percentages)			
Income from cross sell business **(A)**	23.89	135.45	1,591.22	1,020.97
Income from insurance commission **(B)**	422.13	457.35	97.37	-
Other insurance related income **(C)**	194.54	372.58	-	-
Total fees and commission	**640.56**	**965.38**	**1,688.59**	**1,020.97**

income (D = A + B + C)				
Total revenue from operations (E)	11,281.34	16,917.48	16,286.93	10,875.34
Total fees and commission income as a percentage of total revenue from operations (F = D/E)	**5.68%**	**5.71%**	**10.37%**	**9.39%**

Our fees and commission income has fluctuated significantly across the period/years presented, and its contribution as a percentage of total revenue from operations has declined in the nine months ended December 31, 2025 and Fiscal 2025. This variability reflects changes in regulatory developments affecting cross-sell and insurance distribution, and evolving customer preferences. Any reduction in cross-sell opportunities, changes in insurance commission arrangements, regulatory restrictions on the sale or distribution of third-party products, or increased scrutiny of ancillary income practices could adversely affect our fees and commission income.

Further, as our fees and commission income constitutes a relatively smaller proportion of our total revenue compared to interest income, adverse movements in such income streams may not be fully offset by growth in core lending revenue. There can be no assurance that we will be able to stabilise or grow our fees and commission income in the future, and any sustained decline or volatility in such income could have an adverse effect on our overall revenue, operating margins and financial performance.

39. ***Although our Statutory Auditors have not included any reservations, qualifications, emphasis of matters or adverse remarks in their reports of our Company in relation to our Restated Financial Information for the nine months ended December 31, 2025, and Fiscals 2025, 2024 and 2023, we cannot assure you that other matters prescribed under the Companies (Auditor's Report) Order, 2020 or any other reservations, qualifications, emphasis of matters or adverse remarks, will not form part of our financial statements for the future fiscal period/years, which could have an adverse effect on our reputation, the trading price of the Equity Shares, results of operations, cash flows and financial condition.***

Except as provided below, our Statutory Auditors have not included any reservations, qualifications, emphasis of matters or adverse remarks in their reports of our Company in relation to our Restated Financial Information for the nine months ended December 31, 2025, and Fiscals 2025, 2024 and 2023. For further information, see "*Restated Financial Information*" on page 435.

"*Restated Financial Information does not contain any qualifications requiring adjustments in the Auditor's Reports on the audited financial statements of the Company for the nine months period ended December 31, 2025 and years ended March 31, 2025, March 31, 2024 and March 31, 2023, except for March 31, 2025 where auditors qualified that the Company has used accounting softwares for maintaining its books of accounts which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares except that the feature of recording of audit trail (edit log) facility was not enabled at the database level for the software used for origination of loans for the period April 01, 2024 to April 08, 2024, to log any direct data changes. Further, where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting softwares, we did not come across any instance of the audit trail feature being tampered with. Additionally, the audit trail (edit log) has been preserved by the Company as per the statutory requirements for record retention except for the database level for software used for origination of loans.*"

For further information, see, *"Restated Financial Information"* on page 435. We cannot assure you that any similar remarks or any reservations, qualifications, emphasis of matters or adverse remarks or other matters prescribed under the Companies (Auditor's Report) Order, 2020, will not form part of our financial statements for the future fiscal periods, which could subject us to additional liabilities due to which our reputation and financial condition may be adversely affected.

40. Our business is subject to various compliance obligations for our digital lending operations, and any failure to comply with the requirements thereunder, or any changes thereto, could adversely affect our business, results of operations, financial condition and cash flows.

Our business relies on digital lending processes and technology-enabled platforms, including our *'ApnaArohan'* application, a customer-facing mobile app facilitating rapid loan application; *'ArohanPrivilege'*; and '*MeraArohan*', an all-in-one mobile application suite for essential business functions. The RBI issued the Digital Lending Directions 2025, now subsumed under the Reserve Bank of India (Non-Banking Financial Companies – Credit Facilities) Directions, 2025 ("**NBFC-CF Directions**"), which further strengthened the regulatory framework for digital lending activities, including enhanced governance requirements, stricter compliance obligations for digital lending platforms, and additional consumer protection measures. The NBFC-CF Directions impose compliance obligations on regulated entities and their lending service providers ("**LSPs**"). The obligations imposed on regulated entities and their LSPs include, among others, enhanced due diligence requirements with respect to the LSPs, disclosure of all digital lending products on our website, restrictions on data collection and storage practices by our digital lending applications.

Our Company utilises various third-party partnerships, including sourcing and collection arrangements with select MFIs acting as business correspondents, direct assignment transactions, and insurance distribution tie-ups with certain companies, which may be subject to the compliance framework prescribed under the NBFC-CF Directions to the extent they involve digital lending functions. Additionally, NBFC-CF Directions impose certain restrictions include imposing restrictions on the collection, usage, and sharing of customer data, requiring that our digital lending applications and those of our LSPs desist from accessing mobile phone resources such as contact lists, call logs, and telephony functions, and that all data be stored only on servers located within India. Any failure to comply with these requirements, including potential changes or amendments to the NBFC-CF Directions, could result in regulatory action, penalties, restrictions on our digital lending operations, increased compliance costs, or reputational harm, any of which could adversely affect our business operations, cash flows and financial condition.

41. The locations in which we operate are prone to natural disasters. The occurrence of natural or man-made disasters may adversely affect our business, results of operations, financial condition and cash flows.

A natural disaster, severe weather conditions or an accident that damages or otherwise adversely affects any of our business operations, or our customers' business operations, could have an adverse effect on our business, financial condition, cash flows and results of operations. Severe flooding, cyclones, lightning strikes, earthquakes, extreme wind conditions, severe storms, wildfires, and other unfavourable weather conditions (including those from climate change) or natural disasters could damage our branches or other assets, or require us to shut down our field operations, impeding our ability to on-board new customers or collect repayments from our existing customers. In turn, this could decrease our revenues from operations. Catastrophic events such as explosions, terrorist acts or other similar occurrences could result in similar consequences or in personal injury, loss of life, environmental danger or severe damage to or destruction of our branches or field activities, or suspension of our business operations or our customers' business operations. Any of these events could have an adverse effect on our business, financial condition, cash flows, results of operations and prospects.

Some of the States which have higher concentration of our customers are prone to natural disasters and have suffered these in recent years including floods in Assam and Bihar and cyclones in Odisha and West Bengal. Consequently, if a flood, cyclone or other natural disaster occurs in these states, or in any other state in which we operate, our business operations could be disrupted (in part or in full) for a period of time. In addition, our customers' businesses could also be disrupted (in part or in full) for a period of time, which could negatively impact our customers' ability to make their repayments on time, or at all. In such instances, our business, financial condition and cash flow could be adversely affected in a manner we cannot predict or control.

42. The microfinance sector has experienced heightened stress since 2024, and adverse industry-wide trends could negatively affect our asset quality, business, and financial performance.

Since 2024, the microfinance sector in India has been impacted by a renewed stress cycle characterised by rising borrower over-indebtedness in certain geographies, moderation in household cash flows, and higher incidence of delinquencies across segments. Increased competition to source customers, coupled with multiple lending relationships at the household level, has contributed to repayment pressures in certain pockets, leading to deterioration

in asset quality indicators for several NBFC-MFIs. As a result, the sector has witnessed elevated Gross NPAs, higher credit costs, and a more cautious lending environment. (*Source: CARE Report*)

In response to these developments, regulatory authorities have intensified supervisory oversight of the microfinance sector, including stricter monitoring of borrower indebtedness, enhanced underwriting expectations, and closer scrutiny of portfolio quality and growth practices across NBFC-MFIs. Such regulatory interventions, while aimed at strengthening the long-term resilience of the sector, have resulted in tighter operating conditions, moderation in disbursement growth, and increased compliance and monitoring requirements for market participants.

These sector-wide conditions may adversely affect our business, including through higher delinquencies, increased impairment provisions, pressure on Net interest margin (%), constrained growth opportunities, and potential volatility in operating performance. While we have undertaken measures to strengthen underwriting discipline, focus on collections, and maintain capital and liquidity buffers, there can be no assurance that these steps will be sufficient to fully mitigate the impact of prolonged sector-wide stress, continued regulatory tightening, or further deterioration in borrower repayment behaviour. Any such adverse developments could have a material effect on our business, financial condition, results of operations, and cash flows.

43. If any new products we launch are unsuccessful, it could harm our reputation and adversely affect our results of operations.

We have developed products such as Saral, MEL Arohan Privilege, which have allowed us access to a wider customer base. However, it is possible, that some of these products while successful and beneficial in the past, may not meet customer requirements in the future because of their embedded cost structure, changing needs of our customers with respect to interest rates and tenure, change in taxation laws in certain states making certain products unattractive for our customers and increased product competition that we may face from our competitors.

As part of our growth strategy, our Company from time to time introduces new product offerings. We may incur costs in the future when expanding our product range and cannot guarantee that any new products will be successful. We cannot guarantee the success of our products, and thus if any new products are unsuccessful, we may lose any or all of the investments that we have made in promoting them, and, consequently, our reputation and results of operations could be adversely affected. While we have not faced any instances of failure of our previously successful products to meet future customer needs that led to any adverse effect on our business and operations in the nine months ended December 31, 2025 and the last three Fiscals, there is no assurance that such instances will not occur in the future.

44. If the third parties with whom we engage do not perform, fail to comply with any obligation under their agreements, or do not adhere to quality and standards requirements, our business may be adversely affected.

We rely on third parties to provide certain non-credit products which we cross-sell to our customers such as solar lamps, agricultural products, home and kitchen appliances and consumer durables, made available in association with various third parties. If any of these third parties do not perform, fail to comply with any obligation under their agreements, or do not adhere to applicable quality and standards requirements, our customers may be dissatisfied, we may be unable to cross-sell products as anticipated, and our business may be adversely affected. In turn, such events may also adversely impact the percentage of our non-interest income as compared to the total income of our business. Further, our personnel may fail to convey the details and intricacies of such products and services to these third parties. Any miscommunication or lack of clarity could result in third parties, and consequently our customers, not fully understanding the product or service, leading to potential disputes or complaints.

In addition, we rely on our inorganic partners, NBFCs, with whom we have entered into partnerships These partnerships include the provision of term loans, and sourcing and collection arrangements to perform and comply with their respective obligations to us under their agreements. For further information on our inorganic partnerships, see "*Our Business - Inorganic Business*" on page 360. Additionally, during customer pitches, our personnel provide explanations of relevant products and services offered by third parties with whom we have entered into non-exclusive agreements. If they are unable to communicate the same properly, it may adversely affect our reputation, financial condition and business.

Further, we engage third party service providers to foster technology assistance for scaling up disbursals, providing effective service and reducing turn-around time of decision-making. We have introduced "*Nirnay*", a credit scoring model, in partnership with CRIF's digital decisioning platform, "*StrategyOne*". "*Nirnay*" is customisable and supports streamlining lending processes and controlling credit risk from time to time for support functions particularly technology services. Our ability to control the manner in which services are provided by third parties is limited. We may be held liable on account of any deficiency of services on the part of such service providers. Any disruption or inefficiency in the services provided by third parties could affect our business and reputation. While we have not experienced any instances where such third party service providers have terminated their contracts/arrangements in the nine months ended December 31, 2025 and the last three Fiscals, we cannot assure you that such instances will not arise in the future. If for any reason these third parties are unable to fulfil their obligations to us our business, financial condition and results of operations may be adversely affected.

45. An inability to develop or implement effective risk management frameworks could expose us to unidentified risks or unanticipated levels of risk.

While we have implemented various risk management frameworks, there can be no assurance that such frameworks will be effective in identifying or addressing all possible risks or levels of risk, including risks associated with liquidity, interest rates, credit, currency and exchange rate fluctuations, operations, and technical and legal matters, that we encounter in our business and operations. In addition, there can be no assurance that our risk management frameworks are as comprehensive as those implemented by other financial institutions, which could expose us to more risks than our competitors.

Our risk management frameworks are based, among other considerations, on historical market behaviour, information regarding borrowers, and market knowledge. The effectiveness of our risk management is therefore limited by the quality and timeliness of available data. Consequently, our frameworks may not predict future risk exposures that could vary from or be greater than that indicated by historical measures. In addition, risk related data and information available to us may not be accurate, complete, up-to-date or properly evaluated. Our risk management frameworks may also not be fully effective in mitigating risks in all market environments or against all types of risk, including risks that are unidentified or unanticipated. Some of our risk management systems are not automated and are subject to human error.

Our risk management frameworks are also influenced by applicable law, regulations and policies of the Government of India. If there is any development by the Government of India in applicable law, regulations or policies, our risk management frameworks may be inadequate or ineffective in addressing risks that arise as a consequence of such changes and in turn this could adversely affect our business and operations. Further, some of our risk management strategies may not be effective in a difficult or less liquid market environment, where other market participants may be attempting to use the same or similar strategies to deal with difficult market conditions. In such circumstances, it may be difficult for us to reduce our risk position due to the activity of other market participants. While we have not faced any instances of failure to implement, develop, monitor or manage risk management frameworks that led to an adverse effect on our business or operations in the nine months ended December 31, 2025 and the Fiscals 2025, 2024 and 2023, there can be no assurance that we will not experience such instances in the future. For further information, see "*Our Business – Risk Management"* on page 368.

46. Our inability to protect or use our intellectual property rights may adversely affect our business.

Our name and trademarks are significant to our business and operations and any use by third parties could adversely affect our reputation, which could in turn adversely affect our financial performance and the market price of the Equity Shares. However, our logo AROHAN AAVISHKAAR GROUP is currently unregistered and we have made application for its registration under class 36 under the Trade Marks Act, 1999. The application is currently pending. For further details, see *"Government and Other Approvals–Intellectual Property"* on page 618. If our trademarks or other intellectual property are improperly used or our applications for registration are not accepted, the value and reputation of our business could be harmed.

There can be no assurance that third parties will not infringe upon our intellectual property, causing damage to our business prospects, reputation, and goodwill. Further, 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. While we have not been involved in any intellectual property disputes in the past, we cannot assure you that we will not be involved in such 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.

It is possible that third parties may copy or otherwise infringe on our rights, which may have an adverse effect on our business, reputation, results of operations, cash flows and financial condition. We may not be able to prevent infringement of such trademarks and a passing-off action may not provide sufficient protection until such time the applicable registrations are granted. We may also be susceptible to claims from third parties asserting infringement and other related claims. As of December 31, 2025, we have not experienced any instances of third-party claims for infringement or other related claims. However, if such claims are raised in the future, these claims could result in costly litigation, divert management's attention and resources, and may subject us to significant liabilities. We may also not achieve a favourable outcome in such litigations. Any of the foregoing lie outside our control and could have an adverse effect on our business, results of operations, financial condition and cash flows.

47. We are vulnerable to errors in loan processing and disbursement, which can lead to financial losses, reputational damage and may adversely affect our business, cash flows, and financial condition.

There are certain inherent risks involved in disbursing loans through various channels, including physical branches and mobile applications. In relation to disbursements, we are vulnerable to operational risks, which encompass errors in loan processing and disbursement. Cybersecurity risks are also significant, particularly with mobile applications, as they are vulnerable to data breaches and cyber-attacks, potentially compromising sensitive customer information. Failure to effectively manage our disbursement channels can lead to financial losses, reputational damage and may adversely affect our business, cash flows, and financial condition.

48. Any failure or material weakness of our internal control systems, policies, or processes could cause significant operational errors, which would adversely affect our business, results of operations, financial condition and cash flows.

Our operations rely heavily on the effectiveness of our internal control systems, policies, and processes to ensure accuracy, compliance, and efficiency. These controls are designed to safeguard our assets, maintain the integrity of our financial reporting, and ensure compliance with applicable laws and regulations. However, there can be no assurance that these controls will always function as intended.

Any failure or material weakness in our internal control systems, policies, or processes could lead to significant operational errors. Such errors may include incorrect financial reporting, failure to detect fraud, non-compliance with regulatory requirements, and operational inefficiencies. These issues could result in financial losses, legal penalties, and increased operational costs. Moreover, significant operational errors could damage our reputation and erode customer and investor confidence. This could lead to a loss of business, difficulties in raising capital, and adverse impacts on our market position. Although we have taken appropriate measures to develop our internal control systems, policies and processes to address such issues, and have not experienced any instances of failure or historical material weaknesses in our Company's internal control systems, policies, or processes in the nine months ended December 31, 2025 and the last three Fiscals, we cannot assure you that our systems, policies and processes will be sufficient, or that similar deficiencies will not arise in the future.

49. *Any negative publicity may adversely affect our reputation and profitability.*

Our business and reputation are highly dependent on the trust and confidence of our customers, investors, and other stakeholders. Negative publicity, whether true or not, can significantly harm our reputation and adversely affect our business. This could arise from various sources, including media reports, social media posts, customer complaints, regulatory actions, or any other public communications. Negative publicity can lead to a loss of customer confidence, resulting in customer attrition. It can also impact our relationships with investors, leading to difficulties in raising capital. In this context, in October 2024, the RBI Order against our Company directing us to suspend sanction and disbursement of loans for a temporary period until certain supervisory concerns were addressed. Although the restrictions were subsequently lifted following remedial actions undertaken by our Company, the issuance of such order resulted in adverse publicity and had an impact on our business operations for the relevant period. Other than the foregoing, there have been no material adverse litigation matters or instances of significant negative publicity involving our Company. Additionally, negative publicity can attract regulatory scrutiny and result in legal actions, further damaging our reputation and financial position.

50. Our Promoters, Directors, Key Management Personnel and Senior Management may have interests other than reimbursement of expenses incurred and normal remuneration or benefits.

Our Promoters, Directors, Key Management Personnel and members of the Senior Management may be interested in our Company to the extent of the Equity Shares and/or employee stock options held by them in our Company, and any dividends, bonuses or other distributions on such Equity Shares. Some of our Directors hold positions as directors on the board of one of our Promoters. Further, Milind Ramchandra Nare, our Deputy Chief Executive Officer and Chief Financial Officer, holds (i) 101 equity shares; and (ii) 746 outstanding options pursuant to an employee stock option scheme in in AVMS, one of our Promoters, which holds 75.86% shareholding, in TribeTech Private Limited, a member of our Promoter Group. In addition, Ranjan Das, one of the member of our Senior Management, is a director on the board of directors of I-Cap, one of our Promoters. For further details on our shareholding, see "*Capital Structure"* on page 101 and for further information on the interest of our Directors, Key Managerial Personnel and members of Senior Management, other than reimbursement of expenses incurred or normal remuneration or benefits, see "*Our Management—Interest of Directors*" "*Our Management—Interest of Key Managerial Personnel and Senior Management"* and *"Summary of Related Party Transactions"* on pages 409, 423 and 85, respectively.

51. 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 and harm our business or reputation.

We are required to comply with applicable anti money laundering 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, procedures and controls in place to prevent and detect any money-laundering activity, to ensure KYC compliance and have not identified any instances of money laundering in the last three Fiscals, there can be no assurance that these will be effective in all instances. We 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.

While we have not faced any such instances in the nine months ended December 31, 2025 and the last three Fiscals, we cannot assure you that such instances will not arise in the future. 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 accordance with applicable law, our reputation could suffer and our business, results of operations, financial condition and cash flows could be adversely affected.

52. ***Misconduct by our employees, or our customers, could adversely affect our reputation and our results of operations, among others.***

In the past, we have been subject to misconduct by our employees. Misconduct by our employees could include binding us to transactions that exceed authorised limits or present unacceptable risks or concealing unauthorised or unlawful activities from us. Employee misconduct could also involve the improper use or disclosure of confidential information, sexual harassment and other offences, which could result in regulatory sanctions and serious reputational or financial harm. For instance, in November 2023, one of our customers lodged a complaint on the Reserve Bank of India's Complaint Management System ("**RBI CMS**") portal against one of our staff members relating to behaviour and home visitation during non-working hours, pursuant to which we provided compensation to the aggrieved customer as directed by the RBI.

In addition, from time to time, we have received complaints through the RBI CMS relating to matters such as loan disbursement and repayment processes, servicing issues, staff conduct, insurance-related matters, third-party or cross-sell products, and credit information reporting, which have been addressed through internal reviews, customer engagement, corrective actions and, where applicable, regulatory guidance. While we endeavour to resolve such complaints promptly and strengthen our internal controls and training programmes, there can be no assurance that similar complaints will not arise in the future, and any adverse findings or regulatory directions in relation thereto could affect our reputation, business and operations. Set forth below are the number of instances of employee misconduct that we have experienced in the preceding three Fiscals and the nine months ended December 31, 2025:

Particulars	**Number of Instances**
Nine months ended December 31, 2025	
Breach of Arohan Code of Conduct ("**ACOC**")	36
Breach of Prevention of Sexual Harassment ("**POSH**") policy	7
Fiscal 2025	
Breach of ACOC	32
Breach of POSH policy	6
Fiscal 2024	
Breach of ACOC	22
Breach of POSH policy	9
Fiscal 2023	
Breach of ACOC	21
Breach of POSH policy	10

We have formed various committees to address and avoid misconduct by our employees, such as the POSH Committee, the Arohan Customer Grievance Committee and the ACOC Committee. However, it is not always possible to deter misconduct by employees and customers and the precautions we take and the systems we have implemented to prevent and deter such activities may not be effective in all cases. Any instances of such misconduct could adversely affect our reputation, business, results of operations, financial condition and cash flows.

53. Our results of operations could be adversely affected by any disputes with our employees or our customers.

As of the date of this Draft Red Herring Prospectus, our Company does not have any labour unions. However, there can be no assurance that our employees will not unionise in the future. If the employees unionise, it may become difficult to maintain flexible labour policies, and could result in high labour costs, which could adversely affect our business and results of operations. While we have not faced any such instances in the nine months ended December 31, 2025 and the last three Fiscals, we cannot assure you that such instances will not arise in the future.

While we believe that we maintain good relationships with our employees, there can be no assurance that we will not experience future disruptions to our operations due to disputes or other problems with our work force, which may adversely affect our business and results of operations. While we also believe that we maintain good relationships with our customers, there can be no assurance that we will not experience future disruptions to our operations and results due to legal disputes or other problems with our customers, which could adversely affect our business and results of operations. Also see, "*Outstanding Litigation and Material Developments*" on page 606.

54. We may not have adequate credit insurance and may be unable to secure additional insurance to cover all losses we may incur in our business operations or otherwise.

We maintain credit insurance coverage in such amounts and against such risks which we believe are in accordance with industry practice. However, such credit insurance may not be adequate to cover all losses or liabilities that may arise from our operations, including when the loss suffered is not easily quantifiable and in the event of severe damage to our reputation. Furthermore, there may be various other risks and losses for which we are not insured because such risks are either uninsurable or we may not be able to secure any additional credit insurance coverage on commercially reasonable terms or at all.

In addition, we may not be able to maintain credit insurance of the nature or at levels which we deem necessary or adequate or at rates which we consider reasonable. The occurrence of an event for which we are not adequately or sufficiently insured or the successful assertion of one or more large claims against us that exceed available credit insurance coverage, or changes in our credit insurance policies (including premium increases or the imposition of large deductible or co-insurance requirements), could have an adverse effect on our reputation, business and results of operations. The table below sets forth our total insurance coverage as of the dates indicated:

Period	Total assets[#] (A) (in ₹ million)	Total tangible assets* (B) (in ₹ million)	Amount of tangible assets insured[**] (in ₹ million)	Insurance coverage as a percentage of (B) (in %)
Nine months period ended December 31, 2025	73,838.08	116.59	116.59	100.00%
Fiscal 2025	68,014.59	88.69	88.69	100.00%
Fiscal 2024	80,548.53	75.85	75.85	100.00%
Fiscal 2023	58,971.09	56.69	56.69	100.00%

[#]Total assets exclude deferred tax assets (net) & intangible assets.

[*] Total tangible assets include cash in hand and fixed assets (excluding motor vehicles and loan portfolio) of the Company.

***** Insured assets exclude the loan portfolio of the Company covered under Credit Guarantee Fund for Micro Units (the "Scheme"). The Company has availed guarantee cover under the Scheme administered by the National Credit Guarantee Trustee Company Limited in respect of certain eligible loan portfolios. As of December 31, 2025, our loan portfolio amounting to ₹ 27,037.96 million is covered under the said Scheme. Our Company did not have coverage under the Scheme prior to April 1, 2025.***

Further to the above, our Company has also availed a credit insurance in the form of guarantee for its incremental loan disbursements under the Credit Guarantee Fund for Micro Units ("**CGFMU**") scheme, which provides government-backed credit guarantees against potential defaults on eligible loan portfolios extended by banks and financial institutions to NBFC-MFIs and other MFIs and is intended to reduce loss-given-default. However, the claim settlement and reimbursement process under the CGFMU scheme is at a relatively early stage and has not yet been tested in practice for our portfolio. We have not made any claims under the CGFMU cover as of December 31, 2025.

As of December 31, 2025, while our Company has maintained credit insurance coverage equivalent to 44.92% of the book value of its total assets, no credit insurance coverage was in place as of March 31, 2025, March 31, 2024 and March 31, 2023. As a result, any loss on account of default by borrower in respect of assets that remain uninsured or underinsured, would require our Company to bear such losses directly, which could adversely affect our financial condition, results of operations and cash flows. We cannot assure you that adequate credit insurance coverage will continue to be available or maintained on commercially reasonable terms.

Any delays, rejections or operational challenges in claim processing, as well as any changes to the CGFMU framework, including reduction in guarantee coverage, withdrawal of the scheme, or changes in eligibility criteria, or our inability to continue availing such coverage for new disbursements, could increase our credit risk exposure and adversely affect our business, results of operations, financial condition and cash flows. We cannot assure you that any claim under the insurance policies maintained by us will be honoured fully or on time. Any payments we make to cover any losses, damages or liabilities or any delays we experience in receiving appropriate payments from our insurers could have an adverse effect on our business, financial condition, cash flows, and results of operations.

55. *Our Directors are or were not directors of listed companies and hence lack of adequate experience to address complexities associated with listed companies, could have an adverse impact on our business and operations.*

Except for Dinesh Kumar Mittal, John Arunkumar Diaz, Jose J Kattoor, Rupa Rajul Vora, Kummamuri Narasimha Murthy, none of our other Directors are currently, or have been in the past directors on the board of any equity listed company. For further details, see "*Our Management – Board of Directors*" on page 401. We cannot assure you if the lack of adequate experience of being on the board of listed companies will affect their ability to effectively address the specific complexities associated with being a listed company, which may not have any adverse impact on our operations as a listed company.

56. Our business is subject to seasonality, which may contribute to fluctuations in our results of operations and financial condition.

Our business is subject to seasonality as we typically see higher borrowings by our customers during the third and fourth quarter of each Fiscal. We also typically have higher drawdowns under our facilities in the third and fourth quarters of each Fiscal as per market trends for NBFCs. Accordingly, our results of operations in one quarter may not accurately reflect the trends for the entire Fiscal and may not be comparable with our results of operations for other quarters. Though some trends have been observed, customer behaviour cannot be predicted with complete accuracy, and thus no assurances can be provided. This may have an adverse effect on our business, results of operations, financial condition and cash flows. Additionally, any significant event such as unforeseen floods, earthquakes, political instabilities, epidemics or economic slowdowns which take place during these peak seasons may adversely affect our business and results of operations. However, there can be no assurance that we will be able to successfully navigate seasonality in our operations or the impact of any national crisis.

57. All our premises are on lease. Non-renewal or dispute with lessor may lead to disruption of business and cost associated with shifting of branch office.

We have entered into lease and leave and license agreements, as applicable, for all our premises including the Registered and Corporate Office of our Company. We have executed lease agreement for our Registered and Corporate Office on January 29, 2024 (with retrospective effect from December 5, 2023) which is valid until three years from December 5, 2023 (renewable for six years, in two terms of three years on fresh terms and conditions). We have also entered into leave and license agreements for all our branch offices which typically have a tenure of 11 months. Some of the lease and license agreements may have expired in the ordinary course of business and we are currently involved in negotiations for the renewal of these lease and license agreements.

The lease agreements can be terminated, and any such termination could result in any of our branches being shifted or shut down. There can be no assurance that we will be able to renew these leasing arrangements at commercially favourable terms, or at all. While we have not faced any such instances in the nine months ended December 31, 2025 and the last three Fiscals, if we are unable to renew all or any of our leasing arrangements, and have not faced any termination of lease except in the ordinary course by our lessors, if these lease and license agreements are not renewed or not renewed on terms favourable to us, it may cause disruptions in our business and we may incur substantial costs associated with shifting of our offices, all of which may adversely affect our operations and financial condition. Further, some of our lease agreements may not be adequately stamped or duly registered. 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 our business, results of operations, financial condition and cash flows.

58. Our Company has issued Equity Shares during the preceding one year at a price that may be below the Offer Price.

In the preceding one year from the date of this Draft Red Herring Prospectus, our Company has issued Equity Shares, at a price that may be lower than the Offer Price. The price at which Equity Shares have been issued by our Company in the preceding one year is not indicative of the price at which they will be issued or traded. Grants of stock options result in a charge to our statement of profit and loss and affect our financial condition. We may, in the future, issue Equity Shares, including through the grant of stock options under the ESOP 2010, ESOP 2018 and ESOP 2021 at prices that may be lower than the Offer Price, subject to compliance with applicable law. Any issuances of Equity Shares by our Company, including through the grant of stock options under ESOP 2010, ESOP 2018 and ESOP 2021, may dilute your shareholding in our Company, thereby affecting the trading price of the Equity Shares and our ability to raise capital through any issuance of new securities. For further information, see "*Capital Structure—Notes to Capital Structure—Issue of Equity Shares at a price lower than the Offer Price in the last one year*" on page 112. For more information, see "*Capital Structure*" on page 101.

59. We have in the past entered into related party transactions and may continue to do so in the future. Such future related party transactions may potentially involve conflicts of interest.

We have entered into transactions with related parties in the past and from, time to time, we may enter into related party transactions in the future. These transactions include, among other things, availing loans from Shivalik Small Finance Bank, CSR contribution towards Aavishkaar Foundation, availing communication services from Bharti Airtel Limited. All such transactions have been conducted on an arm's length basis, in accordance with the Companies Act and other applicable regulations pertaining to the evaluation and approval of such transactions and all related party transactions that we may enter into post-listing, will be subject to Board or Shareholder approval, as necessary under the Companies Act, the SEBI Listing Regulations and other application laws. It is likely that we may enter into additional related party transactions in the future. Such future related party transactions may potentially involve conflicts of interest. The table below sets forth details of absolute sum of all related party transactions and the percentage of such related party transactions to our total revenue from operations in the period/years indicated:

Particulars	Nine months ended December 31, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
	(₹ million, except percentages)			
Absolute sum of all related party transactions	131.66	455.71	3,595.28	1,984.67
Total revenue from operations (₹ million)	11,281.34	16,917.48	16,286.93	10,875.34
Absolute sum of all related party transactions as a percentage of total revenue from operations (%)	1.17%	2.69%	22.07%	18.25%

For further information on our related party transactions, see "*Summary of Related Party Transactions*" on page 85.

60. Certain sections of this Draft Red Herring Prospectus disclose information from the CARE Report which is a paid report and commissioned and paid for by us exclusively in connection with the Offer and any reliance on such information for making an investment decision in the Offer is subject to inherent risks.

We have availed the services of an independent third-party research agency, CARE Analytics and Advisory Private Limited, appointed by us pursuant to an engagement letter dated January 19, 2026, to prepare an industry report titled "*Research Report on Micro Finance Industry*" dated May 15, 2026, for the purposes of inclusion of such information in this Draft Red Herring Prospectus to understand the industry in which we operate. Our Company, our Promoters, our Directors and the BRLMs are not related to CARE. The CARE Report has been commissioned by our Company exclusively in connection with the Offer for a fee. The CARE Report is subject to various limitations and based upon certain assumptions that are subjective in nature. Further the commissioned report is not a recommendation to invest or divest in our Company. Prospective investors are advised not to unduly rely on the commissioned report or extracts thereof as included in this Draft Red Herring Prospectus, when making their investment decisions.

61. Certain non-GAAP financial measures relating to our operations and financial performance have been included in this Draft Red Herring Prospectus. These non-GAAP financial measures are not measures of operating performance or liquidity defined by Ind AS and may not be comparable.

Certain non-GAAP financial measures relating to our operations and financial performance like Return on Average Total Assets (%), Return on Equity Ratio (%), Provision coverage ratio (%), Net Worth, Return on Net Worth (%) or RoNW (%), Average Net Worth, Average Borrowings to Average Net Worth, Net interest margin (%), Adjusted pre-provision operating profit before tax, Net asset value per equity share and earnings before interest, taxes, depreciation and amortisation ("**EBITDA**"), Adjusted expense to total income ratio (%) and Capital to risk weighted assets ratio (CRAR) (%), have been included in this Draft Red Herring Prospectus. For a reconciliation of non-GAAP measures, see "*Management's Discussion and Analysis of our Results of Operations – Non-GAAP Measures*" on page 554. We compute and disclose such non-GAAP financial measures as we consider such information to be useful measures of our business and financial performance.

These Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the periods 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. In addition, these 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 its usefulness as a comparative measure. These non-GAAP financial measures and other 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 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.

62. Our funding requirements and proposed deployment of the Net Proceeds of the Offer have not been appraised by a bank or a financial institution and if there are any delays, our business, results of operations, financial condition and cash flows may be adversely affected.

We intend to use the Net Proceeds of the Fresh Issue for the purposes described in "*Objects of the Offer*" on page 139. The objects of the Fresh Issue and deployment of funds have not been appraised by any external agency or any bank or financial institution or any other independent agency. While a monitoring agency will be appointed for monitoring utilization of the Net Proceeds, the proposed utilization of Net Proceeds is based on our current business plan, management estimates, prevailing market conditions and other commercial considerations, which are subject to change and may not be within the control of our management. Based on the competitive nature of our industry, we may have to revise our business plan and/ or management estimates from time to time and consequently our funding requirements may also change. Our internal management estimates may exceed fair market value or the value that would have been determined by third party appraisals, which may require us to reschedule or reallocate our capital expenditure and may have an adverse impact on our business, results of operations, financial condition and cash flows.

Our Company, in accordance with the policies established by the Board from time to time, will have flexibility to deploy the Net Proceeds. Further, pending utilization of Net Proceeds towards the Objects of the Offer, our Company will have the flexibility to deploy the Net Proceeds and to deposit the Net Proceeds temporarily in deposits with one or more scheduled commercial banks included in Second Schedule of Reserve Bank of India Act, 1934, as may be approved by our Board or IPO Committee. Accordingly, prospective investors in the Offer will need to rely upon our management's judgment with respect to the use of Net Proceeds.

63. Any variation in the utilization of the Net Proceeds as disclosed in this Draft Red Herring Prospectus shall be subject to certain compliance requirements, including prior approval of the shareholders of our Company.

We propose to utilize the Net Proceeds towards (i) augmenting our capital base to meet future business requirements of our Company towards onward lending; and (ii) general corporate purposes. For further details of the proposed objects of the Offer, see "*Objects of the Offer*" on page 139. Further, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of the competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with the Companies Act, 2013 and the SEBI ICDR Regulations, we cannot undertake variation in the utilization of the Net Proceeds as disclosed in this Draft Red Herring Prospectus without obtaining the approval of the Shareholders through a special resolution. In the event of any such circumstances that require us to vary the disclosed utilization of the Net Proceeds, we may not be able to obtain the approval of the Shareholders in a timely manner, or at all. Any delay or inability in obtaining such approval of the Shareholders may adversely affect our business or operations. Further, our Promoters would be required to provide an exit opportunity to the Shareholders of our Company who do not agree with our proposal to modify the objects of the Offer, at a price and manner as prescribed by SEBI.

Additionally, the requirement on Promoters to provide an exit opportunity to such dissenting shareholders of our Company may deter our Promoters or controlling shareholders from agreeing to the variation of the proposed utilization of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that our Promoters will have adequate resources at their disposal at all times to enable them to provide an exit opportunity. In light of these factors, we may not be able to vary the objects of the Offer to use any unutilized proceeds of the Fresh Issue, if any, even if such variation is in the interest of our Company. This may restrict our ability to respond to any change in our business or financial condition by re-deploying the unutilized portion of Net Proceeds, if any, which may adversely affect our business, results of operations, financial condition and cash flows.

64. Our Company may not be able to pay dividends in the future. Our ability to pay dividends in the future will depend upon our future earnings, financial condition, profit after tax for the period/ year available for distribution, cash flows, working capital requirements and capital expenditure and the terms of our financing arrangements.

There is no guarantee that any dividends will be declared or paid in the future on the Equity Shares as any such dividends are required to be recommended by our Company's Board of Directors and approved by its Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. Our Company's ability to pay dividends in the future will depend upon our future results of operations, financial condition, profit after tax for the period/ year available for distribution, cash flows, sufficient profitability, working capital requirements and capital expenditure requirements. The amount of dividend paid in the past is not necessarily indicative of the dividend policy of our Company or dividend amounts, if any, in the future. 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 consistent with our past practices, or at all. For further information, see "*Dividend Policy*" on page 433.

EXTERNAL RISK FACTORS

65. The determination of the Price Band is based on various factors and assumptions and the Offer Price, price to earnings ratio and market capitalization to revenue multiple based on the Offer Price of our Company, may not be indicative of the market price of our Company on listing or thereafter.

Our total revenue from operations for Fiscal 2025 was ₹ 16,917.48 million and profit after tax for the year for Fiscal 2025 was ₹ 1,096.86 million, respectively. Our price to earnings ("**P/E**") ratio multiple is [●] and [●] times at the lower and upper end of the Price Band, respectively. The average P/E of the listed peer group of our Company is [●] while our Company's P/Ewas [●] times at the higher end of the Price Band for Fiscal 2025.

The table below provides details of our enterprise value to EBITDA ratio, price to earnings ratio and market capitalization to total revenue from operations for Fiscal 2025:

Particulars	Ratio vis-à-vis Floor Price	Ratio vis-à-vis Cap Price
	(In multiples, unless otherwise specified)	
Enterprise value to EBITDA	[●]	[●]
Market capitalization to total revenue from operations	[●]	[●]
Price-to-earnings ratio	[●]	[●]

[*]*To be populated at Prospectus stage.*

The determination of the Price Band is based on various factors and assumptions and will be determined by our Company in consultation with the BRLMs. The relevant financial parameters based on which the Price Band will be determined shall be disclosed in the advertisement that will be issued for the publication of the Price Band. Further, the Offer Price of the Equity Shares is proposed to be determined on the basis of assessment of market demand for the Equity Shares offered through the book-building process prescribed under the SEBI ICDR Regulations, and certain quantitative and qualitative factors as set out in the section "*Basis for the Offer Price*" on page 146 and the Offer Price, multiples and ratios may not be indicative of the market price of our Company on listing or thereafter.

Prior to the Offer, there has been no public market for our Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Offer. Listing does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. Further, there can be no assurance that our KPIs will improve or become higher than our listed comparable industry peers in the future or whether we will be able to successfully compete against the listed comparable industry peers in these KPIs in the future. An inability to improve, maintain or compete, or any reduction in such KPIs in comparison with the listed comparable industry peers may adversely affect the market price of our Equity Shares.

The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results, market conditions specific to the microfinance industry we operate in, developments relating to India, announcements by third parties or governmental entities of significant claims or proceedings against us, volatility in the securities markets in India and other jurisdictions, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors. As a result, we cannot assure you that an active market will develop, or sustained trading will take place in the Equity Shares or provide any assurance regarding the price at which the Equity Shares will be traded after listing. Further, the market price of the Equity Shares may decline below the Offer Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Offer Price.

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, financial condition, 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 introduced the Code on Social Security, 2020 ("**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)** which have come into force pursuant to notification by Ministry of Labour and Employment dated November 21, 2025. While the draft rules for implementation under these codes have been recently 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. Additionally, the Wages Code restricts the portion of wages that can be excluded from calculations for employment benefits (such as gratuity and maternity benefits) to a maximum of 50% of the total wages paid to employees. The enforcement of these laws could lead to higher employee and labour costs, which in turn could have a detrimental effect on our operational results, cash flow, business, and overall financial health. 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. Further, the DPDP Act to replace the existing data protection provision, as contained in Section 43A of the IT Act), which provides for imposition of penalties for non- compliance, which can go up to ₹ 2,500.00 million. The provisions of the DPDP Act and the rules therein will come into force in three phases. For further details, see "*Key Regulations and Policies*" on page 379. There is no certainty on the impact of the full Union Budget on tax laws or other regulations, which may adversely affect our business, results of operations, financial condition and cash flows or on the industry in which we operate.

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

Natural disasters (such as typhoons, flooding and earthquakes), epidemics, pandemics and man-made disasters, including acts of war, terrorist attacks and other events such as political instability, including strikes, demonstrations, protests, marches or other types of civil disorder, many of which are beyond our control, may lead to economic instability, including in India or globally, which may in turn adversely affect our business, results of operations, financial condition and cash flows. 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.

A number of countries in Asia, including India, as well as countries in other parts of the world, are susceptible to contagious diseases and, for example, have had confirmed cases of diseases such as the highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine and more recently, the COVID-19 and the MPox. As a result, any future outbreak of a contagious disease could have an adverse effect on our business and the trading price of the Equity Shares.

Any terrorist attacks or civil unrest as well as other adverse social, economic and political events in India,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 the price of the Equity Shares.

68. If inflation were to rise in India, we might not be able to increase the prices of our products at a proportional rate in order to pass costs on to our customers thereby reducing our margins.

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of wages and other expenses. Rising inflation may also impact our lending operations. Higher inflation can lead to increased interest rates, which may reduce demand for loans, affect borrowers' repayment capacity, and result in higher delinquencies or non-performing assets.

High fluctuations in inflation rates may also make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to adequately pass on to our customers, whether entirely or in part, and may adversely affect our business, results of operations, financial condition and cash flows. In particular, we might not be able to reduce our costs or increase the price of our products to pass the increase in costs on to our customers. In such case, our business, results of operations, financial condition and cash flows may be adversely affected.

Further, the Government of India has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

69. Our business may be adversely affected by increases in crude oil prices and geopolitical or war-like conditions.

Our business is exposed to macroeconomic conditions that directly affect the income and cash-flow stability of our borrower base, a significant portion of which comprises low- and middle-income households engaged in informal and self-employed activities. Increases in global crude oil prices can contribute to higher inflation, elevated food, fuel and transportation costs, and reduced disposable income, which may adversely impact the repayment capacity of microfinance borrowers. Crude oil prices are influenced by global economic and political developments, including acts of war or terrorism, sanctions, supply disruptions and instability in oil-producing regions, particularly in the Middle East.

Recent geopolitical tensions and conflicts, including developments involving Israel and Iran and concerns relating to the security of key maritime transport routes such as the Strait of Hormuz, have heightened uncertainty in global energy markets. Any sustained increase in crude oil prices or inflationary pressures arising from such events could adversely affect household consumption patterns, borrower cash flows and collection efficiencies, potentially leading to higher delinquencies and credit losses in our loan portfolio.

Broader geopolitical conflicts, war-like conditions or regional instability may also result in economic slowdowns, heightened volatility in financial markets and tighter liquidity conditions, which could increase our operating costs, funding costs or restrict access to capital. Additionally, such conditions may lead to heightened risk aversion among lenders and investors, affecting the availability and pricing of borrowings for NBFC-MFIs. Any of the foregoing developments could have an adverse effect on our business, asset quality, results of operations, financial condition and cash flows.

70. Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may have an adverse effect on the value of our Equity Shares, independent of our operating results.

On listing, our Equity Shares will be quoted in Indian Rupees on the Stock Exchanges. Any dividends in respect of our Equity Shares will also be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating outside India the proceeds from a sale of Equity Shares, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the proceeds received by Equity Shareholders. For example, the exchange rate between the Indian Rupee and the U.S. dollar has fluctuated substantially in recent years and may continue to fluctuate substantially in the future, which may have an adverse effect on the trading price of our Equity Shares and returns on our Equity Shares, independent of our operating results.

71. A downgrade in credit ratings of India and other jurisdictions we may operate in may affect the trading price of the Equity Shares.

India’s sovereign rating is Baa3 with a “stable” outlook by Moody’s in September 2025, BBB with a “stable” outlook by S&P in August 2025 and BBB- with a stable outlook by Fitch in August 2025. Our borrowing costs and our access to the debt capital markets depend significantly on the credit ratings of India. India's sovereign rating could be downgraded due to several 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 credit ratings for India by international rating agencies may adversely impact our ability to raise additional financing. Any adverse change in India’s credit ratings by international rating agencies may adversely impact the Indian economy and consequently our ability to raise additional financing in a timely manner or at all, as well as the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our ability to fund our growth on favourable terms and consequently adversely affect our business and financial performance and the price of the Equity Shares.

72. A third-party could be prevented from acquiring control of us post this Offer, because of anti-takeover provisions under Indian law.

As a listed Indian entity, there are provisions in Indian law, including the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("**SEBI Takeover Regulations**") that may delay, deter or prevent a future takeover or change in control of our Company. Under the SEBI Takeover Regulations, any person together with persons acting in concert, who acquire 25.00% or more of the voting rights in a listed company, or otherwise obtains control, is required to make an open offer to acquire a minimum of 26.00% of the voting share capital from public shareholders. Although these provisions have been formulated to ensure that interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company subsequent to completion of the Offer. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to our shareholders, such a takeover may not be attempted or consummated because of requirements prescribed under the SEBI Takeover Regulations.

73. 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**"), regulates and prevents practices that have or are likely to have an appreciable adverse effect on competition in the relevant market in India ("**AAEC**") and has mandated the Competition Commission of India ("**CCI**") to separate such practices. Under the Competition Act, any formal or informal arrangement, understanding or action in concert, which causes or is likely to cause an 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, financial condition and cash flows. The manner in which the Competition Act and the CCI affect the business environment in India may also adversely affect our business, results of operations, financial condition and cash flows.

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. We have not experienced any instances wherein we were subject to any penalty or received any notice from the CCI in the nine months ended December 31, 2025 and the last three Fiscals, we cannot assure you such instances will not arise in the future.

74. Financial and political instability in other countries may cause increased volatility in Indian financial markets.

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, including conditions in the United States of America, Europe and certain emerging economies in Asia. In particular, the recent military conflicts between India and Pakistan, Russia and Ukraine and, Iran, Israel and United States could result in increased volatility in, or damage to, the worldwide financial markets and economy. Increased economic volatility and trade restrictions could result in increased volatility in the markets for certain securities and commodities and may cause inflation. Any other global economic developments or the perception that any of them could occur may

continue to have an adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity and restrict the ability of key market participants to operate in certain financial markets. Further, any worldwide financial instability including possibility of default in the US debt market may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and us. 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. 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.

In early 2025, the United States imposed tariffs across a range of countries and products. In addition, President of the United States has directed various federal agencies to further evaluate key aspects of U.S. trade policy, and there has been ongoing discussion and commentary regarding potential significant changes to U.S. trade policies and treaties. The timing, amount and impact of such measures (including any retaliatory measures) cannot be predicted but could result in lower economic growth. Market reactions to the uncertainty of such measures could further depress economic activity until more clarity about trade conditions and tariffs is achieved. Such adverse economic or financial conditions could have a material adverse effect on our business, results of operations, financial condition and cash flows.

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. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, implemented a number of policy measures designed to add stability to the financial markets. Further, the imposition of tariffs by the US government under its "*Fair and Reciprocal Plan*" may impact Indian businesses, especially those with a substantial export presence in the US market. This policy has resulted in the imposition of tariffs across a diverse range of sectors, including steel, aluminum, pharmaceuticals, textiles, and electronics. As a result, Indian exporters may encounter heightened costs and uncertainties, potentially constraining their market competitiveness and profitability. These developments, or the perception that any of them could occur, have had and may continue to have an adverse effect on global economic conditions and the stability of global 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. However, the overall long-term effect of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilising effects.

75. The Indian tax regime has undergone substantial changes which could adversely affect our business and the trading price of the Equity Shares.

Any change in Indian tax laws could have an effect on our operations. The Government of India has implemented two major reforms in Indian tax laws, namely the Goods and Services Tax ("**GST**"), and provisions relating to general anti-avoidance rules ("**GAAR**"). The indirect tax regime in India has undergone a complete overhaul. The indirect taxes on goods and services, such as central excise duty, service tax, central sales tax, state value added tax, surcharge and excise have been replaced by GST with effect from July 1, 2017. The GST regime continues to be subject to amendments and its interpretation by the relevant regulatory authorities is constantly evolving. GAAR became effective from April 1, 2017. The tax consequences of the GAAR provisions being applied to an arrangement may result in, among others, a denial of tax benefit to us and our business. In the absence of any substantial precedents on the subject, the application of these provisions is subjective. If the GAAR provisions are made applicable to us, it may have an adverse tax impact on us. Further, if the tax costs associated with certain of our transactions are greater than anticipated because of a particular tax risk materializing on account of new tax regulations and policies, it could affect our profitability from such transactions.

For instance, the Income Tax Act, 2025 which received the assent from the President of India on August 21, 2025 has come into force on April 1, 2026, repealing the Income Tax Act, 1961. It has been enacted to provide a streamlined, simplified and modern tax code with reduced compliance burden, consolidated provisions and clear definitions. We are currently unable to predict the ultimate impact of the new legislation on our business. Any difference in our interpretations of the tax laws applicable to us, from those of the relevant regulatory authorities, may have an adverse impact on our business and results of operations.

Any dividend distribution by a domestic company is subject to tax in the hands of the investor at the applicable rate. Additionally, our Company is required to withhold tax on such dividends distributed at the applicable rate.

Further, the Government of India announced the union budget for Fiscal 2027, following which the Finance Bill, 2026 ("**Finance Bill**") was introduced in the Lok Sabha on February 1, 2026. Investors are advised to consult their own tax advisors and to carefully consider the potential tax consequences of owning, investing or trading in the Equity Shares. There is no certainty on the impact that the Finance Bill may have on our business and operations or on the industry in which we operate. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, 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 affect the viability of our current business or restrict our ability to grow our business in the future.

We cannot predict whether any new tax laws or regulations impacting our services will be enacted, what the nature and impact of the specific terms of any such laws or regulations will be or whether if at all, any laws or regulations would have an adverse effect on our business. Further, any adverse order passed by the appellate authorities/ tribunals/ courts would have an effect on our profitability. In addition, we are subject to tax related inquiries and claims.

76. Significant differences exist between Ind AS 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.

Our Restated Financial Information is derived from the audited financial statements as at and for the nine months ended December 31, 2025 and the years ended March 31, 2025, March 31, 2024 and March 31, 2023, and restated in accordance with requirements of Section 26 of Part I of Chapter III of the Companies Act, SEBI ICDR Regulations and the Guidance Note on "Reports in Company Prospectuses (Revised 2019)" issued by ICAI. Ind AS differs in certain significant respects from IFRS, U.S. GAAP and other accounting principles with which prospective investors may be familiar in other countries. 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 Red Herring Prospectus should be limited accordingly.

77. Pursuant to listing of the Equity Shares, we may be subject to pre-emptive surveillance measures like Additional Surveillance Measure (ASM) and Graded Surveillance Measures (GSM) by the Stock Exchanges in order to enhance market integrity and safeguard the interest of investors.

SEBI and the Stock Exchanges, in the past, have introduced various pre-emptive surveillance measures with respect to the shares of listed companies in India (the "**Listed Securities**") in order to enhance market integrity, safeguard the interests of investors and potential market abuses. In addition to various surveillance measures already implemented, and in order to further safeguard the interest of investors, the SEBI and the Stock Exchanges have introduced additional surveillance measures ("**ASM**") and graded surveillance measures ("**GSM**"). ASM is conducted by the Stock Exchanges on Listed Securities with surveillance concerns based on certain objective parameters such as price-to-earnings ratio, percentage of delivery, customer concentration, variation in volume of shares and volatility of shares, among other things. GSM is conducted by the Stock Exchanges on Listed Securities where their price quoted on the Stock Exchanges is not commensurate with, among other things, the financial performance and financial condition measures such as earnings, book value, fixed assets, Net Worth, other measures such as price-to-earnings multiple and market capitalization.

Upon listing, the trading of our Equity Shares would be subject to differing market conditions as well as other factors which may result in high volatility in price, and low trading volumes as a percentage of combined trading volume of our Equity Shares. The occurrence of any of the abovementioned factors or other circumstances may trigger any of the parameters prescribed by SEBI and the Stock Exchanges for placing our securities under the GSM and/or ASM framework or any other surveillance measures, which could result in significant restrictions on trading of our Equity Shares being imposed by SEBI and the Stock Exchanges. These restrictions may include requiring higher margin

requirements, limiting trading frequency or freezing of price on the upper side of trading, as well as mentioning of our Equity Shares on the surveillance dashboards of the Stock Exchanges. The imposition of these restrictions and curbs on trading may have an adverse effect on the market price, trading and liquidity of our Equity Shares and on the reputation and conditions of our Company. Any such instance may result in a loss of our reputation and diversion of our management's attention and may also decrease the market price of our Equity Shares which could cause you to lose some or all of your investment.

78. The Equity Shares have never been publicly traded and the Offer may not result in an active or liquid market for the Equity Shares. Further, the price of the Equity Shares may be volatile, and the investors may be unable to resell the Equity Shares at or above the Offer Price, or at all.

Prior to the Offer, there has been no public market for the Equity Shares, and an active trading market on the stock exchanges may not develop or be sustained after the Offer. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The Offer Price of the Equity Shares is proposed to be determined through a book building process and may not be indicative of the market price of our Equity Shares at the time of commencement of trading of our Equity Shares or at any time thereafter. Furthermore, the price of the Equity Shares may be volatile, and the investors may be unable to resell the Equity Shares at or above the Offer Price, or at all. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results, market conditions specific to the industry we operate in, developments relating to India and volatility in the Stock Exchanges and securities markets elsewhere in the world. Our Equity Shares are expected to trade on NSE and BSE after the Offer, but there can be no assurance that active trading in our Equity Shares will develop after the Offer, or if such trading develops that it will continue. Investors may not be able to sell our Equity Shares at the quoted price if there is no active trading in our Equity Shares. There has been significant volatility in the Indian stock markets in the recent past, and the trading price of our Equity Shares after the Offer could fluctuate significantly as a result of market volatility or due to various internal or external risks, including but not limited to those described in this Draft Red Herring Prospectus. The market price of our Equity Shares may be influenced by many factors, some of which are beyond our control, including, among others:

- the failure of security analysts to cover the Equity Shares after the Offer, or changes in the estimates of our performance by analysts;
- the activities of competitors and suppliers;
- future sales of the Equity Shares by us or our Shareholders;
- investor perception of us and the industry in which we operate;
- changes in accounting standards, policies, guidance, interpretations of principles;
- our quarterly or annual earnings or those of our competitors;
- market sentiments and trends;
- general economic conditions;
- developments affecting fiscal, industrial or environmental regulations; and
- the public's reaction to our press releases and adverse media reports.

A decrease in the market price of our Equity Shares could cause you to lose some or all of your investment.

79. *Investors may be subject to Indian taxes arising out of income arising on the sale of the Equity Shares.*

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company is generally taxable in India. Any capital gain exceeding ₹ 0.125 million, realized on the sale of listed equity shares on a recognized stock exchange, held for more than 12 months immediately preceding the date of transfer, will be subject to long term capital gains in India, at the rate of 12.5% (plus applicable surcharge and cess). This beneficial rate is, among others, subject to payment of Securities Transaction Tax ("**STT**"). STT is levied both at the time of transfer and acquisition of the equity shares (unless exempted under a prescribed notification), and the STT is levied on and collected by an Indian stock exchange on which the equity shares are sold. Further, any gain realized on the sale of equity shares in an Indian company held for more than 24 months, which are sold using any platform other than a recognized stock exchange and on which no STT has been paid, will be subject to long-term capital gains tax in India, at the rate of 12.5% (plus applicable surcharge and cess).

Further, any capital gains realized on the sale of listed equity shares held for a period of 12 months or less immediately preceding the date of transfer will be subject to short-term capital gains tax in India. Such gains will be subject to tax at the rate of 20% (plus applicable surcharge and cess), subject to STT being paid at the time of sale of such shares. Otherwise, such gains will be taxed at the applicable rates. Similarly, any business income realized from the transfer of Equity Shares held as business or trading assets is taxable at the applicable tax rates. In the case of a non-resident seller, the applicable tax rates may be subject to any treaty relief, if applicable.

The Government of India announced the union budget for Fiscal 2027, following which the Finance Bill, 2026 ("Finance Bill") was introduced in the Lok Sabha on February 1, 2026. The Finance Bill will be enacted once it is passed by the Indian Parliament and receives the President's assent. Investors are advised to consult their own tax advisors and to carefully consider the potential tax consequences of owning, investing or trading in the Equity Shares. There is no certainty on the impact of the full union budget on tax laws or other regulations, which may adversely affect our business, results of operations, financial condition and cash flows or on the industry in which we operate. Further, Income-tax Act, 2025 ("**ITA 2025**"), repealing and replacing the existing IT Act has come into force with effect from April 1, 2026. While the Government has stated that ITA 2025 does not introduce any policy changes and has primarily been enacted as a simplified, concise, and reader-friendly legislation, we cannot predict whether such simplification or changes in legislative language may give rise to interpretational issues. We cannot predict if the enactment of the ITA 2025 or any interpretational issue arising therefrom will have a bearing on our business, financial condition, results of operations or on the industry in which we operate.

Any dividends paid by an Indian company will be subject to tax in the hands of the shareholders at applicable rates. Such taxes will be withheld by the Indian company paying dividends. Non-resident shareholders may claim benefit of the applicable tax treaty, subject to satisfaction of certain conditions. Our Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident Shareholder for the purposes of deducting tax at source pursuant to any corporate action, including dividends. Any business income realized from the transfer of Equity Shares held as trading assets is taxable at the applicable tax rates subject to any treaty relief, if applicable, to a non-resident seller.

We cannot predict whether any amendments made pursuant to the Finance Bill would have an adverse effect on our business, results of operations, financial condition and cash flows. Unfavorable changes in or interpretations of existing laws, rules and regulations, or the promulgation of new laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. Investors are advised to consult their own tax advisors and to carefully consider the potential tax consequences of owning, investing or trading in our Equity Shares. Unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals.

80. Investors will not be able to sell immediately on an Indian stock exchange any of the Equity Shares they purchase in the Offer.

The Equity Shares will be listed on the Stock Exchanges. Pursuant to applicable Indian laws, certain actions must be completed before the Equity Shares can be listed and trading in the Equity Shares may commence. Investors' book entry, or 'demat' accounts with depository participants in India, are expected to be credited with the Equity Shares within one working day of the date on which the Basis of Allotment is approved by the Stock Exchanges. The Allotment and transfer of Equity Shares in this Offer and the credit of such Equity Shares to the applicant's demat account with depository participant could take approximately two Working Days from the Bid Closing Date and trading in the Equity Shares upon receipt of final listing and trading approvals from the Stock Exchanges is expected to commence within three Working Days of the Bid Closing Date. There could be a failure or delay in the listing of the Equity Shares on the Stock Exchanges. Any failure or delay in obtaining the approval or otherwise any delay in commencing trading in the Equity Shares would restrict investors' ability to dispose of their Equity Shares. There can be no assurance that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in this risk factor. We could also be required to pay interest at the applicable rates if allotment is not made, refund orders are not dispatched or demat credits are not made to investors within the prescribed time periods.

81. Any future issuance of Equity Shares, or convertible securities or other equity linked instruments by us may dilute your shareholding and sale of Equity Shares by shareholders with significant shareholding may adversely affect the trading price of the Equity Shares.

We may be required to finance our growth through future equity offerings. Any future equity issuances by us, including a primary offering of Equity Shares, convertible securities or securities linked to Equity Shares including through exercise of employee stock options, may lead to the dilution of investors' shareholdings in our Company. Any future equity issuances by us or sales of our Equity Shares by our shareholders may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of our Equity Shares or incurring additional debt. Any disposal of Equity Shares by our major shareholders or the perception that such issuance or sales may occur, including to comply with the minimum public shareholding norms applicable to listed companies in India may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of the Equity Shares or incurring additional debt. There can be no assurance that we will not issue Equity Shares, convertible securities or securities linked to Equity Shares or that our Shareholders will not dispose of, pledge or encumber their Equity Shares in the future. Any future issuances could also dilute the value of your investment in the Equity Shares. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares.

82. Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares.

Currently, Indian foreign exchange regulations allow for the transfer of shares between non-residents and residents, provided they adhere to sector-specific norms, certain restrictions and meet the Reserve Bank of India's ("**RBI**") pricing guidelines and reporting requirements. Should a share transfer not align with these guidelines, requirements, or fall under specific exceptions, prior regulatory approval is necessary. Moreover, foreign investments are generally permitted across various sectors of the Indian economy without caps or the need for prior approvals, except where specifically restricted. However, foreign investors must comply with certain procedures prescribed for such investments. The RBI, along with relevant ministries and departments, are responsible for such approvals.

Shareholders intending to convert the Rupee proceeds from the sale of shares into foreign currency and repatriate it out of India must obtain either a no-objection certificate or a tax clearance certificate from the Indian income tax authorities. This conversion is contingent upon the shares being held on a repatriable basis and the sale being conducted in accordance with the pricing guidelines or with the necessary regulatory approval for both the sale and the remittance of sale proceeds.

Additionally, as per the Press Note No. 3 (2020 Series) issued by the Department for Promotion of Industry and Internal Trade (DPIIT) on April 17, 2020, investments from beneficial owners in countries that share a land border

with India are subject to government approval. This also applies to any change in beneficial ownership of existing or future foreign direct investments in an Indian entity, which results in the ownership falling under the aforementioned restrictions, necessitating the Government of India's approval. The Ministry of Finance further amended the FEMA Non-debt Instruments Rules on April 22, 2020, to reflect this change. Subsequently, in accordance with Press Note No. 2 (2026 Series), dated March 15, 2026 issued by the DPIIT, the FDI Policy has been further amended to, *inter alia,* define the expression "beneficial owner" and to provide that prior approval of the Government of India shall be required only where citizen(s) and/or entity(ies) of a country sharing a land border with India hold, directly or indirectly, individually or cumulatively, more than 10% of the shares, capital or profits of the investor entity, or exercise control over such investor entity, or exercise ultimate effective control over the investee entity. The amendments under Press Note. 2 (2026 Series) came into effect from May 2, 2026, *i.e.*, the date of notification of the corresponding amendments to the FEMA Non-debt Instruments Rules. We cannot guarantee that the necessary approvals from the RBI or other government agencies will be granted under specific terms, conditions, or at all. For further information, see "*Restrictions on Foreign Ownership of Indian Securities"* on page 672.

83. QIBs and Non-Institutional Bidders are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after the submission of their Bid, and Retail Individual Bidders are not permitted to withdraw their Bids after closure of the Bid/ Offer Closing Date.

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are required to block the Bid Amount on submission of the Bid and are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Bidders can revise their Bids during the Bid/ Offer Period and withdraw their Bids until the Bid/ Offer Closing Date, but not thereafter. While we are required to complete all necessary formalities for listing and commencement of trading of the Equity Shares on all Stock Exchanges where such Equity Shares are proposed to be listed, including Allotment, within three Working Days from the Bid/ Offer Closing Date or such other period as may be prescribed by the SEBI, events affecting the investors' decision to invest in the Equity Shares, including adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations, financial condition and cash flows may arise between the date of submission of the Bid and Allotment. We may complete the Allotment of the Equity Shares even if such events occur, and such events may limit the Investors' ability to sell the Equity Shares Allotted pursuant to the Offer or cause the trading price of the Equity Shares to decline on listing. Therefore, QIBs and Non-Institutional Investors will not be able to withdraw or lower their bids following adverse developments in international or national monetary policy, financial, political or economic conditions, our business, results of operations, financial condition and cash flows or otherwise between the dates of submission of their Bids and Allotment.

84. Holders of Equity Shares may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby may suffer future dilution of their ownership position.

Under the Companies Act, a company having share capital and incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages before the issuance of any new equity shares, unless the pre-emptive rights have been waived by adoption of a special resolution by holders of three-fourths of the equity shares voting on such resolution.

However, if the law of the jurisdiction the investors are in, does not permit them to exercise their pre-emptive rights without our Company filing an offering document or registration statement with the applicable authority in such jurisdiction, the investors will be unable to exercise their pre-emptive rights unless our Company makes such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for the investor's benefit. The value such custodian receives on the sale of such securities and the related transaction costs cannot be predicted. In addition, to the extent that the investors are unable to exercise pre-emptive rights granted in respect of the Equity Shares held by them, their proportional interest in our Company would be reduced.

85. There is no assurance that even after capital infusion in our Company through the Net Proceeds, our Company will achieve the expected growth in our revenue, profitability or business operations.

While the Net Proceeds from the Offer are intended to strengthen our capital base, support future growth, and enable us to pursue our business strategies, there can be no assurance that such capital infusion will result in increased

revenue, profitability, or business expansion as anticipated. Our ability to grow and improve our financial performance depends on a variety of factors, including but not limited to, prevailing macroeconomic conditions, competitive dynamics, regulatory changes, customer demand, and effective deployment of capital. There is a risk that, despite the capital infusion, our Company may not be able to scale its operations, expand its loan book, or achieve the targeted returns on equity and assets. Investors should not assume that the capital infusion will necessarily translate into higher revenue, growth or profitability for our Company.

86. Rights of shareholders of companies under Indian law may be more limited than under the laws of other jurisdictions.

Our Articles of Association, composition of our Board, Indian laws governing our corporate affairs, including the Companies Act, 2013 and the SEBI Listing Regulations, the validity of corporate procedures, directors' fiduciary duties, responsibilities and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights under Indian law, including in relation to class actions, may not be as extensive and widespread as shareholders' rights under the laws of other countries or jurisdictions. Further, enforcement of rights under Indian law may be subject to procedural delays and limitations. Investors may face challenges in asserting their rights as shareholder of our Company than as a shareholder of an entity in another jurisdiction.

87. Investors may have difficulty enforcing foreign judgments against our Company or our management.

Our Company is incorporated under the laws of India as a public company limited by shares and most of our Company's Directors, Key Managerial Personnel and Senior Management Personnel are residents of India. As a result, it may not be possible for investors to effect service of process upon our Company or such persons in jurisdictions outside India, or to enforce judgments obtained against such parties outside India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if that court was of the view that the amount of damages awarded was excessive or inconsistent with public policy, or if judgments are in breach or contrary to Indian law. In addition, a party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to execute such a judgment or to repatriate outside India any amounts recovered.

Recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the Code of Civil Procedure, 1908 ("**CPC**"). India has reciprocal recognition and enforcement of judgments in civil and commercial matters with certain countries including the United Kingdom, the United Arab Emirates, Singapore and Hong Kong. In order to be enforceable, a judgment from a jurisdiction with reciprocity must meet certain requirements established in the CPC. The CPC only permits the enforcement and execution of monetary decrees in the reciprocating jurisdiction, not being in the nature of any amounts payable in respect of taxes, other charges, fines or penalties. Judgments or decrees from jurisdictions which do not have reciprocal recognition with India, cannot be enforced by proceedings in execution in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be directly enforceable in India. The party in whose favour a final foreign judgment in a non-reciprocating territory is rendered may bring a fresh suit in a competent court in India based on the final judgment within three years of obtaining such final judgment. However, it is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India or that an Indian court would enforce foreign judgments if it viewed the amount of damages as excessive or inconsistent with the public policy in India.

SECTION III: INTRODUCTION

THE OFFER

The details of the Offer are disclosed below.

Offer of Equity Shares[(1)(2)(7)]	Up to [●] Equity Shares of face value of 10 each, aggregating up to ₹[●] million
Comprising:	
Fresh Issue[(1)(6)(7)]	Up to [●] Equity Shares of face value of ₹10 each aggregating up to ₹6,000.00 million
Offer for Sale[(2)]	Up to 40,437,529 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million
Of which:	
Employee Reservation Portion[(8)]	Up to [●] Equity Shares of face value of ₹10 each aggregating up to ₹[●] million
Net Offer	Up to [●] Equity Shares of face value of ₹10 each aggregating up to ₹[●] million
The Net Offer consists of:	
A) QIB Portion [(3)(5)(6)]	Not more than [●] Equity Shares of face value of ₹10 each aggregating up to ₹[●] million
of which:	
(i) Anchor Investor Portion	Up to [●] Equity Shares of face value of ₹10 each
(ii) Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	[●] Equity Shares of face value of ₹10 each
of which:	
(a) Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	[●] Equity Shares of face value of ₹10 each
(b) Balance of QIB Portion for all QIBs including Mutual Funds	[●] Equity Shares of face value of ₹10 each
B) Non-Institutional Portion[(4)(5)(6)]	Not less than [●] Equity Shares of face value of ₹10 each
of which:	
One-third of the Non-Institutional Portion shall be available for allocation to Bidders with an application size more than ₹200,000 and up to ₹1,000,000	[●] Equity Shares of face value of ₹10 each
Two-third of the Non-Institutional Portion shall be available for allocation to Bidders with an application size of more than ₹1,000,000	[●] Equity Shares of face value of ₹10 each
C) Retail Portion[(5)(6)]	Not less than [●] Equity Shares of face value of ₹10 each
Pre and post-Offer Equity Shares	
Equity Shares outstanding prior to the Offer (as on the date of this Draft Red Herring Prospectus)	159,412,320 Equity Shares of face value of ₹10 each
Equity Shares outstanding after the Offer	[●] Equity Shares of face value of ₹10 each
Use of Net Proceeds	See "*Objects of the Offer*" on page 139 for details regarding the use of Net Proceeds. Our Company will not receive any proceeds from the Offer for Sale.

(1) Our Board has approved the Offer pursuant to resolutions dated March 2, 2026 and our Shareholders have approved the Fresh Issue pursuant to a special resolution dated March 25, 2026, in accordance with Section 62(1)(c) of the Companies Act, 2013.

(2) Our Board has taken on record the consent of each of the Selling Shareholders to severally and not jointly participate in the Offer for Sale pursuant to its resolution dated May 15, 2026. Each of the Selling Shareholders have, severally and not jointly, specifically authorized their respective participation in the Offer for Sale to the extent of their respective portion of the Offered Shares pursuant to their respective consent letters and board resolution/corporate authorisation, as applicable. The details of such authorizations of each of the Selling Shareholders in relation to its respective portion of the Offered Shares are provided in "Annexure A" on page 722. The Offered Shares are eligible to be offered for sale in the Offer in accordance with Regulation 8 of the SEBI ICDR Regulations, as on the date of this Draft Red Herring Prospectus.

(3) Our Company may, in consultation with the BRLMs, allocate up to 60% of the Net QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. The Net QIB Portion will be accordingly reduced for the Equity Shares allocated to Anchor Investors. 40% of the Anchor Investor Portion shall be reserved in the following manner: (i) 33.33% of the Anchor Investor Portion will be

reserved for domestic Mutual Funds; and (ii) 6.67% of the Anchor Investor Portion shall be reserved for Life Insurance Companies and Pension Funds, subject to valid Bids being received from domestic Mutual Funds, Life Insurance Companies and Pension Funds, as applicable, at or above the Anchor Investor Offer Price. Any under-subscription in the Life Insurance Companies and Pension Funds category specified in (ii) above may be allocated to domestic Mutual Funds, in accordance with the SEBI ICDR Regulations. In case of under-subscription or non-Allotment in the Anchor Investor Portion, the remaining Equity Shares will be added back to the Net QIB Portion. Further, 5% of the Net QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For further details, see "Offer Procedure" on page 650.

(4) Not less than 15% of the Net Offer shall be available for allocation to Non-Institutional Bidders. Further, (a) one-third of the portion available to NIBs shall be reserved for applicants with application size of more than ₹200,000 and up to ₹1,000,000 and (b) two-third of the portion available to NIBs shall be reserved for applicants with application size of more than ₹1,000,000. Provided that the unsubscribed portion in either of the sub-categories specified in clauses (a) or (b), may be allocated to applicants in the other sub-category of NIBs. The allocation to each NIB shall not be less than the applicable minimum application size, subject to availability of Equity Shares in the Non-Institutional Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII of the SEBI ICDR Regulations.

(5) Allocation to Bidders in all categories, except Anchor Investors, if any, Non-Institutional Bidders and Retail Individual Bidders, shall be made on a proportionate basis subject to valid Bids received at or above the Offer Price. The allocation to each Non-Institutional Bidder and Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Non-Institutional Portion and the Retail Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. Allocation to Anchor Investors shall be on a discretionary basis. For details, see "Offer Procedure" on page 650.

(6) Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category except the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories, as applicable, at the discretion of our Company, in consultation with the Book Running Lead Managers and the Designated Stock Exchange, subject to applicable law. Undersubscription, if any, in the QIB Portion (excluding the Anchor Investor Portion) will not be allowed to be met with spill-over from other categories or a combination of categories.

(7) Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement aggregating up to ₹1,200.00 million prior to filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue, i.e., ₹1,200.00 million. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement, if undertaken, shall be appropriately made in the relevant sections of the RHP and the Prospectus and intimated to the Stock Exchanges within 24 hours of such Pre-IPO placement, in accordance with the SEBI ICDR Regulations.

(8) The Employee Reservation Portion shall not exceed 5% of our post-Offer paid-up Equity Share capital. Any unsubscribed portion remaining in the Employee Reservation Portion shall be added to the Net Offer. The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee shall not exceed ₹500,000 (net of Employee Discount, if any, as applicable). However, the initial allocation to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹200,000 (net of Employee Discount, if any, as applicable). Only in the event of under-subscription in the Employee Reservation Portion after the initial allocation, the unsubscribed portion will be available for allocation, proportionately to all Eligible Employees who have Bid in excess of ₹200,000 (net of Employee Discount, if any, as applicable), subject to the maximum value of allocation made to such Eligible Employee not exceeding ₹500,000 (net of Employee Discount, if any, as applicable). Such portion shall not exceed 5% of the post-Offer Equity Share capital of our Company. An Eligible Employee Bidding in the Employee Reservation Portion can also Bid in the Non-Institutional Portion or the Retail Portion and such Bids will not be treated as multiple Bids. The unsubscribed portion if any, in the Employee Reservation Portion shall be added back to the Net Offer. In case of under-subscription in the Net Offer, spill-over to the extent of such under-subscription shall be permitted from the Employee Reservation Portion. For details, see "Offer Structure" on page 644.

Allocation to Anchor Investors shall be on a discretionary basis in accordance with the SEBI ICDR Regulations. For further details, see *"Offer Procedure"* and *"Offer Structure"* on pages 650 and 644, respectively. For details of the terms of the Offer, see *"Terms of the Offer"* on page 637.

SUMMARY OF FINANCIAL INFORMATION

The following tables set forth summary financial information derived from the Restated Financial Information. The summary financial information presented below should be read in conjunction with "Restated Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 435 and 537, respectively.

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SUMMARY RESTATED STATEMENT OF ASSETS AND LIABILITIES

(All amounts are in ₹ millions)

Particulars	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Assets				
Financial assets				
Cash and cash equivalents	5,079.99	4,364.76	9,389.61	5,565.61
Bank balance other than cash and cash equivalents	2,061.58	2,369.32	3,286.51	3,780.01
Trade receivables	89.21	83.79	145.24	162.47
Loans	58,326.86	57,051.08	66,157.38	47,822.20
Investments	7,370.85	3,633.46	901.61	787.70
Other financial assets	315.78	155.57	338.99	267.03
Total financial assets	**73,244.27**	**67,657.98**	**80,219.34**	**58,385.02**
Non-financial assets				
Current tax assets (net)	197.00	103.07	119.85	426.87
Deferred tax assets (net)	747.53	801.39	558.94	1,184.70
Property, plant and equipment	115.95	89.17	75.25	53.08
Intangible assets under development	-	2.95	5.51	4.41
Other Intangible assets	32.77	38.94	41.43	21.51
Right of use asset	65.74	60.07	73.66	49.01
Other non-financial assets	215.12	104.30	60.43	57.11
Total non-financial assets	**1,374.11**	**1,199.89**	**935.07**	**1,796.69**
Total assets	**74,618.38**	**68,857.87**	**81,154.41**	**60,181.71**
Liabilities and equity				
Liabilities				
Financial liabilities				
Payables				
Trade payables				
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	308.45	275.15	280.98	139.42
Other payables				
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-
Debt securities	1,558.11	2,130.37	4,090.38	3,008.48
Borrowings (other than debt securities)	48,142.14	40,907.05	52,079.62	38,093.63
Subordinated liabilities	2,494.07	3,996.61	3,988.43	4,232.79
Other financial liabilities	670.26	733.81	1,124.14	973.34
Total financial liabilities	**53,173.03**	**48,042.99**	**61,563.55**	**46,447.66**
Non-financial liabilities				
Provisions	417.52	389.67	268.76	246.83
Other non-financial liabilities	109.76	173.93	174.54	106.97
Total non-financial liabilities	**527.28**	**563.60**	**443.30**	**353.80**
Equity				

SUMMARY RESTATED STATEMENT OF ASSETS AND LIABILITIES

(All amounts are in ₹ millions)

Particulars	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Equity share capital	1,594.12	1,589.12	1,574.12	1,503.88
Other equity	19,323.95	18,662.16	17,573.44	11,876.37
Total equity	**20,918.07**	**20,251.28**	**19,147.56**	**13,380.25**
Total liabilities and equity	**74,618.38**	**68,857.87**	**81,154.41**	**60,181.71**

SUMMARY RESTATED STATEMENT OF PROFIT AND LOSS

(All amounts are in ₹ millions)

Particulars	For the nine-month period ended December 31, 2025	For the year ended,		
		March 31, 2025	March 31, 2024	March 31, 2023
Revenue from operations				
Interest income	10,376.59	15,811.78	14,176.86	9,490.49
Dividend income	0.44	1.25	-	-
Fees and commission income	640.56	965.38	1,688.59	1,020.97
Net gain on fair value changes	29.03	-	-	-
Net gain on derecognition of financial instruments under amortised cost category	232.24	116.79	413.26	358.65
Other operating income	2.48	22.28	8.22	5.23
Total revenue from operations	**11,281.34**	**16,917.48**	**16,286.93**	**10,875.34**
Other income	49.20	35.14	59.41	34.62
Total income	**11,330.54**	**16,952.62**	**16,346.34**	**10,909.96**
Expenses				
Finance costs	3,849.00	6,319.58	5,922.33	4,686.45
Impairment on financial instruments	2,691.12	3,975.14	1,787.60	1,931.65
Employee benefits expenses	2,860.95	3,892.01	3,247.20	2,461.48
Depreciation and amortisation	66.29	68.54	56.83	47.63
Other expenses	1,071.07	1,316.50	1,208.05	883.21
Total expenses	**10,538.43**	**15,571.77**	**12,222.01**	**10,010.42**
Profit before tax	**792.11**	**1,380.85**	**4,124.33**	**899.54**
Tax expense:				
Current tax	124.62	503.18	347.91	(9.12)
Deferred tax expense/ (credit)	60.05	(219.19)	638.21	201.50
Total tax expense	**184.67**	**283.99**	**986.12**	**192.38**
Profit after tax for the period/ year	**607.44**	**1,096.86**	**3,138.21**	**707.16**
Other comprehensive income (OCI)				
Items that will not be reclassified to profit or loss				
Remeasurement of post employment benefit obligations	(24.61)	(92.43)	(49.46)	(35.10)
Income tax related to these items	6.19	23.26	12.45	8.83
Sub-total	**(18.42)**	**(69.17)**	**(37.01)**	**(26.27)**
Total comprehensive income for the period/ year	**589.02**	**1,027.69**	**3,101.20**	**680.89**
Earnings per equity share				
Face value per share (₹)	10.00	10.00	10.00	10.00
Basic (₹)	3.98	7.20	26.62	6.05
Diluted(₹)	3.98	7.18	26.57	5.84

SUMMARY OF RESTATED STATEMENT OF CASH FLOWS

(All amounts are in ₹ millions)

Particulars	For the nine-month period ended December 31, 2025	For the year ended,		
		March 31, 2025	March 31, 2024	March 31, 2023
Cash flow from operating activities				
Profit before tax	**792.11**	**1,380.85**	**4,124.33**	**899.54**
Adjusted for:				
Depreciation and amortisation	50.78	47.67	36.42	30.73
Depreciation on right of use assets	15.51	20.87	20.41	16.90
Interest on lease liability (net)	6.25	7.74	6.89	4.58
Impairment loss allowance on loans	2,741.62	3,740.24	1,390.53	1,916.91
Impairment loss allowance on security receipts	(50.00)	234.40	411.81	-
Impairment loss allowance on investment	(0.50)	-	-	-
Net gain on fair value changes	(29.03)	-	-	-
Impairment loss allowance on trade receivables	-	-	(14.74)	14.74
Net gain on derecognition of financial instruments	(232.24)	(116.79)	(413.26)	(358.65)
Share based payments to employees	77.77	76.03	51.58	28.28
Effective interest rate adjustment for financial instruments	(429.14)	(493.70)	(255.07)	(303.51)
Interest income accrued	(9,797.50)	(15,003.97)	(13,460.91)	(9,011.79)
Finance cost accrued	3,634.45	5,955.77	5,555.53	4,393.92
Unwinding impact on security deposit	(0.03)	0.03	0.02	0.02
Operating profit before working capital changes	**(3,219.95)**	**(4,150.86)**	**(2,530.04)**	**(2,368.33)**
Adjustment in:				
(Increase)/ decrease in loans	(4,231.53)	5,331.61	(19,806.36)	(13,146.53)
(Increase)/ decrease in trade receivables	(5.42)	61.45	31.97	(153.12)
Decrease in other financial assets	72.50	300.70	341.86	142.75
(Increase)/ decrease in other non-financial assets	(111.24)	(44.41)	(3.90)	17.32
Increase /(decrease) in trade payables	33.30	(5.83)	141.58	(19.68)
(Decrease)/ increase in other financial liabilities	(70.31)	(377.53)	125.00	750.66
Increase/ (decrease) in provisions	3.24	28.47	(27.53)	1.76
(Decrease)/ increase in other non-financial liabilities	(64.19)	(0.59)	67.56	(99.28)
Cash (used in) / generated from operating activities	**(7,593.60)**	**1,143.01**	**(21,676.28)**	**(14,874.45)**
Interest received	10,134.82	14,943.76	13,608.73	9,617.67
Interest paid	(3,654.87)	(6,143.57)	(5,861.72)	(4,546.29)
Income taxes paid (net of refunds)	(218.55)	(486.40)	(40.89)	64.28
Net cash (used in) / generated from operating activities (A)	**(1,332.20)**	**9,456.80**	**(13,953.74)**	**(9,738.79)**
Cash flow from investing activities				
Purchase of property, plant and equipment	(68.08)	(48.08)	(47.90)	(30.17)
Proceeds from sale of property, plant and equipment	0.10	0.10	0.23	0.04
Interest received on investments and fixed deposits	576.22	648.77	517.93	322.54
Proceeds from fixed deposits	812.45	1,433.89	527.68	1,801.59
Investment in fixed deposits	(552.38)	(490.45)	-	(2,014.20)

SUMMARY OF RESTATED STATEMENT OF CASH FLOWS

(All amounts are in ₹ millions)

Particulars	For the nine-month period ended December 31, 2025	For the year ended,		
		March 31, 2025	March 31, 2024	March 31, 2023
Proceeds from Government securities	1,830.79	1,913.07	517.68	-
Purchase of Government securities	(1,250.00)	(4,738.01)	(1,043.40)	(787.20)
Proceeds from mutual fund	3,113.46	-	-	-
Investment in mutual fund	(7,450.00)	-	-	-
Proceeds from dividend from investments	0.44	1.25	-	-
Purchase of intangible assets	(0.44)	(1.42)	(28.62)	(3.44)
Purchase of intangible assets under development	(0.01)	(7.15)	(3.32)	(4.63)
Net cash (used in)/ generated from investing activities (B)	**(2,987.45)**	**(1,288.03)**	**440.28**	**(715.47)**
Cash flow from financing activities				
Proceeds from issue of equity shares (including premium)	-	-	0.98	0.57
Proceeds from Issue of compulsorily convertible preference shares (including premium)	-	-	2,662.12	2,482.95
Share issue expenses (net)	-	-	(48.56)	(47.25)
Proceeds from debt securities	-	-	2,080.00	1,150.00
Repayment of debt securities	(520.00)	(1,925.00)	(987.00)	(994.00)
Proceeds from borrowings (other than debt securities)	34,168.74	27,396.49	44,924.16	35,351.09
Repayment of borrowings (other than debt securities)	(27,093.18)	(38,637.30)	(31,018.06)	(31,338.09)
Repayment of subordinated liabilities	(1,500.00)	-	(250.00)	(100.00)
Payment of interest on lease liabilities	(6.15)	(6.67)	(7.06)	(5.97)
Payment of principal on lease liabilities	(14.53)	(21.14)	(19.12)	(15.72)
Net cash generated/ (used in) from financing activities (C)	**5,034.88**	**(13,193.62)**	**17,337.46**	**6,483.58**
Net increase/ (decrease) in cash and cash equivalents (A + B + C)	**715.23**	**(5,024.85)**	**3,824.00**	**(3,970.68)**
Cash and cash equivalents at the beginning of the period/ years	4,364.76	9,389.61	5,565.61	9,536.29
Cash and cash equivalents at the end of the period/ years	**5,079.99**	**4,364.76**	**9,389.61**	**5,565.61**
Components of cash and cash equivalents				
Cash on hand	2.05	1.13	2.48	3.61
Balances and deposits with banks	5,077.94	4,363.63	9,387.13	5,562.00
	5,079.99	**4,364.76**	**9,389.61**	**5,565.61**

SUMMARY OF CONTINGENT LIABILITIES

The following is a summary table of our contingent liabilities as on December 31, 2025, based on our Restated Financial Information:

Particulars	As on December 31, 2025
	(₹ million)
1. Contingent Liabilities classified as: (a) Claims against the company not acknowledged as debt Demand for income tax received from income tax authorities in respect of which the Company has gone for appeal. Based on the management assessment, crystallization of liability on these items is not considered probable and hence not acknowledged as debt by the Company	49.14
(b) Guarantees excluding financial guarantee	-
(c) Other money for which the company is contingently liable	-
Total (d = a + b + c)	**49.14**

The following is a summary table of our capital commitments as on December 31, 2025, based on our Restated Financial Information:

Particulars	As on December 31, 2025
	(₹ million)
1. Commitments classified as: (a) Estimated amount of contracts remaining to be executed on capital account and not provided for Capital commitments for purchase/ development of tangible and intangible asset (net of advances).	2.06
(b) uncalled liability on shares and other investments partly paid up	-
(c) Other (Sanctioned loan undisbursed)	91.31
Total (d = a + b + c)	**93.37**

For further details of our contingent liabilities, see "*Note 63 Contingent Liabilities and Commitments—Restated Financial Information"* and "*Risk Factors—Any increase in or realisation of our contingent liabilities could adversely affect our financial conditions*" on pages 527 and 48, respectively.

SUMMARY OF RELATED PARTY TRANSACTIONS

Set forth below are the details of our related party transactions (excluding related party transactions eliminated during the year), for the period/ years indicated.

Names of related parties	Nature of relationship	Nature of transaction	For the nine-month period ended December 31, 2025 *(₹ million)*	% of revenue from operations *(%)*	Fiscal 2025 *(₹ million)*	% of revenue from operations *(%)*	Fiscal 2024 *(₹ million)*	% of revenue from operations *(%)*	Fiscal 2023 *(₹ million)*	% of revenue from operations *(%)*
Director's commission[#]										
Dinesh Kumar Mittal	Chairman and Non-Executive Independent Director	Director's Commission	-	-	5.00	0.03	4.00	0.02	2.50	0.02
Matangi Gowrishankar	Non Executive Independent Director	Director's Commission	-	-	-	-	2.00	0.01	1.25	0.01
Rajat Mohan Nag	Non Executive Independent Director	Director's Commission	-	-	2.10	0.01	2.50	0.02	1.25	0.01
Sumantra Banerjee	Non Executive Independent Director	Director's Commission	-	-	-	-	2.00	0.01	1.25	0.01
Nitish Chawla	Non Executive - Nominee Director	Director's Commission	-	-	-	-	0.75^	0.00^	-	-
Rupa Rajul Vora	Non Executive - Nominee Director	Director's Commission	-	-	2.00	0.01	1.25	0.01	-	-
Vineet Chandra Rai	Promoter Nominee Director	Director's Commission	-	-	15.00	0.09	3.00	0.02	-	-
Anurag Agrawal	Promoter Nominee Director	Director's Commission	-	-	4.80	0.03	2.00	0.01	-	-
Wilhelmus Marthinus Maria Van Der Beek	Non Executive - Nominee Director	Director's Commission	-	-	-	-	1.00^	0.01^	-	-
Piyush Goenka	Non Executive - Nominee Director	Director's Commission	-	-	-	-	1.00	0.01	-	-
John Arunkumar Diaz	Non Executive Independent Director	Director's Commission	-	-	3.00	0.02	0.50	0.00	-	-
Ulhas S Deshpande	Non Executive Independent Director	Director's Commission	-	-	2.50	0.01	0.50	0.00	-	-

Names of related parties	Nature of relationship	Nature of transaction	For the nine-month period ended December 31, 2025 *(₹ million)*	% of revenue from operations *(%)*	Fiscal 2025 *(₹ million)*	% of revenue from operations *(%)*	Fiscal 2024 *(₹ million)*	% of revenue from operations *(%)*	Fiscal 2023 *(₹ million)*	% of revenue from operations *(%)*
Jose J Kattoor	Non Executive Independent Director	Director's Commission	-	-	1.50	0.01	-	-	-	-
Provision as on December 31, 2025*		Director's Commission	25.60	0.23	-	-	-	-	-	-
** For the nine month period ended December 31, 2025 an adhoc provision of ₹25.60 million considered towards directors commission which will be paid at the year end only after Nomination and Remuneration Committee approval and General Meeting.* *^Nitish Chawla and Wilhelmus Marthinus Maria Van Der Beek did not receive any commission for Fiscal 2024.The provision created in Fiscal 2024 was reversed in the Fiscal 2025*										
Remuneration										
Manojkumar Nambiar	Managing Director	Remuneration	32.39	0.29	34.69	0.21	27.58	0.17	23.06	0.21
Milind R Nare	Deputy Chief Executive Officer and Chief Financial Officer	Remuneration	18.59	0.16	19.70	0.12	15.96	0.10	12.35	0.11
Anirudh Singh Thakur	Company Secretary and Chief Compliance Officer	Remuneration	15.28	0.14	17.18	0.10	11.20	0.07	8.88	0.08
Sitting Fees[#]										
Dinesh Kumar Mittal	Non Executive Independent Director	Sitting Fees	0.35	0.00	0.68	0.00	0.72	0.00	0.46	0.00
Matangi Gowrishankar	Non Executive Independent Director	Sitting Fees	-	-	-	-	0.67	0.00	0.70	0.01
Rajat Mohan Nag	Non Executive Independent Director	Sitting Fees	-	-	0.63	0.00	0.94	0.01	0.58	0.01
Sumantra Banerjee	Non Executive Independent Director	Sitting Fees	-	-	-	-	0.75	0.00	0.52	0.00
Ulhas S Deshpande	Non Executive Independent Director	Sitting Fees	0.43	0.00	0.60	0.00	0.13	0.00	-	-
John Arunkumar Diaz	Non Executive Independent Director	Sitting Fees	0.58	0.01	0.98	0.01	0.20	0.00	-	-
Rupa Rajul Vora	Non Executive - Nominee Director	Sitting Fees	0.20	0.00	0.40	0.00	0.25	0.00	-	-
Vemuru Chandramouli	Non Executive -	Sitting Fees	-	-	0.05	0.00	-	-	-	-

Names of related parties	Nature of relationship	Nature of transaction	For the nine-month period ended December 31, 2025 *(₹ million)*	% of revenue from operations *(%)*	Fiscal 2025 *(₹ million)*	% of revenue from operations *(%)*	Fiscal 2024 *(₹ million)*	% of revenue from operations *(%)*	Fiscal 2023 *(₹ million)*	% of revenue from operations *(%)*
	Nominee Director									
Jose J Kattoor	Non Executive Independent Director	Sitting Fees	0.35	0.00	0.28	0.00	-	-	-	-
Piyush Goenka	Non Executive - Nominee Director	Sitting Fees	-	-	0.40	0.00	-	-	-	-
Vineet Chandra Rai	Promoter Nominee Director	Sitting Fees	0.23	0.00	0.35	0.00	-	-	-	-
Anurag Agrawal	Promoter Nominee Director	Sitting Fees	0.23	0.00	0.45	0.00	-	-	-	-
Josh J Kattoor	Non Executive Independent Director	Sitting Fees	-	-	-	-	-	-	-	-
Sri Radha Ramana Saripalli	Non Executive - Nominee Director	Sitting Fees	0.15	0.00	-	-	-	-	-	-
Narasimha Kummamuri Murthy	Non Executive Independent Director	Sitting Fees	0.43	0.00	-	-	-	-	-	-
[#] The above amounts are excluding taxes. *Note:* *1. All transactions with the related parties are priced on an arm's length basis and at normal commercial terms.* *2. There are no transaction during the period with relatives (as defined in clause 77 of section 2 of Company's Act,2013) of related parties.*										
Short-term employee benefits for KMP										
Short-term employee benefits (including remunerations)	KMP	Short-term employee benefits (including remunerations)	63.77	0.57	68.41	0.40	52.23	0.32	42.22	0.39
Post-employment benefits*	KMP	Post-employment benefits*	2.49	0.02	3.16	0.02	2.51	0.02	2.07	0.02
** As provisions for gratuity and leave benefits are made for the Company as a whole, the amount pertaining to KMPs are not specifically identified and hence are not included above.*										
Additional disclosures for transaction with entities having common director										
Loan availed										
Shivalik Small Finance Bank	Entity having common director	Loan availed	-	-	-	-	-	-	100.00	0.92
Nederlandse Financierings-Maatschappij Voor	Entity having common director	Loan availed	-	-	-	-	2,080.00	12.77	-	-

Names of related parties	Nature of relationship	Nature of transaction	For the nine-month period ended December 31, 2025 *(₹ million)*	% of revenue from operations *(%)*	Fiscal 2025 *(₹ million)*	% of revenue from operations *(%)*	Fiscal 2024 *(₹ million)*	% of revenue from operations *(%)*	Fiscal 2023 *(₹ million)*	% of revenue from operations *(%)*
Ontwikkelingslanden N.V. (FMO)										
Loan repaid (Including interest)										
Shivalik Small Finance Bank	Entity having common director	Loan repaid (Including interest)	-	-	42.15	0.25	56.52	0.35	14.13	0.13
Accrued finance cost on loan availed (gross)										
Shivalik Small Finance Bank	Entity having common director	Accrued finance cost on loan availed (gross)	-	-	-	-	0.40	0.00	0.84	0.01
Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden N.V. (FMO)	Entity having common director	Accrued finance cost on loan availed (gross)	-	-	-	-	63.32	0.39	-	-
Loan processing charges on loan availed (gross)										
Shivalik Small Finance Bank	Entity having common director	Loan processing charges on loan availed (gross)	-	-	-	-	0.27	0.00	0.27	0.00
Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden N.V. (FMO)	Entity having common director	Loan processing charges on loan availed (gross)	-	-	-	-	24.31	0.15	-	-
Remittance under business transfer agreement										
Ashv Finance Limited	Entity having common director	Remittance under business transfer agreement	-	-	-	-	-	-	0.32	0.00
Communication expenses										
Bharti Airtel Limited	Entity having common director	Communication expenses	-	-	-	-	4.11	0.03	4.55	0.04
Fixed deposit investment made										
Shivalik Small Finance Bank	Entity having common director	Fixed deposit investment made	-	-	31.61	0.19	-	-	28.32	0.26
Fixed deposit matured										
Shivalik Small Finance Bank	Entity having common director	Fixed deposit matured	-	-	59.92	0.35	160.80	0.99	-	-

Names of related parties	Nature of relationship	Nature of transaction	For the nine-month period ended December 31, 2025 *(₹ million)*	% of revenue from operations *(%)*	Fiscal 2025 *(₹ million)*	% of revenue from operations *(%)*	Fiscal 2024 *(₹ million)*	% of revenue from operations *(%)*	Fiscal 2023 *(₹ million)*	% of revenue from operations *(%)*
Interest on fixed deposit (net of taxes including accrued interest)										
Shivalik Small Finance Bank	Entity having common director	Interest on fixed deposits (net of taxes including accrued interest)	-	-	3.33	0.02	20.08	0.12	7.07	0.06
Professional/ business support fees										
Aavishkaar Venture Management Services Private Limited	Entity having common director	Professional/ business support fees	5.93	0.05	8.10	0.05	8.28	0.05	4.33	0.04
Intellecap Advisory Services Private Limited	Entity having common director	Professional/ business support fees	-	-	-	-	-	-	1.33	0.01
Ashv Finance Limited	Entity having common director	Professional/ business support fees	-	-	0.10	0.00	0.10	0.00	0.05	0.00
Corporate Social Responsibility										
Aavishkaar Foundation*	Entity having common director	Corporate Social Responsibility	30.40	0.27	36.49	0.22	4.64	0.03	4.72	0.04
**Includes CSR contribution by Arohan employees - nil as on December 31, 2025, ₹5.29 million as on March 31, 2025, ₹4.60 million as on March 31, 2024 and ₹4.01 million as on March 31, 2023.*										
Reimbursement of expenses received (expense reimbursement)										
Ashv Finance Limited	Entity having common director	Reimbursement of expenses received (expense reimbursement)	-	-	-	-	0.80	0.00	0.79	0.01
Interest income on transfer of portfolio										
Shivalik Small Finance Bank	Entity having common director	Interest income on transfer of portfolio	-	-	0.18	0.00	4.22	0.03	39.49	0.36
Consideration received against assignment transactions										
Shivalik Small Finance Bank	Entity having common director	Consideration received against assignment transactions	-	-	-	-	-	-	849.63	7.81
Principal and interest paid towards assignment transactions										
Shivalik Small Finance Bank	Entity having common director	Principal and interest paid towards assignment transactions	0.38	0.00	16.05	0.09	575.67	3.53	300.45	2.76
Assignor's share received on account assignment transactions										

Names of related parties	Nature of relationship	Nature of transaction	For the nine-month period ended December 31, 2025 *(₹ million)*	% of revenue from operations *(%)*	Fiscal 2025 *(₹ million)*	% of revenue from operations *(%)*	Fiscal 2024 *(₹ million)*	% of revenue from operations *(%)*	Fiscal 2023 *(₹ million)*	% of revenue from operations *(%)*
Shivalik Small Finance Bank	Entity having common director	Assignor's share received on account assignment transactions	0.14	0.00	3.22	0.02	126.63	0.78	82.90	0.76
Received towards securitisation transaction										
Shivalik Small Finance Bank	Entity having common director	Received towards securitisation transaction	-	-	-	-	-	-	492.68	4.53
Paid towards securitisation transaction (including accrued interest)										
Shivalik Small Finance Bank	Entity having common director	Paid towards securitisation transaction (including accrued interest)	-	-	142.27	0.84	386.22	2.37	-	-

Note:
All transactions with the related parties are priced on an arm's length basis and at normal commercial terms.
There are no transaction during the period with relatives (as defined in clause 77 of section 2 of Companies Act,2013) of related parties.
There are no transaction during the period/ years with entities where the relative are directors

For details of the related party transactions, see "*Restated Financial Information—Note 49—Related Party Transactions*" on page 500.

Set forth below are the details of our revenue from operations for the period/ years indicated.

(All amounts are in ₹ millions)

Particulars	For the nine-month period ended December 31, 2025	For the year ended,		
		March 31, 2025	March 31, 2024	March 31, 2023
Revenue from operations				
Interest income	10,376.59	15,811.78	14,176.86	9,490.49
Dividend income	0.44	1.25	-	-
Fees and commission income	640.56	965.38	1,688.59	1,020.97
Net gain on fair value changes	29.03	-	-	-
Net gain on derecognition of financial instruments under amortised cost category	232.24	116.79	413.26	358.65
Other operating income	2.48	22.28	8.22	5.23
Total revenue from operations	**11,281.34**	**16,917.48**	**16,286.93**	**10,875.34**

GENERAL INFORMATION

Registered and Corporate Office of our Company

The details of the Registered and Corporate Office of our Company are as disclosed below:

Arohan Financial Services Limited
PTI Building, 4th Floor
DP 9, Sector 5, Salt Lake
Parganas North
Kolkata 700 091
West Bengal, India
Corporate Identity Number: U74140WB1991PLC053189
Registration Number: 053189

For details of our incorporation, changes in our name and changes in our registered office, see "*History and Certain Corporate Matters*" on page 392.

Address of the RoC

Our Company is registered with the RoC, situated at the address disclosed below:

The Registrar of Companies, Kolkata-II at Kolkata
Corporate Bhawan
3rd Floor Plot No. IIIF/16
AA-IIIF Rajarhat
New Town, Akandakeshari
Kolkata 700 135
West Bengal, India

Board of Directors

As on the date of this Draft Red Herring Prospectus, the composition of our Board is as disclosed below:

S. No.	Name	Designation	DIN	Address
1.	Dinesh Kumar Mittal	Chairman and Non-Executive Independent Director	00040000	B-71, Sector 44, Noida, Gautam Buddha Nagar 201 301, Uttar Pradesh, India
2.	Manojkumar N Nambiar	Managing Director	03172919	8, Godavari, Sector-3, Vashi, Navi Mumbai, Vashi, Thane 400 703 Maharashtra, India
3.	Vineet Chandra Rai	Vice Chairman and Promoter Nominee Director (Nominee of AVMS)	00606290	1001, 10th Floor, Quantum Park, A Wing, Union Park, Khar West Mumbai 400 052, Maharashtra, India
4.	Ulhas S Deshpande	Non-Executive Independent Director	00017235	B-306, Oberoi Splendor, Jogeshwari Vikhroli Link Road, Opp Majas Bus Depot, Jogeshwari East, Mumbai 400 060, Maharashtra, India
5.	John Arunkumar Diaz	Non-Executive Independent Director	00493304	8A, Saahil, 14 Altamount Road, Cumballa Hill, Mumbai 400 026, Maharashtra, India
6.	Jose J Kattoor	Non-Executive Independent Director	09213852	Flat No. 1703, Crescent Bay Tower No 05, Jerbai Wadia Road, Bhoiwada Parel, Mumbai, Mumbai City 400 012, Maharashtra, India
7.	Kummamuri Narasimha Murthy	Non-Executive Independent Director	00023046	1-2-593/29, Gagan Mahal Colony, Behind AV College, Domalaguda, Himayathnagar, Hyderabad 500 029, Andhra Pradesh, India

S. No.	Name	Designation	DIN	Address
8.	Anurag Agrawal	Promoter Nominee Director (Nominee of I-Cap)	02385780	184 A Tower, Kalpataru Radiance, Shree Devi Hudkar (Jai Matadi Marg) Goregaon West, Siddharth Nagar, Mumbai 400 104 Maharashtra, India
9.	Sri Radha Ramana Saripalli	Non-Executive Nominee Director (Nominee of SIDBI)	07165124	Flat 801, Raheja Majestic, Plot No. 161, TPS III, Manmala Tank Road, Near Star Cinema, Mahim (West), Mumbai 400 016, Maharashtra, India
10.	Karina Isabel Alva Alfaro	Non-Executive Nominee Director (Nominee of Maj Invest)	10377372	A.C. Meyers Vaenge 1 04 2450 Copenhagen SV, Denmark
11.	Wilhelmus Marthinus Maria Van Der Beek	Non-Executive Nominee Director (Nominee of AG II)	02142559	Vogelenzangseweg 18, 2111 HR Aerdenhout, Bloemendaal, Netherlands
12.	Rupa Rajul Vora	Non-Executive Nominee Director (Nominee of FMO)	01831916	8 Hyde Park, 227, Sher-E-Punjab Society, Mahakali Caves Road, Andheri (East), Chakala Midc, Mumbai 400 093, Maharashtra, India
13.	Nitish Chawla	Non-Executive Nominee Director (Nominee of DSDG)	07676758	A-32 Saraswati Vihar, Pitampura, North West Delhi, Delhi 110 034, India

For further details of our Board, see "*Our Management*" on page 401.

Company Secretary and Chief Compliance Officer

Anirudh Singh Thakur
PTI Building, 4th Floor
DP 9, Sector 5, Salt Lake
Parganas North
Kolkata 700 091
West Bengal, India
Tel: +91 33 4015 6000
E-mail: compliance@arohan.in

Filing of the Offer Documents

A copy of this Draft Red Herring Prospectus, along with the Draft Abridged Prospectus has been uploaded on the SEBI intermediary portal at https://siportal.sebi.gov.in as specified in Regulation 25(8) of the SEBI ICDR Regulations and the SEBI ICDR Master Circular. A copy of this Draft Red Herring Prospectus, along with the Draft Abridged Prospectus will also be filed with the SEBI at the following address:

Securities and Exchange Board of India
Corporate Finance Department, Division of Issues and Listing
SEBI Bhavan, Plot No. C4 A, 'G' Block
Bandra Kurla Complex Bandra (E)
Mumbai 400 051
Maharashtra, India

A copy of the Red Herring Prospectus, along with the material contracts and documents required to be filed under Section 32 of the Companies Act shall be filed with the RoC and a copy of the Prospectus shall be filed with the RoC under Section 26 of the Companies Act through the electronic portal at http://www.mca.gov.in/mcafoportal/loginvalidateuser.do

Book Running Lead Managers

DAM Capital Advisors Limited
Altimus 2202, Level 22
Pandurang Budhkar Marg
Worli, Mumbai 400 018
Maharashtra, India
Tel: +91 22 4202 2500
E-mail: arohan.ipo@damcapital.in
Website: www.damcapital.in
Investor grievance e-mail: complaint@damcapital.in
Contact person: Arpi Chheda / Jay Shah
SEBI registration no.: MB/INM000011336

Motilal Oswal Investment Advisors Limited
Motilal Oswal Tower
Rahimtullah Sayani Road
Opposite Parel ST Depot
Prabhadevi, Mumbai 400 025
Maharashtra, India
Tel: +91 22 7193 4380
E-mail: arohan.ipo@motilaloswal.com
Website: www.motilaloswalgroup.com
Investor grievance e-mail:
moiaplredressal@motilaloswal.com
Contact person: Sankita Ajinkya
SEBI registration no.: INM000011005

SBI Capital Markets Limited
1501, 15th floor, A & B Wing
Parinee Crescenzo Building Bandra Kurla Complex
Bandra (East)
Mumbai 400 051
Maharashtra, India
Tel: +91 22 4006 9807
E-mail: arohan.ipo@sbicaps.com
Website: www.sbicaps.com
Investor grievance e-mail:
investor.relations@sbicaps.com
Contact person: Krithika Shetty/Sylvia Mendonca
SEBI registration no.: INM000003531

Syndicate Members

[●]

Legal Advisers to our Company as to Indian Law

S&R Associates
One World Center
1403 Tower 2 B
841 Senapati Bapat Marg, Lower Parel
Mumbai 400 013
Maharashtra, India
Tel: +91 22 4302 8000

Statutory Auditor of our Company

B S R & Co. LLP, Chartered Accountants
14th Floor, Central wing B and North C wing
Nesco IT Park 4, Nesco Center
Western Express Highway, Goregaon (East)
Mumbai - 400 063
Tel: +91 22 6257 1000
E-mail: nshetty@bsraffiliates.com
ICAI firm registration no.: 101248W/W-100022
Peer review no.: 019712

Changes in Statutory Auditors

Except as disclosed below, there has been no change in our auditors in the three years preceding the date of this Draft Red Herring Prospectus:

Name of Auditor	Date of Change	Reason for Change
B S R & Co. LLP, Chartered Accountants 14th Floor, Central wing B and North C Wing Nesco IT Park 4, Nesco Center Western Express Highway Goregaon (East) Mumbai 400 063 Maharashtra, India **Tel**.: +91 22 6257 1000 **E-mail**: nshetty@bsraffiliates.com **Firm registration no**.: 101248W/W-100022 **Peer review no**.: 019712	August 6, 2024	Appointment as statutory auditor
M S K A & Associates LLP (Formerly Known as M S K A & Associates) 602, Floor 6, Raheja Titanium Western Express Highway Geetanjali Railway Colony Ram Nagar, Goregaon (E) Mumbai - 400 063 **Tel**.: +91 22 6831 1600 **E-mail**: tusharkurani@mska.in **Firm registration no**.: 105047W/W101187 **Peer review no**.: 016966	August 6, 2024	Resignation due to completion of tenure

Registrar to the Offer

MUFG Intime India Private Limited (*Formerly Link Intime India Private Limited*)
C-101, Embassy 247
L.B.S. Marg, Vikhroli (West)
Mumbai 400083
Maharashtra, India
Tel: +91 810 811 4949
E-mail: arohanfinancial.ipo@in.mpms.mufg.com
Website: www.in.mpms.mufg.com
Investor grievance e-mail: arohanfinancial.ipo@in.mpms.mufg.com
Contact person: Shanti Gopalkrishnan
SEBI registration no.: INR000004058

Banker(s) to the Offer

Escrow Collection Bank, Refund Bank and Sponsor Bank

[●]

Public Offer Account Bank and Sponsor Bank

[●]

Bankers to our Company

IDFC FIRST Bank Limited
1st Floor, Saket Building
44 Park Street, Kolkata 700 016
West Bengal, India
Tel: +91 33 6639 0715
E-mail: ashish.pareek1@idfcfirstbank.com
Website: https://www.idfcfirst.bank.in
Contact Person: Ashish Pareek

Axis Bank Limited
Bharat Banking Department
4th Floor, Axis House
P.B. Marg, Worli
Mumbai 400 025
Maharashtra, India
Tel: +91 99300 88196
E-mail: nikhil2.shetty@axis.bank.in
Website: www.axis.bank.in
Contact Person: Nikhil Shetty

SCSBs and mobile applications enabled for UPI mechanism

The banks registered with the SEBI, which offer the facility of ASBA services, (i) in relation to ASBA, where the Bid Amount will be blocked by authorizing an SCSB, a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 and updated from time to time and at such other websites as may be prescribed by SEBI from time to time, (ii) in relation to UPI Bidders, a list of which is available on the website of SEBI at sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as updated from time to time.

Applications through UPI in the Offer can be made only through the SCSBs mobile applications (apps) whose name appears on the SEBI website. A list of SCSBs and mobile application, which, are live for applying in public issues using UPI mechanism is provided as Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019. The list is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 and updated from time to time and at such other websites as may be prescribed by SEBI from time to time.

Syndicate SCSB Branches

In relation to Bids (other than Bids by Anchor Investors and RIBs) 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 Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI (www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes&intmId=35) and updated from time to time or any such other website as may be prescribed by SEBI from time to time.

Registered Brokers

The list of the Registered Brokers eligible to accept ASBA Forms, including details such as postal address, telephone number and e-mail address, is provided on the websites of the BSE and the NSE at www.bseindia.com and www.nseindia.com, respectively, as updated from time to time.

Registrar and Transfer Agents

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of Stock Exchanges at www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx? and www.nseindia.com/products-services/initial-public-offerings-asba-procedures, respectively, as updated from time to time.

Collecting Depository Participant(s)

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the websites of BSE at www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx? and on the website of NSE at www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, as updated from time to time.

Credit Rating

As the Offer is an initial public offering of Equity Shares, the appointment of a credit rating agency is not required.

IPO Grading

No credit rating agency registered with the SEBI has been appointed in respect of obtaining grading for the Offer.

Debenture Trustees

As the Offer is an initial public offering of equity shares, the appointment of debenture trustees is not required.

Monitoring Agency

In terms of Regulation 41 of the SEBI ICDR Regulations, our Company will appoint a credit rating agency registered with SEBI as the monitoring agency for the Fresh Issue prior to the filing of the Red Herring Prospectus with the RoC. The details of the monitoring agency shall be included in the Red Herring Prospectus.

Appraising Agency

The Objects of the Offer for which the Net Proceeds will be utilized have not been appraised by any agency.

Green Shoe Option

No green shoe option is contemplated under the Offer.

Experts

Except as stated below, our Company has not obtained any expert opinions.

Our Company has received written consent from the Statutory Auditor, namely, B S R & Co. LLP, Chartered Accountants, holding a valid peer review certificate from ICAI, to include its name as required under the Companies Act in this Draft Red Herring Prospectus and as an "expert" as defined under Section 2(38) of the Companies Act in respect to the (i) examination report dated May 13, 2026 on the Restated Financial Information; and (ii) report dated May 15, 2026 on the statement of possible special tax benefits, included in this Draft Red Herring Prospectus and such consent has not been withdrawn until the filing of this Draft Red Herring Prospectus.

Our Company has received written consent dated May 15, 2026 from KGRS & Co., Chartered Accountants, holding a valid peer review certificate from ICAI, to include their name in this Draft Red Herring Prospectus and be named as the independent chartered accountant as required under Section 26(1) of the Companies Act read with the SEBI ICDR Regulations and as an "expert" as defined under Section 2(38) of the Companies Act, 2013 in respect of their certificates in connection with the Offer and such consent has not been withdrawn until the filing of this Draft Red

Herring Prospectus.

Our Company has received written consent dated May 15, 2026 from M/s. DVD & Associates, independent practicing company secretary to include their name in this Draft Red Herring Prospectus and be named as the practicing company secretary as required under Section 26(1) of the Companies Act read with the SEBI ICDR Regulations and as an "expert" as defined under Section 2(38) of the Companies Act, 2013 in respect of their certificates in connection with the Offer and such consent has not been withdrawn until the filing of this Draft Red Herring Prospectus.

Inter-se Allocation of Responsibilities between the BRLMs

The table below sets forth the *inter-se* allocation of responsibilities for various activities among the BRLMs.

S. No.	Activity	Responsibility	Coordinator
1.	Capital structuring, positioning strategy, due diligence of our Company including its operations/management, legal etc. Drafting and design of this Draft Red Herring Prospectus, Draft Abridged Prospectus, the Red Herring Prospectus, the Prospectus, abridged prospectus and application form. The BRLM shall ensure compliance with the SEBI ICDR Regulations and stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI filings and follow up and coordination till final approval from all regulatory authorities.	BRLMs	DAM Capital
2.	Drafting and approval of all statutory advertisement including audio visual presentation	BRLMs	DAM Capital
3.	Appointment of intermediaries - Registrar to the Offer, advertising agency, including co-ordination for agreements.	BRLMs	DAM Capital
4.	Drafting and approval of all publicity material other than statutory advertisement as mentioned above including corporate advertising, brochure, etc. and filing of media compliance report	BRLMs	SBICAPS
5.	Appointment of intermediaries Banker(s) to the Offer, Sponsor Bank, Syndicate Members, Share Escrow Agent, Monitoring agency, printers to the Offer and other intermediaries, including co-ordination of all agreements to be entered into with such intermediaries	BRLMs	SBICAPS
6.	Preparation of road show presentation and frequently asked questions	BRLMs	Motilal
7.	International institutional marketing of the Offer, which will cover, *inter alia*: • Institutional marketing strategy; • Finalizing the list and division of investors for one-to-one meetings; and • Finalizing international road show and investor meeting schedule	BRLMs	Motilal
8.	Domestic institutional marketing of the Offer, which will cover, *inter alia*: • Institutional marketing strategy; • Finalizing the list and division of domestic investors for one-to-one meetings; and • Finalizing domestic road show and investor meeting schedule	BRLMs	DAM Capital
9.	Non-institutional and retail marketing of the Offer, which will cover, *inter alia*, • Finalising media, marketing and public relations strategy including list of frequently asked questions at retail road shows; • Finalising centres for holding conferences for brokers, etc.; • Follow-up on distribution of publicity and Offer material including application form, this Draft Red Herring Prospectus and deciding on the quantum of the Offer material; and • Finalising collection centres	BRLMs	SBICAPS
10.	Coordination with Stock Exchanges for book building software, bidding terminals, mock trading, anchor coordination, anchor CAN and intimation of anchor allocation	BRLMs	SBICAPS
11.	Managing the book and finalization of pricing in consultation with the Company	BRLMs	Motilal

S. No.	Activity	Responsibility	Coordinator
12.	Post bidding activities including management of escrow accounts, coordinate non-institutional allocation, coordination with registrar, SCSBs and Bankers to the Offer, intimation of allocation and dispatch of refund to bidders, etc Post-Offer activities, which shall involve essential follow-up steps including allocation to Anchor Investors, follow-up with Bankers to the Offer and SCSBs to get quick estimates of collection and advising our Company about the closure of the Offer, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, listing of instruments, dispatch of certificates or demat credit and refunds and coordination with various agencies connected with the post-Offer activity such as registrar to the Offer, Bankers to the Offer, SCSBs including responsibility for underwriting arrangements, as applicable. Payment of the applicable securities transaction tax ("**STT**") on sale of unlisted equity shares by the Selling Shareholder under the Offer for Sale to the Government Coordinating with Stock Exchanges and SEBI for submission of all post-Offer reports including the initial and final post-Offer report to SEBI	BRLMs	Motilal

Investor Grievances

Investors may contact the Company Secretary and Chief Compliance Officer or the Registrar to the Offer in case of any pre-Offer or post-Offer related grievances including non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary accounts, non-receipt of refund orders or non-receipt of funds by electronic mode, and so on. For all Offer related queries and for redressal of complaints, investors may also write to the BRLMs.

All Offer related grievances, other than those of Anchor Investors, may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary(ies) to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, UPI ID, PAN, date of submission of the Bid cum Application Form, address of the Bidder, number of Equity Shares applied for, the name and address of the Designated Intermediary(ies) where the Bid cum Application Form was submitted by the Bidder and ASBA Account number (for Bidders other than the UPI Bidders) in which the amount equivalent to the Bid Amount was blocked or the UPI ID, in case of UPI Bidders.

Further, the Bidder shall also enclose the Acknowledgment Slip or provide the application number received from the Designated Intermediary in addition to the document or information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer. The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

All Offer-related grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or first Bidder, Anchor Investor Application Form number, Bidders' DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the Book Running Lead Managers where the Anchor Investor Application Form was submitted by the Anchor Investor.

Book Building Process

Book Building, in the context of the Offer, refers to the process of collection of Bids from Bidders on the basis of the Red Herring Prospectus and the Bid cum Application Forms and the Revision Forms within the Price Band and the minimum Bid Lot size. The Price Band (including Employee Discount, if any) and the minimum Bid Lot size will be decided by our Company, in consultation with the BRLMs, and shall be advertised in all editions of the English national daily newspaper [●], all editions of the Hindi national daily newspaper [●] and the Kolkata edition of the Bengali daily newspaper [●] (Bengali being the regional language of West Bengal, where our Registered and

Corporate Office is located), each with wide circulation, and advertised at least two Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges to upload on their respective websites. The Offer Price shall be determined by our Company, in consultation with the BRLMs, after the Bid/Offer Closing Date. For details, see *"Offer Procedure"* on page 650.

All Bidders, except Anchor Investors, are mandatorily required to use the ASBA process for participating in the Offer by providing details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by SCSBs. In addition to this, the UPI Bidders may participate through the ASBA process by either (a) providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs; or (b) through the UPI Mechanism. Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIBs Bidding in the QIB Portion and Non-Institutional Bidders bidding in the Non-Institutional Portion are not permitted to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders and Eligible Employees Bidding in the Employee Reservation Portion can revise their Bids during the Bid/Offer Period and can withdraw their Bids on or before the Bid/Offer Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid/Offer Date. Allocation to the Anchor Investors will be on a discretionary basis. See "*Offer Structure*" and "*Offer Procedure*" on pages 644 and 650, respectively.

Except for Allocation to RIBs, NIBs and Anchor Investors, allocation in the Offer will be on a proportionate basis. Allocation to the Anchor Investors will be on a discretionary basis. For allocation to the Non-Institutional Bidders, the following shall be followed:

a) One-third of the portion available to Non-Institutional Bidders shall be reserved for Bidders with application size of more than ₹200,000 and up to ₹1,000,000;

b) Two-thirds of the portion available to Non-Institutional Bidders shall be reserved for Bidders with application size of more than ₹1,000,000.

Provided that the unsubscribed portion in either of the sub-categories specified under clauses (a) or (b), may be allocated to Bidders in the other sub-category of Non-Institutional Bidders.

Each Bidder by submitting a Bid in the Offer, will be deemed to have acknowledged the above restrictions and the terms of the Offer.

The Book Building Process is in accordance with guidelines, rules, regulations prescribed by SEBI, which are subject to change from time to time. Bidders are advised to make their own judgment about an investment through this process prior to submitting a Bid.

Bidders should note that the Offer is also subject to (i) filing of the Prospectus with the RoC; and (ii) obtaining the final listing and trading approvals for the Equity Shares from the Stock Exchanges, which our Company shall apply for after Allotment.

Illustration of Book Building and Price Discovery Process

For an illustration of the Book Building Process and the price discovery process, see "*Offer Procedure*" on page 650.

Underwriting Agreement

The Underwriting Agreement has not been executed as on the date of this Draft Red Herring Prospectus and will be executed after the determination of the Offer Price and allocation of Equity Shares, but prior to the filing of the Prospectus with the RoC. Our Company and the Selling Shareholders will enter into the Underwriting Agreement with the Underwriters, who shall be merchant bankers or stock brokers registered with SEBI, for the Equity Shares proposed to be offered through the Offer. The Underwriting Agreement is dated [●]. The extent of underwriting

obligations and the Bids to be underwritten by each Underwriter shall be in accordance with the Underwriting Agreement. It is proposed that pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to conditions specified therein.

The Underwriters have indicated their intention to underwrite such number of Equity Shares as disclosed below:

(This portion has been intentionally left blank and will be filled in before the Prospectus is filed with the RoC)

Name, Address, Telephone Number and E-mail Address of the Underwriters	**Indicative Number of Equity Shares to be Underwritten**	**Amount Underwritten** *(₹ million)*
[●]	[●]	[●]

The abovementioned underwriting commitments are indicative and will be finalized after determination of the Offer Price and Basis of Allotment and the allocation, subject to and in accordance with the provisions of the SEBI ICDR Regulations.

In the opinion of our Board (based on representations made to our Company by the Underwriters), the resources of each of the abovementioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The abovementioned Underwriters are registered with the SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchange(s). Our Board/ IPO Committee, at its meeting held on [●], has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company.

Notwithstanding the above table, the Underwriters will be severally responsible for ensuring payment with respect to Equity shares allocated to Bidders procured by them in accordance with the Underwriting Agreement.

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitment disclosed in the table above.

CAPITAL STRUCTURE

Our Company's share capital, as on the date of this Draft Red Herring Prospectus, is disclosed below.

(₹ except share data)

S. No.	Particulars	Aggregate Value at Face Value	Aggregate Value at Offer Price*
A	**AUTHORIZED SHARE CAPITAL**[(1)]		
	275,000,000 Equity Shares of face value of ₹10 each	2,750,000,000	-
B	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE OFFER**		
	159,412,320 Equity Shares of face value of ₹10 each	1,594,123,200	-
C	**PRESENT OFFER**		
	Offer of up to [●] Equity Shares of face value of ₹10 each aggregating up to ₹[●] million[(2)(3)]		
	which includes		
	Fresh Issue of up to [●] Equity Shares of face value ₹10 each aggregating up to ₹6,000.00 million [(2)(3)]	[●]	[●]
	Offer for Sale of up to 40,437,529 Equity Shares of face value ₹10 each aggregating up to ₹[●] million [(4)]	[●]	[●]
	The Offer includes		
	Employee Reservation Portion of up to [●] Equity Shares of face value ₹10 each[(5)]	[●]	[●]
	Net Offer to the public of up to [●] Equity Shares of face value of ₹10 each	[●]	[●]
D	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE OFFER*(4)**		
	[●] Equity Shares of face value of ₹10 each	[●]	-
E	**SECURITIES PREMIUM ACCOUNT**		
	Before the Offer		12,299,390,000
	After the Offer		[●]

**To be included upon finalisation of Offer Price.*

(1) For details in relation to the changes in the authorized share capital of our Company in the last 10 years, see "History and Certain Corporate Matters—Amendments to the Memorandum of Association" on page 393.

(2) Subject to finalization of basis of allotment, our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement aggregating up to ₹1,200.00 million prior to filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue, i.e., ₹1,200.00 million. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result in listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and Prospectus and intimated to the Stock Exchanges, in accordance with the SEBI ICDR Regulations.

(3) The Offer has been authorized by a resolution dated March 2, 2026 passed by our Board and the Fresh Issue has been approved by a special resolution dated March 25, 2026 passed by our Shareholders. Our Board has taken on record the participation of the Selling Shareholders in the Offer for Sale pursuant to a resolution dated May 15, 2026

(4) Each of the Selling Shareholders have, severally and not jointly, specifically authorized their respective participation in the Offer for Sale to the extent of their respective portion of the Offered Shares pursuant to their respective consent letters and board resolution/corporate authorisation, as applicable. The details of such authorizations of each of the Selling Shareholders in relation to its respective portion of the Offered Shares are provided in "Annexure A" on page 722. The Offered Shares are eligible to be offered for sale in the Offer in accordance with Regulation 8 of the SEBI ICDR Regulations, as on the date of this Draft Red Herring Prospectus.

(5) *The Employee Reservation Portion shall not exceed 5% of our post-Offer paid-up Equity Share capital. The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee shall not exceed ₹500,000 (net of Employee Discount, if any, as applicable). However, the initial allocation to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹200,000 (net of Employee Discount, if any, as applicable). Only in the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹200,000 (net of Employee Discount, if any, as applicable), subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹500,000 (net of Employee Discount, if any, as applicable). An Eligible Employee Bidding in the Employee Reservation Portion can also Bid in the Non-Institutional Portion or the Retail Portion and such Bids will not be treated as multiple Bids. The unsubscribed portion if any, in the Employee Reservation Portion shall be added back to the Net Offer. In case of under-subscription in the Net Offer, spill-over to the extent of such under-subscription shall be permitted from the Employee Reservation Portion. For details, see "Offer Structure" on page 644.*

(Remainder of this page has been intentionally left blank)

Notes to Capital Structure

1. **Share Capital History of our Company**

(a) The history of the equity share capital of our Company is disclosed below:

Date of allotment	Number of Equity Shares Allotted	Face Value (₹)	Issue Price per Equity Share (₹)	Nature of Consideration	Reason for/Nature of Allotment	Cumulative Number of Equity Shares	Cumulative Paid-up Equity Share Capital (₹)	Name of allottees
September 27, 1991	200	10	10	Cash	Subscription to Memorandum of Association	200	2,000	**S. No.** / **Name of allottee** / **Number of Equity Shares** 1. Arun Kumar Goenka — 100 2. Sunita Goenka — 100
From September 28, 1991 to September 22, 1993, 242,000 Equity Shares were issued at a face value of ₹10 each*						The cumulative issued, subscribed and paid-up equity share capital as on September 22, 1993, as per the annual return filed by our Company with the RoC, was ₹2,422,000 reflecting an allotment of 242,000 Equity Shares between September 28, 1991 and September 22, 1993.		
From September 23, 1993 to October 31, 1994, 757,800 Equity Shares were issued at a face value of ₹10 each*						The cumulative issued, subscribed and paid-up equity share capital as on October 31, 1994, as per the annual return filed by our Company with the RoC, was ₹10,000,000 reflecting an allotment of 757,800 Equity Shares between September 23, 1993 and October 31, 1994.		
March 1, 2000	124,500	10	10	Cash	Preferential allotment	1,124,500	11,245,000	**S. No.** / **Name of allottee** / **Number of Equity Shares** 1. Agrim Credit Agency Pvt Ltd. — 68,500 2. Anubhav Credit and Viniyog Pvt. Ltd. — 11,000 3. Madhulika Leasehold (P) Ltd. — 45,000
December 16, 2006	375,500	10	10	Cash	Preferential allotment	1,500,000	15,000,000	**S. No.** / **Name of allottee** / **Number of Equity Shares** 1. Bellwether Microfinance Fund Private Limited — 375,500
September 27, 2007	500,000	10	10	Cash	Preferential allotment	2,000,000	20,000,000	**S. No.** / **Name of allottee** / **Number of Equity Shares**

Date of allotment	Number of Equity Shares Allotted	Face Value (₹)	Issue Price per Equity Share (₹)	Nature of Consideration	Reason for/Nature of Allotment	Cumulative Number of Equity Shares	Cumulative Paid-up Equity Share Capital (₹)	Name of allottees		
								1.	Bellwether Microfinance Fund Private Limited	500,000
July 4, 2008	2,580,100	10	25**	Cash	Preferential allotment	4,580,100	45,801,000	**S. No.**	**Name of allottee**	**Number of Equity Shares**
								1.	Lok Capital LLC	550,000
								2.	MSDF	550,000
								3.	Vidyananda Jha	8,100
								4.	Swaminathan Aiyar	81,000
								5.	Caspian Advisory Private Limited as trustee to Bellwether Microfinance Trust	1,211,000
								6.	Shubhankar Sengupta	180,000
February 14, 2009	130,000	10	10	Cash	Rights issue	4,710,100	47,101,000	**S. No.**	**Name of allottee**	**Number of Equity Shares**
								1.	Shubhankar Sengupta	80,000
								2.	Chandan Phukan	32,100
								3.	Amit Kumar Dutta	10,700
								4.	Jayanta Bakali	7,200
June 23, 2010	2,966,666	10	50	Cash	Preferential allotment	7,676,766	76,767,660	**S. No.**	**Name of allottee**	**Number of Equity Shares**
								1.	Lok Capital LLC	404,354
								2.	MSDF	404,354
								3.	IFIF	2,157,958
June 23, 2010	400,000	10	37.50	Cash	Preferential allotment	8,076,766	80,767,660	**S. No.**	**Name of allottee**	**Number of Equity Shares**
								1.	Swaminathan Aiyar	266,666
								2.	Bellwether Microfinance Fund Private Limited	133,334
June 23, 2010	1,700,000	10	10	Cash	Preferential allotment	9,776,766	97,767,660	**S. No.**	**Name of allottee**	**Number of Equity Shares**
								1.	Shubhankar Sengupta	875,000

Date of allotment	Number of Equity Shares Allotted	Face Value (₹)	Issue Price per Equity Share (₹)	Nature of Consideration	Reason for/Nature of Allotment	Cumulative Number of Equity Shares	Cumulative Paid-up Equity Share Capital (₹)	Name of allottees
								2. Arohan ESOP Trust — 825,000
September 28, 2012[#]	20,807,645	10	12.89	Cash	Preferential allotment	30,584,411	305,844,110	**S. No. / Name of allottee / Number of Equity Shares** 1. Intellecash — 12,569,222 2. AG II — 4,973,858 3. AVMS — 6,225 4. MSDF — 2,133,437 5. IFIF — 930,954 6. Manojkumar N Nambiar — 193,949
March 30, 2013	4,102	10	12.86	Cash	Preferential allotment	30,588,513	305,885,130	**S. No. / Name of allottee / Number of Equity Shares** 1. Geeta Nambiar — 1,000 2. Shree Ravindranathan — 1,000 3. Nalini Agrawal and Anurag Agrawal — 100 4. Preeti Jha — 1,002 5. Kalpana Bhushan — 1,000
September 26, 2013	9,178,312	10	20.39	Cash	Preferential allotment	39,766,825	397,668,250	**S. No. / Name of allottee / Number of Equity Shares** 1. AG II — 9,178,312
September 27, 2013	11,487	10	20.39	Cash	Preferential allotment	39,778,312	397,783,120	**S. No. / Name of allottee / Number of Equity Shares** 1. AVMS — 11,487
October 4, 2013	1,523,189	10	20.39	Cash	Preferential allotment	41,301,501	413,015,010	**S. No. / Name of allottee / Number of Equity Shares** 1. Swaminathan Aiyar — 150,000 2. MSDF — 1,373,189
March 31, 2014	193,949	10	12.89	Cash	Preferential allotment	41,495,450	414,954,500	**S. No. / Name of allottee / Number of Equity Shares** 1. Manojkumar N Nambiar — 193,949

Date of allotment	Number of Equity Shares Allotted	Face Value (₹)	Issue Price per Equity Share (₹)	Nature of Consideration	Reason for/Nature of Allotment	Cumulative Number of Equity Shares	Cumulative Paid-up Equity Share Capital (₹)	Name of allottees		
June 30, 2014	67,553	10	16.23	Cash	Preferential allotment	41,563,003	415,630,030	**S. No.**	**Name of allottee**	**Number of Equity Shares**
								1.	Manojkumar N Nambiar	54,043
								2.	Shubhankar Sengupta	13,510
November 29, 2014	30,807	10	16.23	Cash	Preferential allotment	41,593,810	415,938,100	**S. No.**	**Name of allottee**	**Number of Equity Shares**
								1.	Madhu Rama Murthy Vishnubhatla	30,807
March 30, 2015	9,176,660	10	32.69	Cash	Preferential allotment	50,770,470	507,704,700	**S. No.**	**Name of allottee**	**Number of Equity Shares**
								1.	Tano	9,176,660
March 30, 2015	831,793	10	16.23	Cash	Exercise of warrants	51,602,263	516,022,630	**S. No.**	**Name of allottee**	**Number of Equity Shares**
								1.	Intellecash	831,793
September 30, 2015	168,207	10	21.20	Cash	Exercise of warrants	51,770,470	517,704,700	**S. No.**	**Name of allottee**	**Number of Equity Shares**
								1.	Intellecash	168,207
December 19, 2016	9,077,830	10	N.A.	Cash^	Conversion of CCPS	60,848,300	608,483,000	**S. No.**	**Name of allottee**	**Number of Equity Shares**
								1.	Tano	9,077,830
January 19, 2017	2,344,736	10	56.61	Cash	Rights issue	63,193,036	631,930,360	**S. No.**	**Name of allottee**	**Number of Equity Shares**
								1.	AVMS	130,560
								2.	Tano	2,208,090
								3.	Vidyanand Jha	2,754
								4.	Ayan Chatterjee	17
								5.	Shree Ravindranath	170
								6.	Kalpana Bhushan	170
								7.	Somnath Chakraborty	400

Date of allotment	Number of Equity Shares Allotted	Face Value (₹)	Issue Price per Equity Share (₹)	Nature of Consideration	Reason for/Nature of Allotment	Cumulative Number of Equity Shares	Cumulative Paid-up Equity Share Capital (₹)	Name of allottees
								8. Lokesh Dulalsankar Ray — 2,575
January 27, 2017	7,916,927	10	56.61	Cash	Rights issue	71,109,963	711,099,630	S. No. / Name of allottee / Number of Equity Shares 1. AVMS — 7,818,565 2. Swaminathan Aiyar — 98,362
March 31, 2017	11,452,405	10	84.70	Cash	Preferential allotment	82,562,368	825,623,680	S. No. / Name of allottee / Number of Equity Shares 1. Maj Invest — 11,452,405
March 28, 2018	(18,067,494)	10	N.A.	N.A.	Cancellation and extinguishment of Equity Shares pursuant to the Scheme[1]	64,494,874	644,948,740	Pursuant to the Scheme, 18,067,494 Equity Shares held by Intellecash in our Company were cancelled and extinguished.
March 28, 2018	23,970,479	10	N.A.	Other than cash	Allotment of Equity Shares pursuant to the Scheme[2]	88,465,353	884,653,530	S. No. / Name of allottee / Number of Equity Shares 1. I-Cap — 12,354,499 2. AVMS — 426,155 3. AG II — 10,127,805 4. Kartikay Rai — 64,032 5. Aparajita Agrawal — 21,344 6. Shree Ravindranath — 21,344 7. Manju Mary George — 21,344 8. Archana Kejriwal — 10,672 9. Vasu Kangovi — 10,672 10. Krishnan Mani — 10,328 11. Anas Mohammed — 2,134 12. Rajesh Sachdeva — 498,739 13. Jayesh Arvind Parekh — 172,033 14. Sameer Anil Wagle — 71,682 15. John Arunkumar Diaz — 57,345 16. Kedar Anil Wagle — 100,351

Date of allotment	Number of Equity Shares Allotted	Face Value (₹)	Issue Price per Equity Share (₹)	Nature of Consideration	Reason for/Nature of Allotment	Cumulative Number of Equity Shares	Cumulative Paid-up Equity Share Capital (₹)	Name of allottees		
July 3, 2018	600,000	10	130	Cash	Preferential allotment	89,065,353	890,653,530	**S. No.**	**Name of allottee**	**Number of Equity Shares**
								1.	Arohan ESOP Trust	600,000
December 28, 2018	10,217,288	10	146.81	Cash	Preferential allotment	99,282,641	992,826,410	**S. No.**	**Name of allottee**	**Number of Equity Shares**
								1.	AVMS	3,034,685
								2.	Aavishkaar Capital Advisors LLP	7,182,603
March 26, 2019	2,641,275	10	162.80	Cash	Preferential allotment	101,923,916	1,019,239,160	**S. No.**	**Name of allottee**	**Number of Equity Shares**
								1.	AVMS	921,375
								2.	Maj Invest	859,950
								3.	Rajesh Sachdeva	429,975
								4.	TR Capital	429,975
March 28, 2019	750,000	10	162.80	Cash	Preferential allotment	102,673,916	1,026,739,160	**S. No.**	**Name of allottee**	**Number of Equity Shares**
								1.	Arohan ESOP Trust	750,000
September 27, 2019	7,647,058	10	170.00	Cash	Preferential allotment	110,320,974	1,103,209,740	**S. No.**	**Name of allottee**	**Number of Equity Shares**
								1.	I-Cap	4,117,647
								2.	AVMS	3,529,411
August 12, 2020	850,000	10	170.00	Cash	Preferential allotment	111,170,974	1,111,709,740	**S. No.**	**Name of allottee**	**Number of Equity Shares**
								1.	Arohan ESOP Trust	850,000
February 10, 2021	6,958,899	10	210.00	Cash	Preferential allotment	118,129,873	1,181,298,730	**S. No.**	**Name of allottee**	**Number of Equity Shares**
								1.	ASK Financial Holding Private Limited	5,530,329
								2.	Kiran Vyapar Limited	476,190
								3.	AVMS	952,380

Date of allotment	Number of Equity Shares Allotted	Face Value (₹)	Issue Price per Equity Share (₹)	Nature of Consideration	Reason for/Nature of Allotment	Cumulative Number of Equity Shares	Cumulative Paid-up Equity Share Capital (₹)	Name of allottees		
								S. No.	**Name of allottee**	**Number of Equity Shares**
February 11, 2021	2,047,430	10	210.00	Cash	Preferential allotment	120,177,303	1,201,773,030	1.	Rajesh Sachdeva	1,047,430
								2.	Arohan ESOP Trust	1,000,000
August 12, 2022	1,000,000	10	153.94	Cash	Preferential allotment	121,177,303	1,211,773,030	**S. No.**	**Name of allottee**	**Number of Equity Shares**
								1.	Arohan ESOP Trust	1,000,000
August 30, 2023	700,000	10	124	Cash	Preferential allotment	121,877,303	1,218,773,030	**S. No.**	**Name of allottee**	**Number of Equity Shares**
								1.	Arohan ESOP Trust	700,000
March 22, 2024	11,110,966	10	N.A.	Cash^	Conversion of CCPS	132,988,269	1,329,882,690	**S. No.**	**Name of allottee**	**Number of Equity Shares**
								1.	TIAA	11,110,966
	6,335,085	10	N.A.	Cash^	Conversion of CCPS	139,323,354	1,393,233,540	**S. No.**	**Name of allottee**	**Number of Equity Shares**
								1.	FMO	6,335,085
	4,607,335	10	N.A.	Cash^	Conversion of CCPS	143,930,689	1,439,306,890	**S. No.**	**Name of allottee**	**Number of Equity Shares**
								1.	FMO	4,607,335
	13,481,631	10	N.A.	Cash^	Conversion of CCPS	157,412,320	1,574,123,200	**S. No.**	**Name of allottee**	**Number of Equity Shares**
								1.	DSDG	13,481,631
August 30, 2024	1,500,000	10	148.35	Cash	Preferential allotment	158,912,320	1,589,123,200	**S. No.**	**Name of allottee**	**Number of Equity Shares**
								1.	Arohan ESOP Trust	1,500,000
August 29, 2025	500,000	10	148.35	Cash	Preferential allotment	159,412,320	1,594,123,200	**S. No.**	**Name of allottee**	**Number of Equity Shares**

Date of allotment	Number of Equity Shares Allotted	Face Value (₹)	Issue Price per Equity Share (₹)	Nature of Consideration	Reason for/Nature of Allotment	Cumulative Number of Equity Shares	Cumulative Paid-up Equity Share Capital (₹)	Name of allottees		
								1.	Arohan ESOP Trust	500,000

**Our Company has been unable to trace further corporate records in relation to such allotments. See "Risk Factors—Some of our corporate records and regulatory filings, including those relating to allotments of our Equity Shares in the past are not traceable. We cannot assure you that the above form filings and resolutions will be available in the future or that we will not be subject to any penalty imposed by the regulatory authorities in this respect" on page 32.*

*** Allotment to Shubhankar Sengupta was made at issue price of ₹10 each.*

[#]Date of allotment in Form-2 has been inadvertently mentioned as September 10, 2012.

^ Cash was paid at the time of allotment of the CCPS.

(1) For further information, see "History and Certain Corporate Matters—Details regarding Material Acquisitions or Divestments of Business/Undertakings, Mergers, Amalgamations and Revaluation of Assets in the last 10 years" on page 397.

(2) The swap ratio pursuant to the Scheme was 213.44 Equity Shares for every 100 equity shares of ₹10 each of Intellecash (equivalent to 2.1344 Equity Shares for every one equity share of Intellecash). For further information, see "History and Certain Corporate Matters—Details regarding Material Acquisitions or Divestments of Business/Undertakings, Mergers, Amalgamations and Revaluation of Assets in the last 10 years" on page 397.

(b) The history of the preference share capital of our Company is disclosed below:

Date of allotment	Number of CCPS Allotted/ (converted)	Face Value (₹)	Issue Price per CCPS (₹)	Nature of Consideration^	Reason for/Nature of Allotment	Cumulative Number of CCPS	Cumulative paid-up preference share capital	Name of allottees		
March 30, 2015	9,176,660	20	32.69	Cash	Preferential allotment	9,176,660	183,533,200	**S. No.**	**Name of allottee**	**Number of CCPS**
								1.	Tano	9,176,660
December 19, 2016	(9,176,660)	10	-	N.A.	Conversion of CCPS into Equity Share	-	-	**S. No.**	**Name of allottee**	**Number of Equity Shares**
								1.	Tano	9,077,830
November 30, 2022	18,500,412	10	85	Cash	Preferential allotment	18,500,412	185,004,120	**S. No.**	**Name of allottee**	**Number of CCPS**
								1.	TIAA	18,500,412

Date of allotment	Number of CCPS Allotted/ (converted)	Face Value (₹)	Issue Price per CCPS (₹)	Nature of Consideration^	Reason for/Nature of Allotment	Cumulative Number of CCPS	Cumulative paid-up preference share capital	Name of allottees
February 21, 2023	10,710,765	10	85	Cash	Preferential allotment	29,211,177	292,111,770	**S. No.** / **Name of allottee** / **Number of CCPS**: 1. FMO 10,710,765
April 27, 2023	7,789,648	10	85	Cash	Preferential allotment	37,000,825	370,008,250	**S. No.** / **Name of allottee** / **Number of CCPS**: 1. FMO 7,789,648
May 24, 2023	23,529,411	10	85	Cash	Preferential allotment	60,530,236	605,302,360	**S. No.** / **Name of allottee** / **Number of CCPS**: 1. DSDG 23,529,411
March 22, 2024	(60,530,236)	10	-	N.A.	Conversion of CCPS into Equity Share	-	-	**S. No.** / **Name of allottee** / **Number of Equity Shares**: 1. TIAA 11,110,966; 2. FMO 10,942,420; 3. DSDG 13,481,631

^ *Cash was paid at the time of allotment of the CCPS*

As on the date of this Draft Red Herring Prospectus, our Company does not have any authorized, issued, subscribed or paid-up preference share capital. All outstanding CCPS of our Company were converted into Equity Shares on March 22, 2024. See "*—Share Capital History of Our Company*" on page 103.

2. **Issue of Equity Shares at a price lower than the Offer Price in the last one year**

Our Company has not issued any Equity Shares at a price which may be lower than the Offer Price during the period of one year preceding the date of this Draft Red Herring Prospectus, except as disclosed in "*—Share Capital History of our Company*" on page 103.

3. **Issue of Equity Shares for Consideration other than Cash or by way of bonus issue**

Except as disclosed in "*—Share Capital History of our Company*" and "*—Issue of Equity Shares pursuant to schemes of arrangement*" on pages 103 and 112, respectively, our Company has not issued any Equity Shares in the past for consideration other than cash or by way of bonus issue.

4. **Issue of Equity Shares out of revaluation reserves**

Our Company has not issued any Equity Shares out of revaluation reserves since its incorporation.

5. **Issue of Equity Shares pursuant to schemes of arrangement**

Our Company has not issued any Equity Shares in the past in terms of a scheme of arrangement approved under Sections 391-394 of the Companies Act, 1956 or Sections 230-234 of the Companies Act, except as disclosed below.

Date of Allotment	Number of Equity Shares Allotted	Face Value (₹)	Issue price per Equity Share (₹)	Reason for Allotment	Allottees	Benefits Accrued to our Company
March 28, 2018	23,970,479	10	N.A.	Allotment pursuant to the Scheme	Erstwhile shareholders of Intellecash[(1)]	Consideration for transfer of undertaking of Intellecash and merger thereof with our Company pursuant to the Scheme.

(1) See "—Share Capital History of Our Company" on page 103 and "History and Certain Corporate Matters—Details regarding Material Acquisitions or Divestments of Business/Undertakings, Mergers, Amalgamations and Revaluation of Assets in the last 10 years" on page 397.

6. **Details of build-up, secondary transactions of Equity Shares, contribution and Lock-in of Promoters' shareholding and Lock-in of other Equity Shares**

(a) *Build-up of our Promoters' shareholding in our Company*

As on the date of this Draft Red Herring Prospectus, our Promoters hold 22,566,229 Equity Shares, constituting approximately 14.16% of the issued, subscribed and paid-up share capital of our Company. As on the date of this Draft Red Herring Prospectus, Vineet Chandra Rai and Swati Rai do not hold any Equity Shares in our Company.

Date of Allotment/Transfer	Number of Equity Shares	Face Value (₹)	Issue/ Transfer Price per Equity Share (₹)	Nature of Consideration	Nature of Acquisition/ Allotment/ Transfer	Percentage of Pre-Offer Equity Share Capital (%)^	Percentage of Post-Offer Equity Share Capital (%)^
AVMS							
September 28, 2012[#]	6,225	10	12.89	Cash	Preferential allotment	0.00	[●]
September 27, 2013	11,487	10	20.39	Cash	Preferential allotment	0.01	[●]

Date of Allotment/Transfer	Number of Equity Shares	Face Value (₹)	Issue/ Transfer Price per Equity Share (₹)	Nature of Consideration	Nature of Acquisition/ Allotment/ Transfer	Percentage of Pre-Offer Equity Share Capital (%)^	Percentage of Post-Offer Equity Share Capital (%)^
November 15, 2016	750,328	10	27.71	Cash	Transfer from Manojkumar N Nambiar	0.47	[●]
January 19, 2017	130,560	10	56.61	Cash	Rights issue	0.08	[●]
January 27, 2017	7,818,565	10	56.61	Cash	Rights issue	4.90	[●]
March 28, 2018	426,155	10	N.A.	Other than cash	Allotment of Equity Shares pursuant to the Scheme	0.27	[●]
December 28, 2018	3,034,685	10	146.81	Cash	Preferential allotment	1.90	[●]
March 26, 2019	921,375	10	162.80	Cash	Preferential allotment	0.58	[●]
August 23, 2019	1,795,650	10	146.81	Cash	Transfer from Aavishkaar Capital Advisors LLP	1.13	[●]
August 27, 2019	1,795,650	10	146.81	Cash	Transfer from Aavishkaar Capital Advisors LLP	1.13	[●]
August 27, 2019	1,795,650	10	146.81	Cash	Transfer from Aavishkaar Capital Advisors LLP	1.13	[●]
September 12, 2019	1,795,653	10	146.81	Cash	Transfer from Aavishkaar Capital Advisors LLP	1.13	[●]
September 27, 2019	3,529,411	10	170.00	Cash	Preferential allotment	2.21	[●]
February 10, 2021	952,380	10	210.00	Cash	Preferential allotment	0.60	[●]
March 17, 2023	(668,592)	10	123.79	Cash	Transfer to TIAA	(0.42)	[●]
May 11, 2023	(668,592)	10	123.79	Cash	Transfer to FMO	(0.42)	[●]
July 1, 2024#	(2,883,349)	10	N.A.	Other than cash	Transfer to TMF*	(1.81)	[●]
June 28, 2024	(2,891,282)	10	N.A.	Other than cash	Transfer to TFSF*	(1.81)	[●]
July 2 2024	(4,117,102)	10	N.A.	Other than cash	Transfer to FMO*	(2.58)	[●]
July 8, 2024	(7,440,774)	10	N.A.	Other than cash	Transfer to TIAA*	(4.67)	[●]
SUB TOTAL (A)	**6,094,083**					**3.82**	[●]
I-Cap							
March 28, 2018	12,354,499	10	N.A.	Other than cash	Allotment of Equity Shares	7.75	[●]

Date of Allotment/Transfer	Number of Equity Shares	Face Value (₹)	Issue/ Transfer Price per Equity Share (₹)	Nature of Consideration	Nature of Acquisition/ Allotment/ Transfer	Percentage of Pre-Offer Equity Share Capital (%)^	Percentage of Post-Offer Equity Share Capital (%)^
					pursuant to the Scheme[(1)]		
September 27, 2019	4,117,647	10	170.00	Cash	Preferential allotment	2.58	[●]
SUB TOTAL (B)	**16,472,146**					**10.33**	**[●]**
TOTAL (A)+(B)	**22,566,229**					**14.16**	[●]

(1) See "History and Certain Corporate Matters—Details regarding Material Acquisitions or Divestments of Business/Undertakings, Mergers, Amalgamations and Revaluation of Assets in the last 10 years" on page 397.
^ The percentage of the Equity Share capital on a fully diluted basis has been calculated on the basis of total Equity Shares held and such number of Equity Shares which will result upon conversion of vested options under the ESOP Schemes.
** Pursuant to the NCLT order dated February 15, 2024 in relation to reduction of share capital of AVMS, certain equity shares of our Company, which were held by AVMS were transferred to TMF, TFSF, TIAA and FMO.*
#Date of transfer in Form FC-TRS has been inadvertently mentioned as July 2, 2024.

All the Equity Shares held by our Promoters were fully paid-up on the respective dates of acquisition/allotment of such Equity Shares. None of the Equity Shares held by our Promoters are pledged.

(b) *Secondary transactions of Equity Shares by our Promoters, the members of our Promoter Group (holding Equity Shares, as on the date of this Draft Red Herring Prospectus) and the Selling Shareholders*

Except as disclosed below and in "*—Build-up of our Promoters' shareholding in our Company*" on page 112, there have been no secondary transactions of equity shares of our Company by our Promoters, the members of our Promoter Group (holding Equity Shares, as on the date of this Draft Red Herring Prospectus) and the Selling Shareholders.

(i) Selling Shareholders

Date of Transfer	Nature of transfer	Number of fully paid-up equity shares	Nature of consideration	Face Value per equity share (₹)	Issue/ transfer price per equity share (₹)
Investor Selling Shareholders					
AG II					
February 28, 2018	Secondary Transfer to TR Capital III Mauritius	(5,740,446)	Cash	10	113.04
TFSF					
June 28, 2024	Secondary Transfer from AVMS	2,891,282	Other than cash*	10	N.A. *
Maj Invest					
July 17, 2017	Secondary transfer from IFIF (Indian Financial Inclusion Fund)	3,088,912	Cash	10	70.00
MSDF					

Date of Transfer	Nature of transfer	Number of fully paid-up equity shares	Nature of consideration	Face Value per equity share (₹)	Issue/ transfer price per equity share (₹)
March 27, 2018	Secondary transfer to Rajesh Sachdeva	(714,000)	Cash	10	130.00
March 27, 2018	Secondary transfer to Ajay Sharma	(357,000)	Cash	10	130.00
March 27, 2018	Secondary transfer to Richa Goswami	(119,000)	Cash	10	130.00
FMO					
May 11, 2023	Secondary Transfer from AVMS	668,592	Cash	10	123.79
July 2, 2024	Secondary Transfer from AVMS	4,117,102	Other than cash*	10	N.A.*
Tano					
February 28, 2018	Secondary transfer to TR Capital	3,548,301	Cash	10	113.04
April 14, 2022	Secondary transfer to Adivam Family Trust	227,250	Cash	10	220.00
TIAA					
March 17, 2023	Secondary transfer from AVMS	668,592	Cash	10	123.79
July 8, 2024	Secondary transfer from AVMS	7,440,774	Other than cash*	10	N.A.*
TR Capital					
February 28, 2018	Secondary transfer from Tano	3,548,301	Cash	10	113.04
February 28, 2018	Secondary transfer from AG II	5,740,446	Cash	10	113.04
TMF					
July 1, 2024	Secondary Transfer from AVMS	2,883,349	Other than cash*	10	N.A.*
Individual Selling Shareholders					
Aanvi Somany					
February 20, 2021	Transfer	45,455	Cash	10	220.00
Abhishek Prakash Sharma					
February 12, 2021	Transfer	17,000	Cash	10	225.17
Ameya Somany					
February 20, 2021	Transfer	45,455	Cash	10	220.00
Amit Prakash Sharma					
March 10, 2021	Transfer	44,444	Cash	10	225.00
Anjana Somany					
February 20, 2021	Transfer	45,455	Cash	10	220.00
Anju Singh					
February 20, 2021	Transfer	136,364	Cash	10	220.00
Atul Ramsharan Gupta					

Date of Transfer	Nature of transfer	Number of fully paid-up equity shares	Nature of consideration	Face Value per equity share (₹)	Issue/ transfer price per equity share (₹)
February 26, 2021	Transfer	44,444	Cash	10	225.00
Devendra Mohan Gupta					
February 20, 2021	Transfer	44,444	Cash	10	225.00
Dharmesh D Shah					
February 24, 2021	Transfer	45,455	Cash	10	220.00
Gaurav Sharma					
February 11, 2021	Transfer	17,000	Cash	10	225.17
Indresh Batra					
February 24, 2021	Transfer	44,444	Cash	10	225.00
K S Manian					
March 18, 2021	Transfer	113,636	Cash	10	220.00
Keki M Mistry					
February 24, 2021	Transfer	49,900	Cash	10	225.00
Khushbu Singh					
February 22, 2021	Transfer	11,364	Cash	10	220.00
Manish Satyanarayan Nuwal					
February 26, 2021	Transfer	44,444	Cash	10	225.00
Pankaj Bajaj (in his capacity as trustee of Mannat Family Trust)					
February 20, 2021	Transfer	53,333	Cash	10	225.00
Manu Anand					
February 20, 2021	Transfer	44,444	Cash	10	225.00
Mehul Shantilal Modi					
February 20, 2021	Transfer	44,444	Cash	10	225.00
Naveen Philip					
February 20, 2021	Transfer	44,444	Cash	10	225.00
Neha Singh					
February 22, 2021	Transfer	22,727	Cash	10	220.00
Nishant Agarwal					
February 17, 2021	Transfer	23,100	Cash	10	215.00
July 12, 2023	Transfer	20,000	Cash	10	108.00
July 25, 2023	Transfer	9996	Cash	10	108.00
Paresh Jaswantraj Mehta					
February 20, 2021	Transfer	113,636	Cash	10	220.00
Parnika Rathi					
February 20, 2021	Transfer	22,222	Cash	10	225.00
Rajesh Mannalal Agrawal					
February 20, 2021	Transfer	68,182	Cash	10	220.00

Date of Transfer	Nature of transfer	Number of fully paid-up equity shares	Nature of consideration	Face Value per equity share (₹)	Issue/ transfer price per equity share (₹)
Sandeep Neema					
February 20, 2021	Transfer	44,444	Cash	10	225.00
Shalini Jyoti Singh					
February 20, 2021	Transfer	22,727	Cash	10	220.00
Smita Rajesh Shah					
February 24, 2021	Transfer	11,112	Cash	10	225.00
Sudhir Anil Hirani					
February 22, 2021	Transfer	45,000	Cash	10	220.00
Sumesh Mehra					
February 20, 2021	Transfer	181,818	Cash	10	220.00
Sundeep Kattamuri					
February 20, 2021	Transfer	44,444	Cash	10	225.00
Sunil Anil Hirani					
February 22, 2021	Transfer	80,000	Cash	10	220.00
Sunil Gangadhar Rohokale					
February 20, 2021	Transfer	46,512	Cash	10	215.00
Tejas Goenka					
February 22, 2021	Transfer	44,444	Cash	10	225.00
Tinaz Mistry					
July 8, 2024	Gift (Transfer)	17,100	Other than cash	10	Nil
Trivikrama Prasad Pinnamaneni					
February 20, 2021	Transfer	66,667	Cash	10	225.00
Vimal Kanubhai Patel					
February 22, 2021	Transfer	44,444	Cash	10	225.00
Vinod Kumar Mahindra					
February 20, 2021	Transfer	22,222	Cash	10	225.00
Yadama Muralidhar					
February 20, 2021	Transfer	44,444	Cash	10	225.00
Yogesh Mannalal Agrawal					
February 20, 2021	Transfer	45,455	Cash	10	220.00
Corporate Selling Shareholders					
Alakris Partners LLP					
December 18, 2024	Transfer	45,455	Cash	10	220.00
Asian Star Company Ltd					
February 24, 2021	Transfer	100,000	Cash	10	220.00
Bhabani Pigments Private Limited					
February 20, 2021	Transfer	44,444	Cash	10	225.00
Kotak Mahindra Trusteeship Services Limited (acting in its capacity as trustee of Broadway Private Trust)					

Date of Transfer	Nature of transfer	Number of fully paid-up equity shares	Nature of consideration	Face Value per equity share (₹)	Issue/ transfer price per equity share (₹)
February 22, 2021	Transfer	44,444	Cash	10	220.00
Consolidated Technical Services India LLP					
February 20, 2021	Transfer	22,727	Cash	10	220.00
DSS Enterprises Private Limited					
February 20, 2021	Transfer	22,222	Cash	10	225.00
Malpani Holdings LLP					
March 4, 2021	Transfer	44,444	Cash	10	225.00
Sharadha Terry Products Private Limited					
February 25, 2021	Transfer	177,750	Cash	10	225.00
Vicco Products (Bombay) Private Limited					
February 20, 2021	Transfer	44,444	Cash	10	225.00

** Pursuant to the NCLT order dated February 15, 2024 in relation to reduction of share capital of AVMS, certain equity shares of our Company, which were held by AVMS were transferred to TMF, TFSF, TIAA and FMO.*

(c) *Details of Promoters' Contribution and Lock-in*

Pursuant to Regulations 14 and 16(1)(a) of the SEBI ICDR Regulations, an aggregate of at least 20% of the fully-diluted post-Offer Equity Share capital of our Company held by our Promoters is required to be considered as the minimum Promoters' contribution and is required to be locked-in for a period of 18 months from the date of Allotment. Our Promoters' shareholding in excess of 20% shall be locked in for a period of six months from the date of Allotment.

Since the post-Offer shareholding of the Promoters eligible for minimum promoters' contribution is less than 20% of post- Offer Equity Share capital of our Company, in accordance with Regulation 14 of the SEBI ICDR Regulations, our Shareholders, TIAA, FMO and DSDG, have provided their consent, through the letters, each dated May 15, 2026, to meet the shortfall in minimum promoters' contribution, subject to such number of Equity Shares not exceeding 10% of the post-Offer Equity Share capital of our Company.

The Equity Shares that are being locked-in are not ineligible for computation of minimum Promoters' contribution under Regulation 15 of the SEBI ICDR Regulations. In this regard, our Company confirms that:

(i) The Equity Shares offered towards minimum Promoters' contribution have not been acquired during the three immediately preceding years (a) for consideration other than cash and revaluation of assets or capitalization of intangible assets, or (b) arising from bonus issue by utilization of revaluation reserves or unrealized profits of our Company or from a bonus issue against Equity Shares, which are otherwise ineligible for computation of Promoters' contribution;

(ii) The Equity Shares offered towards minimum Promoters' contribution have not been acquired during the year immediately preceding the date of this Draft Red Herring Prospectus at a price lower than the Offer Price, provided that this does not apply to Equity Shares arising from the conversion of fully paid-up compulsorily convertible securities that have been held for a period of one year prior to filing of this Draft Red Herring Prospectus and such fully paid-up compulsorily convertible securities have been converted to Equity Shares;

(iii) Such Equity Shares are not subject to any pledge;

(iv) Our Company has not been formed by the conversion of a partnership firm into a company; and

(v) All Equity Shares held by our Promoters, members of our Promoter Group, Selling Shareholders, Directors, Key Managerial Personnel, members of Senior Management and employees (as defined in Regulation 7 of SEBI ICDR Regulations) are in dematerialized form as on the date of this Draft Red Herring Prospectus.

The details of the Equity Shares locked-in as minimum Promoters' contribution are given below*:

Name of Promoter and shareholders which are contributing to meet the shortfall in minimum promoters' contribution	Date of allotment /transfer of Equity Shares and when made Fully Paid-up	Nature of Transaction	Face Value (₹)	Acquisition Price per Equity Share (₹)	Number of Equity Shares Locked-in	Number of Equity Shares allotted/ transferred	Pre-Offer Equity Share Capital (%)	Percentage of Post-Offer Equity Share Capital (on a fully diluted basis) (%)	Date up to which the Equity Shares are subject to Lock-in
AVMS	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
I-Cap	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
TIAA	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
FMO	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
DSDG	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]

**To be completed prior to filing of the Prospectus with the RoC.*

Our Promoters have agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner, the Promoters' contribution from the date of filing this Draft Red Herring Prospectus, until the expiry of the lock-in specified above, or for such other time as required under SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations.

(d) *Details of Share Capital locked-in for six months*

In addition to the Equity Shares proposed to be locked-in as part of the minimum Promoters' contribution as stated above, as prescribed under the SEBI ICDR Regulations, the entire pre-Offer Equity Share capital of our Company will be locked-in for a period of six months from the date of Allotment of Equity Shares in the Offer. In the event where lock-in of such pre-Offer Equity Share capital of our Company cannot be created, the relevant Depositories, upon instructions from our Company, shall record such Equity Shares as 'non-transferable' for such duration of six months from the date of Allotment in the Offer. However, the above lock-in of Equity Shares shall not be applicable to (i) the Equity Shares that are held by any VCFs, AIF (category I or category II) or FVCI subject to the conditions set out in Regulation 17(1) of the SEBI ICDR Regulations, provided that such Equity Shares will be locked-in for a period of at least six months from the date of purchase by the VCFs, AIF (category I or category II) or FVCI; (ii) any Equity Shares held by eligible employees of our Company (whether currently employees or not which may be allotted to them under the ESOP Schemes prior to the Offer; and (iii) the Equity Shares transferred pursuant to the Offer for Sale.

Further, 6,968,112 Equity Shares held by Arohan ESOP Trust will be permitted to be transferred to our employees upon exercise of vested options and such transferred Equity Shares will not be subject to any lock-in in the hands of our employees, subject to the SEBI SBEB Regulations. The Equity Shares held by Arohan ESOP Trust and the Equity Shares received by employees from Arohan ESOP Trust pursuant to exercise of options shall be exempt from lock-in under Regulation 17(1) of the SEBI ICDR Regulations, subject to the SEBI SBEB Regulations. As required under Regulation 20 of the SEBI ICDR Regulations, our Company shall ensure that the details of the Equity Shares locked-in are recorded by the relevant Depository.

(e) *Other requirements in respect of lock-in*

Pursuant to Regulation 21 of the SEBI ICDR Regulations, the locked-in Equity Shares held by our Promoters may be pledged only with scheduled commercial banks or public financial institutions or a systemically important NBFC or a housing finance company as collateral security for loans granted by such scheduled commercial bank or public financial institution or systemically important NBFC or housing company, provided that specified conditions under the SEBI ICDR Regulations are complied with.

Pursuant to Regulation 22 of the SEBI ICDR Regulations, the Equity Shares held by our Promoters, which are locked-in in accordance with Regulation 16 of the SEBI ICDR Regulations, may be transferred to and among our Promoters and any member of the Promoter Group, or to a new promoter of our Company and the Equity Shares held by any persons other than the Promoters, which are locked-in in accordance with Regulation 17 of the SEBI ICDR Regulations, may be transferred to and among such other persons holding specified securities that are locked in, subject to continuation of the lock-in in the hands of the transferee for the remaining period and compliance with the SEBI Takeover Regulations, as applicable.

(f) *Lock-in of Equity Shares Allotted to Anchor Investors*

50% of the Equity Shares Allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 90 days from the date of Allotment, and the remaining 50% of the Equity Shares Allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment.

7. **Shareholding Pattern of our Company**

The table below presents the shareholding of our Company as on the date of this Draft Red Herring Prospectus.

Category (I)	Category of Shareholder (II)	Number of Shareholders (III)	Number of fully paid-up Equity Shares held (IV)	Number of partly paid-up Equity Shares held (V)	Number of shares underlying depository receipts (VI)	Total number of Equity Shares held (VII) =(IV)+(V)+ (VI)	Shareholding as a % of total number of Equity Shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of voting rights held in each class of securities (IX)				Number of shares underlying outstanding convertible securities (including warrants, ESOPs) (X)	Total no. of shares on a fully diluted basis (including warrants, ESOPs, convertible securities (XI)= (VII) + (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XII)= (VII)+(X) As a % of (A+B+C2)	Number of locked-in shares (XIII)		Number of shares pledged (XIV)		Non-Disposal Undertaking (XV)		Other encumbrance (XVI)		Total Number of shares encumbered (XVII)= (XIV+XV+ XVI)		Number of Equity Shares held in dematerialized Form (XVII)
								No of voting rights			Total as a % of (A+B+C)				Number (a)	As a % of total shares held (b)	Number (a)	As a % of total shares held (b)	Number (a)	As a % of total shares held (b)	Number (a)	As a % of total shares held (b)	Number (a)	As a % of total shares held (b)	
								Class: Equity Shares	Class: Others	Total																
(A)	Promoters and Promoter Group	2	22,566,229	-	-	22,566,229	14.16	22,566,229	-	22,566,229	14.16	-	22,566,229	14.16	-	-	-	-	-	-	-	-	-	-	22,566,229
(B)	Public	385	129,877,979	-	-	129,877,979	81.47	129,877,979	-	129,877,979	81.47	-	129,877,979	81.47	-	-	-	-	-	-	-	-	-	-	129,877,879
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	1	6,968,112	-	-	6,968,112	4.37	6,968,112	-	6,968,112	4.37	6,726,056	6,968,112	4.37	-	-	-	-	-	-	-	-	-	-	6,968,112
	Total	388	159,412,320	-	-	159,412,320	100.00	159,412,320	-	159,412,320	100.00	6,726,056	159,412,320	100.00	-	-	-	-	-	-	-	-	-	-	159,412,220

8. **Details of the Shareholding of the major Shareholders of our Company**

(1) The Equity Shareholders holding 1% or more of the paid-up Equity Share capital of our Company and the number of Equity Shares held by them as on the date of this Draft Red Herring Prospectus are detailed in the table below:

S. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the total Equity Share capital (%)
1.	TIAA	19,220,332	12.06
2.	AG II	18,539,529	11.63
3.	Tano	16,687,029	10.47
4.	I-Cap	16,472,146	10.33
5.	FMO	15,728,114	9.87
6.	Maj Invest	15,401,267	9.66
7.	DSDG	13,481,631	8.46
8.	TR Capital	9,718,722	6.10
9.	Arohan Esop Trust	6,968,112	4.37
10.	AVMS	6,094,083	3.82
11.	Rajesh Sachdeva	3,612,774	2.27
12.	MSDF	3,270,980	2.05
13.	TFSF	2,891,282	1.81
14.	TMF	2,883,349	1.81
	TOTAL	**150,969,350**	**94.71**

(2) The Equity Shareholders who held 1% or more of the paid-up Equity Share capital of our Company and the number of Equity Shares held by them 10 days prior to the date of this Draft Red Herring Prospectus are detailed in the table below:

S. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the total Equity Share capital (%)
1.	TIAA	19,220,332	12.06
2.	AG II	18,539,529	11.63
3.	Tano	16,687,029	10.47
4.	I-Cap	16,472,146	10.33
5.	FMO	15,728,114	9.87
6.	Maj Invest	15,401,267	9.66
7.	DSDG	13,481,631	8.46
8.	TR Capital	9,718,722	6.10
9.	Arohan Esop Trust	6,968,112	4.37
10.	AVMS	6,094,083	3.82
11.	Rajesh Sachdeva	3,612,774	2.27
12.	MSDF	3,270,980	2.05
13.	TFSF	2,891,282	1.81
14.	TMF	2,883,349	1.81
	TOTAL	**150,969,350**	**94.71**

(3) The Equity Shareholders who held 1% or more of the paid-up Equity Share capital of our Company and the number of Equity Shares held by them one year prior to the date of this Draft Red Herring Prospectus are detailed in the table below:

S. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the total Equity Share capital (%)
1.	TIAA	19,220,332	12.09
2.	AG II	18,539,529	11.67
3.	Tano	16,687,029	10.50
4.	I-Cap	16,472,146	10.37
5.	FMO	15,728,114	9.90
6.	Maj Invest	15,401,267	9.69
7.	DSDG	13,481,631	8.48
8.	TR Capital	9,718,722	6.12
9.	Arohan Esop Trust	6,468,112	4.07
10	AVMS	6,094,083	3.83
11	Rajesh Sachdeva	3,612,774	2.27
12	MSDF	3,270,980	2.06
13	TFSF	2,891,282	1.82
14	TMF	2,883,349	1.81
	TOTAL	**150,469,350**	**94.68**

(4) The Equity Shareholders who held 1% or more of the paid-up Equity Share capital of our Company and the number of Equity Shares held by them two years prior to the date of this Draft Red Herring Prospectus are detailed in the table below:

S. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the total Equity Share capital (%)
1.	AVMS	23,426,590	14.88
2.	I-Cap	16,472,146	10.46
3.	AG II	18,539,529	11.78
4.	Tano	16,687,029	10.60
5.	Maj Invest	15,401,267	9.78
6.	DSDG	13,481,631	8.56
7.	TIAA	11,779,558	7.48
8.	FMO	11,611,012	7.38
9.	TR Capital	9,718,722	6.17
10	Arohan ESOP Trust	4,968,112	3.16
11	Rajesh Sachdeva	3,612,774	2.30
12	MSDF	3,270,980	2.08
	TOTAL	**148,969,350**	**94.64**

9. **Pre-Offer and post-Offer shareholding of our Promoters, members of the Promoter Group, additional top 10 Shareholders and other public Shareholders**

The pre-Offer shareholding and post-Offer shareholding of our Promoters, members of our Promoter Group, the additional top 10 Shareholders (excluding our Promoters and members of our Promoter Group) and other public Shareholders are set out below:

S. No	Name of the Shareholder[#]	Pre-Offer shareholding as of the date of the Draft Red Herring Prospectus[(2)]		Post-Offer shareholding as of the date of Allotment*^			
		Number of Equity Shares of face value ₹10 held	Shareholding (in %)	At the lower end of the Price Band (₹[●])		At the upper end of the Price Band (₹[●])	
				Number of Equity Shares of face value ₹10 held	Shareholding (in %)	Number of Equity Shares of face value ₹10 held	Shareholding (in %)
Promoters[(1)]							
1.	I-Cap	16,472,146	10.33	[●]	[●]	[●]	[●]
2.	AVMS	6,094,083	3.82	[●]	[●]	[●]	[●]
Additional top 10 shareholders							
1.	TIAA	19,220,332	12.06	[●]	[●]	[●]	[●]
2.	AG II	18,539,529	11.63	[●]	[●]	[●]	[●]
3.	Tano	16,687,029	10.47	[●]	[●]	[●]	[●]
4.	FMO	15,728,114	9.87	[●]	[●]	[●]	[●]
5.	Maj Invest	15,401,267	9.66	[●]	[●]	[●]	[●]
6.	DSDG	13,481,631	8.46	[●]	[●]	[●]	[●]
7.	TR Capital	9,718,722	6.10	[●]	[●]	[●]	[●]
8.	Arohan Esop Trust	6,968,112	4.37	[●]	[●]	[●]	[●]
9.	MSDF	3,270,980	2.05	[●]	[●]	[●]	[●]
10.	TFSF	2,891,282	1.81	[●]	[●]	[●]	[●]
Other public shareholders							
11.	Other public shareholders[@]	14,939,093	9.37	[●]	[●]	[●]	[●]
Total		**159,412,320**	**100.00**	[●]	[●]	[●]	[●]

[(1)] As on the date of this Draft Red Herring Prospectus, our Individual Promoters, Vineet Chandra Rai and Swati Rai do not hold any Equity Shares in our Company.

[(2)] The percentage of the Equity Share capital on a fully diluted basis has been calculated on the basis of total Equity Shares held and such number of Equity Shares which will result upon conversion of vested options under the ESOP Schemes.

** To be updated at the Prospectus stage.*

^Assuming full subscription in the Offer. The post-Offer shareholding details as of Allotment will be based on the actual subscription and the Offer Price and updated in the Prospectus, subject to finalization of the Offer Price and the Basis of Allotment. Further, assuming that there is no transfer of shares by the Shareholders between the date of the pre-Offer and price band advertisement and Allotment, and if any such transfers occur prior to the date of Prospectus, it will be updated in the shareholding pattern in the Prospectus.

[#] As on the date of this Draft Red Herring Prospectus, none of the members of our Promoter Group hold any Equity Shares in our Company.

[@]As on the date of this Draft Red Herring Prospectus, our Company has 388 Shareholders (based on beneficiary position statement available dated May 14, 2026).

10. **Details of the Shareholding of our Directors, Key Managerial Personnel, Senior Management, Promoter Group and directors of our Promoter**

(1) None of our Directors, Key Managerial Personnel and Senior Management hold any Equity Shares in our Company as on the date of filing of this Draft Red Herring Prospectus other than as disclosed below:

S. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the pre-Offer Equity Share capital (%)^	Percentage of the post-Offer of Equity Share Capital (%)^
Directors				
1.	John Arunkumar Diaz	57,345	0.04	[●]
Key Managerial Personnel and Senior Management				
1.	Milind Ramchandra Nare	10,000	Negligible	[●]
2.	Ketan Agrawal	3	Negligible	[●]
Total		**67,348**	**0.04**	**[●]**

^ The percentage of the Equity Share capital on a fully diluted basis has been calculated on the basis of total Equity Shares held and such number of Equity Shares which will result upon conversion of vested options under the ESOP Schemes.

For details of employee stock options granted to our Directors, Key Managerial Personnel or Senior Management, see *"—Employee Stock Option Schemes"* on page 127.

(2) The aggregate shareholding of our Promoters, Promoter Group and of the directors of our Promoters are detailed in the table below.

S. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the pre-Offer Equity Share capital^ (%)	Percentage of the post-Offer Equity Share Capital (%)^
Promoters*				
1.	AVMS	6,094,083	3.82	[●]
2.	I-Cap	16,472,146	10.33	[●]
Total		**22,566,229**	**14.16**	[●]

^ The percentage of the Equity Share capital on a fully diluted basis has been calculated on the basis of total Equity Shares held and such number of Equity Shares which will result upon conversion of vested options under the ESOP Schemes.
**As on the date of this Draft Red Herring Prospectus, our Individual Promoters, Vineet Chandra Rai and Swati Rai do not hold any Equity Shares in our Company.*

11. **Details of price at which specified securities were acquired in the last three years preceding the date of this Draft Red Herring Prospectus by our Promoters, Promoter Group, the Selling Shareholders or Shareholder(s) with rights to nominate Director(s) or other special rights**

Other than as described below, none of our Promoters, members of our Promoter Group, the Selling Shareholders or Shareholder(s) with rights to nominate Director(s) or other special rights have acquired specified securities in the last three years preceding the date of this Draft Red Herring Prospectus.

Name[#]	Category	Date of acquisition	Number of Equity Shares acquired	Face value per Equity Share	Acquisition price per Equity Share *(₹)*
Selling Shareholders					
Alakris Partners LLP	Acquisition from Sonia Basu	December 18, 2024	45,455	10	220.00
Tinaz K Mistry	Acquisition	July 8, 2024	17,100	10	Nil

Name[#]	Category	Date of acquisition	Number of Equity Shares acquired	Face value per Equity Share	Acquisition price per Equity Share *(₹)*
Nishant Agarwal	Acquisition	July 25, 2023	9,996	10	108.00
		July 12, 2023	20,000	10	108.00
TIAA	Conversion of CCPS	March 22, 2024	11,110,966	10	141.53
	Transfer from AVMS	July 8, 2024	7,440,774	10	123.79^
FMO	Conversion of CCPS	March 22, 2024	6,335,085	10	143.71
	Conversion of CCPS	March 22, 2024	4,607,335	10	143.71
	Transfer from AVMS	July 2, 2024	4,117,102	10	123.79^
DSDG	Conversion of CCPS	March 22, 2024	13,481,631	10	148.35
TFSF	Transfer from AVMS	June 28, 2024	2,891,282	10	123.79^
TMF	Transfer from AVMS	July 1, 2024	2,883,349	10	123.79^

**As certified by KGRS & Co, Chartered Accountants, bearing firm registration number 310014E, pursuant to their certificate dated May 15, 2026.*

[#]As on the date of this Draft Red Herring Prospectus, none of the members of our Promoter Group hold any specified securities in our Company and none of the members of the Promoter Group have acquired specified securities in the last three years preceding the date of this Draft Red Herring Prospectus.

^Pursuant to the NCLT order dated February 15, 2024 in relation to reduction of share capital of AVMS, certain equity shares of our Company, which were held by AVMS were transferred to TMF, TFSF, TIAA and FMO. The consideration for calculation of the weighted average cost of capital has been derived from such NCLT order.

12. **Weighted average cost of acquisition for Equity Shares of our Promoters and the Selling Shareholders transacted over the three years and one year preceding the date of this Draft Red Herring Prospectus**

The weighted average cost of acquisition of Equity Shares of our Promoters and the Selling Shareholders transacted over the three years and one year preceding the date of this Draft Red Herring Prospectus is set out below:

Period	Weighted Average Cost of Acquisition (WACA) *(₹)* [(1)]	Cap Price is 'X' times the WACA[(1)(2)]	Range of acquisition price: lowest price – highest price *(₹)* [(1)]
Last three years	137.91	[●]	[●]
Last one year	Nil	[●]	[●]

[(1)] As certified by KGRS & Co, Chartered Accountants, bearing firm registration number 310014E, pursuant to their certificate dated May 15, 2026.

[(2)] Information will be included after finalization of the Price Band.

13. **Details of weighted average cost of acquisition of Equity Shares of our Promoters and the Selling Shareholders**

The weighted average cost of acquisition of Equity Shares of our Promoters and the Selling Shareholders is set out below.

Name	Number of Equity Shares of face value of ₹10 each	Weighted average cost of acquisition per Equity Share since incorporation of the Company of face value of ₹10 each (in ₹)[(1)]	Weighted average cost of acquisition per Equity Shares of face value of ₹10 each acquired in last one year[(1)]	Weighted average cost of acquisition per Equity Shares of face value of ₹10 each acquired in last three years[(1)]
Promoters[(2)]				
AVMS	6,094,083	119.42	Nil	Nil
I-Cap	16,472,146	106.02	Nil	Nil

[(1)] As certified by KGRS & Co, Chartered Accountants, bearing firm registration number 310014E, pursuant to their certificate dated May 15, 2026.

[(2)] As on the date of this Draft Red Herring Prospectus, our Individual Promoters, Vineet Chandra Rai and Swati Rai do not hold any Equity Shares in our Company.

For details of weighted average cost of acquisition of Equity Shares of the Selling Shareholders, see *"Annexure A"* on page 722.

14. **Employee Stock Option Schemes**

(a) **Arohan Employee Stock Option Plan 2010, as amended** ("**ESOP 2010**")

Our Board of Directors approved ESOP 2010 pursuant to a resolution dated January 20, 2010 and our Shareholders approved the ESOP 2010 pursuant to a resolution dated March 15, 2010. Subsequently, our Board of Directors approved the amendment of the ESOP 2010 pursuant to its resolution dated March 2, 2026 and our Shareholders approved the amendment of the ESOP 2010 pursuant to a special resolution dated March 25, 2026. Pursuant to the ESOP 2010, options to acquire Equity Shares may be granted to eligible "employees" (as defined in the ESOP 2010) including (i) a permanent employee of the Company working inside or outside of India; or (ii) a Director of the Company; or (iii) an employee as defined in (i) and (ii) above, of one or more subsidiaries of our Company, if any. The ESOP 2010 is compliant with the SEBI SBEB Regulations. The ESOP 2010 contemplates that the total number of Equity Shares to be issued pursuant to exercise of options under the ESOP 2010 shall not exceed 1,473,256 Equity Shares. The ESOP 2010 is being implemented through the Arohan ESOP Trust.

The grants under ESOP 2010 have been and shall be in compliance with the Companies Act. All options granted under ESOP 2010 have been granted only to persons who are, at the time of grant, employees (as such term is defined under the Companies Act and the SEBI SBEB Regulations, as applicable) of the Company.

Details of the ESOP 2010 are disclosed below:

Particulars	Total
Options granted	229,280
Options vested	205,280
Options exercised	107,280
Vesting period	12 months from date of grant of option.
Total number of Equity Shares that would arise as a result of full exercise of options granted (net of cancelled options)	205,280
Options forfeited/lapsed/cancelled	24,000
Variation in terms of options	Removal of listing-based exercise conditions and introduction of a fixed

Particulars	Total
	exercise period linked to vesting, with flexibility granted to the Nomination and Remuneration Committee to prescribe specific timelines, pursuant to the approval of the shareholders at the Extra-ordinary General Meeting held on October 21, 2024.
Money realised by exercise of options	₹9,086,616.00
Total number of options in force	98,000

Particulars	Financial Year 2023	Financial Year 2024	Financial Year 2025	For the nine-months ended December 31, 2025	From January 1, 2026 till the date of this Draft Red Herring Prospectus
Total options outstanding as at the beginning of the period	145,280	128,000	98,000	98,000	98,000
Total options granted during the period	-	-	-	-	-
Exercise price of options in ₹ (as on the date of the grant of options for options granted during the year)	-	-	-	-	-
Options forfeited/lapsed/cancelled	-	-	-	-	-
Variation of terms of options	N.A	N.A	Refer 'Variation' column in the table above	N.A	N.A
Money realized by exercise of options (in ₹)	1,463,616	2,541,000	-	-	-
Total number of options outstanding in force	128,000	98,000	98,000	98,000	98,000
Options vested during the year/period (excluding options that have been exercised during the period)	-	-	-	-	-
Options exercised (since implementation of the ESOP Scheme)	77,280	107,280	107,280	107,280	107,280
The total number of Equity Shares arising as a result of exercise of granted options (including options that have been exercised)	205,280	205,280	205,280	205,280	205,280
Employee wise details of options granted to:					
(a) Key managerial personnel	N.A.	N.A.	N.A.	N.A.	N.A.
(b) Senior management	N.A.	N.A.	N.A.	N.A.	N.A.
(c) Any other employee who receives a grant in any one year of options amounting	N.A.	N.A.	N.A.	N.A.	N.A.

Particulars	Financial Year 2023	Financial Year 2024	Financial Year 2025	For the nine-months ended December 31, 2025	From January 1, 2026 till the date of this Draft Red Herring Prospectus
to 5% or more of the options granted during the year					
(d) Identified employees who were granted options during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	N.A.	N.A.	N.A.	N.A.	N.A.
Diluted earnings per share pursuant to the issue of Equity Shares on exercise of options in accordance with IND AS 33 'Earnings Per Share'	5.84	26.57	7.18	3.98	N.A.
Where the Company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference, if any, between employee compensation cost so computed and the employee compensation calculated on the basis of fair value of the stock options and the impact of this difference, on the profits of the Company and on the earnings per share of the Company	N.A.				
Description of the pricing formula and method and significant assumptions used to estimate the fair value of options granted during the year including, weighted average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends, and the price of the underlying share in the market at the time of grant of option	Fair value of options has been estimated on the dates of grant using the Black Scholes model				
Fair value of option (in ₹)	N.A.	N.A.	N.A.	N.A.	N.A.
Expected volatility	N.A.	N.A.	N.A.	N.A.	N.A.

Particulars	Financial Year 2023	Financial Year 2024	Financial Year 2025	For the nine-months ended December 31, 2025	From January 1, 2026 till the date of this Draft Red Herring Prospectus
Option life (Years)	N.A.	N.A.	N.A.	N.A.	N.A.
Expected dividend (%)	N.A.	N.A.	N.A.	N.A.	N.A.
Risk-free interest rate (%)	N.A.	N.A.	N.A.	N.A.	N.A.
Impact on the profits and on the Earnings Per Share of the last three years if the accounting policies specified in the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 had been followed, in respect of options granted in the last three Years	N.A.				
Intention of key managerial personnel, senior management and whole-time directors who are holders of Equity Shares allotted on exercise of options to sell their shares within three months after the listing of Equity Shares pursuant to the Offer	None of the Key Managerial Personnel, members of the Senior Management and whole-time directors who are holders of Equity Shares allotted on exercise of options granted have an intention to sell their Equity Shares within three months after the date of listing of Equity Shares pursuant to the Offer.				
Intention to sell Equity Shares arising out of the ESOP Scheme or allotted under an ESOP Scheme within three months after the listing of Equity Shares by directors, key managerial personnel, senior managerial personnel and employees having Equity Shares arising out of the ESOP Scheme, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions)	None of the Directors, Key Managerial Personnel, members of the Senior Management and employees having Equity Shares arising out of an employee stock option scheme, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions) of our Company have an intention to sell Equity Shares arising out of ESOP 2010 within three months after the listing of Equity Shares pursuant to the Offer.				

(b) **Arohan Employee Stock Option Plan 2018** ("**ESOP 2018**")

Our Board of Directors has approved the ESOP 2018 pursuant to its resolution dated April 27, 2018 and our Shareholders have approved the ESOP 2018 pursuant to special resolution dated May 15, 2018. Pursuant to the ESOP 2018, options to acquire Equity Shares may be granted to eligible employees (as defined in the ESOP 2018). ESOP 2018 is compliant with the SEBI SBEB Regulations. The ESOP 2018 contemplates that the total number of Equity Shares to be issued pursuant to exercise of options under the ESOP 2018 shall not exceed 2,209,650 Equity Shares. Subsequently, our Board of Directors approved the amendment of the ESOP 2018 pursuant to its resolution dated March 2, 2026 and our Shareholders approved the amendment of the ESOP 2018 pursuant to a special resolution dated March 25, 2026. The Nomination and Remuneration

Committee may at its discretion prescribe a shorter period than maximum of 10 ten years for any specific grant.

The grants under ESOP 2018 have been and shall be in compliance with the Companies Act. All options granted under ESOP 2018 have been granted only to persons who are, at the time of grant, employees (as such term is defined under the Companies Act and the SEBI SBEB Regulations, as applicable) of the Company.

Details of the ESOP 2018 are disclosed below:

Particulars	Total
Options granted	2,209,650
Options vested	1,829,261
Options exercised	69,132
Vesting period	36 months from date of grant of option
Total number of Equity Shares that would arise as a result of full exercise of options granted (net of cancelled options)	1,445,810
Options forfeited/lapsed/cancelled	763,840
Variation in terms of options	Removal of listing-based exercise conditions and introduction of a fixed exercise period linked to vesting, with flexibility granted to the Nomination and Remuneration Committee to prescribe specific timelines, pursuant to the approval of the shareholders at the Extra-ordinary General Meeting held on October 21, 2024.
Money realised by exercise of options	₹488.40
Total number of options in force	1,376,678

Particulars	Financial Year 2023	Financial Year 2024	Financial Year 2025	For the nine-months ended December 31, 2025	From January 1, 2026 till the date of this Draft Red Herring Prospectus
Total options outstanding as at the beginning of the period	1,741,041	1,563,081	1,457,878	1,382,678	1,376,678
Total options granted during the period	-	-	-	-	-
Exercise price of options in ₹ (as on the date of the grant of options for options granted during the year)	-	-	-	-	-
Options forfeited/lapsed/cancelled	177,960	105,200	75,200	6,000	-
Variation of terms of options	NA	NA	Refer 'Variation' column in the table above.	N.A	N.A
Money realized by exercise of options (in ₹)	-	488.40	-	-	-
Total number of options outstanding in force	1,563,081	1,457,878	1,382,678	1,376,678	1,376,678
Options vested during the year/period (excluding options that have been exercised during the period)	424,444	188,113	-	-	-
Options exercised (since implementation of the ESOP Scheme)	69,129	69,132	69,132	69,132	69,132

Particulars	Financial Year 2023	Financial Year 2024	Financial Year 2025	For the nine-months ended December 31, 2025	From January 1, 2026 till the date of this Draft Red Herring Prospectus
The total number of Equity Shares arising as a result of exercise of granted options (including options that have been exercised)	1,632,210	1,527,010	1,451,810	1,445,810	1,445,810
Employee wise details of options granted to:					
(a) Key managerial personnel	N.A.	N.A.	N.A.	N.A.	N.A.
(b) Senior management	N.A.	N.A.	N.A.	N.A.	N.A.
(c) Any other employee who receives a grant in any one year of options amounting to 5% or more of the options granted during the year	N.A.	N.A.	N.A.	N.A.	N.A.
(d) Identified employees who were granted options during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	N.A.	N.A.	N.A.	N.A.	N.A.
Diluted earnings per share pursuant to the issue of Equity Shares on exercise of options in accordance with IND AS 33 'Earnings Per Share'	5.84	26.57	7.18	3.98	N.A.
Where the Company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference, if any, between employee compensation cost so computed and the employee compensation calculated on the basis of fair value of the stock options and the impact of this difference, on the					N.A.

Particulars	Financial Year 2023	Financial Year 2024	Financial Year 2025	For the nine-months ended December 31, 2025	From January 1, 2026 till the date of this Draft Red Herring Prospectus
profits of the Company and on the earnings per share of the Company					
Description of the pricing formula and method and significant assumptions used to estimate the fair value of options granted during the year including, weighted average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends, and the price of the underlying share in the market at the time of grant of option.	Fair value of options has been estimated on the dates of grant using the Black Scholes model				
Fair value of option (in ₹)	N.A.	N.A.	N.A.	N.A.	N.A.
Expected volatility (%)	N.A.	N.A.	N.A.	N.A.	N.A.
Option life (Years)	N.A.	N.A.	N.A.	N.A.	N.A.
Expected Dividend (%)	N.A.	N.A.	N.A.	N.A.	N.A.
Risk-free interest rate (%)	N.A.	N.A.	N.A.	N.A.	N.A.
Impact on the profits and on the Earnings Per Share of the last three years if the accounting policies specified in the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 had been followed, in respect of options granted in the last three Years	N.A.				
Intention of key managerial personnel, senior management and whole-time directors who are holders of Equity Shares allotted on exercise of options to sell their shares within three months after the listing of Equity Shares pursuant to the Offer	None of the Key Managerial Personnel, members of the Senior Management and whole-time directors who are holders of Equity Shares allotted on exercise of options granted have an intention to sell their Equity Shares within three months after the date of listing of Equity Shares pursuant to the Offer.				
Intention to sell Equity Shares arising out of the ESOP Scheme or allotted under an ESOP Scheme within three months after the listing of Equity Shares by directors, key managerial personnel, senior managerial personnel and employees having Equity Shares arising out of the ESOP	None of the Directors, Key Managerial Personnel, members of the Senior Management and employees having Equity Shares arising out of an employee stock option scheme, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions) of our Company have an intention to sell Equity Shares arising out of ESOP 2018 within three months after the listing of Equity Shares pursuant to the Offer.				

Particulars	Financial Year 2023	Financial Year 2024	Financial Year 2025	For the nine-months ended December 31, 2025	From January 1, 2026 till the date of this Draft Red Herring Prospectus
Scheme, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions)					

(c) **Arohan Employee Stock Option Plan 2021 ("ESOP 2021")**

Our Board of Directors has approved the ESOP 2021 pursuant to its resolution dated February 4, 2021 and our Shareholders have approved the ESOP 2021 pursuant to a special resolution dated February 8, 2021. Pursuant to the ESOP 2021, options to acquire Equity Shares may be granted to eligible employees (as defined in the ESOP 2021) including (i) a permanent employee of the Company working inside or outside of India; or (ii) a Director of the Company; or (iii) an employee as defined in (i) and (ii) above, of one or more subsidiaries of our Company, if any. ESOP 2021 is compliant with the SEBI SBEB Regulations. The ESOP 2021 contemplates that the total number of Equity Shares to be issued pursuant to exercise of options under the ESOP 2021 shall not exceed 6,435,068 Equity Shares. Subsequently, our Board of Directors approved the amendment of the ESOP 2021 pursuant to its resolution dated March 2, 2026 and our Shareholders approved the amendment of the ESOP 2021 pursuant to a special resolution dated March 25, 2026. The ESOP 2021 is being implemented through the Arohan ESOP Trust.

The grants under ESOP 2021 have been and shall be in compliance with the Companies Act. All options granted under ESOP 2021 have been granted only to persons who are, at the time of grant, employees (as such term is defined under the Companies Act and the SEBI SBEB Regulations, as applicable) of our Company.

Details of the ESOP 2021 are disclosed below:

Particulars	Total
Options granted	6,435,068
Options vested	2,627,398
Options exercised	-
Vesting period	36 months from date of grant of option.
Total number of Equity Shares that would arise as a result of full exercise of options granted (net of cancelled options)	5,199,228
Options forfeited/lapsed/cancelled	1,235,840
Variation in terms of options	Removal of listing-based exercise conditions and introduction of a fixed exercise period linked to vesting, with flexibility granted to the Nomination and Remuneration Committee to prescribe specific timelines, pursuant to the approval of the shareholders at the Extra-ordinary General Meeting held on October 21, 2024.
Money realised by exercise of options (in ₹) since Fiscal 2023	-
Total number of options in force	5,199,228

Particulars	Financial Year 2023	Financial Year 2024	Financial Year 2025	For the nine-months ended December 31, 2025	From January 1, 2026 till the date of this Draft Red Herring Prospectus
Total options outstanding as at the beginning of the period	927,123	1,662,241	2,894,359	4,149,706	5,251,378

Particulars	Financial Year 2023	Financial Year 2024	Financial Year 2025	For the nine-months ended December 31, 2025	From January 1, 2026 till the date of this Draft Red Herring Prospectus
Total options granted during the period	997,942	1,391,143	1,807,444	1,255,672	-
Exercise price of options in ₹ (as on the date of the grant of options for options granted during the year)	153.94	124.00	148.35	148.35	-
Options forfeited/lapsed/cancelled	262,824	159,025	552,097	154,000	52,150
Variation of terms of options	N.A	N.A	Refer 'Variation' column in the table above	N.A	N.A
Money realized by exercise of options (in ₹)	-	-	-	-	-
Total number of options outstanding in force	1,662,241	2,894,359	4,149,706	5,251,378	5,199,228
Options vested during the year/period (excluding options that have been exercised during the period)	305,680	523,370	958,164	1,125,685	-
Options exercised (since implementation of the ESOP Scheme)	-	-	-	-	-
The total number of Equity Shares arising as a result of exercise of granted options (including options that have been exercised)	1,662,241	2,894,359	4,149,706	5,251,378	5,199,228
Employee wise details of options granted to:					
(a) Key managerial personnel					
Milind Ramchandra Nare	68,999	93,500	102,000	50,000	-
Anirudh Singh Thakur	56,301	60,500	78,375	50,000	-
Manojkumar Nambiar	200,000	200,000	225,000	50,000	-
(b) Senior management					
Ranjan Das	56,454	76,500	76,500	45,000	-
Shailesh Kumar	39,422	49,500	60,000	40,000	-
Abin Mukhopadhyay	44,350	55,000	59,625	36,000	-
Sharoni Pal	-	-	14,667	28,000	-
Ketan Agrawal	39,023	34,500	37,125	30,000	-
Vinod Pandey	29,040	34,500	33,413	24,000	-
(c) Any other employee who receives a grant in any one year of options amounting to 5% or more of the options granted during the year	N.A.	N.A.	N.A.	N.A.	N.A.
(d) Identified employees who were granted options during any one year equal to or exceeding 1% of the	N.A.	N.A.	N.A.	N.A.	N.A.

Particulars	Financial Year 2023	Financial Year 2024	Financial Year 2025	For the nine-months ended December 31, 2025	From January 1, 2026 till the date of this Draft Red Herring Prospectus
issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant					
Diluted earnings per share pursuant to the issue of Equity Shares on exercise of options in accordance with IND AS 33 'Earnings Per Share'	5.84	26.57	7.18	3.98	N.A.
Where the Company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference, if any, between employee compensation cost so computed and the employee compensation calculated on the basis of fair value of the stock options and the impact of this difference, on the profits of the Company and on the earnings per share of the Company					N.A.
Description of the pricing formula and method and significant assumptions used to estimate the fair value of options granted during the year including, weighted average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends, and the price of the underlying share in the market at the time of grant of option.	Fair value of options has been estimated on the dates of grant using the Black Scholes model				
Fair value of option (in ₹)	47.26	76.30	87.85	87.90	N.A.
Expected volatility(%)	51.08	50.43	47.85	48.36	N.A.
Option life (Years)	2.50	7.01	7.01	7.00	N.A.
Expected Dividend (%)	N.A.	N.A.	N.A.	N.A.	N.A.
Risk-free interest rate (%)	6.57%	7.07%	6.66%	6.49%	N.A.
Impact on the profits and on the Earnings Per Share of the last three years if the accounting policies specified in the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 had been followed, in	N.A.				

Particulars	Financial Year 2023	Financial Year 2024	Financial Year 2025	For the nine-months ended December 31, 2025	From January 1, 2026 till the date of this Draft Red Herring Prospectus
respect of options granted in the last three Years					
Intention of key managerial personnel, senior management and whole-time directors who are holders of Equity Shares allotted on exercise of options to sell their shares within three months after the listing of Equity Shares pursuant to the Offer	None of the Key Managerial Personnel, members of the Senior Management and whole-time directors who are holders of Equity Shares allotted on exercise of options granted have an intention to sell their Equity Shares within three months after the date of listing of Equity Shares pursuant to the Offer.				
Intention to sell Equity Shares arising out of the ESOP Scheme or allotted under an ESOP Scheme within three months after the listing of Equity Shares by directors, key managerial personnel, senior managerial personnel and employees having Equity Shares arising out of the ESOP Scheme, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions)	None of the Directors, Key Managerial Personnel, members of the Senior Management and employees having Equity Shares arising out of an employee stock option scheme, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions) of our Company have an intention to sell Equity Shares arising out of ESOP 2021 within three months after the listing of Equity Shares pursuant to the Offer.				

15. As on the date of this Draft Red Herring Prospectus, other than outstanding stock options under the ESOP Schemes as disclosed above, there are no stock appreciation rights, outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into Equity Shares.

16. None of the BRLMs or their respective associates, as defined in the SEBI Merchant Bankers Regulations, hold any Equity Shares in our Company as on the date of this Draft Red Herring Prospectus. The BRLMs and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.

17. Our Company has not made any public issue since its incorporation, and has not made any rights issue of any kind or class of securities since its incorporation, other than as disclosed in "—*Share Capital History of our Company*" on page 103.

18. None of the Shareholders of the Company are directly or indirectly related to the BRLMs or their respective associates.

19. Our Company, our Directors and the BRLMs have not entered into any buy-back arrangements for purchase of Equity Shares.

20. Our Company does not have any partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus. All Equity Shares Allotted in the Offer will be fully paid-up at the time of Allotment.

21. The Equity Shares issued by the Company from the date of incorporation and until the date of this Draft Red Herring Prospectus have been issued and allotted in compliance with (a) the provisions of the Companies Act, 1956, including Sections 67 and 81 thereof and the rules made thereunder, as applicable; and (b) the provisions of the Companies Act, 2013, including Sections 25, 28, 42 and 62 thereof and the rules made thereunder, as applicable.

22. There will not be any further issue of Equity Shares, whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from submission of this Draft Red Herring Prospectus with the SEBI until the Equity Shares have been listed on the Stock Exchanges or all application monies have been refunded, as the case may be, other than in connection with: (i) the Offer; (ii) the Pre-IPO Placement; or (ii) any issue of Equity Shares pursuant to exercise of options granted under the ESOP Schemes.

23. There have been no financing arrangements whereby our Promoter Group, directors of our Promoters, our Directors and their relatives have purchased or sold or financed the purchase by any other person of securities of our Company other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of filing of this Draft Red Herring Prospectus.

24. Our Promoters, the directors of our Promoters, any member of our Promoter Group, our Directors, or any of their relatives have not purchased or sold any securities of our Company during the period of six months immediately preceding the date of this Draft Red Herring Prospectus.

25. Our Company presently does not intend or propose and is not under negotiations or considerations to alter its capital structure for a period of six months from the Bid/Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether on a preferential basis or by way of issue of bonus shares or on a rights basis or by way of further public issue of Equity Shares or qualified institutions placements or otherwise. Provided, however, that the foregoing restrictions do not apply to: (a) the issuance of any Equity Shares under the Offer; and (b) any issuance, pursuant to the exercise of employee stock options granted under the ESOP Schemes.

26. No person connected with the Offer, including, but not limited to, the BRLMs, the members of the Syndicate, our Company, our Promoters, members of our Promoter Group, our Directors, the Selling Shareholders shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid, except for fees or commission for services rendered in relation to the Offer.

27. Our Company shall ensure that there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.

28. All transactions in Equity Shares by our Promoters and members of our Promoter Group between the date of filing of this Draft Red Herring Prospectus and the date of closing of the Offer shall be reported to the Stock Exchanges within 24 hours of such transactions.

29. We confirm that the Book Running Lead Managers are not associates of our Company or the Promoter Selling Shareholder as per Regulation 21A of the SEBI Merchant Bankers Regulations.

As on the date of filing of this Draft Red Herring Prospectus, the total number of holders of the Equity Shares is 388[*].

[*]*The total number of Shareholders has been computed based on the beneficiary position statement dated May 14, 2026.*

OBJECTS OF THE OFFER

The Offer consists of the Fresh Issue of up to [●] Equity Shares of face value of ₹10 each aggregating up to ₹6,000.00 million and the Offer for Sale of up to 40,437,529 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million. For further details, see "*The Offer*" on page 76.

Offer for Sale

The Selling Shareholders will be entitled to the proceeds from the sale of their respective Offered Shares in the Offer for Sale, net of their share of the Offer related expenses. For further details, see "*Objects of the Offer—Offer Related Expenses*" on page 142. Our Company will not receive any proceeds from the Offer for Sale and the proceeds from the Offer for Sale will not form part of the Net Proceeds. For further details of the Offer for Sale, see "*The Offer*" on page 76.

Objects of the Fresh Issue

Our Company proposes to utilize the Net Proceeds from the Fresh Issue towards the following:

(i) Augmenting our capital base to meet future business requirements of our Company towards onward lending; and

(ii) General corporate purposes

(together referred to as the "**Objects**").

Further, our Company expects to receive the benefits of listing of the Equity Shares on the Stock Exchanges, enhancement of our Company's brand name and creation of a public market for our Equity Shares in India.

The main objects set out in the Memorandum of Association enable our Company to undertake its existing activities and the activities for which funds are being raised through the Fresh Issue.

Net Proceeds

After deducting our Company's share of the Offer related expenses from the gross proceeds received from the Fresh Issue, we estimate the proceeds to be ₹[●] million ("**Net Proceeds**"), as detailed below:

Particulars	Estimated Amount *(₹ million)*[(1)]
Gross proceeds of the Fresh Issue[(1)]	6,000.00
(Less) Offer related expenses in relation to the Fresh Issue[(2)(3)]	[●]
Net Proceeds	[●]

[(1)] *Subject to finalization of basis of allotment, our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement aggregating up to ₹1,200.00 million prior to filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue, i.e., ₹1,200.00 million. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result to listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and Prospectus and intimated to the Stock Exchanges within 24 hours of such Pre-IPO placement, in accordance with the SEBI ICDR Regulations.*

[(2)] *To be finalized upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC.*

[(3)] *For details of the expenses related to the Offer, see "—Offer Related Expenses" on page 142.*

Requirement of Funds and Details of Utilization of the Net Proceeds

1. *Augmenting our capital base to meet future business requirements of our Company towards onward lending*

We are registered with the RBI as a Non-Banking Financial Company. For details of our business, see *"Our Business"* on page 335. As an NBFC, we are subject to regulations relating to the capital adequacy, which determine the minimum amount of capital we must hold as a percentage of the risk-weighted assets on our portfolio and of the risk adjusted value of off-balance sheet items, as applicable. In accordance with the capital adequacy norms issued by the RBI, we are required to have a regulatory minimum Capital to Risk (Weighted) Assets Ratio ("**CRAR**") of not less than 15% comprising Tier I and Tier II capital. Further, we are required that the total of Tier II capital at any point of time, shall not exceed 100% of Tier I capital. For further details, see "*Key Regulations and Policies*" on page 379.

Set out below are the details of our Company's CRAR as on the dates indicated below:

Particulars	As on December 31, 2025	As on March 31,		
		2025	2024	2023
Total equity *(₹ million)*	20,918.07	20,251.28	19,147.56	13,380.25
Capital to risk weighted assets ratio (CRAR) (in %)[1]	31.20%	34.09%	29.01%	28.74%

[1] Capital to risk weighted assets ratio (CRAR) (%) has been computed as addition of Tier I Capital and Tier II Capital divided by Total risk weighted Assets. Capital to risk weighted assets ratio (CRAR) (%) is computed in accordance with the applicable RBI guidelines.

For a reconciliation of non-GAAP measures, see "*Management's Discussion and Analysis of our Results of Operations—Non-GAAP Measures*" on page 554.

Capital Adequacy

The following table sets forth certain details of composition of the Company's Tier I Capital and Tier II Capital regarding our capital under Basel II norms as on the dates indicated below:

Particulars	As on December 31, 2025	As on March 31,		
		2025	2024	2023
	(₹ million, except for percentages)			
Tier I Capital (I)	18,747.99	18,921.42	17,355.88	10,523.68
Tier II Capital (II)	382.43	1,341.44	1,391.29	1,353.64
Total Capital (III = I+ II)	**19,130.42**	**20,262.86**	**18,747.17**	**11,877.32**
Total risk weighted assets[1]	**61,306.20**	**59,438.26**	**64,632.57**	**41,320.82**
Capital adequacy ratio				
CRAR-Tier I Capital (%)	30.58	31.82	26.85	25.46
CRAR-Tier II Capital (%)	0.62	2.27	2.16	3.28
Total equity	20,918.07	20,251.28	19,147.56	13,380.25
Capital to risk weighted assets ratio (CRAR) (in %)[2]	**31.20%**	**34.09%**	**29.01%**	**28.74%**

[1] Risk weighted assets represent the weighted sum of our credit exposures based on their risk (Risk weighted assets is computed in accordance with the relevant RBI guidelines).

[2] Capital to risk weighted assets ratio (CRAR) (%) has been computed as addition of Tier I Capital and Tier II Capital divided by Total risk weighted Assets.

For a reconciliation of non-GAAP measures, see *"Management's Discussion and Analysis of our Results of Operations – Non-GAAP Measures"* on page 554.

While our Company's capital adequacy ratios as on December 31, 2025, March 31, 2025, March 31, 2024 and March 31, 2023 exceeds the regulatory thresholds prescribed by the RBI, we believe that in order to grow our loan portfolio and asset base, we will require additional capital in order to continue to meet applicable capital adequacy ratios with respect to our business and to meet future capital requirements for onward lending, as may be decided by our Board.

The following table sets forth certain details of our assets under management as of the dates indicated below:

(in ₹ million, unless otherwise stated)

Particulars	As of December 31, 2025	As of March 31,		
		2025	2024	2023
	(₹ million, except for percentages)			
AUM	63,084.14	60,025.77	71,120.41	53,573.71
AUM growth (%)	5.10	(15.60)	32.75	29.97

The ability to grow our business will be dependent on the sufficiency of adequate capital cushion besides regulatory comfort of having enough margin above minimum levels. The cash being the working capital of our Company, utilization will be for increasing the assets which are primarily the advances and investments similar to any resources like deposits or lending. The Net Proceeds will increase our Tier I capital and the capital adequacy ratio will be utilized for growth in assets, primarily advances and investments. Our Company proposes to utilize ₹[●] million out of the Net Proceeds towards meeting the future capital requirements towards onward lending, which are expected to arise out of growth of our business and assets, including but not limited to, onward lending under our Company's lending verticals. For further details, see "*Our Business*" on page 335.

2. *General Corporate purposes*

Our Company proposes to deploy the balance Net Proceeds aggregating to [●] million towards general corporate purposes, subject to such utilization not exceeding 25% of the Gross Proceeds, in compliance with the SEBI ICDR Regulations, including but not limited to meeting expenses incurred in ordinary course of business such as strategic initiatives including advancement of information technology, expenses towards IT infrastructure, meeting future branch and business expansion, repayment of indebtedness from time to time, payment of salaries, meeting operating expenses and meeting general corporate exigencies and contingencies and any other business requirements, and any other purpose as maybe approved by the Board or a duly appointed committee from time to time, subject to compliance with necessary provisions of the Companies Act, 2013.

Proposed Schedule of Implementation and Deployment of the Net Proceeds

We propose to deploy the Net Proceeds towards the Objects of the Offer in accordance with the estimated schedule of implementation and deployment of funds, as set out in the table below:

Particulars	Total estimated cost	% of Net Proceeds	Estimated schedule of deployment of Net Proceeds in Financial Year 2027
	(in ₹ million, except percentage)		
Augmenting our capital base to meet future business requirements of our Company towards onward lending	[●]	[●]	[●]
General corporate purposes[(1)]	[●]	[●]	[●]
Total[(1)]	[●]	**100.00**	[●]

(1) To be finalized upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC. The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds.

The fund deployment indicated above is based on current circumstances of our business and we may have to revise our estimates from time to time on account of various factors, such as financial and market conditions, competition, interest rate fluctuations and other external factors, which may not be within the control of our management. This may entail rescheduling the proposed utilization of the Net Proceeds and changing the allocation of funds from its planned allocation at the discretion of our management, subject to compliance with applicable laws.

Appraising Entity

The fund requirements for the objects of the Offer have not been appraised by any bank or financial institution or other independent agency.

Means of Finance

Our Company proposes to utilize the Net Proceeds from the Fresh Issue towards augmenting its capital base to meet future capital requirements. Accordingly, we confirm that there is no requirement for us to make firm

arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Fresh Issue and existing identifiable accruals, as prescribed under the SEBI ICDR Regulations. In case of a shortfall in the Net Proceeds or any increase in the actual utilization of funds earmarked for the Objects, our Company may explore a range of options including utilizing our internal accruals and/ or seeking additional debt from existing and/ or other lenders.

Interim Use of Net Proceeds

Our Company, in accordance with the policies formulated by our Board from time to time, will have flexibility to deploy the Net Proceeds. Pending utilization of the Net Proceeds for the purposes described above, our Company will temporarily invest the Net Proceeds in deposits in one or more scheduled commercial banks included in the Second Schedule of Reserve Bank of India Act, 1934, as amended, as may be approved by our Board.

In accordance with Section 27 of the Companies Act, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

Bridge financing facilities

Our Company has not raised any bridge loans or other financial arrangements, from any bank or financial institution as on the date of this Draft Red Herring Prospectus, which are proposed to be repaid from the Net Proceeds.

Offer Related Expenses

The Offer related expenses primarily include fees payable to the BRLMs and legal counsels, brokerage and selling commission, underwriting commission, commission payable to Registered Brokers, RTAs, CDPs, SCSBs' fees, Sponsor Banks' fees, Registrar's fees, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges.

Other than (a) listing fees, audit fees and expenses of the Statutory Auditor (other than to the extent attributable to the Offer) and expenses in relation to product or corporate advertisements of our Company, *i.e.*, any corporate advertisements consistent with the past practices of our Company (other than expenses in relation to the marketing and advertising undertaken specifically for the Offer) which will be solely borne by our Company; and (b) fees and expenses in relation to the legal counsel(s) to the Investor Selling Shareholders which shall be borne by the respective Investor Selling Shareholders and (c) fees and expenses in relation to the legal counsel(s) to the Corporate Selling Shareholders and the Individual Selling Shareholders, which shall be borne by the Corporate Selling Shareholders and Individual Selling Shareholders, all costs, charges, fees and expenses associated with and incurred with respect to the Offer, regulatory fees, fees to intermediaries and third parties, shall be shared among our Company and the Selling Shareholders in proportion of the gross proceeds received for the Fresh Issue and the Offered Shares, in accordance with applicable law. All such Offer related expenses to be proportionately borne by the Selling Shareholders shall be deducted in the manner set out in the Cash Escrow and Sponsor Bank Agreement. All the documented expenses paid by the Company on behalf of the Selling Shareholders in the first instance will be reimbursed to the Company, by the Selling Shareholders to the extent of their respective proportion of Offer related expenses, in the manner set out in the Cash Escrow and Sponsor Bank Agreement.

In the event that the Offer is postponed or withdrawn or abandoned for any reason or in the event the Offer is not successfully completed, all expenses in relation to the Offer including the fees of the BRLMs and legal counsel and their respective reimbursement for expenses which may have accrued up to the date of such postponement, withdrawal, abandonment or failure as set out in their respective engagement letters, shall be borne by our Company to the extent permitted under applicable law.

The break-down of the estimated Offer expenses is disclosed below.

Activity	Estimated expenses[1] *(₹ million)*	As a % of the total estimated Offer expenses[1]	As a % of the total Offer size[1]
BRLMs' fees and commissions (including underwriting commission, brokerage and selling commission)	[●]	[●]	[●]
Selling commission/processing fee for SCSBs, Sponsor Banks and fee payable to the Sponsor Banks for Bids made by RIBs[2][3][4]	[●]	[●]	[●]
Brokerage and selling commission and bidding charges for members of the Syndicate (including their sub-Syndicate Members), Registered Brokers, RTAs and CDPs[5][6][7]	[●]	[●]	[●]
Fees payable to the Registrar to the Offer	[●]	[●]	[●]
Others			
- Listing fees, SEBI filing fees, upload fees, BSE and NSE processing fees, book building software fees, NSDL and CDSL fee and other regulatory expenses	[●]	[●]	[●]
- Printing and stationery expenses	[●]	[●]	[●]
- Advertising and marketing expenses	[●]	[●]	[●]
- Fee payable to legal counsels	[●]	[●]	[●]
- Miscellaneous (including fees payable to additional intermediaries, if any, monitoring agency, chartered accountant(s), research agencies, industry service provider, RoC consultant and company secretary that may be appointed in the course of the Offer)	[●]	[●]	[●]
Total estimated Offer expenses	[●]	[●]	[●]

(1) Amounts will be finalized and incorporated in the Prospectus on determination of Offer Price. Offer expenses include applicable taxes, where applicable. Offer expenses are estimates and are subject to change.

(2) Selling commission payable to the SCSBs on the portion for Retail Individual Bidders, Eligible Employees and Non-Institutional Bidders, which are directly procured by the SCSBs, would be as follows:

*Portion for Retail Individual Bidders**	[●]*% of the Amount Allotted* (plus applicable taxes)*
*Portion for the Eligible Employees**	[●]*% of the Amount Allotted* (plus applicable taxes)*
*Portion for Non-Institutional Bidders**	[●]*% of the Amount Allotted* (plus applicable taxes)*

**Amount allotted is the product of the number of Equity Shares Allotted and the Offer Price. The selling commission payable to the SCSBs will be determined on the basis of the bidding terminal ID as captured in the Bid Book of BSE or NSE.*

(3) No uploading/processing fees shall be payable by our Company and the Selling Shareholders to the SCSBs on the applications directly procured by them. Processing fees payable to the SCSBs on the portion for Retail Individual Bidders, Eligible Employees and Non-Institutional Bidders which are procured by the members of the Syndicate/sub-Syndicate/Registered Broker/RTAs/ CDPs and submitted to SCSB for blocking, would be as follows:

Portion for Retail Individual Bidders	₹[●] *per valid application (plus applicable taxes)*
Portion for Eligible Employees	₹[●] *per valid application (plus applicable taxes)*
Portion for Non-Institutional Bidders	₹[●] *per valid application (plus applicable taxes)*

(4) The Processing fees for applications made by Retail Individual Bidders using the UPI Mechanism would be as follows:

Members of the Syndicate / RTAs / CDPs	₹[●] *per valid Bid cum Application Form** *(plus applicable taxes)*
Sponsor Bank(s)	₹[●] *per valid Bid cum Application Form** *(plus applicable taxes)* *The Sponsor Banks shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under the SEBI circulars, the Syndicate Agreement and other applicable laws.*

**For each valid Bid cum Application Form*

(5) Selling commission on the portion for Retail Individual Bidders, Non-Institutional Bidders and Eligible Employees which are procured by members of the Syndicate (including their sub-Syndicate Members), Registered Brokers, RTAs and CDPs would be as follows:

Portion for Retail Individual Bidders	*[●]% of the Amount Allotted* (plus applicable taxes)*
Portion for Non-Institutional Bidders	*[●]% of the Amount Allotted* (plus applicable taxes)*
Portion for Eligible Employees	*[●]% of the Amount Allotted* (plus applicable taxes)*

**Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price*

(6) The Selling Commission payable to the Syndicate / Sub-Syndicate Members will be determined on the basis of the application form number / series, provided that the application is also bid by the respective Syndicate / Sub-Syndicate Member. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / Sub-Syndicate Member, is bid by an SCSB, the Selling Commission will be payable to the SCSB and not the Syndicate / Sub-Syndicate Member.

(7) Bidding Charges payable to members of the Syndicate (including their sub-Syndicate Members), RTAs and CDPs on the portion for RIBs and Non-Institutional Bidders which are procured by them and submitted to SCSB for blocking, would be as follows: ₹[●] plus applicable taxes, per valid application bid by the Syndicate (including their sub-Syndicate Members), RTAs and CDPs.

The selling commission and bidding charges payable to Registered Brokers the RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the Bid Book of BSE or NSE.

Bidding charges payable to the Registered Brokers, RTAs/CDPs on the portion for RIBs, Eligible Employees and Non-Institutional Bidders which are directly procured by the Registered Broker or RTAs or CDPs and submitted to SCSB for processing, would be as follows:

*Portion for RIBs**	*₹[●] per valid application (plus applicable taxes)*
*Portion for Eligible Employees**	*[●]% of the Amount Allotted* (plus applicable taxes)*
*Portion for Non-Institutional Bidders**	*₹[●] per valid application (plus applicable taxes)*

** Based on valid applications*

Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories). Accordingly, Syndicate / Sub-Syndicate Members shall not be able to accept Bid Cum Application Form above ₹500,000 and the same Bid Cum Application Form needs to be submitted to SCSBs for blocking of fund and uploading on the exchange bidding platform. To identify bids submitted by Syndicate / Sub-Syndicate Members to SCSB, a special Bid Cum Application Form with a heading / watermark, 'Syndicate ASBA' may be used by Syndicate / Sub-Syndicate Member along with SM code and Broker code mentioned on the Bid Cum Application Form to be eligible for brokerage on Allotment. However, such special forms, if used for RIB Bids and NIB Bids up to ₹500,000 will not be eligible for brokerage.

The processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI ICDR Master Circular and such payment of processing fees to the SCSBs shall be made in compliance with the SEBI RTA Master Circular and the SEBI ICDR Master Circular.

Monitoring of utilization of funds

Our Company shall appoint the Monitoring Agency in accordance with Regulation 41 of the SEBI ICDR Regulations prior to filing of the Red Herring Prospectus. Our Audit Committee and the Monitoring Agency will monitor the utilization of the Gross Proceeds. Our Company undertakes to place the report(s) of the Monitoring Agency upon receipt before the Audit Committee without any delay.

Our Company will disclose the utilization of the Gross Proceeds, including interim use, under a separate head in our balance sheet for such fiscals as required under applicable law, specifying the purposes for which the Gross Proceeds have been utilized. Our Company will also, in its balance sheet for the applicable fiscals, provide details, if any, in relation to all such Gross Proceeds that have not been utilized, if any, of such unutilized Gross Proceeds. Our Company will indicate investments, if any, of unutilized Gross Proceeds in the balance sheet of our Company for the relevant fiscals subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Pursuant to the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and application of the Gross Proceeds and provide item by item description for all the expense heads under each Object of the Offer. Additionally, the Audit Committee shall review the report submitted by the Monitoring Agency and make recommendations to our Board for further action, if appropriate. Our Company shall, on an annual basis, prepare a statement of funds utilized for purposes other than those stated in the Red Herring Prospectus and place it before the Audit Committee. Such disclosure shall be made only until such time that all the Gross Proceeds have been utilized in full. The statement shall be certified by the statutory auditor of our Company and shall be furnished to the Monitoring Agency, in terms of the Monitoring Agency Agreement. Furthermore, in accordance with the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges, on a quarterly basis, a statement including deviations, if any, in the utilization of the Gross Proceeds of the Offer from the Objects as stated above. The information will also be published in newspapers simultaneously with the interim or annual financial results and explanation for such variation (if any) will be included in our Directors' report, after placing

the same before the Audit Committee. We will disclose the utilization of the Gross Proceeds under a separate head along with details in our balance sheet(s) until such time as the Gross Proceeds remain unutilized clearly specifying the purpose for which such Gross Proceeds have been utilized. In the event that we are unable to utilize the entire amount that we have currently estimated for use out of the Gross Proceeds in a Fiscal, we will utilize such unutilized amount in the next Fiscal.

Variation in Objects

In accordance with Section 13(8) and Section 27 of the Companies Act and applicable provisions of the SEBI ICDR Regulations, our Company shall not vary the objects of the Fresh Issue without our Company being authorized to do so by the Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution ("**Postal Ballot Notice**") shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in Bengali, being the local language of the jurisdiction where the Registered and Corporate Office is situated in accordance with the Companies Act. Our Promoters will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, in accordance with the Companies Act and the SEBI ICDR Regulations.

Other Confirmations

No part of the Net Proceeds will be paid by our Company as consideration to our Promoters, members of our Promoter Group our Directors, our Key Managerial Personnel, our Senior Management or our Group Companies. There are no existing or anticipated transactions in relation to utilization of Net Proceeds with our Promoters, our Directors, our Key Managerial Personnel, our Senior Management, our Promoter Group or our Group Companies.

BASIS FOR OFFER PRICE

The Price Band and the Offer Price will be determined by our Company, in consultation with the BRLMs, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and the quantitative and qualitative factors as described below and justified in view of the relevant parameters. The face value of the Equity Shares is ₹10 each and the Floor Price is [●] times the face value of the Equity Shares and the Cap Price is [●] times the face value of the Equity Shares.

Investors should also refer to "*Risk Factors*", "*Our Business*", "*Restated Financial Information*", "*Other Financial Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 21, 335, 435, 536 and 537, respectively, to have an informed view before making an investment decision.

Qualitative factors

Some of the qualitative factors which form the basis for computing the Offer Price are:

- Second largest NBFC-MFI in Eastern India (based on the presence of corporate offices) among Peer NBFC-MFIs in terms of AUM with a Focus on under-penetrated rural and semi-urban areas
- Customer centric approach with diverse product offerings
- Advanced and scalable AI-enabled technology infrastructure
- Proprietary credit scoring model driving underwriting discipline and risk based pricing
- Diversified borrowing relationships and access to multiple sources of capital

Quantitative factors

Certain information presented below relating to our Company is derived from the Restated Financial Information. For details, see "*Restated Financial Information*" on page 435.

Some of the quantitative factors which may form the basis for calculating the Offer Price are as follows:

1. Basic and diluted Earnings per Share ("EPS") at face value of ₹10 each:

Based on / derived from the Restated Financial Information:

Financial Year/Period	Basic EPS *(₹)*	Diluted EPS *(₹)*	Weight
2025	7.20	7.18	3
2024	26.62	26.57	2
2023	6.05	5.84	1
Weighted Average	**13.48**	**13.42**	-
Nine month period ended December 31, 2025^	3.98	3.98	-

**As certified by KGRS & Co, Chartered Accountants, bearing firm registration number 310014E, pursuant to their certificate dated May 15, 2026.*

^Not Annualized.

Notes:

(i) Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year/Total of weights

(ii) Basic Earnings per Equity Share = Net profit after tax attributable to owners of the Company, as restated / Weighted average no. of Equity Shares outstanding during the year

(iii) Diluted Earnings per Equity Share = Net Profit after tax attributable to owners of the Company, as restated / Weighted average no. of potential Equity Shares outstanding during the year

(iv) Earnings per Share calculations are in accordance with the notified Indian Accounting Standard 33 'Earnings per share'.

(v) The figures disclosed above are based on the Restated Ind-AS Financial Statements of our Company.

2. Price/Earnings Ratio in relation to Price Band of ₹[●] to ₹[●] per Equity Share: [(1)]

Particulars	P/E at the lower end of Price Band (no. of times)	P/E at the higher end of Price band (no. of times)
P/E ratio based on basic EPS for Financial Year 2025	[●]	[●]
P/E ratio based on diluted EPS for Financial Year 2025	[●]	[●]

(1) To be updated on finalisation of the Price Band.

3. Industry Peer Group Price / Earnings (P/E) ratio

Particulars	P/E Ratio** *(no. of times)*	Name of Listed Peer	Face value of peer equity shares *(₹)*
Highest	70.41	Utkarsh Small Finance Bank Limited	10.00
Lowest	9.55	Jana Small Finance Bank Limited	10.00
Average	26.17		

**As certified by KGRS & Co, Chartered Accountants, bearing firm registration number 310014E, pursuant to their certificate dated May 15, 2026.*

Source: Based on peer set provided below.

4. Average Return on Net Worth

Financial Year/Period	Average Return on Net Worth (%)	Weight
2025	5.42%	3
2024	16.39%	2
2023	5.29%	1
Weighted Average	**9.06%**	
Nine-month period ended December 31, 2025^	2.90%	

**As certified by KGRS & Co, Chartered Accountants, bearing firm registration number 310014E, pursuant to their certificate dated May 15, 2026.*

^Not Annualized.

Notes:

(i) Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year/Total of weights.

(ii) Return on Net Worth (%) = Net Profit after tax attributable to owners of the Company, as restated / Restated net worth at the end of the year/period.

(iii) 'Net Worth' under Ind-As: Net worth has been defined as the aggregate value of the paid-up share capital and all reserves created out of the profits and 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 as on March 31, 2023; 2024 and 2025 and December 31, 2025 in accordance with Regulation 2(1)(hh) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.

5. Net Asset Value ("NAV") per Equity Share (face value of ₹10 each)

NAV per Equity Share	*(₹)*
As on December 31, 2025	136.97
As on March 31, 2025	132.60
As on March 31, 2024	162.11
As on March 31, 2023	110.43
After the completion of the Offer*	
- At the Floor Price	[●]^
- At the Cap Price	[●]^
- At the Offer Price	[●]^

**As certified by KGRS & Co, Chartered Accountants, bearing firm registration number 310014E, pursuant to their certificate dated May 15, 2026.*

^ These details will be updated on finalisation of Price Band

***Notes**:*

(i) Net asset value per equity share is calculated as Net worth as of the end of relevant period/years divided by weighted average number of equity shares for diluted earnings per share at the end of such period/years as per the Restated Financial Information.

(ii) 'Net worth' under Ind-As: Net worth has been defined as the aggregate value of the paid-up share capital and all reserves created out of the profits and 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 as on March

31, 2023; 2024 and 2025 and December 31, 2025 in accordance with Regulation 2(1)(hh) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.

For a reconciliation of non-GAAP measures, see "*Management's Discussion and Analysis of our Results of Operations – Non-GAAP Measures*" on page 554.

6. Comparison of Accounting Ratios with listed industry peers (as on or for the period ended March 31, 2025, as applicable)

The following peer group has been determined based on the companies listed on the Stock Exchanges:

Name of Company	Revenue from operations for Fiscal 2025 *(₹ million)*	Face value (₹ per share)	Closing price on 8th May, 2026 *(₹)*	EPS (₹)		NAV (per share) (₹)	P/E*	RoNW (%)
				Basic	Diluted			
Arohan Financial Services Limited	16,917.48	10	N/A	7.20	7.18	132.60	N/A	5.42
Listed peers[(1)]								
1.CreditAccess Grameen Limited	57,523.30	10	1,497.00	33.32	33.24	435.14	45.04	7.64
2. Muthoot Microfin Limited	25,616.93	10	200.52	(13.29)	(13.07)	154.62	NM	NM
3. Satin Creditcare Network Limited	25,946.90	10	212.72	16.92	16.92	231.19	12.57	7.32
4. Fusion Finance Limited	23,197.60	10	216.55	(111.41)	(111.41)	149.51	NM	NM
5. Spandana Sphoorty Financial Limited	23,551.60	10	286.26	(145.17)	(145.17)	369.30	NM	NM
6. Bandhan Bank Limited ("Bandhan")	2,49,148.29	10	206.11	17.04	17.04	151.21	12.10	11.27
7. Ujjivan Small Finance Bank Limited("Ujjivan")	72,005.87	10	62.40	3.75	3.71	30.64	16.82	12.11
8. Jana Small Finance Bank Limited ("Jana")	54,856.55	10	455.05	47.89	47.67	388.96	9.55	12.25
9. Utkarsh Small Finance Bank Limited ("Utkarsh")	43,647.60	10	15.49	0.22	0.22	27.00	70.41	0.80
10. ESAF Small Finance Bank Limited ("ESAF")	43,293.08	10	29.51	(10.13)	(10.12)	37.74	NM	NM
11. Suryoday Small Finance Bank Limited ("Suryoday")	21,710.01	10	179.93	10.82	10.75	181.28	16.74	5.97

Note: NM means non-meaningful (Companies with negative PE)
(1) Source: Annual report of the peer companies for the Financial Year 2025 submitted to stock exchanges.

Notes:
1. *All the financial information for listed industry peers mentioned above is on a consolidated basis.*
2. *Total Income have been considered for Bandhan Bank, Jana SFB, Ujjivan SFB, ESAF SFB, Utkarsh SFB and Suryoday SFB*
3. *P/E ratio is calculated as closing share price as on May 08, 2026, divided by the diluted EPS for year ended March 31, 2025.*
4. *Diluted EPS refers to the diluted EPS sourced from the financial statements of the respective peer group companies for the Financial Year ended March 31, 2025.*
5. *NAV per Equity Share represents total equity attributable to the equity shareholders as on the end of the Financial Year ended March 31, 2025 divided by the number of diluted Equity Shares (i.e., equity shares and instruments entirely equity in nature) outstanding at the end of the year.*
6. *RoNW is computed as consolidated profit after tax for the period/years as a percentage of closing Net Worth of the Financial Year*

7. Key Performance Indicators

The table below sets forth the details of our KPIs which our Company considers have a bearing for arriving at the basis for Offer Price. All the KPIs disclosed below have been approved by a resolution of our Audit Committee dated May 15, 2026. Further, the KPIs herein have been certified by (i) Milind Ramchandra Nare, Deputy Chief Executive Officer and Chief Financial Officer, pursuant to the certificate dated May 15, 2026; and (ii) KGRS & Co, Chartered Accountants, bearing firm registration number 310014E, pursuant to their certificate dated May 15, 2026.

S. No.	Key Performance Indicators (KPIs)	As of, and for the nine months ended December 31, 2025	As at, and for the Financial Year ended		
			March 31, 2025	March 31, 2024	March 31, 2023
I. Financial measures					
A. GAAP measures					
1.	Total Assets[(1)]	74,618.38	68,857.87	81,154.41	60,181.71
2.	Total Borrowings[(2)]	52,194.32	47,034.03	60,158.43	45,334.90
3.	Total Income[(3)]	11,330.54	16,952.62	16,346.34	10,909.96
4.	Net Interest Income[(4)]	6,071.99	8,590.85	7,606.32	4,419.49
5.	Total Non-Interest Income[(5)]	953.95	1,140.84	2,169.48	1,419.47
6.	Total Expenses[(6)]	10,538.43	15,571.77	12,222.01	10,010.42
7.	Profit / (Loss) After Tax[(7)]	607.44	1,096.86	3,138.21	707.16
8.	Debt to Equity Ratio (times)[(8)]	2.50	2.32	3.14	3.39
9.	Basic Earnings Per Equity Share (₹)[(9)]	3.98	7.20	26.62	6.05
10.	Diluted Earnings Per Equity Share (₹)[(10)]	3.98	7.18	26.57	5.84
B. Non-GAAP measures					
11.	Provision Coverage Ratio (%)[(11)]	77.05%	81.70%	100.00%	92.80%
12.	Adjusted pre-provision operating profit before tax [(12)]	3,483.23	5,355.99	5,911.93	2,831.19
13.	Adjusted pre-provision operating profit before tax Growth (%)[(13)]	N.A.	(9.40)%	108.81%	29.51%
14.	Net Worth[(14)]	20,918.07	20,251.28	19,147.56	13,380.25
15.	Return on Average Net Worth (%) [(15)]	2.95%	5.57%	19.30%	5.99%
16.	Return on Average Total Assets (%)[(16)]	0.85%	1.46%	4.44%	1.26%
17.	Cost to Income Ratio (%)[(17)]	53.44%	49.63%	43.29%	54.51%
18.	Net Interest Margin (%)[(18)]	9.86%	13.10%	12.20%	9.32%
19.	Capital Adequacy Ratio (CRAR) (%)[(19)]	31.20%	34.09%	29.01%	28.74%
20.	Tier I Capital (%)[(20)]	30.58%	31.82%	26.85%	25.46%
21.	Tier II Capital (%)[(21)]	0.62%	2.27%	2.16%	3.28%
II. Operational measures					
22.	AUM (₹ in million)[(22)]	63,084.14	60,025.77	71,120.41	53,573.71
23.	AUM Growth (%)[(23)]	5.10%	(15.60)%	32.75%	29.97%
24.	AUM Share in Top 3 states (%)[(24)]	67.89%	69.38%	69.09%	64.64%
25.	AUM Per Branch (₹ in million)[(25)]	58.79	54.42	72.87	64.55
26.	Gross Disbursement (₹ in million)[(26)]	44,916.84	46,356.63	67,088.91	52,992.75
27.	Gross Disbursement Growth (%)[(27)]	N.A.	(30.90)%	26.60%	36.76%
28.	Gross Disbursement Per Branch (₹ in million)[(28)]	41.86	42.03	68.74	63.85
29.	Average Ticket Size – Microfinance Loans[(29)]	55,551.67	52,028.15	45,092.85	39,524.71
30.	Number of Active Borrowers (millions)[(30)]	1.95	2.14	2.41	2.01
31.	Number of Active Borrowers Growth (%)[(31)]	(8.68)%	(11.29)%	19.80%	7.94%
32.	Total Number of Branches[(32)]	1,073	1,103	976	830
33.	Total % of Digital Collection[(33)]	13.53%	12.37%	10.78%	6.89%
34.	Number of States[(34)]	17	17	16	13
35.	Number of Districts[(35)]	320	323	293	254
36.	Average Cost of Borrowings (%)[(36)]	7.76%	11.79%	11.23%	10.82%
37.	Operating Expenses / Average AUM (%)[(37)]	6.50%	8.05%	7.24%	7.16%

S. No.	Key Performance Indicators (KPIs)	As of, and for the nine months ended December 31, 2025	As at, and for the Financial Year ended		
			March 31, 2025	March 31, 2024	March 31, 2023
38.	Credit Cost Ratio (%)[38]	4.37%	6.06%	2.87%	4.08%
39.	Gross NPA Ratio (%)[39]	1.69%	2.85%	1.67%	2.86%
40.	Net NPA Ratio (%)[40]	0.39%	0.53%	-	0.21%
41.	Collection Efficiency (%)[41]	108.67%	103.92%	108.85%	112.42%
42.	Credit Rating[42]	CARE A-(Stable)/ ICRA A (Stable)	CARE A-(Stable)/ ICRA A (Stable)	CARE A (Stable)/ ICRA A (Stable)	CARE A-(negative) / ICRA A-(Stable)

Notes

i) GAAP Measures refer to financial measures that are directly derived from the Restated Financial Information of the Company prepared in accordance with Indian Accounting Standards (Ind AS) and applicable provisions of the Companies Act, 2013.

ii) Non-GAAP Measures refer to financial measures, including financial ratios, which are not defined under Ind AS and have been derived from the Restated Financial Information and underlying records of the Company, and are used by the management for monitoring and evaluating the Company's performance.

iii) Operational Measures refer to non-financial measures relating to the Company's business operations, which are derived from internal records and are used by the management for operational monitoring and decision-making.

(1) Total Assets represents our total assets as of the last day of the relevant period/years as per our Restated Financial Information.

(2) Total Borrowings represents the aggregate of debt securities, subordinated liabilities, and borrowings (other than debt securities), as per our Restated Financial Information for the relevant period/years.

(3) Total Income represents the aggregate of total revenue from operations and other income.

(4) Net Interest Income represents interest on loan portfolio in the relevant period/years as reduced by finance costs in such period/years as per the Restated Financial Information.

(5) Total Non-Interest Income represents summation of dividend income, fees and commission income, net gain on fair value changes, net gain on derecognition of financial instruments under amortised cost category, other operating income and other income as per Restated Financial Information for the relevant period/years.

(6) Total Expenses represent the aggregate of finance costs, employee benefits expenses, depreciation and amortisation expense, impairment on financial instruments and other expenses as per the Restated Financial Information

(7) Profit After Tax represents our profit for the year (after tax) as per our Restated Financial Information for the relevant period/years.

(8) Debt to Equity Ratio (Times) represents total borrowings divided by total equity attributable to shareholders as of the last day of the relevant period/years.

(9) Basic Earnings Per Equity Share is calculated by dividing the profit for the year attributable to the owners by the weighted average number of equity shares outstanding during the year.

(10) Diluted Earnings Per Equity Share is calculated by dividing the profit for the year attributable to the owners for the year after giving impact of dilutive potential equity shares for the year by the weighted average number of Equity Shares and dilutive potential equity shares outstanding during the year.

(11) Provision coverage ratio (%) represents Total Loss Allowances (Provisions) as required under Ind AS 109 held on Gross NPAs as of the last day of the relevant period/years, as a percentage of Gross NPAs as of the last day of the relevant period/years as per the Restated Financial Information.

(12) Adjusted pre-provision operating profit before tax before tax represents profit before tax after adding back impairment on financial instruments for the relevant year/period as per the Restated Financial Information.

(13) Adjusted pre-provision operating profit before tax Growth (%) represents percentage growth in pre provision operating profit for the relevant period/years over the previous period/years.

(14) Net Worth represents the aggregate value of the paid-up share capital and all reserves created out of the profits and 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. Here, Net Worth is sum of Equity share capital and Other equity.

(15) Average Return on Net Worth (%) is calculated as the profit after tax for the period/ years as a percentage of Average Net Worth in such period/years. Average Net Worth is calculated as the simple average of opening and closing Net Worth for such period / years.

(16) Return on Average Total Assets (%) is calculated as the profit after tax for the period/ years as a percentage of Average Total Assets (simple average of opening total assets and closing total assets) in such period/years.

(17) Cost to Income Ratio (%) represents operating expenses as a percentage of total income less finance costs for the relevant period/years.

(18) Net Interest Margin (%) represents net interest income loan portfolio for the relevant period/years as a percentage of average AUM for such period/years.

(19) Capital to risk weighted assets ratio (CRAR) (%) has been computed as addition of Tier I Capital and Tier II Capital divided by Total risk weighted Assets. Capital to risk weighted assets ratio (CRAR) (%) is computed in accordance with the applicable RBI guidelines.

(20) Tier I Capital (%) represents the ratio of Tier I Capital to total risk weighted assets. Total risk weighted assets represents the weighted average of funded and nonfunded items after applying the risk weights as assigned by the RBI

(21) Tier II Capital (%) represents the ratio of Tier II Capital as a percentage of risk weighted assets. Total risk weighted assets represents the weighted average of funded and nonfunded items after applying the risk weights as assigned by the RBI

(22) AUM as of the last day of the relevant period/years represents aggregate of principal outstanding including principal overdue if any for all loans to customers held by our Company (i.e., on balance sheet loans) and assets transferred by way of securitisation, assignment of receivables and business correspondent receivables outstanding as of the last day of the relevant period/years

(23) AUM Growth (%) represents percentage growth in AUM as of the last day of the relevant period/years over the previous period/years.

(24) AUM Share in Top 3 states represents proportion of AUM concentrated in the top three states as of the last day of the relevant period/years.
(25) AUM per branch represents AUM as of the last day of the relevant period/years divided by number of branches as of the last day of the relevant period/years
(26) Gross Disbursements represent aggregate of all loan amounts extended to customers during the relevant year/period.
(27) Gross Disbursement Growth (%) represents percentage growth in disbursements for the relevant period/years over the previous period/years.
(28) Gross Disbursement per branch represents gross disbursements during the relevant period/years divided by number of branches as of the last day of such period/years.
(29) Average Ticket Size – Microfinance Loans represents aggregate of all microfinance loan disbursement amounts extended to customers divided by total number of microfinance loans disbursed during the relevant year/period.
(30) Number of Active Borrowers represents borrowers having at least one active loan account outstanding as of the last day of the relevant period/years, including loan accounts transferred by way of securitisation or assignment and outstanding as of such date
(31) Number of Active Borrowers Growth (%) is Percentage growth in number of active borrowers as of the last day of the relevant period/years over the previous period/years.
(32) Total Number of Branches is total operational branches of the Company as of the last day of the relevant year/period.
(33) Total % of Digital Collection is Proportion of total collections received through digital channels during the relevant period/years.
(34) Number of states in which the Company operates as of the last day of the relevant year/period.
(35) Number of districts in which the Company operates as of the last day of the relevant year/period.
(36) Average Cost of Borrowings (%) represents interest cost and related borrowing costs for the relevant period/years as a percentage of average borrowings outstanding for such period/years.
(37) Operating Expenses / Average AUM (%) represents operating expenses excluding finance cost and impairment on financial instruments as a percentage of average AUM for the relevant year/period.
(38) Credit Cost Ratio (%) represents impairment on financial instruments for the relevant period/years as a percentage of average AUM for such period/years.
(39) Gross NPA Ratio (%) represents gross non-performing assets as a percentage of gross loan portfolio as of the last day of the relevant period/years.
(40) Net NPA Ratio (%) represents Net NPA as of the last day of the relevant period/years as a percentage of loans gross of impairment allowance reduced by the impairment allowance against the NPA assets as per Restated Financial Information for the relevant period/years.
(41) Collection Efficiency (%) represents ratio of total collections including overdue, advance and prepayment collections to total billings for the relevant year/period.
(42) Credit Rating represents external credit ratings assigned to the Company by recognised credit rating agencies for the relevant year/period.
[*] As certified by KGRS & Co, Chartered Accountants, bearing firm registration number 310014E, pursuant to their certificate dated May 15, 2026. See "Material Contracts and Documents for Inspection" on page 693.

Explanation for the key performance indicators:

Key Performance Indicators	Units	Relevance/ Explanation
I. Financial measures		
A. GAAP measures		
Total Assets	₹ in million	Used by the management to ensure the adequacy of capital for the business growth.
Total Borrowings	₹ in million	Uses this to monitor its overall debt levels, funding mix and liquidity position, and to assess its ability to support business growth and lending operations
Total Income	₹ in million	Total Income represents aggregate of revenue from operations and other income for the relevant period/years as per the Restated Financial Information.
Net Interest Income	₹ in million	Used by the management to assess the financial and profitability metrics and cost efficiency of the business
Total Non-Interest Income	₹ in million	Uses this to track income generated from non-lending activities and to assess diversification of its revenue streams beyond core business.
Total Expenses	₹ in million	Total expenses represent the aggregate of finance costs, employee benefits expenses, depreciation and amortisation expense, impairment on financial instruments and other expenses as per the Restated Financial Information
Profit / (Loss) After Tax	₹ in million	Used by the management for assessing the financial performance of our business during a particular period.
Debt to Equity Ratio (times)	times	Used by the management to measures the financial leverage of a company and evaluates the extent to which it can cover its debt. .
Basic Earnings Per Equity Share	₹ per Equity Share	Indicates the Company's financial standing and profitability
Diluted Earnings Per Equity Share	₹ in million	Indicates the Company's financial standing and profitability
B. Non-GAAP measures		
Provision Coverage Ratio	%	Used by the management to assess the asset quality of the loan portfolio and adequacy of provisions against the delinquent loans
Adjusted pre-provision operating profit before tax	₹ in million	Used by the management for assessing the financial performance of our business during a particular period

Key Performance Indicators	Units	Relevance/ Explanation
Adjusted pre-provision operating profit before tax Growth	%	Used by the management for assessing the financial performance of our business during a particular period
Net Worth	₹ in million	Used by the management to ensure the adequacy of capital for the business growth.
Return on Average Net Worth	%	Used by the management to assess the returns on the deployed capital and the assets in the business.
Return on Average Total Assets	%	Used by the management to assess the returns on the deployed capital and the assets in the business.
Cost to Income Ratio	%	Used by the management to assess the financial and profitability metrics and cost efficiency of the business
Net Interest Margin	%	Used by the management to assess the financial and profitability metrics and cost efficiency of the business
Capital Adequacy Ratio (CRAR)	%	Used by the management to ensure the adequacy of capital for the business growth
Tier I Capital	%	Used by the management to ensure the adequacy of capital for the business growth
Tier II Capital	%	Used by the management to ensure the adequacy of capital for the business growth
II. Operational measures		
AUM	₹ in million	Used by the management to assess the growth in terms of scale and composition of business.
AUM Growth	%	Used by the management to assess the growth in terms of scale and composition of business
AUM Share in Top 3 states	%	Used by the management to assess the concentration and distribution of sector wise market power
AUM Per Branch	₹ in million	Used by the management to assess the branch and employee level productivity
Gross Disbursement	₹ in million	Used by the management to assess the growth in terms of scale and composition of business.
Gross Disbursement Growth	%	Used by the management to assess the growth in terms of scale and composition of business.
Gross Disbursement Per Branch	₹ in million	Used by the management to assess the branch and employee level productivity
Average Ticket Size – Microfinance Loans	₹ million	Used by the management to assess the growth in terms of scale and composition of business.
Number of Active Borrowers	millions	Used by the management to assess the growth in terms of scale and composition of business.
Number of Active Borrowers Growth	%	Used by the management to assess the growth in terms of scale and composition of business.
Total Number of Branches	number	Used by the management to assess the customer franchise, geographic footprint and organisational scale of the Company
Total % of Digital Collection	%	Used by the company to assess its digital penetration / footprint
No. of States	number	Used by the management to assess the customer franchise, geographic footprint and organisational scale of the Company
No. of Districts	number	Used by the management to assess the customer franchise, geographic footprint and organisational scale of the Company
Average Cost of Borrowings	%	Used by the management to assess the cost for financial resources which are deployed for the business growth.
Operating Expenses / Average AUM	%	Used by the management to assess the financial and profitability metrics and cost efficiency of the business
Credit Cost Ratio	%	Used by the management to assess the financial and profitability metrics and cost efficiency of the business
Gross NPA Ratio	%	Used by the management to assess the asset quality of the loan portfolio and adequacy of provisions against the delinquent loans
Net NPA Ratio	%	Used by the management to assess the asset quality of the loan portfolio and adequacy of provisions against the delinquent loans
Collection Efficiency	%	Used by the management to assess collections
Credit Rating	rating	Used by the management to track the overall credit ratings of the Company on the basis of the assessment by independent rating agencies.

[1] As certified by KGRS & Co, Chartered Accountants, bearing firm registration number 310014E, pursuant to their certificate dated May 15, 2026.

The KPIs set forth above have been used historically by our Company to understand, analyze and track or monitor our operational and/or financial performance, which in result, help us in analyzing the growth of business in comparison to our peers. Our Company considers that the KPIs set forth above are the ones that may have a bearing for arriving at the basis for the Offer Price. All the KPIs disclosed above have been approved and confirmed by a resolution of our Audit Committee dated May 15, 2026 and the Audit Committee has confirmed that the KPIs pertaining to our Company that have been disclosed to earlier investors at any point of time during the three years period prior to the date of filing of this Draft Red Herring Prospectus have been disclosed in this section.

Further, the members of our Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any Promoter or member of Promoter Group or Directors in their capacity as Shareholders at any point of time during the three years prior to the date of filing of this Draft Red Herring Prospectus. The KPIs disclosed herein have been subject to verification and certification by KGRS & Co, Chartered Accountants by their certificate dated May 15, 2026 and such certificate has been included as part of the "*Material Contracts and Documents for Inspection*" on page 693. Further, Milind Ramchandra Nare, our Deputy Chief Executive Officer and Chief Financial Officer has certified pursuant to certificate dated May 15, 2026, the KPIs disclosed above, comprising the GAAP financial measures, Non-GAAP financial measures and operational measures. For details of our other operating metrics disclosed elsewhere in this Draft Red Herring Prospectus, see "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 335 and 537, respectively.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by our Board), until the later of (a) one year after the date of listing of the Equity Shares on the Stock Exchanges; or (b) complete utilisation of the proceeds of the Fresh Issue as disclosed in "*Objects of the Offer* " on page 139, or for such other duration as may be required under the SEBI ICDR Regulations.

Description on the historic use of KPIs by our Company to analyze, track or monitor the operational and/or financial performance of our Company:

In evaluating our business, we consider and use certain KPIs, as presented below, as a supplemental measure to review and assess our financial and operating performance. The presentation of these KPIs are not intended to be considered in isolation or as a substitute for the Restated Financial Information. We use these KPIs to evaluate our financial and operating performance. Some of these KPIs are not defined under Ind AS and are not presented in accordance with Ind AS. These KPIs have limitations as analytical tools. Further, these KPIs may differ from the similar information used by other companies and hence their comparability may be limited. Therefore, these KPIs should not be considered in isolation or construed as an alternative to Ind AS measures of performance or as an indicator of our operating performance, liquidity, profitability or results of operation. Although these KPIs are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it provides an additional tool for investors to use in evaluating our ongoing operating results and trends and in comparing our financial results with other companies in our industry because it provides consistency and comparability with past financial performance, when taken collectively with financial measures prepared in accordance with Ind AS. Investors are encouraged to review the Ind AS financial measures and to not rely on any single KPI to evaluate our business.

Comparison of KPIs over time shall be explained based on additions or dispositions to our business

Our Company has not made any additions or dispositions to its business during the nine-month period ended December 31, 2025 or the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023.

8. Comparison of our key performance indicators with listed industry peers

The following table provides a comparison of our KPIs with our listed peers for the period/years indicated, which has been determined on the basis of companies listed on the Indian stock exchanges of comparable size to our Company, operating in the same industry as our Company and whose business model is similar to our business model.

AROHAN FINANCIAL SERVICES LIMITED

Key Performance Indicators (KPIs)	Units	For the nine months ended December 31, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
I. Financial Measures					
Total Assets	Rs Million	74,618.38	68,857.87	81,154.41	60,181.68
Total Borrowings	Rs Million	52,194.32	47,034.03	60,158.43	45,334.90
Total Income	Rs Million	11,330.54	16,952.62	16,346.33	10,909.96
Net Interest Income	Rs Million	6,071.99	8,590.85	7,606.33	4,419.49
Total Non-Interest Income	Rs Million	953.96	1,140.84	2,169.47	1,419.47
Total Expenses	Rs Million	10,538.43	15,571.76	12,222.01	10,010.42
Profit / (Loss) After Tax	Rs Million	607.44	1,096.86	3,138.21	707.16
Debt to Equity Ratio	x times	2.50	2.32	3.14	3.39
Basic Earnings Per Equity Share	Rs	3.98	7.20	26.62	6.05
Diluted Earnings Per Equity Share	Rs	3.98	7.18	26.57	5.84
Provision Coverage Ratio	%	77.05%	81.70%	100.00%	92.80%
Adjusted pre-provision operating profit before tax	Rs Million	3,483.23	5,355.99	5,911.93	2,831.19
Adjusted pre-provision operating profit before tax Growth	%	NA	-9.40%	108.81%	29.51%
Net Worth	Rs million	20,918.07	20,251.28	19,147.56	13,380.25
Return on Average Net Worth	%	2.95%	5.57%	19.30%	5.99%
Return on Average Total Assets	%	0.85%	1.46%	4.44%	1.26%
Cost to Income Ratio	%	53.44%	49.63%	43.29%	54.51%
Net Interest Margin	%	9.86%	13.10%	12.20%	9.32%
Capital Adequacy Ratio CRAR	%	31.20%	34.09%	29.01%	28.74%
Tier I Capital	%	30.58%	31.82%	26.85%	25.46%
Tier II Capital	%	0.62%	2.27%	2.16%	3.28%
II. Operational Measures					
AUM	Rs Million	63,084.14	60,025.77	71,120.41	53,573.71
AUM Growth	%	5.10%	-15.60%	32.75%	29.97%
AUM Share in Top 3 states	%	67.89%	69.38%	69.09%	64.64%
AUM Per Branch	Rs Million	58.79	54.42	72.87	64.55
Gross Disbursement	Rs Million	44,916.84	46,360.00	67,090.00	52,990.00
Gross Disbursement Growth	%	NA	-30.90%	26.61%	37.32%
Gross Disbursement Per Branch	Rs Million	41.86	42.03	68.74	63.84
Average Ticket Size – Microfinance Loans	Rs	55,551.67	52,028.15	45,092.85	39,524.71
Number of Active Borrowers	Million	1.95	2.14	2.41	2.01
Number of Active Borrowers Growth	%	-8.68%	-11.29%	19.80%	5.92%
Total Number of Branches	Units	1,073.0	1,103.0	976.0	830.0
Total % of Digital Collection	%	13.53%	12.37%	10.78%	6.89%
No. of States	Units	17	17	16	13
No. of Districts	Units	320	323	293	254
Average Cost of Borrowings	%	7.76%	11.79%	11.23%	10.82%
Operating Expenses / Average AUM	%	6.50%	8.05%	7.24%	7.16%
Credit Cost Ratio	%	4.37%	6.06%	2.87%	4.08%
Gross NPA Ratio	%	1.69%	2.85%	1.67%	2.86%
Net NPA Ratio	%	0.39%	0.53%	-	0.21%
Collection Efficiency	%	108.67%	103.92%	108.85%	112.42%
Credit Rating		Care A- Stable, ICRA A Stable			

SOURCE: COMPANY REPORTS, MFIN; NOTE: THE CREDIT RATING MENTIONED REPRESENT THE LATEST AVAILABLE RATING FOR THE COMPANY.

CREDITACCESS GRAMEEN LIMITED

Key Performance Indicators (KPIs)	Units	For the nine months ended December 31, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
I. Financial Measures					
Total Assets	Rs Million	285,935.00	278,022.30	288,706.80	218,580.60
Total Borrowings	Rs Million	206,814.00	204,457.70	218,410.10	163,122.60
Total Income	Rs Million	44,639.60	57,561.40	51,726.50	35,507.60
Net Interest Income	Rs Million	27,636.70	34,815.50	30,656.00	20,645.30
Total Non-Interest Income	Rs Million	2,267.20	2,093.75	2,725.40	2,236.27
Total Expenses	Rs Million	38,757.60	50,472.70	32,334.70	24,453.70
Profit / (Loss) After Tax	Rs Million	4,380.90	5,314.00	14,459.30	8,260.30
Debt to Equity Ratio	x times	2.78	2.94	3.32	3.19
Basic Earnings Per Equity Share	Rs	27.41	33.32	90.88	52.04
Diluted Earnings Per Equity Share	Rs	27.30	33.24	90.41	51.81
Provision Coverage Ratio	%	67.20%	64.83%	70.75%	65.70%
Adjusted pre-provision operating profit before tax	Rs Million	20,303.60	26,394.80	23,948.50	15,082.10
Adjusted pre-provision operating profit before tax Growth	%	NA	10.21%	58.79%	39.58%
Net Worth	Rs million	74,395.00	69,559.40	65,699.50	51,069.40
Return on Average Net Worth	%	6.09%	7.86%	24.77%	17.81%
Return on Average Total Assets	%	1.55%	1.88%	5.70%	4.20%
Cost to Income Ratio	%	33.28%	30.70%	30.39%	35.49%
Net Interest Margin	%	10.53%	13.22%	12.84%	10.97%
Capital Adequacy Ratio CRAR	%	26.44%	25.43%	23.13%	23.58%
Tier I Capital	%	25.80%	24.47%	22.24%	22.69%
Tier II Capital	%	0.64%	0.96%	0.89%	0.89%
II. Operational Measures					
AUM	Rs Million	265,660	259,480	267,140	210,300
AUM Growth	%	2.38%	-2.87%	27.03%	26.69%
AUM Share in Top 3 states	%	70.20%	71.60%	72.50%	74.30%
AUM Per Branch	Rs Million	119.56	125.78	135.81	117.75
Gross Disbursement	Rs Million	165,470	200,370	231,300	185,400
Gross Disbursement Growth	%	NA	-13.37%	24.76%	44.51%
Gross Disbursement Per Branch	Rs Million	74.47	97.13	117.59	103.81
Average Ticket Size – Microfinance Loans	Rs	52,443	51,330	42,812	37,965
Number of Active Borrowers	Million	4.40	4.69	4.92	4.26
Number of Active Borrowers Growth	0.0	-6.24%	-4.55%	15.34%	11.51%
Total Number of Branches	Units	2,222	2,063	1,967	1,786
Total % of Digital Collection	%	NA	10.60%	4.00%	NA
No. of States	Units	17	17	17	15
No. of Districts	Units	450	423	383	352
Average Cost of Borrowings	%	6.91%	9.21%	9.08%	8.30%
Operating Expenses / Average AUM	%	3.86%	4.44%	4.38%	4.41%
Credit Cost Ratio	%	5.48%	7.33%	1.89%	2.13%
Gross NPA Ratio	%	4.04%	4.76%	1.18%	1.21%
Net NPA Ratio	%	1.36%	1.77%	0.35%	0.35%
Collection Efficiency*	%	94.40%	94.90%	98.50%	NA
Credit Rating		ICRA AA-, stable, Crisil AA-, stable			

SOURCE: COMPANY REPORTS, MFIN

NOTE: * INDICATES RATIO EXCLUDING ARREARS; THE CREDIT RATING MENTIONED REPRESENT THE LATEST AVAILABLE RATING FOR THE COMPANY.

MUTHOOT MICROFIN LIMITED

Key Performance Indicators (KPIs)	Units	For the nine months ended December 31, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
I. Financial Measures					
Total Assets	Rs Million	120,806.80	108,570.21	115,902.26	85,291.99
Total Borrowings	Rs Million	90,114.00	79,264.21	84,247.85	64,931.76
Total Income	Rs Million	17,418.00	25,644.40	22,552.79	14,463.44
Net Interest Income	Rs Million	9,275.16	14,010.18	10,763.77	7,237.84
Total Non-Interest Income	Rs Million	1,713.97	1,949.61	2,817.01	1,556.99
Total Expenses	Rs Million	16,298.24	28,533.44	16,734.37	12,334.74
Profit / (Loss) After Tax	Rs Million	991.46	-2,225.23	4,495.83	1,638.89
Debt to Equity Ratio	x times	1.21	3.01	3.00	3.99
Basic Earnings Per Equity Share	Rs	5.92	-13.29	30.92	14.19
Diluted Earnings Per Equity Share	Rs	5.82	-13.07	30.25	11.98
Provision Coverage Ratio	%	70.45%	73.32%	60.99%	80.32%
Adjusted pre-provision operating profit before tax	Rs Million	4,783.13	8,929.99	7,815.66	4,637.29
Adjusted pre-provision operating profit before tax Growth	%	NA	14.26%	68.54%	139.38%
Net Worth	Rs million	74,395.00	26,322.27	28,043.52	16,258.49
Return on Average Net Worth	%	1.97%	-8.19%	20.30%	11.06%
Return on Average Total Assets	%	0.86%	-1.98%	4.47%	2.32%
Cost to Income Ratio	%	56.47%	45.36%	43.74%	48.32%
Net Interest Margin	%	7.29%	11.41%	10.06%	9.36%
Capital Adequacy Ratio CRAR	%	26.44%	27.85%	28.97%	21.87%
Tier I Capital	%	NA	27.39%	28.97%	21.87%
Tier II Capital	%	NA	0.46%	0.00%	0.00%
II. Operational Measures					
AUM	Rs Million	130,786	123,567	121,935	92,083
AUM Growth	%	5.84%	1.34%	32.42%	47.22%
AUM Share in Top 3 states	%	NA	50.00%	NA	NA
AUM Per Branch	Rs Million	77.34	72.73	80.86	78.57
Gross Disbursement	Rs Million	65,418	88,725	106,616	81,045
Gross Disbursement Growth	%	NA	-16.78%	31.55%	74.40%
Gross Disbursement Per Branch	Rs Million	38.69	52.22	70.70	69.15
Average Ticket Size – Microfinance Loans	Rs	90,885	48,932	43,843	37,985
Number of Active Borrowers	Million	3.33	3.43	3.35	2.77
Number of Active Borrowers Growth	0.0	-0.03	0.02	0.21	0.35
Total Number of Branches	Units	1,691	1,699	1,508	1,172
Total % of Digital Collection	%	NA	25.00%	25.92%	20.34%
No. of States	Units	21	20	19	18
No. of Districts	Units	394	388	353	321
Average Cost of Borrowings	%	7.59%	11.38%	11.61%	10.47%
Operating Expenses / Average AUM	%	4.88%	6.04%	5.68%	5.61%
Credit Cost Ratio	%	2.70%	8.49%	1.61%	2.89%

Key Performance Indicators (KPIs)	Units	For the nine months ended December 31, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Gross NPA Ratio	%	4.40%	4.84%	2.29%	2.97%
Net NPA Ratio	%	1.34%	1.33%	0.93%	1.22%
Collection Efficiency	%	NA	93.62%	98.41%	95.83%
Credit Rating		Crisil A+ (Positive)			

SOURCE: COMPANY REPORTS, MFIN; NOTE: THE CREDIT RATING MENTIONED REPRESENT THE LATEST AVAILABLE RATING FOR THE COMPANY.

SATIN CREDITCARE NETWORK LIMITED

Key Performance Indicators (KPIs)	Units	For the nine months ended December 31, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
I. Financial Measures					
Total Assets	Rs Million	121,382.60	108,863.08	100,810.09	76,453.97
Total Borrowings	Rs Million	NA	77,995.28	71,949.61	54,474.80
Total Income	Rs Million	20,288.33	23,767.63	20,506.48	17,534.14
Net Interest Income	Rs Million	13,994.42	9,309.87	7,995.04	2,807.25
Total Non-Interest Income	Rs Million	3,583.91	2,703.91	3,018.86	5,933.30
Total Expenses	Rs Million	18,160.58	21,437.83	14,847.99	14,124.14
Profit / (Loss) After Tax	Rs Million	1,651.33	2,165.62	4,228.44	2,643.29
Debt to Equity Ratio	x times	2.94	2.74	2.70	2.85
Basic Earnings Per Equity Share	Rs	15.01	19.69	13.01	33.79
Diluted Earnings Per Equity Share	Rs	15.01	19.69	11.97	32.30
Provision Coverage Ratio	%	67.00%	62.35%	60.45%	NA
Adjusted pre-provision operating profit before tax	Rs Million	9,988.04	7,361.74	7,103.30	7,351.65
Adjusted pre-provision operating profit before tax Growth	%	NA	3.64%	-3.38%	213.12%
Net Worth	Rs million	29,726.35	28,432.78	26,673.43	19,137.17
Return on Average Net Worth	%	5.68%	7.86%	18.46%	15.02%
Return on Average Total Assets	%	1.43%	2.07%	4.77%	3.52%
Cost to Income Ratio	%	43.18%	48.41%	41.67%	37.56%
Net Interest Margin	%	12.28%	8.50%	8.63%	3.92%
Capital Adequacy Ratio CRAR	%	24.60%	25.85%	27.70%	26.60%
Tier I Capital	%	NA	25.21%	26.25%	25.33%
Tier II Capital	%	NA	0.64%	1.45%	1.27%
II. Operational Measures					
AUM	Rs Million	114,820	113,160	105,930	79,290
AUM Growth	%	1.47%	6.83%	33.60%	23.72%
AUM Share in Top 3 states	%	51.00%	51.49%	49.40%	48.11%
AUM Per Branch	Rs Million	57,785.61	72,168.37	76,044.51	61,656.30
Gross Disbursement	Rs Million	73,820	98,370	96,910	73,900
Gross Disbursement Growth	%	NA	1.51%	31.14%	83.33%
Gross Disbursement Per Branch	Rs Million	37.15	62.74	69.57	57.47
Average Ticket Size – Microfinance Loans	Rs	63,160	53,690	47,833	42,276
Number of Active Borrowers	Million	3.18	3.29	3.34	2.56
Number of Active Borrowers Growth	0.0	-3.34%	-1.50%	30.47%	4.49%
Total Number of Branches	Units	1,987.0	1,568.0	1,393.0	1,286.0
Total % of Digital Collection	%	NA	9.00%	8.00%	NA
No. of States	Units	31	29	26	24
No. of Districts	Units	558	529	421	405
Average Cost of Borrowings	%	NA	12.67%	13.18%	10.56%
Operating Expenses / Average AUM	%	6.66%	6.31%	5.48%	6.17%
Credit Cost Ratio	%	3.49%	4.59%	1.56%	5.50%
Gross NPA Ratio	%	3.30%	3.70%	2.50%	3.30%

Key Performance Indicators (KPIs)	Units	For the nine months ended December 31, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Net NPA Ratio	%	1.10%	1.42%	0.98%	1.49%
Collection Efficiency*	%	NA	NA	98.50%	99.6%*
Credit Rating		ICRA A (Stable); Care BBB+, Stable			

SOURCE: COMPANY REPORTS, MFIN

NOTE: * INDICATES EXCLUDING RESTRUCTURED PORTFOLIO; THE CREDIT RATING MENTIONED REPRESENT THE LATEST AVAILABLE RATING FOR THE COMPANY.

FUSION FINANCE LIMITED

Key Performance Indicators (KPIs)	Units	For the nine months ended December 31, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
I. Financial Measures					
Total Assets	Rs Million	77,246.72	82,926.70	117,743.20	93,635.40
Total Borrowings	Rs Million	51,762.30	64,020.20	86,159.00	67,784.00
Total Income	Rs Million	13,023.60	23,688.90	24,124.20	17,999.70
Net Interest Income	Rs Million	7,634.10	12,851.20	12,958.00	9,472.10
Total Non-Interest Income	Rs Million	1,323.30	2,346.70	3,205.20	1,998.70
Total Expenses	Rs Million	14,027.00	35,019.00	17,491.60	12,879.90
Profit / (Loss) After Tax	Rs Million	-1,003.40	-12,245.40	5,052.90	3,871.50
Debt to Equity Ratio	x times	2.22	3.90	3.03	2.92
Basic Earnings Per Equity Share	Rs	-7.73	-111.41	46.06	43.29
Diluted Earnings Per Equity Share	Rs	-7.73	-111.41	45.89	43.13
Provision Coverage Ratio	%	86.08%	NA	79.71%	75.50%
Adjusted pre-provision operating profit before tax	Rs Million	2,691.90	7,364.80	10,281.20	7,123.50
Adjusted pre-provision operating profit before tax Growth	%	NA	-28.37%	44.33%	81.20%
Net Worth	Rs million	23,313.20	16,433.30	28,481.50	23,219.20
Return on Average Net Worth	%	-5.05%	-54.53%	19.55%	21.16%
Return on Average Total Assets	%	-1.25%	-12.20%	4.78%	4.65%
Cost to Income Ratio	%	69.12%	50.94%	36.04%	37.80%
Net Interest Margin	%	9.63%	12.56%	12.48%	11.78%
Capital Adequacy Ratio CRAR	%	38.80%	22.42%	27.53%	27.94%
Tier I Capital	%	NA	20.89%	26.60%	26.59%
Tier II Capital	%	NA	1.53%	0.93%	1.35%
II. Operational Measures					
AUM	Rs Million	68,760	89,800	114,760	92,960
AUM Growth	%	-23.43%	-21.75%	23.45%	36.99%
AUM Share in Top 3 states	%	NA	NA	NA	NA
AUM Per Branch	Rs Million	44.74	57.16	88.48	85.60
Gross Disbursement	Rs Million	36,270	69,710	102,940	85,960
Gross Disbursement Growth	%	NA	-32.28%	19.75%	39.09%
Gross Disbursement Per Branch	Rs Million	23.60	42.61	79.37	79.15
Average Ticket Size – Microfinance Loans	Rs	59,584	46,797	43,351	37,922
Number of Active Borrowers	Million	2.32	3.19	3.84	3.52
Number of Active Borrowers Growth	0.0	-27.27%	-16.93%	9.09%	29.41%
Total Number of Branches	Units	1,537	1,571	1,297	1,086

Key Performance Indicators (KPIs)	Units	For the nine months ended December 31, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Total % of Digital Collection	%	96.00%	94.28%	90.00%	NA
No. of States	Units	22	22	22	20
No. of Districts	Units	489	497	453	398
Average Cost of Borrowings	%	7.02%	11.24%	10.27%	10.24%
Operating Expenses / Average AUM	%	7.90%	7.71%	5.71%	5.53%
Credit Cost Ratio	%	4.66%	18.28%	3.51%	2.49%
Gross NPA Ratio	%	4.38%	7.92%	2.89%	3.46%
Net NPA Ratio	%	0.63%	0.31%	0.61%	0.88%
Collection Efficiency*	%	99.14%	98.44%	97.3%#	96.9%#
Credit Rating		Crisil A- stable, ICRA A- stable, Care A stable			

SOURCE: COMPANY REPORTS, MFIN

NOTE: * INDICATES THE RATIO FOR THE FOURTH QUARTER OF THE RESPECTIVE YEARS, # INDICATES INCLUDING ARREARS; THE CREDIT RATING MENTIONED REPRESENT THE LATEST AVAILABLE RATING FOR THE COMPANY.

SPANDANA SPHOORTY FINANCIAL LTD

Key Performance Indicators (KPIs)	Units	For the nine months ended December 31, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
I. Financial Measures					
Total Assets	Rs Million	60,234.90	80,079.80	128,695.80	91,856.40
Total Borrowings	Rs Million	36,503.30	51,966.30	90,121.60	59,342.00
Total Income	Rs Million	6,885.90	22,451.90	23,866.70	13,944.50
Net Interest Income	Rs Million	2,848.40	11,013.20	11,743.60	7,227.30
Total Non-Interest Income	Rs Million	492.40	2,237.60	2,696.20	1,888.80
Total Expenses	Rs Million	15,222.50	35,190.40	17,606.50	13,762.00
Profit / (Loss) After Tax	Rs Million	-6,295.20	-9,567.40	4,678.80	123.40
Debt to Equity Ratio	x times	1.67	1.98	2.53	1.95
Basic Earnings Per Equity Share	Rs	-83.07	-134.18	65.81	1.74
Diluted Earnings Per Equity Share	Rs	-83.07	-134.18	64.84	1.74
Provision Coverage Ratio	%	80.71%	80.16%	80.00%	70.00%
Adjusted pre-provision operating profit before tax	Rs Million	-1,888.60	5,895.50	8,690.40	5,180.10
Adjusted pre-provision operating profit before tax Growth	%	NA	-32.16%	67.77%	-2.34%
Net Worth	Rs million	21,848.90	26,227.70	35,559.90	30,431.70
Return on Average Net Worth	%	-26.19%	-30.97%	14.18%	0.41%
Return on Average Total Assets	%	-8.97%	-9.17%	4.24%	0.15%
Cost to Income Ratio	%	0.00%	56.96%	41.65%	45.44%
Net Interest Margin	%	6.11%	12.24%	11.77%	10.19%
Capital Adequacy Ratio CRAR	%	30.43%	36.31%	31.95%	36.87%
Tier I Capital	%	NA	36.30%	32.00%	36.87%
Tier II Capital	%	NA	0.01%	-0.05%	0.00%
II. Operational Measures					
AUM	Rs Million	32,960	60,290	119,730	79,800
AUM Growth	%	-45.33%	-49.65%	50.04%	28.71%
AUM Share in Top 3 states	%	41.00%	38.00%	39.00%	40.00%
AUM Per Branch	Rs Million	19.8	33.4	72.9	67.7
Gross Disbursement	Rs Million	21,140	56,050	106,880	81,250
Gross Disbursement Growth	%	NA	-47.56%	31.54%	140.88%
Gross Disbursement Per Branch	Rs Million	12.68	31.07	65.09	68.91

Key Performance Indicators (KPIs)	Units	For the nine months ended December 31, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Average Ticket Size – Microfinance Loans	Rs	62,845	45,400	41,921	46,256
Number of Active Borrowers	Million	1.15	2.49	3.32	2.26
Number of Active Borrowers Growth	0.0	-53.65%	-25.00%	46.90%	-3.83%
Total Number of Branches	Units	1,667.0	1,804.0	1,642.0	1,179.0
Total % of Digital Collection	%	NA	NA	NA	NA
No. of States	Units	17	20	20	18
No. of Districts	Units	403	414	408	314
Average Cost of Borrowings	%	8.01%	12.32%	12.01%	9.31%
Operating Expenses / Average AUM	%	11.22%	8.67%	6.22%	6.08%
Credit Cost Ratio	%	13.83%	20.70%	2.44%	7.05%
Gross NPA Ratio	%	2.60%	5.63%	1.50%	10.46%
Net NPA Ratio	%	0.50%	1.16%	0.32%	0.63%
Collection Efficiency	%	93.9%**	91.8%*	97.4%*	103%#
Credit Rating		Crisil BBB+ stable, Care BBB+ stable, ICRA BBB+ Negative			

SOURCE: COMPANY REPORTS, MFIN

NOTE: ** INDICATES NET COLLECTION RATIO AND FOR Q3 FY26 QUARTER; * INDICATES NET COLLECTION EFFICIENCY RATIO; # INDICATES GROSS COLLECTION EFFICIENCY; THE CREDIT RATING MENTIONED REPRESENT THE LATEST AVAILABLE RATING FOR THE COMPANY.

BANDHAN BANK

Key Performance Indicators (KPIs)	Units	For the nine months ended December 31, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
I. Financial Measures					
Total Assets	Rs Million	1,961,310.16	1,914,762.88	1,778,416.59	1,560,370.92
Total Borrowings	Rs Million	101,200.00	111,384.93	163,715.24	247,108.23
Total Income	Rs Million	182,240.09	249,148.29	210,410.38	183,732.50
Net Interest Income	Rs Million	80,340.98	89,098.19	79,554.28	92,596.18
Total Non-Interest Income	Rs Million	19,633.28	55,473.65	45,348.34	24,685.51
Total Expenses	Rs Million	138,002.49	175,261.40	188,114.75	161,786.12
Profit / (Loss) After Tax	Rs Million	6,894.24	27,452.96	22,295.63	21,946.38
Debt to Equity Ratio	x times	0.41	0.46	0.76	1.26
Basic Earnings Per Equity Share	Rs	4.28	17.04	13.84	13.62
Diluted Earnings Per Equity Share	Rs	4.28	17.04	13.84	13.62
Provision Coverage Ratio	%	70.80%	73.70%	71.84%	76.82%
Adjusted pre-provision operating profit before tax	Rs Million	44,237.60	73,886.89	66,394.84	70,913.50
Adjusted pre-provision operating profit before tax Growth	%	NA	11.28%	-6.37%	-11.51%
Net Worth	Rs million	247,909.71	243,591.02	215,654.48	195,722.07
Return on Average Net Worth	%	2.81%	11.96%	10.84%	11.88%
Return on Average Total Assets	%	0.36%	1.49%	1.34%	1.49%
Cost to Income Ratio	%	55.75%	48.89%	46.84%	39.54%
Net Interest Margin	%	5.86%	6.81%	6.80%	8.88%
Capital Adequacy Ratio CRAR	%	17.80%	18.70%	14.69%	19.80%
Tier I Capital	%	16.50%	17.90%	13.83%	18.70%
Tier II Capital	%	1.30%	0.80%	0.86%	1.10%
II. Operational Measures					
AUM	Rs Million	1,452,200	1,369,900	1,247,200	1,091,200
AUM Growth	%	6.01%	9.84%	14.30%	9.84%
AUM Share in Top 3 states	%	44.0%	44.0%	45.0%	45.0%
AUM Per Branch	Rs Million	793.1	798.8	733.6	773.4
Gross Disbursement	Rs Million	513,900.00	694,800.00	761,900.00	657,700.00
Gross Disbursement Growth	%	NA	-8.81%	15.84%	NA

Key Performance Indicators (KPIs)	Units	For the nine months ended December 31, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Gross Disbursement Per Branch	Rs Million	280.67	405.13	448.18	466.12
Average Ticket Size – Microfinance Loans	Rs	NA	NA	NA	NA
Number of Active Borrowers	Million	32.50	31.60	33.60	30.00
Number of Active Borrowers Growth	%	2.8%	-6.0%	12.0%	14.1%
Total Number of Branches	Units	1,831	1,715	1,700	1,411
Total % of Digital Collection	%	NA	NA	NA	NA
No. of States	Units	35	35	35	34
No. of Districts	Units	NA	NA	NA	NA
Average Cost of Borrowings	%	6.50%	6.44%	5.64%	5.00%
Operating Expenses / Average AUM	%	4.16%	5.40%	5.00%	4.45%
Credit Cost Ratio	%	2.52%	2.88%	3.16%	4.03%
Gross NPA Ratio	%	3.30%	4.70%	3.80%	4.90%
Net NPA Ratio	%	1.00%	1.30%	1.10%	1.20%
Collection Efficiency*	%	109.80%	109.50%	117.00%	124.10%
Credit Rating		Crisil AA- stable, ICRA AA- stable			

SOURCE: COMPANY REPORTS, MFIN

NOTE: * INDICATES RATIO FOR THE FOURTH QUARTER OF THE RESPECTIVE YEARS AND INCLUDES ARREARS; THE CREDIT RATING MENTIONED REPRESENT THE LATEST AVAILABLE RATING FOR THE COMPANY.

UJJIVAN SMALL FINANCE BANK LTD

Key Performance Indicators (KPIs)	Units	For the nine months ended December 31, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
I. Financial Measures					
Total Assets	Rs Million	522,988.50	476,891.52	404,222.16	333,168.78
Total Borrowings	Rs Million	23,830.00	28,453.63	21,708.15	26,414.64
Total Income	Rs Million	58,539.10	72,005.87	64,639.06	47,541.86
Net Interest Income	Rs Million	21,441.60	28,075.82	27,053.09	22,406.73
Total Non-Interest Income	Rs Million	14,347.70	16,748.83	14,908.93	10,464.20
Total Expenses	Rs Million	46,583.80	55,113.60	51,824.15	36,542.64
Profit / (Loss) After Tax	Rs Million	4,106.60	7,261.03	12,814.91	10,999.22
Debt to Equity Ratio	x times	0.37	0.47	0.39	0.64
Basic Earnings Per Equity Share	Rs	2.12	3.75	6.65	5.82
Diluted Earnings Per Equity Share	Rs	2.09	3.71	6.54	5.81
Provision Coverage Ratio	%	76.00%	78.00%	87.00%	98.00%
Adjusted pre-provision operating profit before tax	Rs Million	11,955.30	16,892.27	19,171.03	14,850.33
Adjusted pre-provision operating profit before tax Growth	%	NA	-11.89%	29.09%	133.09%
Net Worth	Rs million	64,210.00	59,937.68	55,411.68	41,578.87
Return on Average Net Worth	%	6.62%	12.59%	26.43%	31.80%
Return on Average Total Assets	%	0.82%	1.65%	3.48%	3.86%
Cost to Income Ratio	%	66.60%	62.31%	54.31%	54.82%
Net Interest Margin	%	6.20%	9.07%	10.04%	10.61%
Capital Adequacy Ratio CRAR	%	21.62%	23.10%	24.69%	25.81%
Tier I Capital	%	20.13%	21.38%	22.58%	22.69%
Tier II Capital	%	1.49%	1.72%	2.11%	3.12%
II. Operational Measures					
AUM	Rs Million	370,570	321,220	297,800	240,850
AUM Growth	%	15.36%	7.86%	23.65%	32.61%
AUM Share in Top 3 states	%	37%	41%	39%	41%
AUM Per Branch	Rs Million	492.1	426.6	396.0	382.9
Gross Disbursement	Rs Million	227,640	234,640	233,890	200,370

Key Performance Indicators (KPIs)	Units	For the nine months ended December 31, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Gross Disbursement Growth	%	NA	0.32%	16.73%	41.98%
Gross Disbursement Per Branch	Rs Million	302.3	311.6	311.0	318.6
Average Ticket Size – Microfinance Loans	Rs	NA	NA	NA	NA
Number of Active Borrowers	Million	9.96	9.18	8.24	7.33
Number of Active Borrowers Growth	0.0	8%	11%	12%	18%
Total Number of Branches	Units	753.0	753.0	752.0	629.0
Total % of Digital Collection	%	NA	NA	NA	NA
No. of States	Units	26	26	26	25
No. of Districts	Units	339	326	326	271
Average Cost of Borrowings	%	87.02%	13.43%	13.49%	10.41%
Operating Expenses / Average AUM	%	6.89%	9.02%	8.46%	8.53%
Credit Cost Ratio	%	0.18%	0.67%	2.51%	0.07%
Gross NPA Ratio	%	2.38%	2.18%	2.20%	2.60%
Net NPA Ratio	%	0.57%	0.49%	0.28%	0.04%
Collection Efficiency*	%	NA	96.60%	99.00%	101.00%
Credit Rating		Care AA- (stable)			

SOURCE: COMPANY REPORTS, MFIN

NOTE: *INDICATES FOR 1 EMI + OVERDRAFT; THE CREDIT RATING MENTIONED REPRESENT THE LATEST AVAILABLE RATING FOR THE COMPANY.

JANA SFB

Key Performance Indicators (KPIs)	Units	For the nine months ended December 31, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
I. Financial Measures					
Total Assets	Rs Million	433,222.73	384,636.17	327,097.83	256,436.90
Total Borrowings	Rs Million	37,510.00	38,668.17	52,114.59	62,774.60
Total Income	Rs Million	46,972.59	54,856.55	46,840.56	36,998.75
Net Interest Income	Rs Million	14,773.86	19,517.50	17,301.28	13,066.17
Total Non-Interest Income	Rs Million	12,172.49	12,172.49	10,680.23	9,782.68
Total Expenses	Rs Million	38,336.26	42,592.84	40,145.16	34,439.04
Profit / (Loss) After Tax	Rs Million	1,866.10	5,014.19	6,695.40	2,559.71
Debt to Equity Ratio	x times	0.87	0.95	1.46	3.53
Basic Earnings Per Equity Share	Rs	17.74	47.89	90.85	47.47
Diluted Earnings Per Equity Share	Rs	17.66	47.67	90.72	42.64
Provision Coverage Ratio	%	64.44%	66.09%	73.70%	34.01%
Adjusted pre-provision operating profit before tax	Rs Million	8,636.32	12,263.71	11,933.12	10,003.75
Adjusted pre-provision operating profit before tax Growth	%	NA	2.77%	19.29%	74.06%
Net Worth	Rs million	43,250.57	40,916.03	35,665.00	17,770.68
Return on Average Net Worth	%	4.43%	13.10%	25.06%	17.19%
Return on Average Total Assets	%	0.46%	1.41%	2.29%	1.12%
Cost to Income Ratio	%	67.37%	61.30%	57.35%	56.22%
Net Interest Margin	%	5.00%	7.19%	7.77%	7.46%
Capital Adequacy Ratio CRAR	%	20.00%	20.70%	20.30%	15.60%
Tier I Capital	%	NA	19.80%	19.00%	13.00%
Tier II Capital	%	NA	0.90%	1.30%	2.60%
II. Operational Measures					
AUM	Rs Million	NA	295,450	247,460	198,080
AUM Growth	%	NA	19.39%	24.93%	29.97%
AUM Share in Top 3 states	%	38.0%	38.0%	38.0%	38.0%
AUM Per Branch	Rs Million	NA	368.39	306.26	262.71
Gross Disbursement	Rs Million	47,750	198,300	176,050	148,120

Key Performance Indicators (KPIs)	Units	For the nine months ended December 31, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Gross Disbursement Growth	%	NA	12.64%	18.86%	0.00%
Gross Disbursement Per Branch	Rs Million	58.52	247.26	217.88	196.45
Average Ticket Size – Microfinance Loans	Rs	NA	NA	NA	NA
Number of Active Borrowers	Million	4.30	4.20	5.40	4.60
Number of Active Borrowers Growth	%	2.4%	-22.2%	17.4%	24.3%
Total Number of Branches	Units	816.0	802.0	808.0	754.0
Total % of Digital Collection	%	NA	NA	NA	NA
No. of States	Units	25	25	24	24
No. of Districts	Units	NA	NA	NA	NA
Average Cost of Borrowings	%	0.00%	14.05%	13.58%	12.52%
Operating Expenses / Average AUM	%	6.03%	7.16%	7.20%	7.33%
Credit Cost Ratio	%	NA	2.55%	2.74%	3.76%
Gross NPA Ratio	%	2.59%	2.54%	2.00%	3.60%
Net NPA Ratio	%	0.94%	0.88%	0.50%	2.40%
Collection Efficiency	%	NA	NA	NA	NA
Credit Rating		ICRA A (stable), Care A (stable)			

SOURCE: COMPANY REPORTS, MFIN

NOTE: 9MFY26 GROSS DISBURSEMENTS ARE OF Q3FY26; THE CREDIT RATING MENTIONED REPRESENT THE LATEST AVAILABLE RATING FOR THE COMPANY.

UTKARSH SFB

Key Performance Indicators (KPIs)	Units	For the nine months ended December 31, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
I. Financial Measures					
Total Assets	Rs Million	282,796.03	281,274.37	239,026.77	191,172.92
Total Borrowings	Rs Million	26,240.00	23,547.66	19,950.81	23,494.75
Total Income	Rs Million	28,576.77	43,647.60	35,787.55	28,042.86
Net Interest Income	Rs Million	7,091.85	15,948.99	15,874.47	13,021.72
Total Non-Interest Income	Rs Million	7,071.02	10,277.99	6,986.99	5,261.65
Total Expenses	Rs Million	28,136.36	43,410.60	30,811.28	23,997.84
Profit / (Loss) After Tax	Rs Million	-9,629.63	237.01	4,976.29	4,045.02
Debt to Equity Ratio	x times	0.88	0.79	0.80	1.32
Basic Earnings Per Equity Share	Rs	-7.75	0.22	4.79	4.52
Diluted Earnings Per Equity Share	Rs	-7.75	NA	4.75	4.51
Provision Coverage Ratio	%	45.00%	51.18%	98.92%	88.30%
Adjusted pre-provision operating profit before tax	Rs Million	440.41	10,069.32	9,972.68	8,383.24
Adjusted pre-provision operating profit before tax Growth	%	NA	0.97%	18.96%	63.76%
Net Worth	Rs million	29,610.00	29,745.04	29,731.88	20,003.21
Return on Average Net Worth	%	-32.45%	0.80%	20.01%	22.64%
Return on Average Total Assets	%	-3.41%	0.09%	2.31%	2.37%
Cost to Income Ratio	%	96.89%	61.61%	56.38%	54.15%
Net Interest Margin	%	3.74%	8.40%	9.84%	10.59%
Capital Adequacy Ratio CRAR	%	20.11%	20.93%	22.57%	20.64%
Tier I Capital	%	17.10%	17.88%	20.95%	18.25%
Tier II Capital	%	3.01%	3.05%	1.62%	2.39%
II. Operational Measures					

Key Performance Indicators (KPIs)	Units	For the nine months ended December 31, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
AUM	Rs Million	183,060	196,660	182,990	139,570
AUM Growth	%	-6.92%	7.47%	31.11%	31.29%
AUM Share in Top 3 states	%	91.0%	0.0%	0.0%	0.0%
AUM Per Branch	Rs Million	166	180	206	168
Gross Disbursement	Rs Million	NA	NA	NA	NA
Gross Disbursement Growth	%	NA	NA	NA	NA
Gross Disbursement Per Branch	Rs Million	NA	NA	NA	NA
Average Ticket Size – Microfinance Loans	Rs	NA	NA	NA	NA
Number of Active Borrowers	Million	5	5	5	NA
Number of Active Borrowers Growth	%	3.01%	10.64%	NA	NA
Total Number of Branches	Units	1,105	1,092	888	830
Total % of Digital Collection	%	NA	NA	NA	NA
No. of States	Units	27	27	26	26
No. of Districts	Units	NA	NA	NA	NA
Average Cost of Borrowings	%	0.00%	14.57%	13.28%	12.15%
Operating Expenses / Average AUM	%	7.23%	8.51%	7.99%	8.05%
Credit Cost Ratio	%	6.94%	5.16%	2.09%	2.46%
Gross NPA Ratio	%	11.05%	9.40%	2.50%	3.23%
Net NPA Ratio	%	4.48%	4.84%	0.03%	0.40%
Collection Efficiency	%	82.00%	86.00%	98.00%	NA
Credit Rating		ICRA A (negative), Care A (negative)			

SOURCE: COMPANY REPORTS, MFIN

NOTE: * INDICATES THE RATIO IS FOR THE FOURTH QUARTER AND EXCLUDES PRE-PAYMENTS; THE CREDIT RATING MENTIONED REPRESENT THE LATEST AVAILABLE RATING FOR THE COMPANY.

ESAF SFB

Key Performance Indicators (KPIs)	Units	For the nine months ended December 31, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
I. Financial Measures					
Total Assets	Rs Million	291,369.80	271,782.89	260,868.95	202,236.79
Total Borrowings	Rs Million	26,154.30	14,057.30	32,225.30	33,541.96
Total Income	Rs Million	26,030.69	43,293.08	42,602.52	31,415.72
Net Interest Income	Rs Million	8,650.60	15,998.12	20,126.93	15,146.65
Total Non-Interest Income	Rs Million	3,778.99	9,188.07	7,988.25	6,095.89
Total Expenses	Rs Million	26,811.00	37,141.90	38,346.84	28,392.39
Profit / (Loss) After Tax	Rs Million	-1,899.10	-5,213.90	4,255.68	3,023.33
Debt to Equity Ratio	x times	1.41	0.63	1.54	2.15
Basic Earnings Per Equity Share	Rs	-3.68	-10.13	8.96	6.73
Diluted Earnings Per Equity Share	Rs	-3.67	-10.12	8.94	6.71
Provision Coverage Ratio	%	53.80%	80.53%	65.15%	56.67%
Adjusted pre-provision operating profit before tax	Rs Million	-780.41	5,571.11	11,626.88	8,937.10
Adjusted pre-provision operating profit before tax Growth	%	NA	-52.08%	30.10%	81.70%
Net Worth	Rs million	17,559.80	19,450.12	24,861.14	17,091.28
Return on Average Net Worth	%	-10.26%	-23.53%	20.29%	19.41%

Key Performance Indicators (KPIs)	Units	For the nine months ended December 31, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Return on Average Total Assets	%	-0.67%	-1.96%	1.84%	1.59%
Cost to Income Ratio	%	106.28%	77.88%	58.65%	57.93%
Net Interest Margin	%	4.29%	8.14%	11.18%	10.57%
Capital Adequacy Ratio CRAR	%	22.70%	21.78%	23.27%	19.83%
Tier I Capital	%	16.00%	17.60%	19.70%	18.12%
Tier II Capital	%	6.70%	4.18%	3.57%	1.71%
II. Operational Measures					
AUM	Rs Million	206,790	196,428	196,590	163,312
AUM Growth	%	5.28%	-0.08%	20.38%	32.34%
AUM Share in Top 3 states	%	69.00%	69.00%	68.80%	NA
AUM Per Branch	Rs Million	262.42	249.59	261.08	233.30
Gross Disbursement	Rs Million	296,040.00	209,844.00	170,137.40	149,409.10
Gross Disbursement Growth	%	NA	23.34%	13.87%	NA
Gross Disbursement Per Branch	Rs Million	375.69	266.64	225.95	213.44
Average Ticket Size – Microfinance Loans	Rs	NA	NA	NA	NA
Number of Active Borrowers	Million	9.99	9.40	8.37	6.80
Number of Active Borrowers Growth	%	NA	-5.91%	-10.96%	-18.76%
Total Number of Branches	Units	788	787	753	700
Total % of Digital Collection	%	NA	NA	NA	NA
No. of States	Units	26	26	25	NA
No. of Districts	Units	NA	NA	NA	NA
Average Cost of Borrowings	%	0.00%	14.67%	12.55%	11.29%
Operating Expenses / Average AUM	%	6.55%	9.98%	9.16%	8.58%
Credit Cost Ratio	%	3.60%	6.36%	3.29%	3.40%
Gross NPA Ratio	%	5.60%	6.87%	4.76%	2.49%
Net NPA Ratio	%	2.70%	2.99%	2.26%	1.13%
Collection Efficiency	%	NA	NA	NA	NA
Credit Rating		Care A (negative)			

SOURCE: COMPANY REPORTS, MFIN; THE CREDIT RATING MENTIONED REPRESENT THE LATEST AVAILABLE RATING FOR THE COMPANY.

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Key Performance Indicators (KPIs)	Units	For the nine months ended December 31, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
I. Financial Measures					
Total Assets	Rs Million	170,392.00	156,143.86	123,776.85	98,612.21
Total Borrowings	Rs Million	16,802.00	27,102.87	24,429.80	27,654.14
Total Income	Rs Million	18,280.70	21,710.01	18,080.85	12,811.05
Net Interest Income	Rs Million	5,898.60	8,832.15	7,681.15	5,878.18
Total Non-Interest Income	Rs Million	4,616.70	4,401.74	4,135.02	2,561.79
Total Expenses	Rs Million	15,509.90	20,560.36	17,818.00	12,034.14
Profit / (Loss) After Tax	Rs Million	1,022.50	1,149.65	2,159.59	776.91
Debt to Equity Ratio	x times	0.83	1.41	1.35	1.75
Basic Earnings Per Equity Share	Rs	9.62	10.82	20.34	7.32
Diluted Earnings Per Equity Share	Rs	9.61	10.75	20.15	7.32
Provision Coverage Ratio	%	36.60%	37.72%	71.17%	51.42%
Adjusted pre-provision operating profit before tax	Rs Million	2,770.80	3,892.02	4,536.66	3,374.58
Adjusted pre-provision operating profit before tax Growth	%	NA	-14.21%	34.44%	27.39%
Net Worth	Rs million	20,292.00	19,270.91	18,049.58	15,847.28
Return on Average Net Worth	%	5.17%	6.16%	12.74%	5.03%
Return on Average Total Assets	%	60.40%	0.82%	1.94%	0.86%

Key Performance Indicators (KPIs)	Units	For the nine months ended December 31, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Cost to Income Ratio	%	73.65%	70.59%	61.61%	60.02%
Net Interest Margin	%	5.33%	9.35%	10.41%	10.52%
Capital Adequacy Ratio CRAR	%	21.90%	25.80%	28.40%	33.70%
Tier I Capital	%	21.00%	24.45%	26.54%	30.84%
Tier II Capital	%	0.90%	1.35%	1.86%	2.86%
II. Operational Measures					
AUM	Rs Million	206,790.00	196,427.82	196,590.00	163,312.00
AUM Growth	%	15.94%	18.51%	41.48%	20.73%
AUM Share in Top 3 states	%	72.00%	70.00%	NA	65.60%
AUM Per Branch	Rs Million	167	144	124	106
Gross Disbursement	Rs Million	73,890	69,890	69,190	50,830
Gross Disbursement Growth	%	NA	1.01%	36.12%	44.08%
Gross Disbursement Per Branch	Rs Million	103.78	98.44	99.55	88.09
Average Ticket Size – Microfinance Loans	Rs	NA	NA	NA	NA
Number of Active Borrowers	Million	3.80	3.40	2.80	2.30
Number of Active Borrowers Growth	%	11.76%	21.43%	21.74%	21.05%
Total Number of Branches	Units	712	710	695	577
Total % of Digital Collection	%	NA	NA	NA	NA
No. of States	Units	16	15	15	15
No. of Districts	Units	NA	NA	NA	NA
Average Cost of Borrowings	%	46.22%	12.76%	12.26%	11.02%
Operating Expenses / Average AUM	%	7.00%	9.89%	9.86%	9.06%
Credit Cost Ratio	%	1.29%	2.60%	2.25%	4.23%
Gross NPA Ratio	%	6.69%	7.20%	2.80%	3.10%
Net NPA Ratio	%	4.35%	4.60%	0.80%	1.50%
Collection Efficiency	%	88.7%#	87.70%	95.80%	89.90%
Credit Rating		ICRA A (stable)			

SOURCE: COMPANY REPORTS, MFIN

Note: * indicates the Collection efficiency is adjusted with 1 EMI; # indicates the ratio is for Q3 FY26; The credit rating mentioned represent the latest available rating for the company.

9. Weighted average cost of acquisition

A. The price per share of our Company based on the primary/ new issue of shares (equity/ convertible securities)

Our Company has not issued any Equity Shares or convertible securities issued (excluding Equity Shares issued under any employee stock option plan/scheme and issuance of bonus shares), during the 18 months preceding the date of this Draft Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Offer capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days ("**Primary Issue**").

B. The price per share of our Company based on secondary sale/ acquisitions of shares (equity/ convertible securities)

No Equity Shares or convertible securities have been transacted (excluding by way of gifts) by the Selling Shareholders, or Shareholder(s) having the right to nominate director(s) on our Board, during the 18 months preceding the date of this Draft Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Offer capital before such transactions and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days ("**Secondary Transaction**").

C. Since there are no such transactions to report to under points (A) and (B) above, therefore, information of price per share of the last five primary or secondary transactions (where the Promoters, Promoter Group, the Selling Shareholders or Shareholder(s) having the right to nominate Director(s) on our Board were a party to the transaction), not older than three years prior to the date of this Draft Red Herring Prospectus irrespective of the size of transactions, is set forth below:

Primary transactions:

S. No.	Name of Allotee	Date of Allotment	Nature of Allotment	Offer Price per Equity Share (in ₹)	Number of Equity Shares allotted
1.	Teachers Insurance and Annuity Association of America	March 22, 2024	Conversion of CCPS	141.53	11,110,966
2.	Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden N.V.	March 22, 2024	Conversion of CCPS	143.71	6,335,085
3.	Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden N.V.	March 22, 2024	Conversion of CCPS	143.71	4,607,335
4.	Danish Sustainable Development Goals Investment Fund K/S	March 22, 2024	Conversion of CCPS	148.35	13,481,631
Weighted average cost: ₹ 144.79					

Secondary transactions

S. No.	Name of Acquirer	Date of Transaction	Nature of Transaction	Acquisition Price per Equity Share (in ₹)*	Number of Equity Shares acquired
1.	Alakris Partners LLP	December 18, 2024	Transfer of shares from Sonia Basu	220.00	45,455
2.	Teachers Insurance and Annuity Association of America	July 8, 2024	Transfer of shares from Aavishkaar Venture Management Services Private Limited*	123.79	7,440,774
3.	Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden N.V.	July 2, 2024	Transfer of shares from Aavishkaar Venture Management Services Private Limited*	123.79	4,117,102
4.	Triodos Sicav II (acting on behalf of and for the benefit of its sub-fund	July 1, 2024	Transfer of Equity Shares from Aavishkaar Venture	123.79	2,883,349

S. No.	Name of Acquirer	Date of Transaction	Nature of Transaction	Acquisition Price per Equity Share (in ₹)*	Number of Equity Shares acquired
	Triodos Microfinance Fund represented by Triodos Investment Management B.V.)		Management Services Private Limited*		
5.	Legal owner Triodos Funds B.V. in its capacity as legal owner of Triodos Fair Share Fund represented by Triodos Investment Management B.V.	June 28, 2024	Transfer of Equity Shares from Aavishkaar Venture Management Services Private Limited*	123.79	2,891,282
	Weighted average cost			₹ 124.04	

**Pursuant to the NCLT order dated February 15, 2024 in relation to reduction of share capital of AVMS, certain equity shares of our Company, which were held by AVMS were transferred to TMF, TFSF, TIAA and FMO.*

D. Weighted average cost of acquisition, floor price and cap price

Type of Transaction	WACA (₹)[2]	Floor Price (₹ [●] is 'X' times the WACA)[1]	Cap Price (₹ [●] is 'X' times the WACA)[1]
Weighted average cost of acquisition of primary transactions in last three years	144.79	[●] times	[●] times
Weighted average cost of acquisition of secondary transactions in last three years	124.04	[●] times	[●] times

[1] *Details have been left intentionally blank as the Floor Price and Cap Price are not available as on date of this Draft Red Herring Prospectus. To be updated on finalisation of the Price Band.*

[2] *As certified by KGRS & Co, Chartered Accountants, bearing firm registration number 310014E, pursuant to their certificate dated May 15, 2026.*

E. Justification for Basis of Offer Price

1. *The following provides a detailed explanation for the Offer Price/Cap Price being [●] times of weighted average cost of acquisition of Equity Shares that were issued by our Company or acquired or sold by the Promoters, Promoter Group, the Selling Shareholders or Shareholder(s) having the right to nominate director(s) by way of primary and secondary transactions as disclosed above, in the last 18 months preceding the date of this Draft Red Herring Prospectus compared to our Company's KPIs and financial ratios for the nine-month period ended December 31, 2025 and Financial Years 2025, 2024 and 2023.*

   [●][1]

   [1]Note: This will be included on finalisation of Price Band

2. *The following provides an explanation to the Cap Price being [●] times of weighted average cost of acquisition of Equity Shares that were issued by our Company or acquired by the Promoters, Promoter Group, the Selling Shareholders or Shareholders with rights to nominate directors by way of primary and secondary transactions as disclosed above, in the last 18 months preceding the date of this Draft Red Herring Prospectus in view of external factors, if any*

   [●][1]

   [1]Note: This will be included on finalisation of Price Band

The Offer Price of ₹[●] is [●] times of the face value of the Equity Shares and is justified in view of the above qualitative and quantitative parameters. The trading price of Equity Shares could decline due to factors mentioned in "*Risk Factors*" on page 21 and you may lose all or part of your investments.

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

REPORT ON STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

The Board of Directors
Arohan Financial Services Limited
PTI Building, 4th Floor,
DP-9, Sector V, Salt Lake,
Kolkata 700091
West Bengal
India

15 May 2026

Subject: Statement of possible special tax benefits ("the Statement") available to Arohan Financial Services Limited ("the Company") and its shareholders prepared in accordance with the requirement under Schedule VI – Part A - Clause (9) (L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("the ICDR Regulations")

This report is issued in accordance with the Engagement Letter dated 24 February 2026 and subsequent addendum dated 5 May 2026.

We hereby report that the enclosed in Annexure I prepared by the Company, initialed by us for identification purpose, states the possible special tax benefits available to the Company and its shareholders, under direct and indirect taxes, presently in force in India as on the signing date, which are defined in Annexure II (List of Direct and Indirect Tax Laws ('**Tax Laws**') prepared by the Company, initialed by us for identification purpose only. These possible special tax benefits are dependent on the Company and its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company and its shareholders to derive these possible special tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives the Company may face in the future and accordingly, the Company and its shareholders may or may not choose to fulfill.

The benefits discussed in the enclosed Annexure I cover the possible special tax benefits available to the Company and its shareholders and do not cover any general tax benefits available to the Company and its shareholders. Further, the preparation of the enclosed Annexure I and its contents is the responsibility of the management of the Company. We were informed that the 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 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 initial public offering of equity shares of the Company (the "Proposed Offer") particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the possible special tax benefits, which an investor can avail. Neither we are suggesting nor advising the investors to invest money based on the Statement.

We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) ("Guidance Note") issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India. Our scope of work did not involve performance of any audit test in this context of our examination. Accordingly, we do not express an audit opinion

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial information, and Other Assurance and Related Services Engagements.

We do not express any opinion or provide any assurance as to whether:

i) the Company and its shareholders will continue to obtain these possible special tax benefits in future; or

ii) the conditions prescribed for availing the possible special tax benefits where applicable, have been/would be met with.

The contents of the enclosed Annexures are based on the information, explanation and representations obtained from the Company, and on the basis of our understanding of the business activities and operations of the Company.

Our views expressed herein are based on the facts and assumptions indicated to us. 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 the Tax Laws and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to the Company for 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 the Company and any other person in respect of this report, except as per applicable law.

We hereby give consent to include this report in the Draft Red Herring Prospectus and in any other material used in connection with the Proposed Offer, and it is not to be used, referred to or distributed for any other purpose without our prior written consent.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Mumbai

15 May 2026

Nitesh Shetty
Partner
Membership No:123493
UDIN: 26123493CCWRQP2544

ANNEXURE I

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO AROHAN FINANCIAL SERVICES LIMITED ("THE COMPANY") AND ITS SHAREHOLDERS UNDER THE APPLICABLE DIRECT AND INDIRECT TAXES ("TAX LAWS")

Outlined below are the Possible Special Tax Benefits available to the Company and its shareholders under the Tax Laws. These Possible Special Tax Benefits are dependent on the Company and its shareholders fulfilling the conditions prescribed under the Tax Laws. Hence, the ability of the Company and its shareholders to derive the Possible Special Tax Benefits is dependent upon fulfilling such conditions, which are based on business imperatives it faces in the future, it may or may not choose to fulfill.

UNDER THE INCOME-TAX ACT, 2025, AMENDMENTS PROPOSED THEREIN AS PER FINANCE BILL, 2026, AMENDMENTS PROPOSED TO FINANCE BILL, 2026 (hereinafter collectively referred to as the 'Act') AND INCOME TAX RULES, 1962

A. Special tax benefits available to the Company under the Act

1. Deduction under section 31(1) of the Act

The Company is entitled to accelerated deduction in respect of provision for bad and doubtful debts up to the limit specified under **Table Sr. No. 2 of** section **31(1)** of the Act while computing its income under the head 'Profits and gains of business or profession', to the extent of five per cent (5%) of the gross total income, and subject to satisfaction of prescribed conditions. Further, gross total income considered for the said deduction shall be before considering any deduction under the aforesaid section and Chapter VIII of the Act.

As per clause (c)(i) of section **31(2)**of the Act, where the Company has claimed deduction under section **31(1)** of the Act, then subsequent claim of deduction of actual bad debts under section 31(2) of the Act would be reduced to the extent of deduction already claimed under section **31(1)** of the Act.

The Company is eligible to claim the deduction under Section **31(1)** of the Act, however, we have been informed that the Company claims deduction basis the actual bad debts incurred by the Company during tax year 2024-25.

2. Special provisions for taxability of income from certain prescribed bad debts

Section 56(1) and 56(2) of the Act provides, inter-alia, for special provision in case of income of deposit-taking Non-Banking Financial Companies ('**NBFCs**') and Systemically Important Non-Deposit taking NBFCs. Interest income in relation to certain categories of bad or doubtful debts received by such NBFCs is chargeable to tax in the previous year in which it is credited to its profit and loss account for that year or in which it is actually received, whichever is earlier.

The company has earned interest income from the prescribed categories of bad and doubtful as per the provisions of Section 56(1) and 56(2) of the Act and offered the same to tax on receipt basis in tax year 2024-25.

3. Lower corporate tax rate under Section 200 of the Act

Section 200 of the Act grants an option to domestic companies to compute corporate tax at a reduced rate of 25.168% (22% plus surcharge of 10% and cess of 4%), provided such companies do not avail the following deductions/exemptions:

a) (i) Section 45(2) (expenditure on scientific research) or 47(1)(b) (expenditure on skill development project) of the Act; or

(ii) Chapter VIII other than provisions of section 146 (deduction in respect of additional employee cost) or 148 (deduction in respect of certain inter-corporate dividends) of the Act; or
(iii) Sections specified in section 205(1)(a) to (g) as below -

- Section 33(8) (additional depreciation);
- Section 45(3)(a) or (b) or (c) (expenditure on scientific research);
- Section 46 (capital expenditure of specified business);
- Section 47(1)(*a*) (expenditure on agricultural extension project);
- Section 48 (deduction for deposits in tea development account, coffee development account and rubber development account) and Section 49 (deduction for deposit to special account or site restoration fund); and
- Section 144 (deduction for units in Special Economic Zone).

b) without set off of any loss carried forward or depreciation from any earlier tax year, if such loss or depreciation is attributable to any of the deductions referred to in clause (a);
c) without set off of any loss or allowance for unabsorbed depreciation deemed so under section 116, if such loss or depreciation is attributable to any of the deductions referred to in clause (a).

In case a company opts for section 200 of the Act, provisions of Minimum Alternate Tax ("**MAT**") under section 206 of the Act would not be applicable and MAT credit of the earlier year(s) will not be available for set-off as clarified by the Central Board of Direct Taxes, through its circular no. 29/2019 dated 2 October 2019. The option needs to be exercised on or before the due date of filing the tax return. Option once exercised, cannot be subsequently withdrawn for the same or any other tax year.

The Company has represented to us that they have opted to apply section 200 of the Act from tax year 2019-2020 onwards.

4. Deductions from Gross Total Income – Section 146 of the Act - Deduction in respect of employment of new Employee

Subject to fulfilment of prescribed conditions, the Company is entitled to claim deduction, under the provisions of Section 146 of the Act, of an amount equal to thirty per cent of additional employee cost (relating to specified category of employees) incurred in the course of business in the previous year, for three consecutive tax years, beginning from the tax year in which such employment is provided.

The Company has claimed such deduction under Section 146 of the Act in tax year 2024-25.

5. Section 148 - Deduction in respect of inter-corporate dividends

Section 148 provides for deduction from gross total income of a domestic company, of an amount equal to dividends received by such company from another domestic company or a foreign company or a business trust as does not exceed the amount of dividend distributed by it on or before one month prior to the date of filing its tax return as prescribed under Section 236(1) of the Act.

Where the Company receives any such dividend during a tax year and also, distributes dividend to its shareholders before the aforesaid date, as may be relevant to the said tax year, it shall be entitled to the deduction under Section 148 of the Act.

Section 148 shall be applicable in cases where dividend is received by a domestic company from another domestic company or a foreign company or a business trust. We understand that the Company has received dividend income from another domestic company. However, they have not distributed any dividend in tax year 2024-25 and therefore, the Company has not claimed any benefit of Section 148 of the Act.

6. Exemption from the limitation of interest deduction under section 177

Section 177 of the Act provides restriction on deduction of interest expense in respect of any debt issued by a non-resident, being an associated enterprise of the borrower. It applies to an Indian company, or a permanent establishment of a foreign company in India, who is a borrower. Even where the debt is issued

by a lender which is not associated but an associated enterprise either provides an implicit or explicit guarantee to such lender or deposits a corresponding and matching amount of funds with the lender, such debt shall be deemed to have been issued by an associated enterprise.

If such person incurs any expenditure by way of interest or of similar nature exceeding one crore rupees which is deductible in computing income chargeable under the head 'profits and gains of business or profession', the interest deductible shall be restricted to the extent of 30% of its earnings before interest, taxes, depreciation and amortisation ("**EBITDA**").

Certain class of NBFCs as may be notified by Central Government in the official gazette have been carved out from the applicability of the provisions of the aforesaid section.

We understand that the Company has not paid any interest on debt obtained from its associate enterprises and therefore, Section 177 shall not be applicable to the Company at first place.

B. Special tax benefits available to the shareholders under the Act

There are no special tax benefits available to the shareholders (other than resident corporate shareholder) of the Company under the Direct Tax Laws.

Benefits available to resident shareholders

1. Section148- Deduction in respect of inter-corporate dividends

With respect to a resident corporate shareholder, section 148 of the Act removes the cascading effect of taxes on inter-corporate dividends during tax year 2020-21 and thereafter. The section provides that where the gross total income of a domestic company in any previous year includes any income by way of dividends from any other domestic company or a foreign company or a business trust, there shall, in accordance with and subject to the provisions of this section, be allowed in computing the total income of such domestic company, a deduction of an amount equal to so much of the amount of income by way of dividends received from such other domestic company or foreign company or business trust as does not exceed the amount of dividend distributed by it on or before the due date. The 'due date' means the date one month prior to the date for furnishing the return of income under sub-section (1) of section 236 of the Act.

We understand that the shareholders have not received any dividend income from the Company in the tax year.

Separately, any dividend income received by resident shareholders would be subject to tax deduction at source by the Company as per Sl. No. 7 of the Table under section 393(1) of the Act @ 10%. However, in case of individual shareholders, this would apply only in case the dividend income exceeds INR 5,000. Further, dividend income is now taxable in the hands of resident shareholders.

2. Buy back tax on capital gains earned by shareholders

The Finance bill 2026 proposes that the consideration received by a shareholder on the buy-back of shares will now be chargeable to tax under the head 'Capital Gains' instead of being treated as 'deemed dividend income'.

Thus, effectively, the taxation on buyback for non-promoter shareholders has been reduced to 12.5% for long-term capital gains (on listed and unlisted shares) and 20% for short-term capital gains on listed shares. Earlier, the entire buyback amount was taxable as deemed dividend income as per normal tax rates applicable to the shareholders.

However, for promoters, an 'additional income tax' shall be applicable on the capital gains arising from proceeds received from buy-back of shares undertaken in accordance with Section 68 of the Companies Act, 2013 as follows:

Sr. No.	Nature of income	Additional income tax rate where promoter is a domestic company	Additional income tax rate for any other promoter
1.	Short-Term Capital Gains	2%	10%
2.	Long-Term Capital Gains	9.5%	17.5%

** Definition of Promoter - In the case of a listed company, 'promoter' is defined by reference to the Regulation 2(k) of the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018. In the case of an unlisted company, a promoter is defined as per Section 2(69) of Companies Act 2013 or a person who holds, directly or indirectly, more than 10% of the shareholding in the company.*

We understand that the Company has not bought back its shares in the current tax year and hence, the provisions relating to buy back tax shall not be relevant for the shareholders of the Company in the current tax year.

Benefits available to non-resident shareholders

3. Benefits available under respective Double Taxation Avoidance Agreements ('DTAA')

Dividend income will be subject to tax in the hands of shareholders at the applicable slab rate /corporate tax rate (plus applicable surcharge and cess) or as per the applicable DTAAs (as shall be relevant in case of non-resident shareholders) read with the provisions of Multilateral instrument ('**MLI'**).

Non-resident shareholders may choose to be governed by the provisions of DTAAs for income earned under the head 'Capital gains', to the extent they are more beneficial and subject to provision of the prescribed documents.

UNDER THE INDIRECT TAX LAWS

A. Special tax benefits available to the Company under the Act

1. The Company is exporting services without payment of IGST under the cover of Letter of Undertaking ('**LUT'**), subject to fulfilment of conditions prescribed under the Goods and Services Tax Law.

B. **Special tax benefits available to Shareholders**

There are no special tax benefits available to the shareholders

Notes:-

1. This Annexure sets out only the special tax benefits available to the company and the shareholders under the current Income Tax Act, 2025 i.e the Act as amended by the Finance Act, 2025 and amendments proposed therein as per finance bill, 2026, amendments proposed to finance bill, 2026 applicable for tax year 2025-26, presently in force in India.

2. These special tax benefits are dependent on the Company fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company to derive the tax benefits is dependent upon fulfilling such conditions, which is based on the business imperatives, the Company may or may not choose to fulfil.

3. The special tax benefits discussed in the Statement are not exhaustive, but just indicative. Further, the special tax benefits discussed in this statement are only intended to provide general information to the investors and hence, is neither designed nor intended to be a substitute for professional tax advice, which the investors may wish to take before making any investments. In view of the individual nature of the tax consequences accompanied with the changing 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 issue.

4. The Statement is prepared on the basis of information available with the Management of the

Company and there is no assurance that:

i. the Company or its shareholders will continue to obtain these benefits in future;

ii. the conditions prescribed for availing the benefits have been/ would be met with; and

iii. the revenue authorities/courts will concur with the view expressed herein.

5. The above views are based on the existing provisions of law and our interpretation of the law, which are subject to change from time to time and are not binding on the income-tax department or on its officials / authorities or on any other Regulator.

6. The Statement has been prepared on the basis that the shares of the Company will be listed on a recognized stock exchange in India and the Company will be issuing shares.

ANNEXURE II

LIST OF DIRECT AND INDIRECT TAX LAWS ('TAX LAWS')

Sr. No:	Details of Tax Laws
1.	Income-tax Act, 2025, amendments proposed therein as per Finance Bill, 2026, amendments proposed to Finance Bill, 2026 and Income-tax Rules, 1962
2.	Central Goods and Services Tax Act, 2017, as amended and read with respective circulars, notifications and Rules made thereunder
3.	Integrated Goods and Services Tax Act, 2017, as amended and read with respective circulars, notifications and Rules made thereunder
4.	State Goods and Services Tax Act, 2017, as amended and read with respective circulars, notifications and Rules made thereunder
5.	The Foreign Trade Policy 2023 read with Handbook of Procedures

For and on behalf of Arohan Financial Services Limited

Milind R. Nare
Chief Financial Officer and Deputy CEO
Place: Kolkata
Date: 15 May 2026

SECTION IV: ABOUT OUR COMPANY

INDUSTRY OVERVIEW

*Unless otherwise indicated, industry and market data used in this section has been derived from industry publications, in particular, the report titled "Research Report on Micro Finance Industry" dated May ("**CARE Report**") prepared and released by CARE Analytics and Advisory Private Limited ("**CARE**") and exclusively commissioned by and paid for by us pursuant to the appointment of CARE through letter dated January 19, 2026, in connection with the Offer. A copy of the CARE Report is available on the website of our Company at www.arohan.in/investor-relations/arohan-for-investors and has also been included in "Material Contracts and Documents for Inspection –Material Documents" on page 693. For further information, see "Risk Factors – Risk Factors –Certain sections of this Draft Red Herring Prospectus disclose information from the CARE Report which is a paid report and commissioned and paid for by us exclusively in connection with the Offer and any reliance on such information for making an investment decision in the Offer is subject to inherent risks." on page 62. Also see, "Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation – Industry and Market Data" on page 19.*

MACRO-ECONOMIC & DIGITAL ECONOMY TRENDS

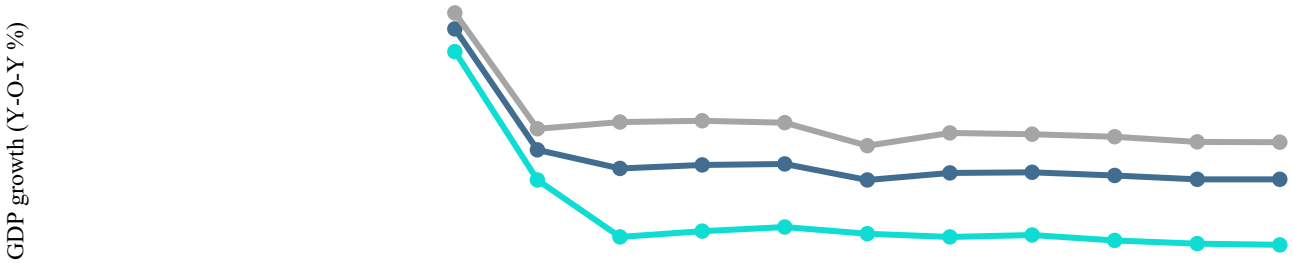
Trend of GDP growth in comparison with other major economies

Global economic growth expected to sustain at approximately 3% in near term

Global economic growth is projected to moderate to around 3.06% in 2026, reflecting the impact of geopolitical tensions and disruptions in energy and trade flows. The ongoing Middle East conflict poses downside risks, with prolonged disruptions potentially reducing growth further to 2.50% or lower.

However, supportive factors such as continued investment momentum and policy support are helping offset some of these pressures.

Global Growth Outlook Projections (Real GDP, Y-O-Y change in %)



	CY21	CY22	CY23	CY24	CY25E	CY26P	CY27P	CY28P	CY29P	CY30P	CY31P
World	6.65%	3.77%	3.33%	3.42%	3.44%	3.06%	3.22%	3.24%	3.16%	3.07%	3.07%
Advanced Economies	6.12%	3.06%	1.70%	1.84%	1.94%	1.78%	1.70%	1.75%	1.61%	1.54%	1.51%
Emerging Market and Developing Economies	7.04%	4.28%	4.44%	4.47%	4.42%	3.87%	4.17%	4.15%	4.08%	3.97%	3.96%

Source: IMF – World Economic Outlook, April 2026; Notes: E-Estimate, P-Projections

India is one of the fastest growing major economies (Real GDP, Y-o-Y change in %)

	Real GDP (Y-o-Y Change in %)										
	CY21	CY22	CY23	CY24	CY25E	CY26P	CY27P	CY28P	CY29P	CY30P	CY31P
India	9.70	7.60	7.20	7.10	7.60	6.50	6.50	6.50	6.50	6.50	6.50
China	8.60	3.10	5.40	5.00	5.00	4.40	4.00	4.00	3.70	3.30	3.30

Indonesia	3.70	5.30	5.00	5.00	5.10	5.00	5.10	5.20	5.20	5.20	5.20
Saudi Arabia	6.50	12.00	0.50	2.60	4.50	3.10	4.50	3.60	3.50	3.50	3.60
Middle East and Central Asia	4.70	6.40	2.60	2.80	3.60	1.90	4.60	4.00	4.00	3.80	3.80
Latin America	7.50	4.30	2.30	2.40	2.40	2.30	2.70	2.90	2.90	2.70	2.60
Brazil	4.80	3.00	3.20	3.40	2.30	1.90	2.00	2.40	2.50	2.50	2.50
Euro Area	6.40	3.60	0.40	0.90	1.40	1.10	1.20	1.40	1.20	1.10	1.10
United States	6.20	2.50	2.90	2.80	2.10	2.30	2.10	2.10	1.90	1.80	1.80

Source: IMF- World Economic Outlook Database (April 2026)
Note: E-Estimate, P- Projections E-Estimated; India's fiscal year (Fiscal) aligns with the IMF's calendar year (CY). For instance, Fiscal 2024 corresponds to CY2023.

India’s growth trajectory is underpinned by multiple structural and cyclical factors that are collectively strengthening domestic demand, enhancing productivity, and improving external competitiveness. The key macroeconomic drivers supporting GDP expansion are outlined below:

Manufacturing and Industrial Expansion: The manufacturing sector continues to serve as a key engine of GDP growth, supported by production-linked incentive (PLI) schemes, infrastructure investments, and supply chain diversification. Increased domestic capacity creation, rising exports in select segments, and a focus on value-added manufacturing are strengthening India’s industrial base and contributing to higher output and employment generation.

Technology and Digital Economy: Rapid digital adoption across sectors, including fintech, e-commerce, IT services, and digital public infrastructure, is enhancing productivity and expanding economic participation. Continued innovation, growth in digital services exports, and technology-driven efficiency gains across industries are supporting higher economic output and improving competitiveness.

Trade Integration and Strategic Trade Agreements: Strengthening trade partnerships and recent progress in agreements with key economies such as the European Union and the United States are expected to improve market access and boost exports. Enhanced integration into global value chains and diversification of export destinations are likely to provide sustained support to external demand.

Infrastructure Development: Continued public capital expenditure on roads, railways, ports, logistics, and urban infrastructure is creating multiplier effects across sectors. Improved connectivity and logistics efficiency are reducing transaction costs, encouraging private investment, and supporting long-term economic growth.

Domestic Consumption and Rural Demand: A recovery in rural incomes, improving labour market conditions, and rising urban consumption are strengthening aggregate demand. Stable inflation and targeted policy measures are further supporting household spending, thereby reinforcing overall GDP growth momentum.

Gross Value Added (GVA) is the measure of the value of goods and services produced in an economy. GVA gives a picture of the supply side whereas GDP represents consumption. India’s recovery in Fiscal 2025 was powered by a broad-based rebound across sectors. The gap between GDP and GVA growth stood at 0.2 percentage point in Fiscal 2025, with GDP growing at 7.10% and GVA at 7.30%, as per MoSPI’s provisional estimates released in March 2026.

In Fiscal 2026 (SAE), real GVA growth of 7.70% is primarily led by services (9.00%), with financial, real estate and professional services estimated to grow 9.90%, and trade, hotels, transport, communication and broadcasting at 10.10%, indicating broad-based tertiary momentum. Industry is estimated at 9.10%, supported by a pickup in manufacturing and construction (11.50% and 7.10% respectively).

Sectoral Growth (Y-o-Y % Growth) - at Constant Prices

At constant Prices	Fiscal 2024 (FRE)	Fiscal 2025 (PE)	Fiscal 2026 (FAE)
Agriculture, Forestry & Fishing	**2.60**	**4.20**	**2.40**
Industry	**10.90**	**8.30**	**8.80**
Mining & Quarrying	2.40	11.70	4.10
Manufacturing	12.70	9.30	11.50

At constant Prices	Fiscal 2024 (FRE)	Fiscal 2025 (PE)	Fiscal 2026 (FAE)
Electricity, Gas, Water Supply & Other Utility Services	10.70	2.90	1.50
Construction	9.90	7.30	7.10
Services	**7.00**	**7.90**	**9.00**
Trade, Hotels, Transport, Communication & Broadcasting	10.10	6.60	10.10
Financial, Real Estate & Professional Services	5.50	10.00	9.90
Public Administration, Defence and Other Services	6.80	5.00	5.80
GVA at Basic Price	**7.20**	**7.30**	**7.70**

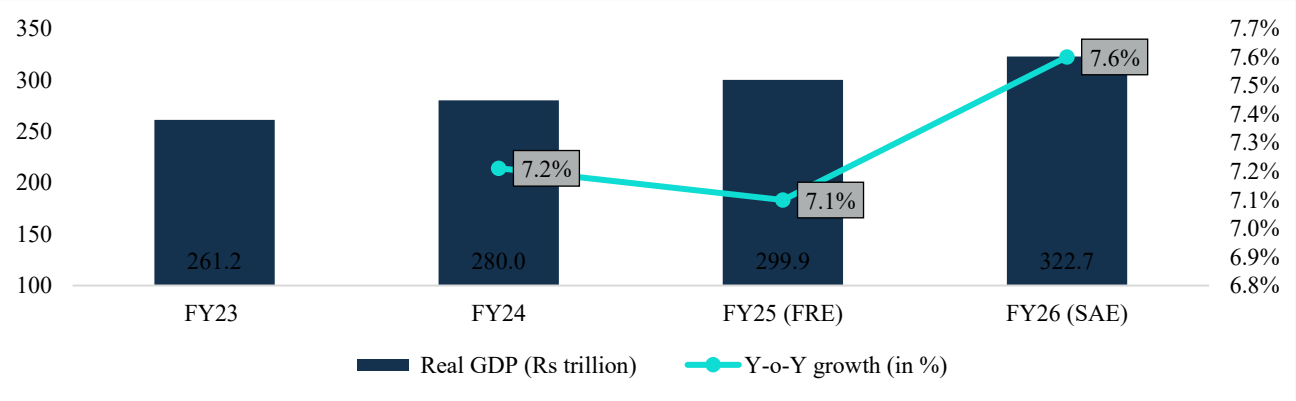
Source: MOSPI
Note: 1. Growth rates for Fiscal 2024 to Fiscal 2026 are based on base year 2022 to 2023.
2. FRE: First Revised Estimates; PE: Provisional Estimate; FAE: First Advance Estimate

Outlook on GDP growth for India

Resilience to External Shocks remains Critical for Near-Term Outlook

India's real GDP grew by 7.21% in Fiscal 2024 (₹ 280.01 trillion) and as per first revised estimates at 7.10% in Fiscal 2025 (₹ 299.89 trillion), largely driven by growth in the Manufacturing sector, Construction sector and Financial, Real Estate & Professional Services. This growth is also led by growth in private consumption and government spending. Real GDP growth is projected at 7.60% in Fiscal 2026, driven by strong rural demand, improving employment, and robust business activity.

Trend in Real Indian GDP growth rate (Base Year 2022-23)



Source: MOSPI
Note: 1. Trend for Fiscal 2023 to Fiscal 2026 are based on new series base year 2022 to 2023
2. FRE: First Revised Estimates; SAE: Second Advance Estimates

GDP Growth Outlook (April 2026)

Fiscal 2027 GDP Outlook: The RBI projects real GDP growth at 6.90% for 2026–27, elevated energy and other commodity prices, as well as the disruptions in the Strait of Hormuz are likely to affect the growth in this year. However, the government is working towards minimizing the impact of the supply chain towards critical sectors to ensure minimal interruptions.

On the other hand, services sector has maintained momentum, agricultural sector has strong reservoir levels, and the private consumption is expected to remain uplifted by discretionary spending.

GDP Growth Outlook (Y-o-Y %)

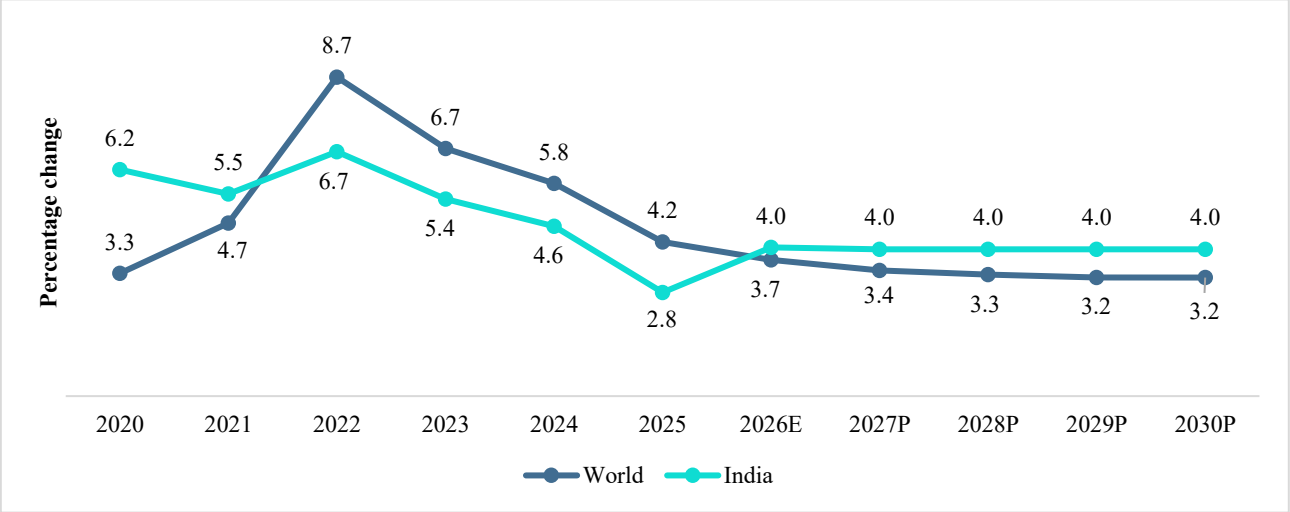
Fiscal 2027P (complete year)	Q1Fiscal 2027P	Q2Fiscal 2027P	Q3Fiscal 2027P	Q4Fiscal 2027P
6.90%	6.80%	6.70%	7.00%	7.20%

Source: Reserve Bank of India; Note: P-Projected

Note: Based on 2022 to 2023 series

Consumer Price Index (CPI)

Consumer Price Index



Source: IMF, CareEdge Research
Note: The CPI is based on period average; E indicates Estimated and P indicates Projected

India's inflation trajectory has broadly mirrored global trends, with both experiencing a sharp acceleration in 2022, reflecting common supply-side shocks and heightened commodity price pressures. However, India's inflation has remained consistently above the world average in 2020 to 2021, pointing to stronger domestic demand dynamics and structural price rigidities.

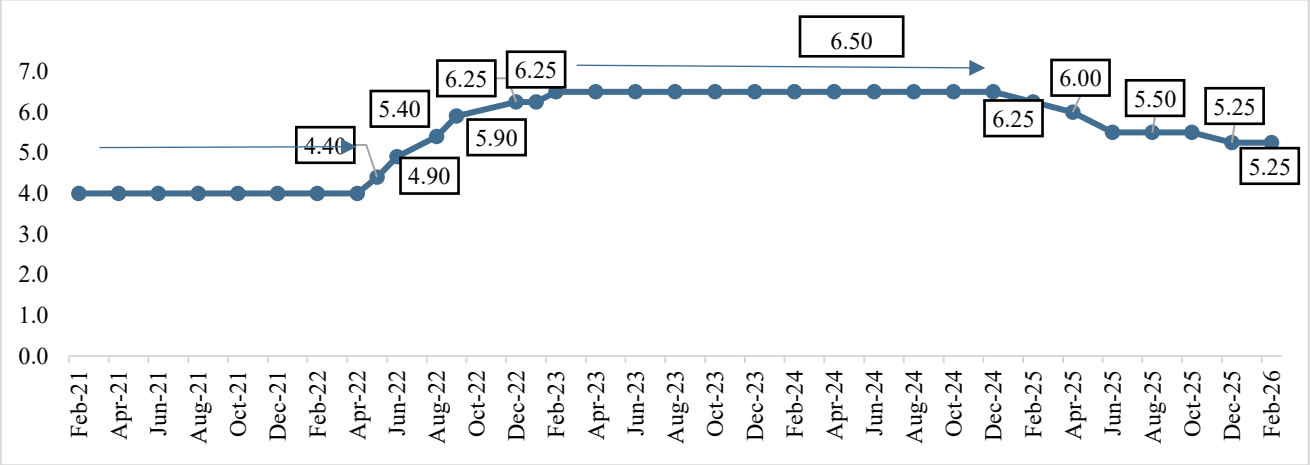
Post-2022, both global and Indian inflation show a gradual and sustained moderation, with world inflation easing from elevated levels and India's inflation converging toward a stable medium-term range around 4.00%, consistent with its inflation-targeting framework.

Globally, the reopening of economies led to a sharp rebound in demand at a time when supply chains were still constrained due to logistics bottlenecks, labour shortages, and production disruptions. This imbalance pushed up prices of goods, freight, and key commodities. In India, imported inflation played a significant role, particularly through higher crude oil and commodity prices, given the country's reliance on energy imports. Supply-side factors such as weather-related disruptions affecting food production also contributed to food inflation at various points.

As supply chains normalised, commodity prices stabilised, and monetary policy tightening was undertaken globally and domestically, inflationary pressures began to ease, leading to the gradual moderation observed after 2022.

The CPI of India is primarily factored in by RBI while preparing their bi-monthly monetary policy. At the bi-monthly meeting held in February 2026, RBI projected inflation at 2.10% for Fiscal 2026 with inflation during Q4Fiscal 2026 at 3.20%, Q1Fiscal 2027 at 4.00% and Q2Fiscal 2027 at 4.20%.

RBI historical Repo Rate

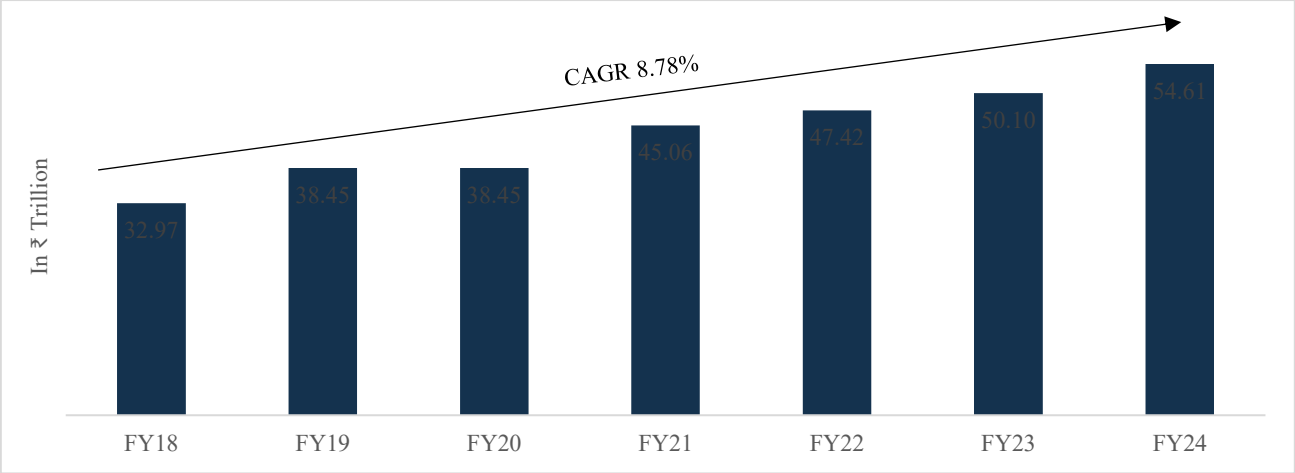


Source: RBI

The RBI undertook a series of monetary easing measures during 2025, cumulatively reducing the policy repo rate from 6.50% to 5.25%. This easing cycle was aimed at supporting economic growth amid moderating inflation and improving macroeconomic conditions. The repo rate was progressively reduced through multiple Monetary Policy Committee (MPC) decisions during the year, with the rate reaching 5.25% by Dec'25, where it has since been maintained. Considering the current inflation situation, the RBI has maintained the repo rate at 5.25% in the February 2026 meeting of the MPC. The RBI maintained a 'neutral' monetary policy stance, continuing to signal confidence that India's economic growth would remain resilient, underpinned by robust private consumption and sustained expansion in fixed capital formation, while also emphasising persistent external risks. The domestic demand conditions remain supportive even as global uncertainties prevail. The RBI has adopted for a non-inflationary growth with the foundations of strong demand and supply with a good macroeconomic balance. The domestic growth and inflation curve require the policies to be supportive with the volatile trade conditions.

Trend in Household Savings

Household Savings grew at a CAGR of 8.78% from Fiscal 2018 to Fiscal 2024



Source: MOSPI

Household savings represent the portion of disposable income that remains after consumption expenditure by the household sector. This surplus is invested in financial assets such as deposits, insurance, and securities, as well as physical assets like real estate and gold. Household savings in India have grown at an 8.78% CAGR since Fiscal 2018, reaching ₹ 54.61 trillion in Fiscal 2024. A shift toward physical assets, reflects a preference for tangible investments amid high inflation and slow growth in monetary assets.

Gross domestic savings trend

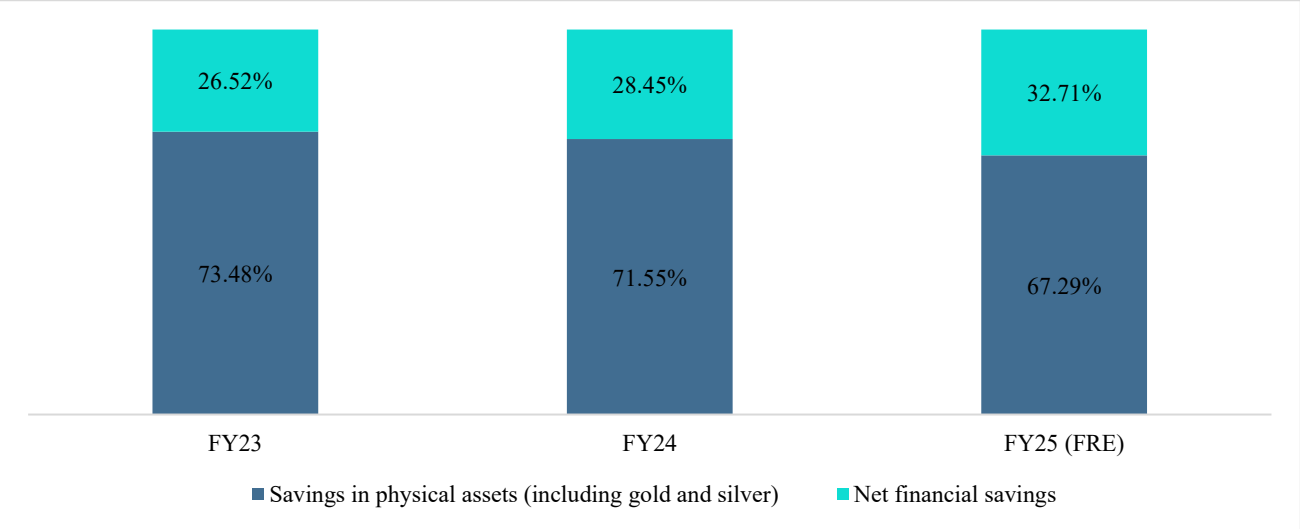
Parameter (₹ Billion)	Fiscal 2023	Fiscal 2024	Fiscal 2025 (FRE)
GDS	77,729.17	95,174.50	111,133.24
Household sector savings (net financial savings, savings in physical assets and in the form of gold and silver ornaments)	52,254.37	59,635.50	69,006.02
Household sector savings as proportion of GDS (%)	67.23%	62.66%	62.09%
Gross financial savings	29,822.79	35,756.57	38,283.61
Net financial savings (% of Household sector savings)	26.52%	28.45%	32.71%
Savings in physical assets (% of Household sector savings)	70.32%	68.66%	64.13%
Savings in the form of gold and silver ornaments (% of Household sector savings)	3.16%	2.89%	3.16%

Note: Net financial savings is financial savings after excluding financial liabilities, Physical assets are those held in physical form excluding gold and silver; FRE indicates First Revised Estimate
Source: Second Advance Estimates of Annual gross domestic product for 2025 to 26, MOSPI, CareEdge Research

The share of household savings in physical assets declined from 70.32% in Fiscal 2023 to 64.13% in Fiscal 2025 (FRE). This moderation suggests a gradual shift away from physical assets toward financial instruments. At the same time, the proportion of net financial savings increased from 26.52% in Fiscal 2023 to 32.71% in Fiscal 2025, indicating improved preference for financial investments. Elevated inflation in the post-pandemic period and relatively better returns on financial products likely encouraged households to allocate a larger share of savings to financial assets, resulting in a decline in the share of physical assets. At the same time, households have shown a preference for holding higher cash balances following the pandemic shock. Mutual fund investments have grown at a faster pace compared to previous years, with systematic investment plan (SIP) contributions continuing to increase in Fiscal 2025. Overall, there is a gradual shift within financial savings from traditional bank deposits toward equities, mutual funds, and small savings instruments.

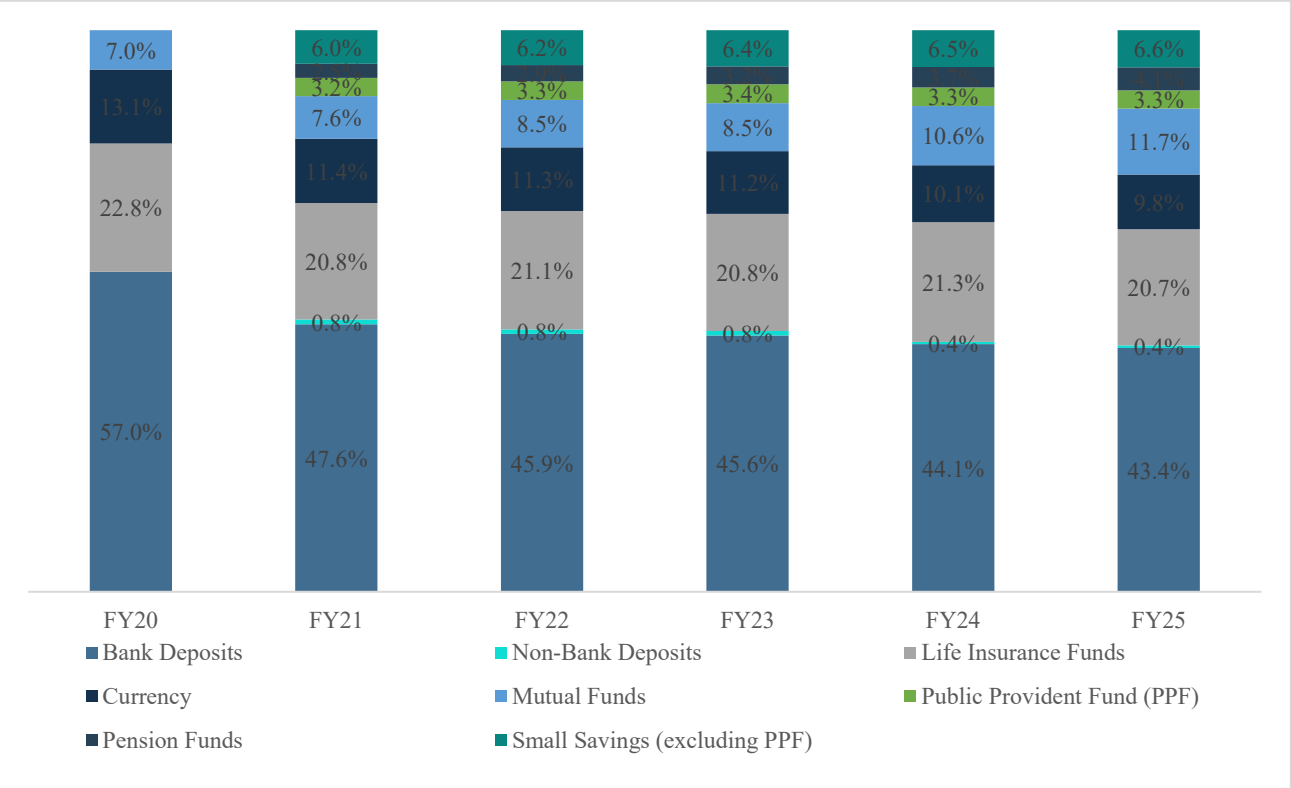
Savings in mutual funds and life insurance also grew, with an 11.50% and 13.60% y-o-y increase, respectively, while investment in equities and capital market instruments rose as they offer higher returns than bank deposits.

Savings in physical assets contribute to 67.29% of total household saving as of Fiscal 2025 (FRE)



Source: Second Advance Estimates of Annual gross domestic product for 2025 to 2026 MOSPI, CareEdge Research
Note: FRE indicates First Revised Estimate

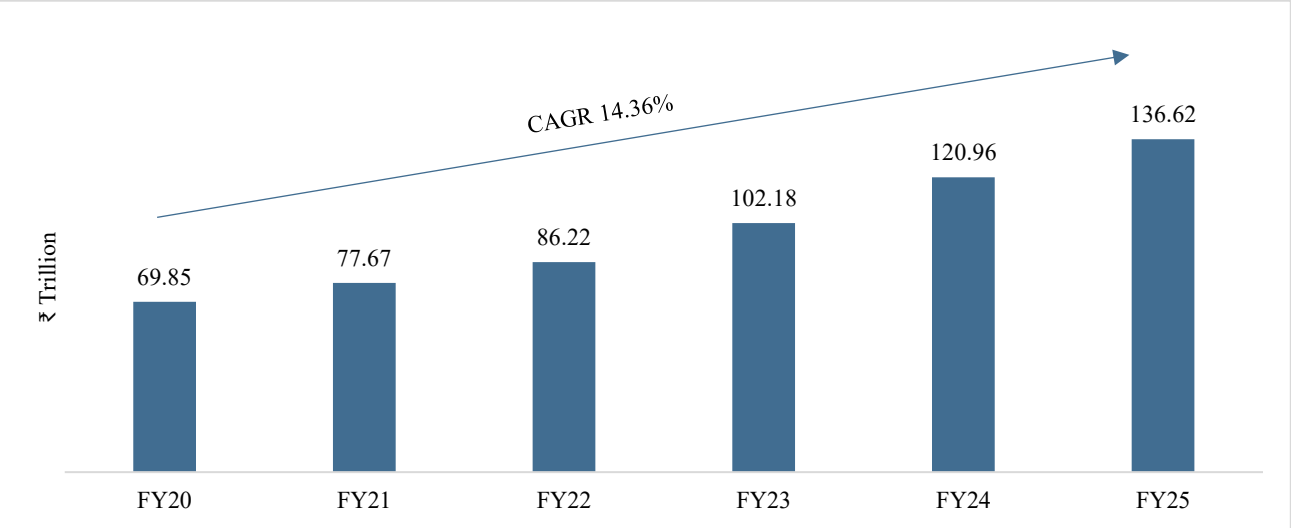
Shift in Household Financial Savings from Bank Deposits to Mutual Funds



Source: RBI, CareEdge Research
Note: For Fiscal 2020, detailed break-up is not available

The composition of household financial savings indicates a gradual shift in investment preferences. The share of bank deposits declined from 57.00% in Fiscal 2020 to 43.43% in Fiscal 2025, while the share of mutual funds increased from 7.04% to 11.71% over the same period. This trend suggests a gradual movement of household savings from traditional fixed deposits towards market-linked investment avenues such as mutual funds, reflecting increasing financial awareness and participation in capital market–linked instruments.

Household Borrowings grew at a CAGR of 14.36% between Fiscal 2020 to Fiscal 2025



Source: RBI, CareEdge Research

Household borrowings have increased steadily from ₹ 69.85 trillion in Fiscal 2020 to ₹ 136.62 trillion in Fiscal 2025, reflecting a CAGR of 14.36% over the period. This trend indicates a sustained expansion in household credit,

supported by increased access to formal financial channels, rising consumption needs, and growing penetration of retail lending products.

The steady increase in household borrowings has been supported by several structural and economic factors such as:

- **Expansion of retail lending:** Banks and NBFCs have increasingly focused on retail lending segments such as housing, vehicle loans, and personal loans, improving credit availability to households.
- **Digitisation of credit processes:** The adoption of digital onboarding, credit scoring models, and faster loan approvals has improved accessibility and reduced turnaround time for retail borrowers.
- **Rising household incomes and consumption demand:** Growth in income levels and aspirations has supported higher demand for housing, vehicles, and consumer durables, leading to increased borrowing.
- **Improved financial inclusion:** Greater access to formal financial services through initiatives such as Jan Dhan accounts and digital payment infrastructure has enabled more households to access institutional credit.

Structural reforms that drive future growth

Structural policy measures are increasingly focused on building productive capacity, improving capital efficiency, and enabling sustained economic expansion. The following represent key structural reform highlights as outlined in the Union Budget 2026 to 2027:

Power and Renewable Energy Reforms

Key measures in the union budget include rationalisation of customs duties on renewable energy inputs such as battery storage systems and raw materials for solar manufacturing, which is expected to reduce costs and catalyse investment in domestic clean energy value chains. The budget also allocates significant resources toward Carbon Capture, Utilisation and Storage (CCUS) initiatives to decarbonise hard-to-abate sectors such as power generation, cement, steel and refineries, with an outlay of ₹ 20,000 crore. In Energy sector, the basic customs duty exemption given to capital goods used for manufacturing Lithium-Ion Cells for batteries will be extended and the basic customs duty on import of sodium antimonate for use in manufacture of solar glass will be exempted. These reforms are designed to support grid modernisation, enhance renewable integration and propel India's transition to a low-carbon economy, aligning with national climate goals and broader energy infrastructure priorities.

Public Capital Expenditure and Infrastructure

In the Union Budget 2026 to 2027, the public capex has increased from ₹ 2 trillion in Fiscal 2015 to an allocation of ₹ 11.2 trillion in Budget Estimates for Fiscal 2026 and proposed to further raise it to ₹ 12.2 trillion in Fiscal 2027 to continue the investment trajectory. This sustained high level of capital outlay is intended to accelerate asset creation across roads, railways, ports, urban infrastructure and energy, strengthen connectivity in Tier-II and Tier-III cities, and catalyse private sector participation through new financing mechanisms such as Infrastructure Investment Trusts (InVITs) and Asset Monetisation frameworks. Such elevated capex is key to enhancing productivity, generating employment, and underpinning long-term economic resilience.

Financial Sector

The 2026 to 2027 Budget laid out structural reforms aimed at strengthening the financial ecosystem to support sustained economic growth and credit expansion. As part of the Viksit Bharat roadmap, the government articulated a strategic direction for NBFCs with emphasis on expanded credit access, technology adoption and institutional resilience, alongside proposals to restructure major financial institutions. It also laid the groundwork for a market-making framework for corporate bond indices and enhanced access to derivatives and corporate bond instruments, which are expected to improve liquidity and broaden investor participation in debt markets. These reforms, alongside a proposed review of the Foreign Exchange Management (Non-debt Instruments) Rules to modernise investment frameworks, collectively aim to deepen financial markets, improve credit flows, and attract long-term capital.

Overview on Key Demographic Parameters

Population growth and Urbanization

India's dependency ratio is projected to reduce from 54.13% in Fiscal 2013 to 45.42% in Fiscal 2027

	2013		2024		2025E		2026F		2027F	
	Total Population (Billion)	Age dependency ratio (%)	Total Population (Billion)	Age dependency ratio (%)	Total Population (Billion)	Age dependency ratio (%)	Total Population (Billion)	Age dependency ratio (%)	Total Population (Billion)	Age dependency ratio (%)
India	1.30	54.13	1.45	46.56	1.46	46.14	1.48	45.76	1.49	45.42
Singapore	0.01	27.02	0.01	33.94	0.01	34.95	0.01	36.07	0.01	37.20
Thailand	0.07	39.49	0.07	43.09	0.07	43.74	0.07	44.43	0.07	45.14
South Africa	0.05	51.46	0.06	48.31	0.06	48.39	0.07	48.48	0.07	48.61
Indonesia	0.26	50.04	0.28	46.81	0.29	46.61	0.29	46.36	0.29	46.09
Brazil	0.20	44.18	0.21	44.33	0.21	44.65	0.21	44.98	0.21	45.32
Italy	0.06	54.44	0.06	57.52	0.06	58.12	0.06	58.82	0.06	59.64

Source: World Bank Database, MOSPI; Note; E- Estimated, F- Forecasted
Note: Age dependency ratio is a percentage of working age population (15 to 64 years)

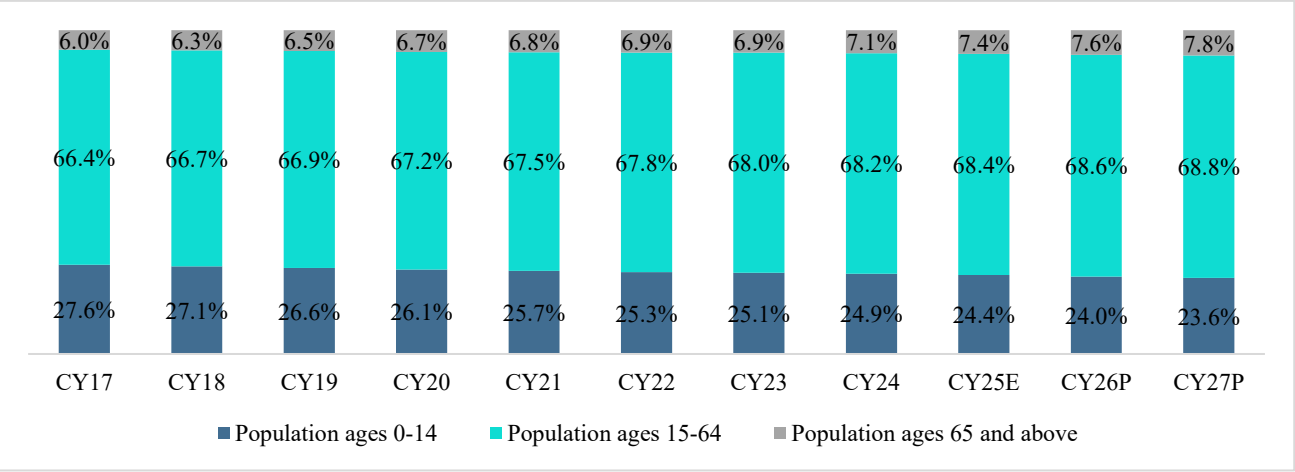
The trajectory of economic growth of India and private consumption is driven by socio-economic factors such as demographics and urbanization. According to the world bank, India's population in CY2022 surpassed 1.42 billion, slightly higher than China's population (1.41 billion) and became the most populous country in the world.

Age Dependency Ratio is the ratio of dependents to the working age population, i.e., 15 to 64 years, wherein dependents are population younger than 15 and older than 64. This ratio has been on a declining trend. Declining dependency means the country has an improving share of working-age population generating income, which is a good sign for the economy.

In 2013, India's age dependency ratio stood at 54.14%, which has steadily declined to 46.56% in 2024 and is projected to moderate further to 45.42% by 2027. With a population projected to increase from 1.30 billion in 2013 to 1.49 billion by 2027, India combines scale with a demographic dividend - a key driver of consumption, savings, and long-term economic growth.

Compared with other emerging economies, India is demographically better positioned. Countries such as Italy are witnessing rising dependency ratios (from 54.44% to 59.64%), reflecting ageing populations and shrinking labor force participation potential. Singapore and Thailand also show steadily increasing dependency ratios, indicating demographic ageing pressures. While South Africa and Indonesia have relatively moderate ratios, India's large and expanding working-age cohort provides a stronger structural advantage. Brazil shows a gradually rising ratio as well, suggesting limited incremental demographic tailwinds.

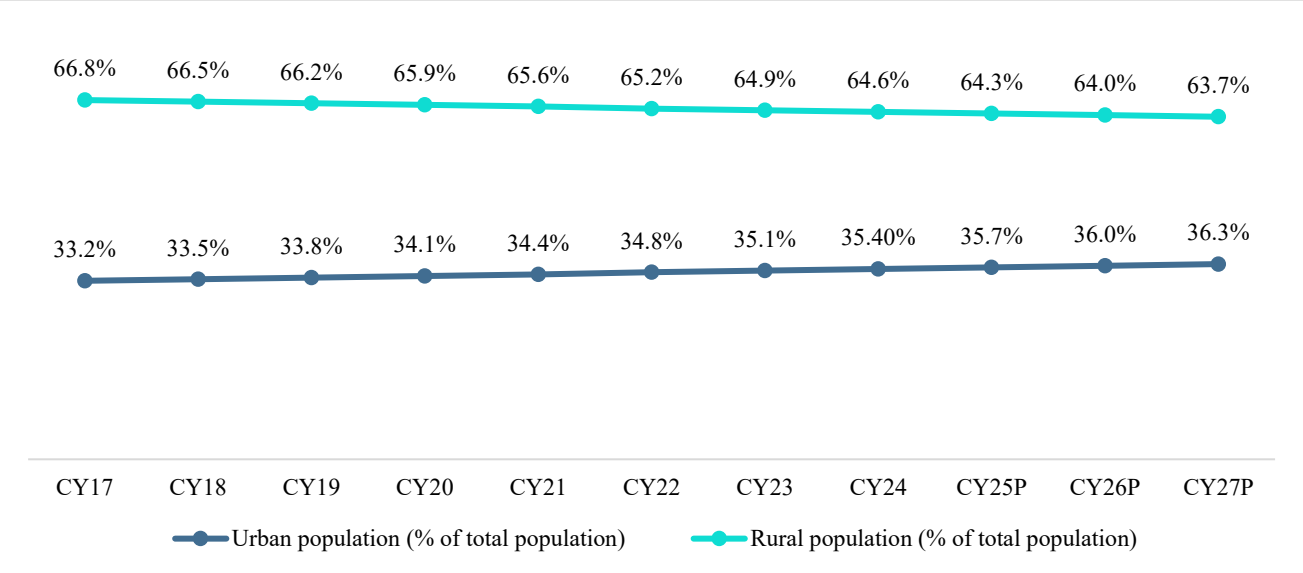
Age-Wise Break Up of Indian population (% of working-age population)



Source: World Bank Database; Note; E- Estimated, F- Forecasted

A decline in the dependency ratio to 45.40% by CY2027 as per the world bank, reflects India's young and growing workforce, especially in newly urbanised towns and will continue to drive income growth and consumer demand. This presents strong opportunities for sectors like consumer electronics, transportation, and railways. Rising employment, urbanisation, and government investment in rural development and digital infrastructure will further boost demand, while increased tech adoption supports long-term consumption growth across both urban and rural markets.

Urbanization Trend in India



Source: World Bank Database; Note; E- Estimated, F- Forecasted

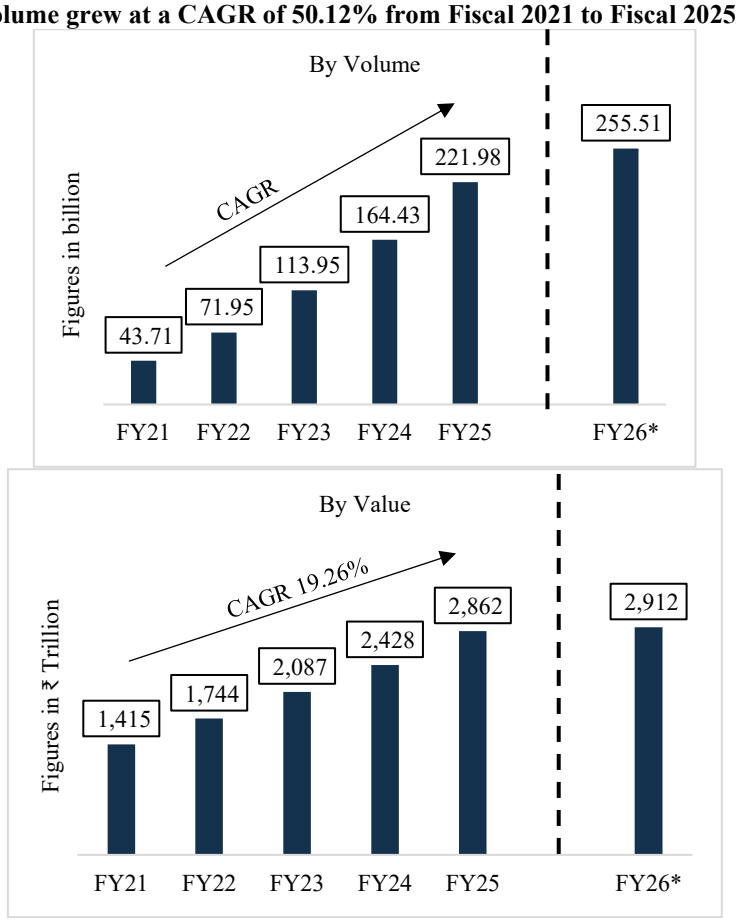
The urban population is significantly growing in India. The urban population in India is estimated to have increased from 423 million (32.20% of total population) in CY2014 to 513 million (35.40% of total population) in the year CY2024 and is projected to increase to 36.30% in CY2027. This shift is driven by factors such as improved standard of living, supported by better access to education, healthcare, physical and digital infrastructure, and essential public services along with increased employment opportunities in urban areas and government initiatives aimed at urban development, and government initiatives aimed at urban development. This rapid urbanisation might necessitate substantial investments in infrastructure, housing, and transportation.

Digitalizing of payments

Digital payments in India grew in volume from 43.71 billion in Fiscal 2021 to 221.98 billion in Fiscal 2025, with a CAGR of 50.12%. Digital payments in value grew from ₹ 1,415 trillion in Fiscal 2021 to ₹ 2,862 trillion in Fiscal

2025, with a CAGR of 19.26%. As of Fiscal 2026 (till February), digital payments transactions by value stand at ₹ 2,912 trillion and volume at 255.51 billion.

Digital payment in volume grew at a CAGR of 50.12% from Fiscal 2021 to Fiscal 2025



Source: RBI; Note: Fiscal 2026* data is till February 2026.

India's digital transformation is driven by factors like expanding broadband, affordable data, and government initiatives. The launch of UPI revolutionized payments in turn enhancing financial inclusion. With over 647 banks integrated and more than 350 million unique users, UPI has become the country's largest digital payment network BHIM further advanced cashless transactions, while platforms like COWIN showcased digital infrastructure's role in public health. Furthermore, DigiLocker improved paperless governance by securely storing documents and FASTag automated toll payments, supporting the cashless economy.

The Digital India initiative, launched in 2015, focuses on digital infrastructure, governance, and empowerment, making services more accessible and promoting financial inclusion. Additionally, this initiative has also made stock market and mutual fund investments more accessible, efficient, and transparent for a wider audience. As of March 2025, the RBI's Digital Payments Index (DPI) reached 493.22, reflecting a 6.0% growth, driven by advancements in payment performance and infrastructure.

The JAM Trinity — Jan Dhan (Pradhan Mantri Jan Dhan Yojana), Aadhaar, and Mobile connectivity is a flagship digital framework of the Government of India that underpins financial inclusion, transparency, and efficient delivery of public services.

Under this framework:

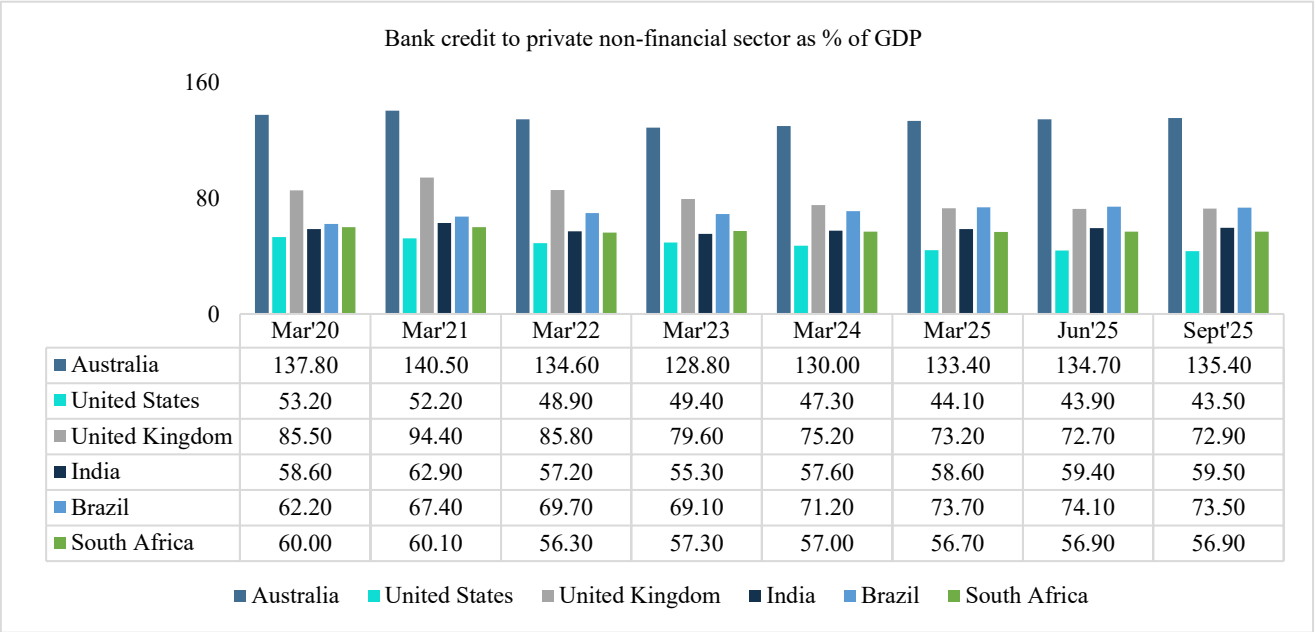
- **Jan Dhan bank accounts** ensure universal access to basic financial services for individuals across the country, particularly the underserved.
- **Aadhaar**, India's unique biometric identity system, enables accurate and secure authentication of beneficiaries. Customers can scan their thumb impression, which fetches the KYC identifier, ensuring 100% authenticity and eliminating the cumbersome manual process of customer verification.

- **Mobile phones** act as the primary channel through which citizens access financial services and receive government benefits digitally. Together, the JAM Trinity eliminates intermediaries, reduces leakages, and enables DBT of welfare subsidies and payments directly into beneficiaries' bank accounts. This integration has helped bring millions into the formal financial system and ensured targeted delivery of government support.

India Stack complements the JAM Trinity by acting as the DPI that operationalises these components at scale. It consists of interoperable digital layers including Aadhaar-based e-KYC, payments architecture such as UPI, and other digital interfaces — that enable paperless, presence-less, and cashless service delivery nationwide. By linking identity (Aadhaar), financial access (Jan Dhan), mobile connectivity, and payments technology, India Stack ensures that citizens can interact with public and private services efficiently and securely through digital means.

India's credit penetration in comparison to other countries

India's Credit Penetration at 59.50% (Sept'25) Indicates Structural Headroom for Growth Compared to other nations



	Mar'20	Mar'21	Mar'22	Mar'23	Mar'24	Mar'25	Jun'25	Sept'25
Australia	137.80	140.50	134.60	128.80	130.00	133.40	134.70	135.40
United States	53.20	52.20	48.90	49.40	47.30	44.10	43.90	43.50
United Kingdom	85.50	94.40	85.80	79.60	75.20	73.20	72.70	72.90
India	58.60	62.90	57.20	55.30	57.60	58.60	59.40	59.50
Brazil	62.20	67.40	69.70	69.10	71.20	73.70	74.10	73.50
South Africa	60.00	60.10	56.30	57.30	57.00	56.70	56.90	56.90

Source: BIS, CareEdge Research

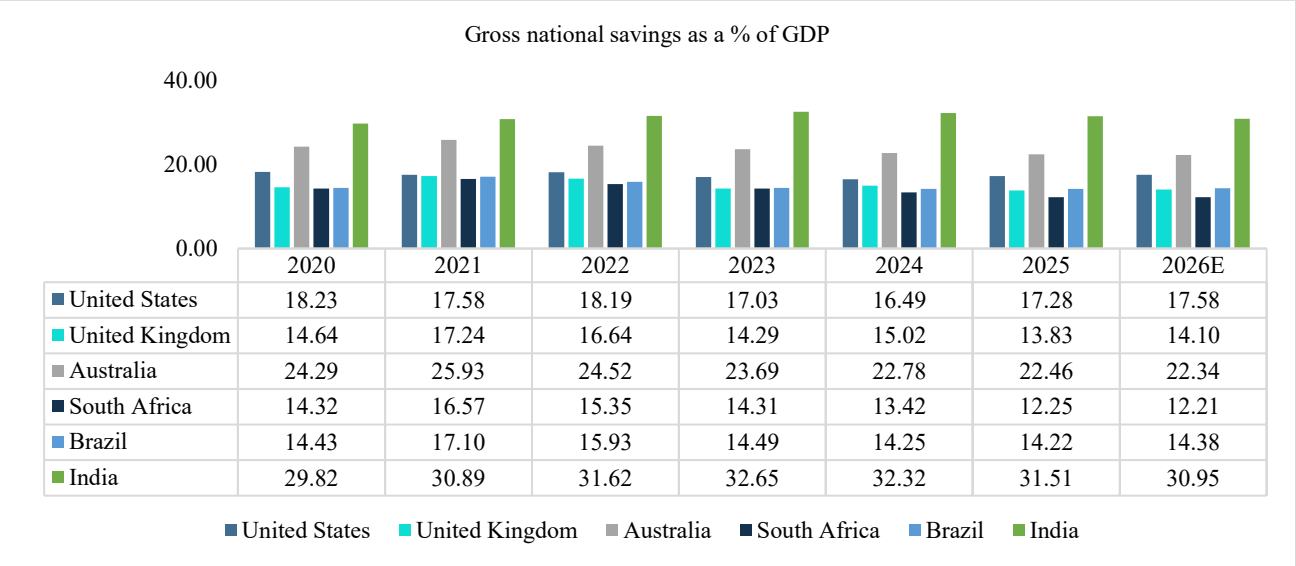
India's bank credit to the private non-financial sector, measured as a percentage of GDP, remains moderate in comparison with both developed and select emerging economies. While the ratio has shown a gradual upward trend in recent years, it is still significantly lower than credit-intensive developed markets such as Australia and the United Kingdom.

The lower share of bank credit to the private non-financial sector in the United States reflects the structure of its financial system. A large portion of financing is routed through capital markets and non-bank institutions, such as bond markets and private credit funds, reducing reliance on traditional bank loans. Regulatory tightening post the global financial crisis and greater use of market-based funding have further shifted credit intermediation outside banks.

Compared with peer emerging economies, India's credit penetration is broadly comparable to that of South Africa and lower than Brazil, which has witnessed a sharper expansion in bank credit relative to GDP. The relatively lower ratio in India reflects structural factors such as historically conservative credit intermediation, lower household leverage, and a larger role of self-financing and informal funding in parts of the economy. However, the steady increase in recent years indicates progressive financial deepening, supported by formalisation, digital credit delivery, and expanding retail and MSME lending. This suggests that India retains significant headroom for further credit penetration over the medium term as income levels rise and access to formal finance continues to broaden.

Gross National Savings as a % of GDP

India's Gross National Savings Remain Strong at 31.51% of GDP as of 2025



	2020	2021	2022	2023	2024	2025	2026E
United States	18.23	17.58	18.19	17.03	16.49	17.28	17.58
United Kingdom	14.64	17.24	16.64	14.29	15.02	13.83	14.10
Australia	24.29	25.93	24.52	23.69	22.78	22.46	22.34
South Africa	14.32	16.57	15.35	14.31	13.42	12.25	12.21
Brazil	14.43	17.10	15.93	14.49	14.25	14.22	14.38
India	29.82	30.89	31.62	32.65	32.32	31.51	30.95

Source: IMF, CareEdge Research

India's savings profile stands out in a cross-country context, with gross national savings consistently exceeding 30% of GDP (From Fiscal 2022 onwards), significantly higher than levels observed in other economies. In comparison, advanced economies such as the United States and the United Kingdom report savings ratio largely between 14% to 18%, while emerging peers such as Brazil and South Africa also remain below 20% of GDP. This structurally high savings base reflects India's demographic profile, precautionary saving behaviour, and the continued importance of household savings in financing domestic investment.

The combination of elevated savings and lower leverage suggests significant headroom for credit deepening, particularly in retail and household segments, as financial inclusion expands and formal credit penetration improves. Compared with countries where consumption and growth are more credit-driven, India's growth model remains more savings-supported, indicating a more conservative household balance sheet and a structurally under-leveraged credit environment, which supports the medium-term case for sustainable credit growth.

Financial Inclusion

Financial Penetration to rise with increase in awareness and access to financial products

Financial inclusion in India continues to be a central component of the government's economic policy aimed at fostering inclusive growth, reducing socioeconomic disparities, and bringing underserved populations into the formal financial ecosystem. Over the past decade, India has witnessed significant progress in expanding access to financial services, supported by government-led flagship schemes, regulatory initiatives, and technological innovation.

Recent developments include:

Nationwide Saturation Campaign for Financial Inclusion (2025)

In July 2025, the Department of Financial Services (DFS) under the Ministry of Finance launched a three-month Financial Inclusion Saturation Campaign to deepen outreach of key schemes such as the Pradhan Mantri Jan Dhan Yojana (PMJDY), Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY), Pradhan Mantri Suraksha Bima Yojana (PMSBY), and the Atal Pension Yojana (APY) across all Gram Panchayats and Urban Local Bodies. Within two weeks of commencement, 43,447 camps were conducted nationwide to facilitate enrolment, re-verification of KYC, updating of account details, and awareness activities. During this period, nearly 0.14 million new PMJDY accounts were opened, and over 0.54 million enrolments were recorded under the three social security schemes, alongside financial literacy programming on digital fraud awareness and grievance redressal mechanisms.

Strengthening Citizen Engagement — "Your Money, Your Right" Initiative (2025)

A nationwide outreach campaign titled - Your Money, Your Right" was implemented between October and December 2025 to help citizens identify and claim unclaimed financial assets held across banks, insurance companies, mutual funds, dividends, shares, and pension accounts. Coordinated by the Department of Financial Services with regulators including the RBI, IRDAI, SEBI, IEPFA and PFRDA, this initiative combined digital platforms and district-level facilitation. Outreach camps were organized in 668 districts, and efforts resulted in nearly ₹ 20,000 million being returned to rightful owners, strengthening the connection between citizens and the formal financial system by encouraging documentation upkeep, KYC compliance, and broader awareness of financial entitlements.

Integration with Digital Financial Infrastructure

The progress of financial inclusion in India has been significantly supported by the integration of digital financial infrastructure, which has enabled scalable and efficient delivery of financial services. The use of digital identification and electronic KYC has simplified account opening and reduced entry barriers, while interoperable digital payment systems have facilitated low-cost, real-time transactions across individuals, businesses, and government platforms. Assisted digital models, including banking correspondents, have strengthened last-mile access, particularly in rural and underserved areas. This integrated ecosystem has also enhanced the effectiveness of welfare transfers, reduced transaction leakages, and encouraged sustained usage of formal financial services. Overall, digital infrastructure has shifted financial inclusion from mere access to deeper engagement, improved transparency, and broader participation in the formal financial system.

Pradhan Mantri Mudra Yojana (PMMY)

It is operational since April 2015 and finances micro and small enterprises in manufacturing, trading, services, and allied agricultural activities. PMMY was launched with the mandate to 'fund the unfunded'. By October 2025, the scheme had disbursed over ₹ 36.18 trillion across 554.5 million loan accounts. Significantly, more than 100 million accounts belong to first-time borrowers, underscoring its catalytic role in bringing new entrepreneurs into the formal financial system rather than merely refinancing existing businesses. Under PMMY, women entrepreneurs accessed 69% of all microloans, amounting to ₹ 13.8 trillion across 348 million accounts.

PM Street Vendor's Atmanirbhar Nidhi (PM SVANidhi)

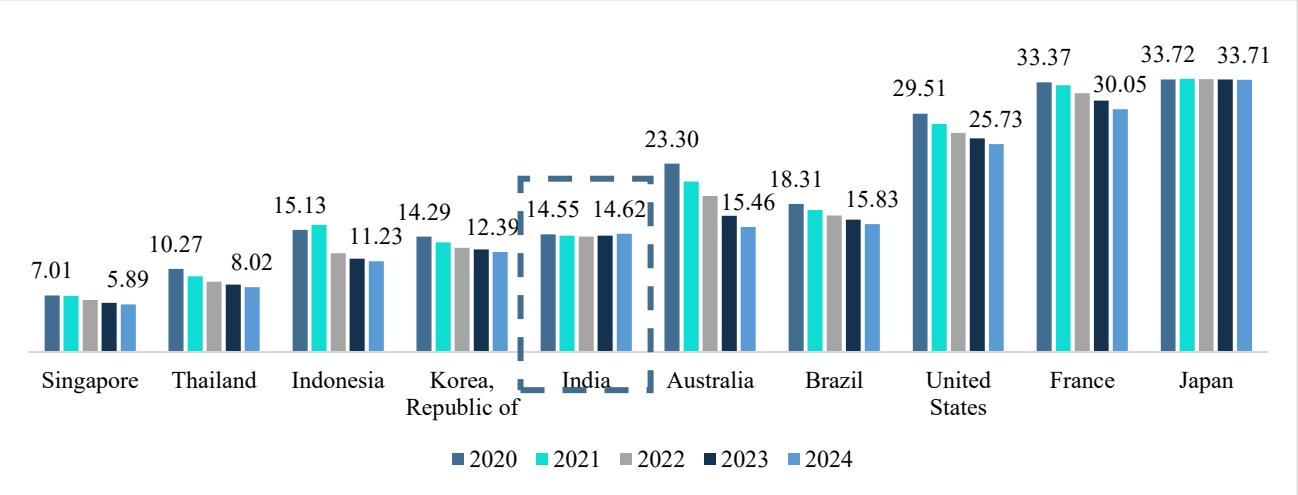
This was launched in CY20, providing collateral-free working capital loans to street vendors. The average annualised business income among SVANidhi borrowers increased by 20% between 2023 and 2025, outperforming India's nominal GDP growth of 9% to 10% and the MSME Gross Value-Added growth of 16.9%. The welfare effects of PM SVANidhi extend beyond enterprise metrics. Improved incomes have led to housing upgrades for 39% of households, better food access for 55%, more affordable healthcare for 44%, and enhanced educational opportunities for 50%.

Pradhan Mantri Awas Yojana (PMAY)

The Government of India launched Pradhan Mantri Awas Yojana (PMAY) in 2015 under the vision of "Housing for All" to address the housing shortage among economically weaker and low-income households. Implemented by the Ministry of Housing and Urban Affairs, the scheme provides financial assistance to eligible beneficiaries for construction or improvement of houses in urban and rural areas. It focuses on affordable housing for Economically Weaker Sections (EWS), Low Income Groups (LIG), and Middle-Income Groups (MIG), while promoting access to basic amenities such as water, sanitation, and electricity.

Under penetration of the Indian banking sector provides opportunities for growth

Number of Commercial Bank Branches per 100,000 Adults (CY)

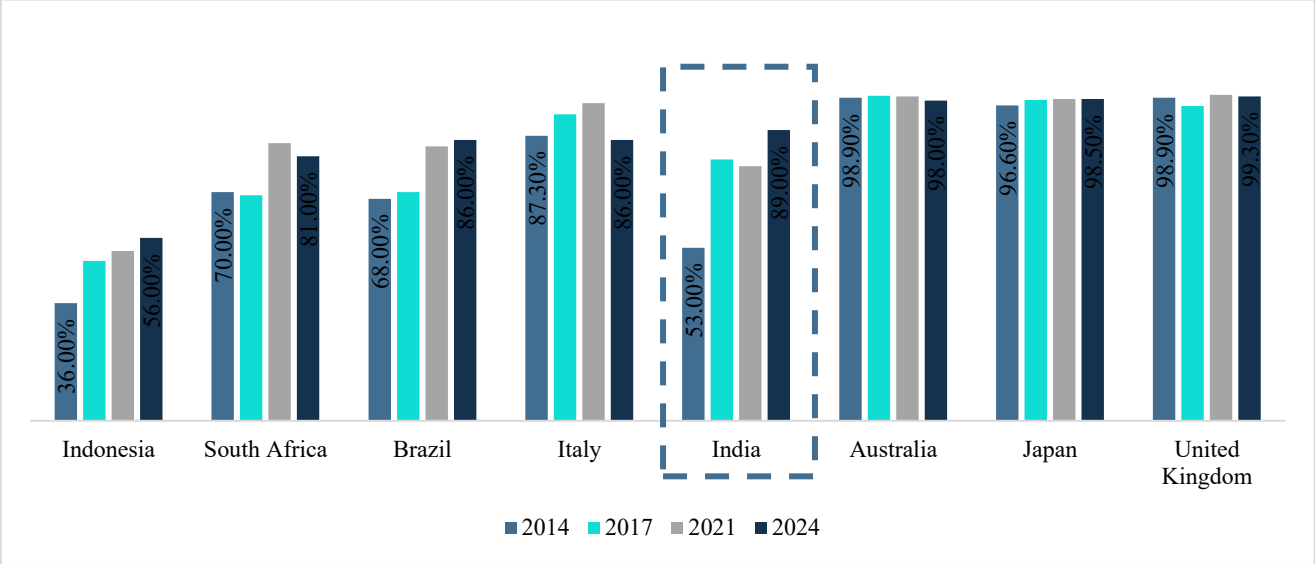


Source: IMF, CareEdge Research

At around 14 to 15 commercial bank branches per 100,000 adults, India trails significantly behind countries such as Japan, France, and the United States, which maintain branch densities exceeding 25 to 30 branches per 100,000 adults. This gap not only reflects differences in income levels, financial system maturity, and banking penetration but also demonstrates the untapped potential in India.

At the same time, India's branch density is broadly comparable to several emerging market peers, such as Indonesia and Korea, and higher than certain Southeast Asian economies like Thailand and Singapore. The relatively stable trend in India over recent years suggests that physical branch expansion has been complemented by rapid digital adoption, rather than aggressive brick-and-mortar growth.

Bank Account Ownership (% of Adults Aged 15 and above)



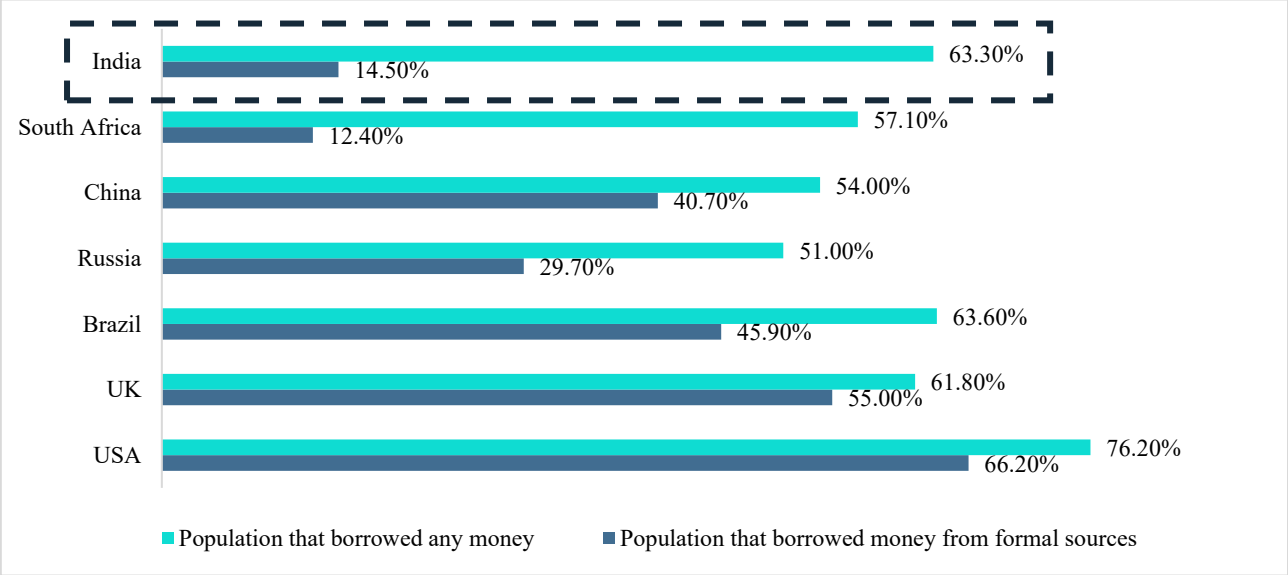
Source: World Bank, CareEdge Research

While India has made significant progress in expanding access to formal financial services, the depth and effective usage of banking products remain relatively limited, indicating under-penetration of the banking sector. As per Global Findex Database 2025, approximately 78% of adults (age 15+) in India own an account with a financial institution or mobile money provider; however, around 16% of these account holders do not have an active account, compared with an average of about 4% across other low - and middle-income economies (Defined by the World Bank based on GNI per capita as economies with per capita income up to USD 13,935, comprising low-income (≤ USD 1,135), lower-middle-income (USD 1,136 to 4,495), and upper-middle-income (USD 4,496 to 13,935) groups).

India's progress between 2014 and 2024 stands out relative to peers, reflecting the impact of large-scale inclusion initiatives, digital identification, and expanded access to basic banking services. By 2024, India's account ownership rate compares favourably with countries such as Brazil and South Africa, underscoring a significant broadening of formal financial access. However, despite this progress, a gap remains vis-à-vis advanced economies such as Australia, Japan, and the United Kingdom, where near-universal account ownership has been sustained over time.

Financial Inclusion on a fast path in India

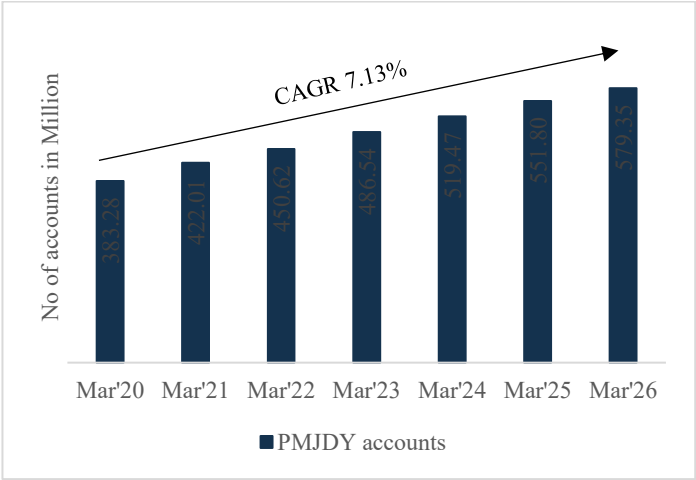
Share of India's Population Borrowing from Formal Financial Sources as of 2024 (%)

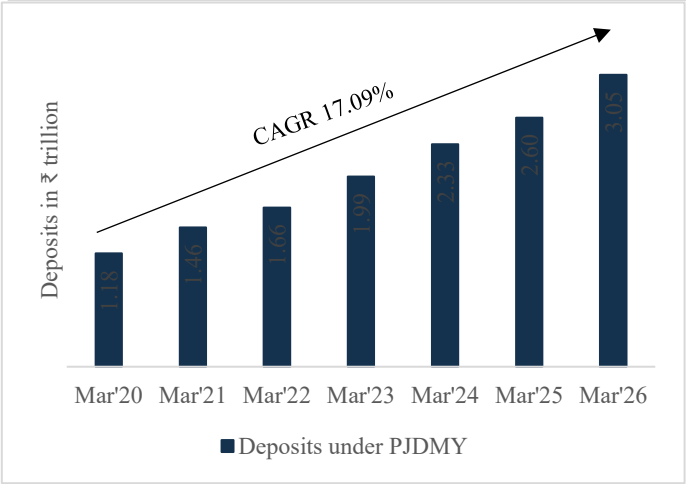


Source: World Bank, CareEdge Research
Note: Data is for the population with the age of 15+ years

As per Global Findex Database 2025, Financial inclusion in India continues to progress at a rapid pace, as reflected in improving account usage and narrowing gender disparities. While men still represent a higher share of active account holders, the gender gap in active account ownership has declined markedly, falling from 12% in 2021 to 7% in 2024. This acceleration in inclusion has been accompanied by a significant rise in digital engagement among women, particularly through government-to-person (G2P) transfers. The share of women receiving G2P payments digitally increased from 13% in 2021 to 24% in 2024, with coverage expanding from 59% to 81% of women beneficiaries over the same period. These trends indicate that policy-driven digital delivery mechanisms are strengthening account activity and usage, reinforcing the momentum of financial inclusion in India. However, while India has made significant progress in expanding access to formal financial services, the depth and effective usage of banking products remain relatively limited, indicating under-penetration of the banking sector.

Pradhan Mantri Jan Dhan Yojana deposits grew at a CAGR of 17.09% from Mar'20 to Mar'26





Source: PMJDY

Number of accounts opened through Pradhan Mantri Jan Dhan Yojana (PMJDY) grew at a CAGR of 7.13% between Mar'20 to Mar'26, reflecting steady growth and improving financial inclusion. Notably, deposit amount in PMJDY accounts grew at a CAGR of 17.09% over the same period, indicating strong and consistent growth in funds. Around 66.6% of PMJDY accounts have been opened in rural and semi-urban areas, and 55.7% of accounts are held by women, indicating deep penetration among underserved segments. PMJDY accounts have served as foundational access points for other financial schemes and welfare transfers. For instance, the Jan-Dhan-Aadhaar-Mobile (JAM) framework has facilitated direct benefit transfers worth ₹ 6.90 trillion into beneficiary accounts during Fiscal 2024 to 2025.

The composite FI Index value rose to 67.00 in March 2025 from 64.20 in March 2024, with all sub-indices registering steady growth.

Rural sector supporting India Growth story

Rural credit growth has been supported by structural improvements in financial access, rising income levels, and sustained policy focus on rural development. Increased digitisation, infrastructure expansion, and targeted lending initiatives have strengthened credit penetration and demand in rural

- **Expansion of Digital Financial Infrastructure:** Increased penetration of bank accounts, Aadhaar-enabled services, mobile banking, and digital payment systems has improved access to formal finance in rural areas, reduced transaction costs, and accelerated loan processing and disbursement.
- **Rising Rural Incomes:** Growth in agricultural output, diversification into allied activities (dairy, fisheries, poultry), and increased non-farm employment opportunities have strengthened household cash flows and repayment capacity.

- **Infrastructure Development:** Improved rural connectivity through roads, electrification, housing construction, and irrigation projects have enhanced economic activity and credit absorption potential in rural markets.
- **Policy Support and Targeted Lending:** Priority Sector Lending (PSL) norms and focused credit programmes for agriculture, MSMEs, housing, and self-employment. PSL encourages bridging the gap between rural and urban credit and hence lower regional imbalances.
- **Financial Inclusion Initiatives:** Broader inclusion efforts have brought first-time borrowers into the formal banking system, expanding the addressable credit base and deepening penetration across underserved geographies.

Initiatives	Description
Pradhan Mantri Jan Dhan Yojana (PMJDY)	The PMJDY remains the cornerstone of India's financial inclusion agenda, providing basic banking services to previously unbanked populations. As of Dec'25, over 570 million PMJDY accounts have been opened, with aggregate deposits of approximately ₹ 2.8 trillion. Most of these accounts are held by women (about 55.7%) and are located in rural and semi-urban areas (66.6%), indicating the scheme's deep outreach among under-served segments. Additionally, as of Jan'26, over 390 million RuPay debit cards have been issued, enhancing access to digital transactions and financial services.
Direct Benefit Transfer (DBT)	DBT has emerged as a critical mechanism for financial inclusion by leveraging bank accounts and digital infrastructure to deliver government benefits efficiently and transparently. The Public Financial Management System (PFMS) enabled DBT for over 1,206 schemes in Fiscal 2025, processing approximately 1,816.4 million transactions and disbursing around ₹ 2.23 trillion to beneficiaries. In Fiscal 2026 (up to 31 December 2025), 966 schemes were covered under the DBT initiative, with 2,105.6 million transactions reported and ₹ 2.87 trillion paid to beneficiaries. Cumulatively, since its inception, DBT has processed a substantial volume of transactions and facilitated the transfer of benefits across a wide range of social welfare programmes.
Atal Pension Yojana (APY) and National Pension System (NPS)	The APY, aimed at extending pension coverage to workers in the unorganised sector, has achieved substantial enrolment growth, reflecting broader financial security inclusion. As of January 2026, APY subscribers have reached 72.3 million, underscoring the increasing uptake of formal pension products among low-income and informal sector populations. In addition, The National Pension System (NPS) has enrolled over 21.3 million subscribers, reflecting the expanding adoption of formal pension coverage across demographics. Complementing this, NPS Vatsalya, which promotes early pension planning for minors, is gradually extending pension coverage to younger age groups.
Small Saving Schemes	Small savings schemes, administered through the Ministry of Finance and postal/banking channels, play an important role in engaging households with formal financial products, encouraging savings, and supporting long-term financial planning. These schemes, including instruments such as Public Provident Fund (PPF), National Savings Certificates (NSC), and others, offer stable returns and are accessible across rural and

Initiatives	Description
	urban areas, thereby reinforcing savings habits and financial security, particularly among lower-income groups.
Pradhan Mantri Kaushal Vikas Yojana	PMKVY is a flagship scheme of the Government of India launched in July 2015 under the Skill India Mission to provide industry-aligned skill training and certification to youth, thereby enhancing employability and supporting wage and self-employment opportunities. Implemented by the Ministry of Skill Development and Entrepreneurship, the scheme offers Short-Term Training (STT) and Recognition of Prior Learning (RPL) aligned with the National Skills Qualifications Framework (NSQF). The scheme is currently being implemented under PMKVY 4.0 (Fiscal 2022 to 2026) with a greater focus on quality, industry linkage, and future-ready skills.
Kisan Credit Card (KCC)	The KCC facility provides farmers with flexible revolving credit for crop cultivation, allied activities, and consumption needs at concessional interest rates with interest subvention benefits. It also simplifies access to institutional credit through streamlined documentation and renewal processes, thereby reducing dependence on informal sources of finance.
Pradhan Mantri Awas Yojana – Gramin (PMAY-G)	A flagship rural housing programme under the Ministry of Rural Development, aimed at providing pucca houses with basic amenities (toilet, LPG connection, electricity) to eligible rural households. It enhances rural housing stock, improves living standards, and stimulates demand for formal housing credit in rural areas. As of August 2025, 4.12 crore houses have been allocated to States under the scheme, of which 2.9 crore houses have already been constructed.

Rural Monthly Per Capita Household Consumption Expenditure (MPCE) has more than doubled since 2011 to 2012

	Average MPCE (In ₹)		
	2011 to 2012	2022 to 2023	2023 to 2024
Rural	1,430	3,773	4,122
Urban	2,630	6,459	6,996
Difference as % of Rural MPCE	83.90%	71.20%	69.70%

Source: HCES (2023 to 2024), CareEdge Research

This reflects a steady and significant increase in rural monthly household income over time, as indicated by the rise in Average MPCE. Rural MPCE increased from ₹ 1,430 in 2011 to 2012 to ₹ 3,773 in 2022 to 2023, and further to ₹ 4,122 in 2023 to 2024, indicating a strong improvement in rural purchasing power and economic capacity.

At the same time, the urban–rural consumption gap has narrowed, with the difference as a percentage of rural MPCE declining from 83.90% in 2011 to 2012 to 69.70% in 2023 to 2024. This suggests that rural consumption has grown at a faster pace than urban consumption, pointing to a gradual convergence in income levels and improved resilience of rural households over the period.

Average MPCE for each State and UT in Fiscal 2024

State/UT	Average MPCE (₹)	
	Rural	Urban
Andhra Pradesh	5,327	7,182
Arunachal Pradesh	5,995	9,832

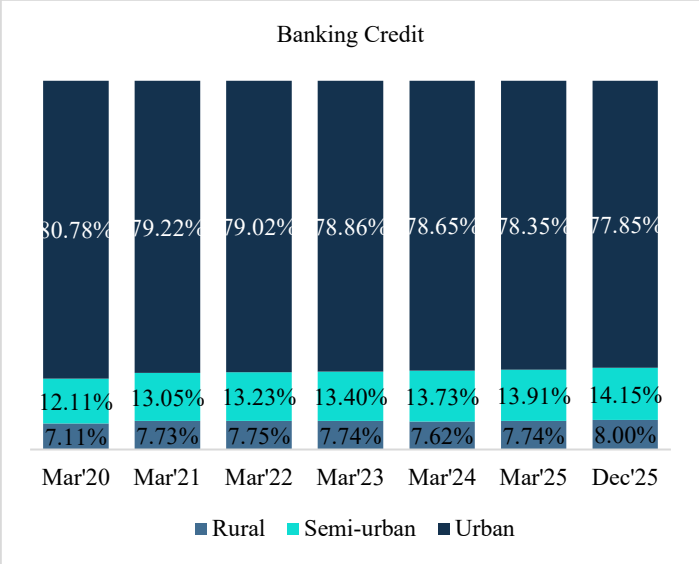
State/UT	Average MPCE (₹)	
	Rural	Urban
Assam	3,793	6,794
Bihar	3,670	5,080
Chhattisgarh	2,739	4,927
Delhi	7,400	8,534
Goa	8,048	9,726
Gujarat	4,116	7,175
Haryana	5,377	8,428
Himachal Pradesh	5,825	9,223
Jharkhand	2,946	5,393
Karnataka	4,903	8,076
Kerala	6,611	7,783
Madhya Pradesh	3,441	5,538
Maharashtra	4,145	7,363
Manipur	4,531	5,945
Meghalaya	3,852	7,839
Mizoram	5,963	8,709
Nagaland	5,155	8,022
Odisha	3,357	5,825
Punjab	5,817	7,359
Rajasthan	4,510	6,574
Sikkim	9,377	13,927
Tamil Nadu	5,701	8,165
Telangana	5,435	8,978
Tripura	6,259	8,034
Uttar Pradesh	3,481	5,395
Uttarakhand	5,003	7,486
West Bengal	3,620	5,775
Andaman & N Islands	7,771	10,453
Chandigarh	8,857	13,425
Dadra & Nagar Haveli and Daman & Diu	4,311	6,837
Jammu & Kashmir	4,774	6,327
Ladakh	5,010	7,533
Lakshadweep	6,350	6,377
Puducherry	7,598	8,637
All-India	**4,122**	**6,996**

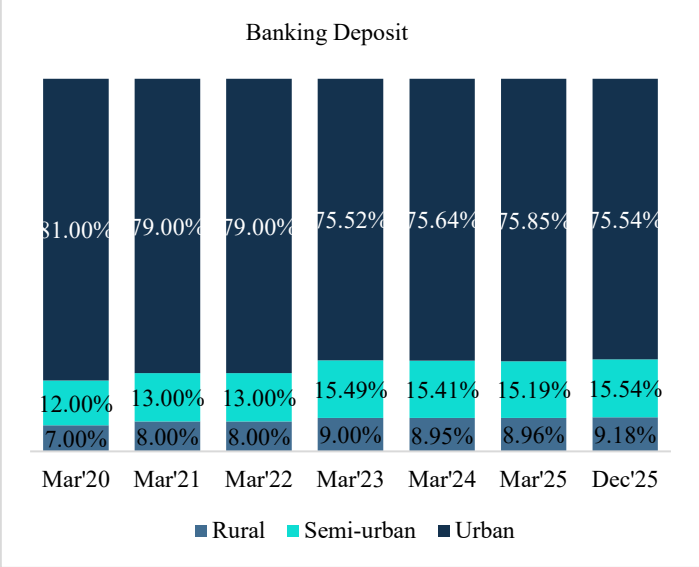
Source: HCES (2023 to 2024), CareEdge Research

Several States and UTs report higher urban MPCE relative to rural counterparts, consistent with greater income opportunities and cost of living in urban centres. Smaller UTs such as Chandigarh and Sikkim record comparatively higher per capita expenditure levels, while several larger States show moderate expenditure levels aligned with their demographic and economic profiles. Overall, the data highlights regional disparities in consumption patterns across the country, influenced by differences in income levels, urbanisation, economic structure, and cost dynamics.

Population group wise share of credit and deposit

Rural and semi urban India accounts for only 22.15% of banking credit and approximately 24.72% of deposits



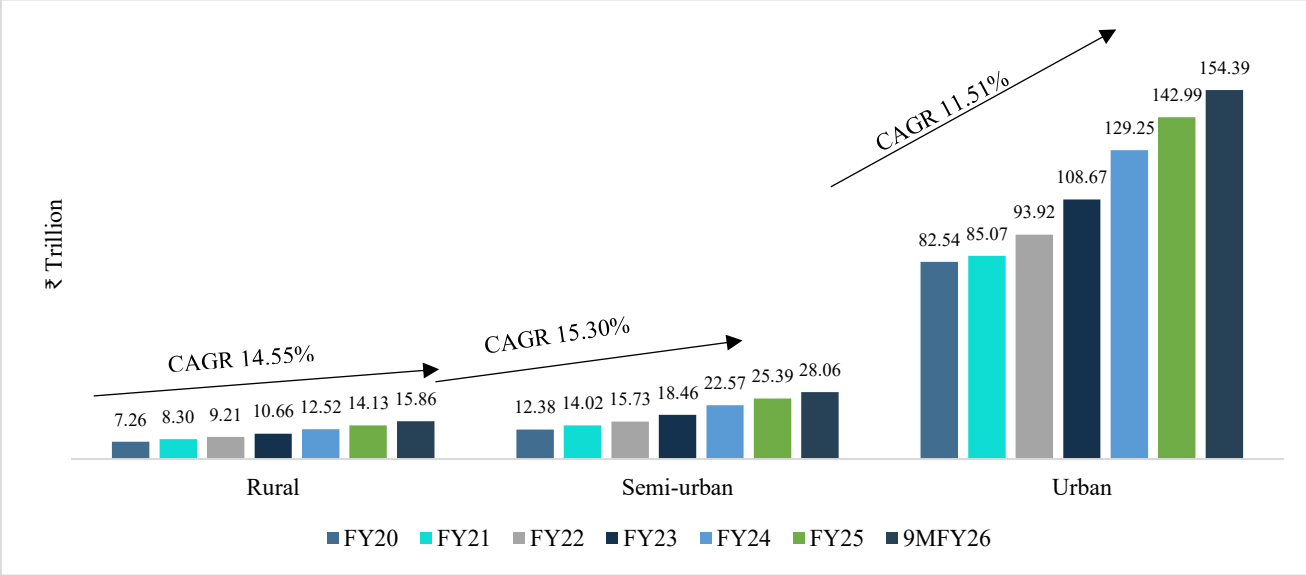


Source: RBI, CareEdge Research
Note: Urban includes metropolitan population

The dominance of urban areas in bank credit and deposits largely reflects the concentration of economic activity, formal employment, and corporate demand in cities, which generates stronger and lower-risk credit opportunities for banks. Rural credit demand, by contrast, is more fragmented and seasonal, closely linked to agriculture and allied activities, and subject to higher income volatility.

While government initiatives such as PMJDY, DBT, Priority Sector Lending norms, Kisan Credit Cards, and financial inclusion saturation campaigns have significantly improved account ownership and deposit mobilisation in rural and semi-urban areas, credit deployment has grown more slowly due to risk considerations, smaller ticket sizes, and limited absorptive capacity. As a result, deposits in non-urban regions have increased faster than credit, leading to a persistent urban skew in banking activity despite continued policy efforts to deepen rural financial inclusion.

Bank Credit accounts in rural accounts grow at a CAGR of 14.55%



Source: RBI, CareEdge

Note: Urban includes metropolitan population

Bank credit growth has been relatively stronger in rural and semi-urban areas compared with urban centres over Fiscal 2020 to nine months ended December 31, 2025. Rural credit expanded at a CAGR of 14.55%, rising from ₹ 7.26 trillion to ₹ 15.86 trillion, while semi-urban credit grew at a CAGR of 15.30%, increasing from ₹ 12.38 trillion to ₹ 28.06 trillion. In comparison, urban credit recorded a lower CAGR of 11.51%. This trend indicates increasing financial deepening and credit penetration in rural and semi-urban markets.

RBI's priority sector lending ("PSL") policy in India under which commercial banks need to ring-fence 40% of the bank's adjusted net bank credit or equivalent off-balance-sheet exposure (whichever is higher) for priority sector lending. The RBI's PSL policy ensures credit flow to underserved segments of the population through banks. PSL also encourages bridging the gap between rural and urban credit and hence lower regional imbalances.

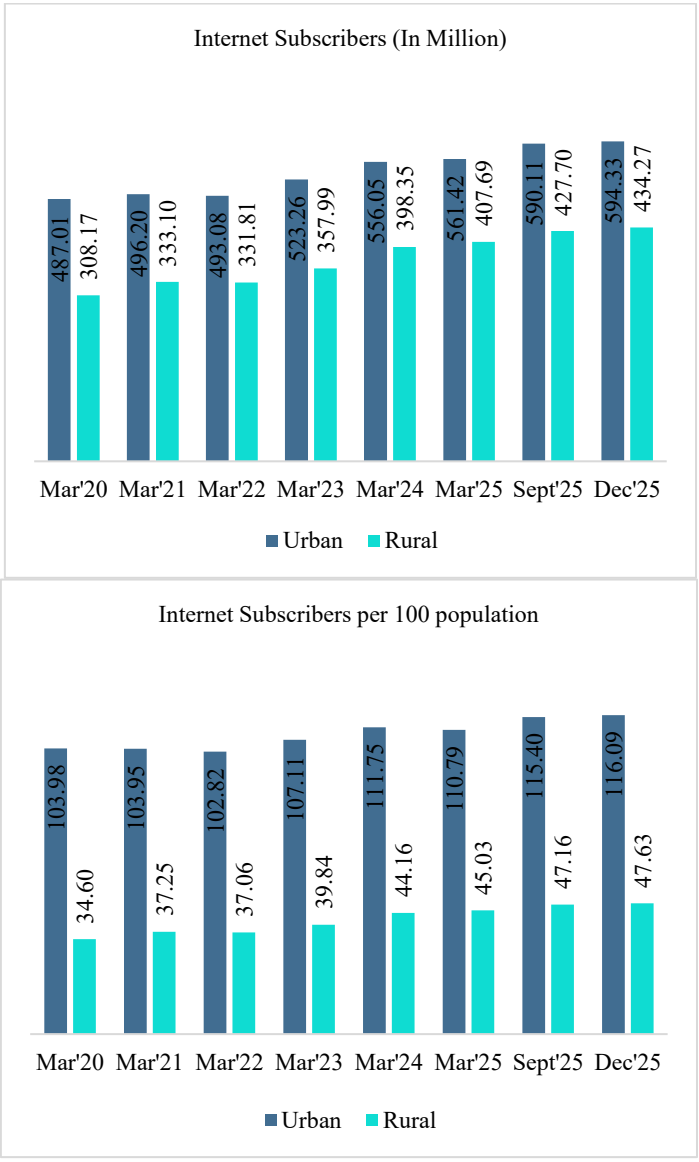
Digital Public Infrastructure reforms by government of India

Beyond payments and identity, DPI reforms have expanded into areas such as digital consent-based data sharing, e-governance platforms, and financial market infrastructure, enabling faster onboarding, simplified KYC processes, and real-time service access. These reforms have lowered transaction costs, improved ease of access to financial services, and enhanced the reach of government programmes. Overall, India's DPI framework is increasingly viewed as a foundational enabler of inclusive growth, supporting both public service delivery and private sector innovation in a scalable and secure manner.

The growth drivers are:

Universal Digital Identity Coverage (Aadhaar)	**The near-universal coverage of Aadhaar has been a foundational driver of DPI growth by enabling reliable digital identity verification at scale. As per the government disclosures, over 1.38 billion Aadhaar numbers have been issued, covering almost the entire adult population. This has enabled seamless digital onboarding, simplified KYC processes,**
Rapid Expansion of Digital Payments Infrastructure	**The scale and growth of digital payments particularly through UPI, have been a major catalyst for DPI adoption. The RBI data indicates that UPI transactions exceeded 175 billion transactions during nine months ended December 31, 2025, reflecting widespread acceptance of real-time, low-cost digital payments. The availability of interoperable payment rails has**
High Mobile and Internet Penetration	**The rapid growth in mobile connectivity has enabled last-mile access to DPI platforms. This is supported by widespread smartphone adoption and low data costs. This connectivity has facilitated access to mobile banking, digital payments, and government services, enabling DPI to scale beyond urban centres.**
Integration with Governance and Service Delivery	**The embedding of DPI within governance frameworks such as digital subsidies, pensions, insurance enrolments, and compliance processes has strengthened adoption. The increasing digitisation of public services has reduced transaction costs, improved transparency, and reinforced**

Rural Internet Penetration



Source: TRAI, CareEdge Research

There is a consistent improvement in rural internet penetration over the period, reflecting expanding digital access across non-urban India. Rural internet subscribers increased from 308.17 million in Mar'20 to 434.27 million by Dec'25, while rural internet penetration rose steadily from 34.60 to 47.63 subscribers per 100 population. This indicates that a growing proportion of the rural population is gaining access to internet services, although penetration levels remain materially lower than in urban areas.

The improvement in rural penetration has been supported by government-led expansion of digital and telecom infrastructure. A large share of villages is now covered by mobile broadband networks, with significant progress in extending 3G and 4G connectivity across rural regions. Initiatives under the Digital India programme and BharatNet have focused on strengthening last-mile connectivity by providing broadband access to Gram Panchayats, which has enabled greater adoption of mobile internet services in rural areas.

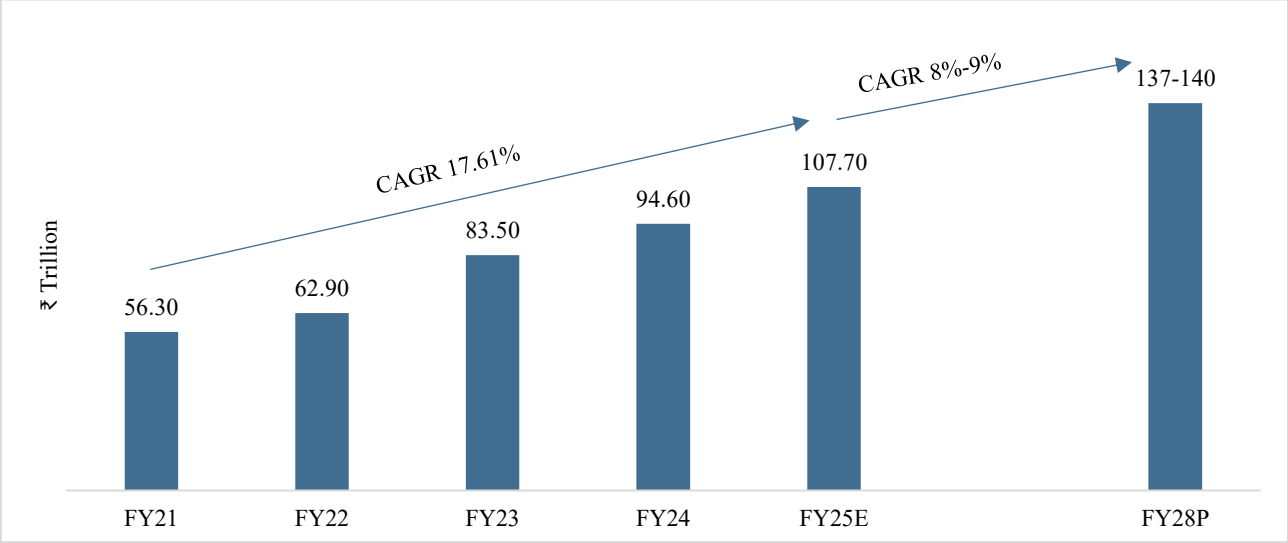
India's rural population has increasingly embraced digital technologies as part of broader economic and financial inclusion efforts, reflecting a gradual behavioural transition from traditional, cash-based practices to digital engagement. Over the past decade, digital tools have brought government services and financial services closer to citizens, particularly in rural and underserved regions, making processes faster, more transparent, and more accessible at the last mile. This transformation has been underpinned by expansion in digital infrastructure,

including widespread mobile and internet connectivity, and the integration of digital identities such as Aadhaar, which has facilitated seamless onboarding and authentication for banking and welfare transfers.

Programmes such as BharatNet, which has connected more than 0.218 million Gram Panchayats with high-speed internet. This expanded access has facilitated broader engagement with digital financial tools. As per the Comprehensive Annual Modular Survey, data on rural youth indicate that over 96% of individuals aged 15 to 24 in rural areas can use mobile phones, and over 80% accessed the internet recently, underscoring growing digital competence among rural populations. These trends collectively signal that rural citizens are increasingly embracing digital platforms for communication, financial transactions, and broader economic participation, highlighting a meaningful behavioural shift toward digital adoption.

Retail industry market size to reach approximately ₹ 140 trillion by Fiscal 2028

Indian Retail Market Size expected to grow at 8% to 9% CAGR from Fiscal 2025 to Fiscal 2028

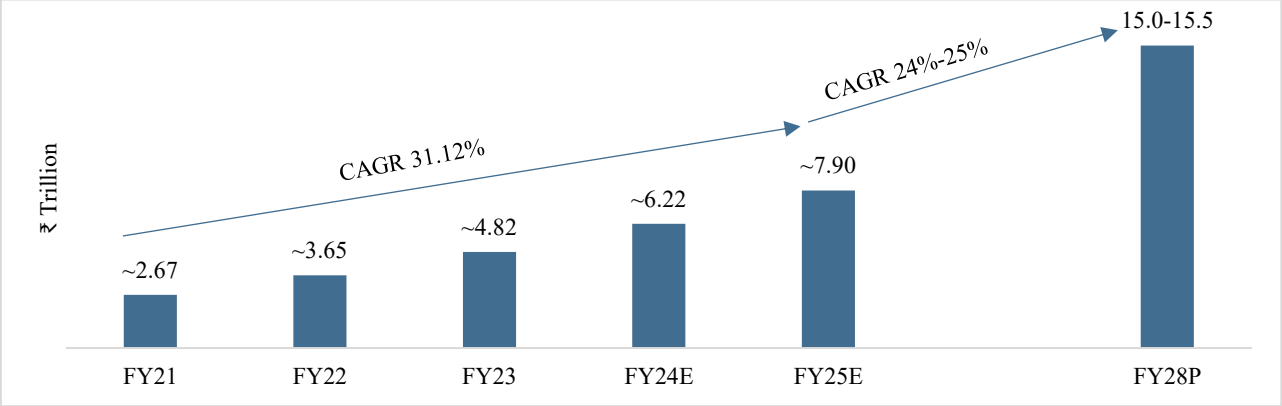


Source: CareEdge Research
Note: E indicates Estimated, P indicates Projected

In Fiscal 2025, the Indian retail market is estimated to have reached ₹ 107.70 trillion, reflecting a strong recovery from previous years, driven by improved consumer demand and a resurgence in offline retail channels. The market has grown at a CAGR of 17.61% during Fiscal 2021 to Fiscal 2025, showcasing robust expansion momentum. Looking ahead, the sector is projected to reach ₹ 137 to ₹ 140 trillion by Fiscal 2028, growing at a relatively moderate yet healthy CAGR of 8% to 9% between Fiscal 2025 to Fiscal 2028. This trend highlights the industry's shift from a post-pandemic rebound phase to a more sustainable, long-term growth trajectory.

A major driver of this growth is the rise in spending on discretionary items such as fashion, electronics, lifestyle products, jewellery, and dining, supported by increasing disposable incomes, aspirations of younger consumers, and wider access to organised and digital retail platforms. The retail sector is poised to play a crucial role in India's economic growth, with significant employment generation, expected to add nearly 25 million new jobs by CY2030, underscoring its importance in the country's socio-economic landscape.

Online retail expected to grow at 24% to 25% CAGR from Fiscal 2025 to Fiscal 2028



Source: CareEdge Research
Note: E indicates Estimated, P indicates Projected

The online market is emerging as a key engine of discretionary spending growth, expanding at a significantly faster pace than the overall consumption market with a CAGR of 31.12% from Fiscal 2021 to Fiscal 2025 and is expected to grow at a CAGR of 24% to 25% from Fiscal 2025 to Fiscal 2028. This acceleration reflects deeper digital penetration, widespread adoption of smartphones and digital payments, and improved logistics and last-mile delivery across urban and semi-urban regions. As consumer comfort with e-commerce continues to rise, online channels are increasingly capturing a larger share of discretionary spends, supported by wider product assortments, competitive pricing, and the growing use of digital credit and BNPL solutions, positioning the online market as a structurally high-growth segment over the medium term.

Discretionary spends expanded at a much faster pace than the broader Indian market, reflecting a post-pandemic recovery in consumption, rising disposable incomes, and improving consumer confidence. This phase was characterised by a sharp rebound in demand for non-essential goods and services, supported by urbanisation, digital commerce, and a shift toward experience-led consumption.

Trend in percentage composition of MPCE since 2011 to 2012 (% share in total MPCE)

	Rural India			Urban India		
Item Group	**2011 to 2012**	**2022 to 2023**	**2023 to 2024**	**2011 to 2012**	**2022 to 2023**	**2023 to 2024**
Food Total	52.90	46.38	47.04	42.62	39.17	39.68
Non-Food Total	47.10	53.62	52.96	57.38	60.83	60.32

Source: HCES (2023 to 2024), CareEdge Research
Note: Food items include cereals and cereal substitutes, pulses and their products, milk and milk products, vegetables, fruits, eggs, fish and meat, edible oil, spices, sugar and salt, and beverages, refreshments and processed food. Non-food items include pan, tobacco and intoxicants, fuel and light, education, medical expenses, conveyance, consumer services excluding conveyance, miscellaneous goods and entertainment, rent, taxes and cesses, clothing, bedding and footwear, and durable goods.

In rural India, the share of non-food expenditure has increased from 47.10% in 2011 to 2012 to 53.62% in 2022 to 2023, remaining elevated at 52.96% in 2023 to 2024, while the share of food expenditure has declined over the same period. This shift indicates a gradual rise in discretionary spending, with rural households allocating a larger portion of their budgets toward categories such as consumer durables, transport, education, healthcare, and other services.

Looking ahead, while growth in discretionary spending is expected to moderate, it is still projected to remain well above the overall market growth rate through Fiscal 2028. The sustained premium in growth suggests a structural shift in consumer behaviour, with higher propensity to spend on discretionary categories driven by income formalisation, increasing aspirational demand, and deeper credit penetration. Overall, discretionary consumption is emerging as a key driver of incremental consumption growth in India, rather than merely a cyclical rebound.

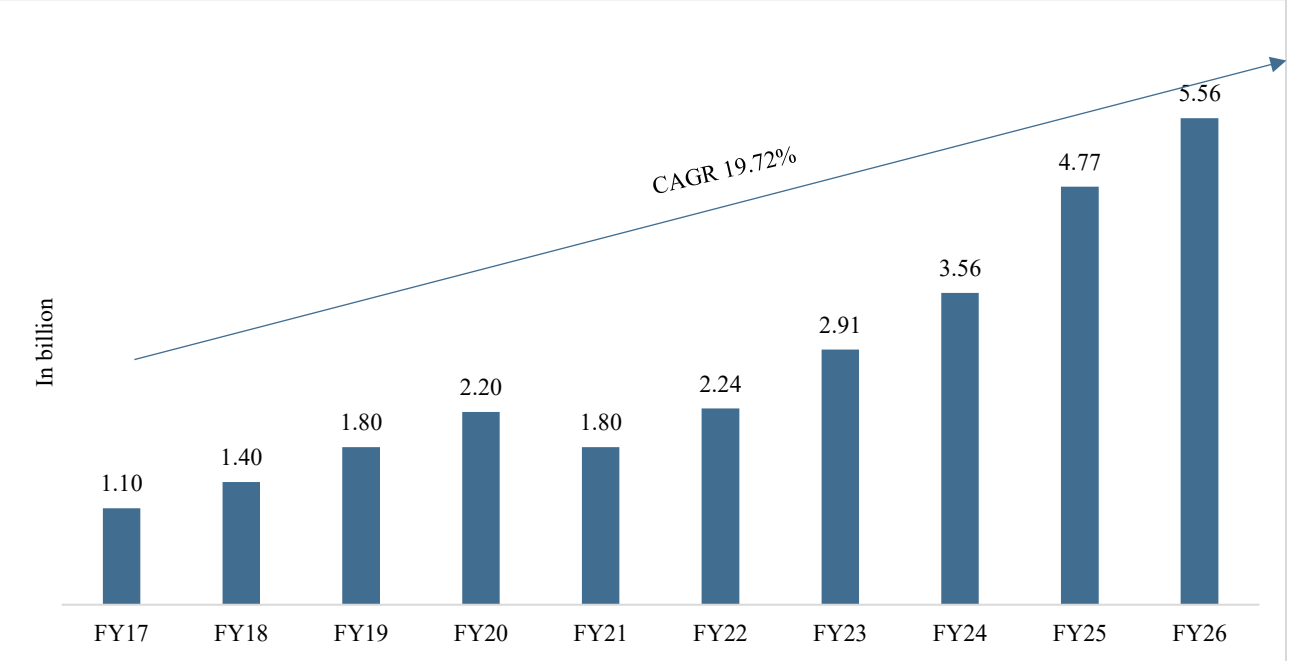
PMJDY Beneficiary Coverage and Deposit Base (In Million)

Bank Name / Type	Number of Beneficiaries at rural/semiurban centre bank branches	Number of Beneficiaries at urban metro centre bank branches	Number of Rural-Urban Female Beneficiaries	Number of Total Beneficiaries	Deposits in Accounts (₹ Million)	Number of Rupay Debit Cards issued to beneficiaries
Public Sector Banks	345.70	99.20	245.40	445.00	2,258,251.80	342.40
Regional Rural Banks	93.60	14.80	63.20	108.40	533,607.70	39.50
Private Sector Banks	8.40	11.20	11.00	19.60	83,923.40	15.70
Rural Cooperative Banks	1.90	-	1.00	1.90	0.10	-
Grand Total	**449.60**	**125.20**	**320.60**	**574.90**	**2,875,783.10**	**397.60**

Source: PMJDY, CareEdge Research
Note: Data as on 21st January 2026

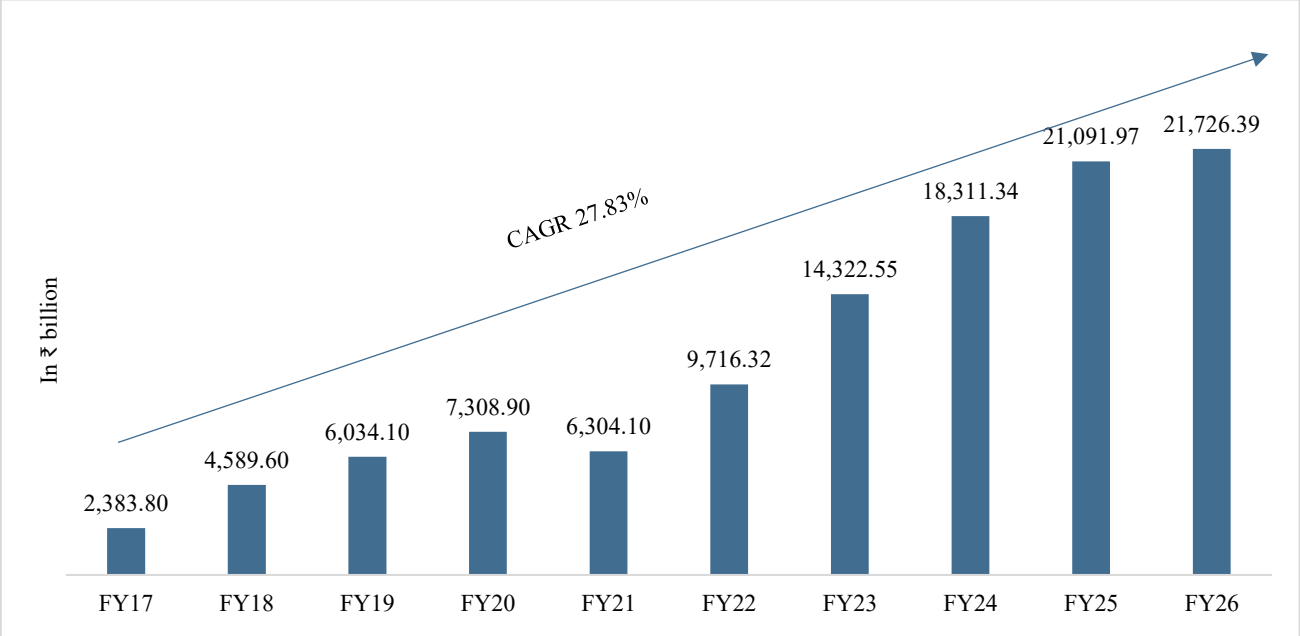
The widespread coverage of Jan-Dhan accounts, particularly across rural and semi-urban centres and among women beneficiaries, has significantly expanded access to formal banking and digital payment instruments such as RuPay debit cards. This broad financial inclusion has strengthened household participation in formal consumption channels, enabling higher retail spending and facilitating the shift towards digital and e-commerce transactions. As more households gain access to bank accounts and payment infrastructure, the formal retail ecosystem and online commerce platforms benefit from a larger, digitally enabled consumer base, reinforcing India's consumption-led growth trajectory.

Volume of credit card transactions grew at a CAGR of 19.72% from Fiscal 2017 to Fiscal 2026



Source: RBI, CareEdge Research

Value of credit card transactions grew at a CAGR of approximately 27.83% from Fiscal 2017 to Fiscal 2026

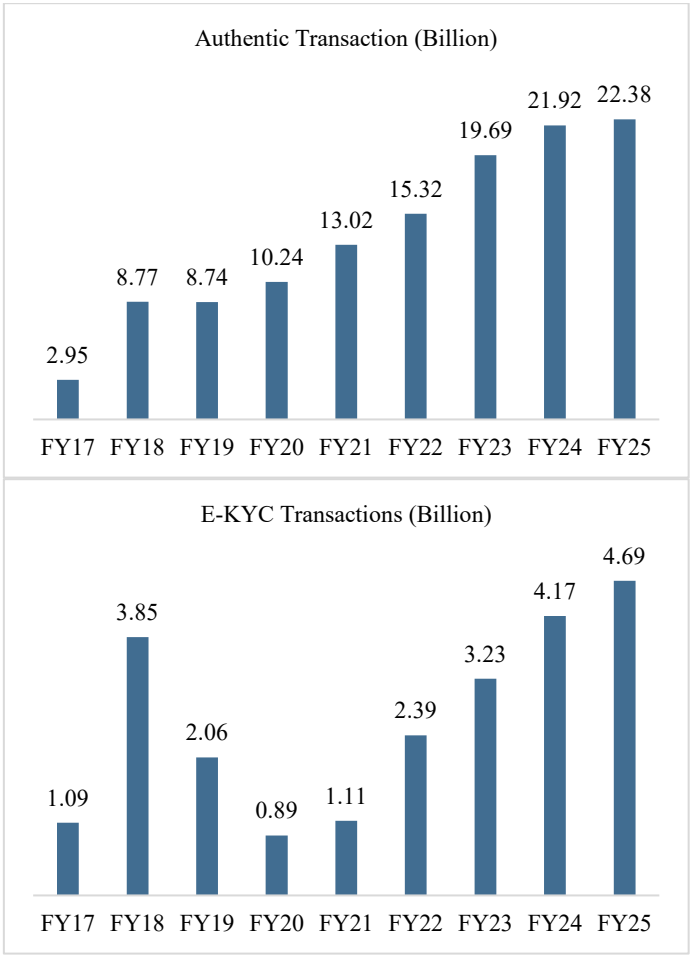


Source: RBI, CareEdge Research

Strong and sustained expansion in credit card usage in India is being reflected in both transaction volumes and values over the period. The volume of credit card transactions increased from 1.10 billion in Fiscal 2017 to 5.56 billion in Fiscal 2026, representing CAGR of 19.72% from Fiscal 2017 to Fiscal 2026. After a moderation in Fiscal 2021, largely reflecting pandemic-related disruptions, transaction volumes recovered steadily and accelerated in the subsequent years.

The value of credit card transactions, rose sharply from ₹ 2,383.80 billion in Fiscal 2017 to ₹ 21,726.39 billion in Fiscal 2026 with a CAGR of 27.83%. While transaction values declined in Fiscal 2021, they rebounded strongly in Fiscal 2022 and thereafter, reflecting a combination of higher spending, increased card acceptance, and greater use of credit cards for both online and offline purchases.

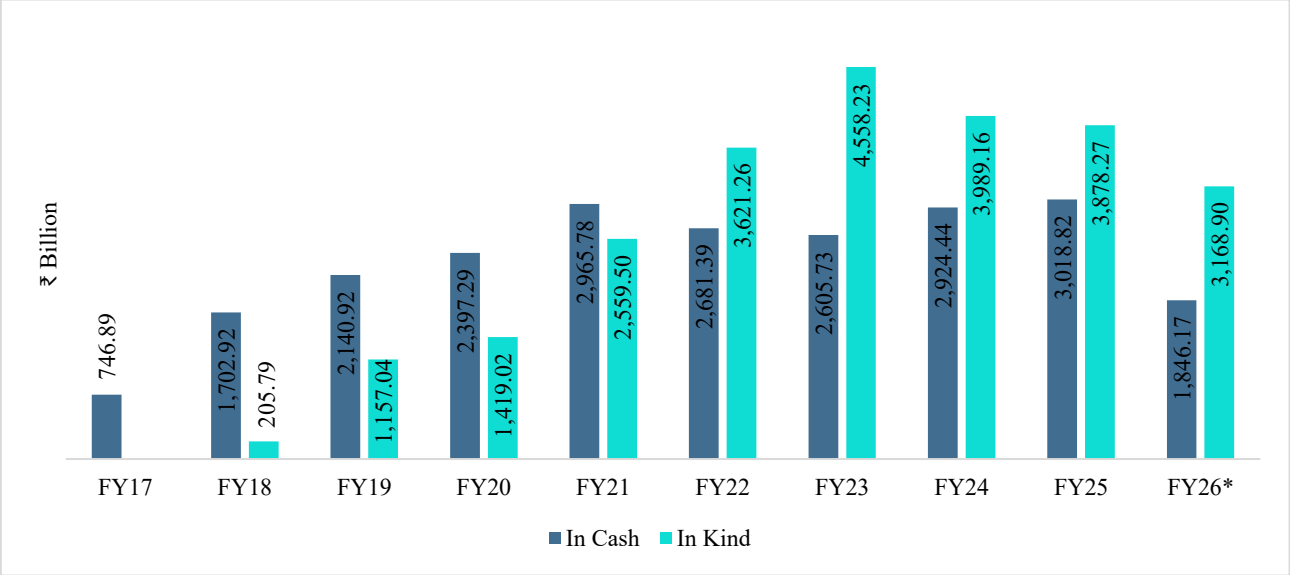
Trend in Number of E-KYC Transactions



Source: UIDAI, CareEdge Research

E-KYC transactions increased from 1.09 billion in Fiscal 2017 to 4.69 billion in Fiscal 2025, indicating wider use of electronic verification processes for customer onboarding across financial institutions and government services, particularly after Fiscal 2021. Similarly, Aadhaar authentication transactions rose steadily from 2.95 billion in Fiscal 2017 to 22.38 billion in Fiscal 2025 reflecting a CAGR of 28.82% from Fiscal 2017 to Fiscal 2025, highlighting the growing reliance on digital authentication for financial transactions, benefit transfers, and service delivery. Overall, these trends underscore the role of digital identity systems in improving efficiency, reducing onboarding frictions, and supporting the scale-up of digital financial services.

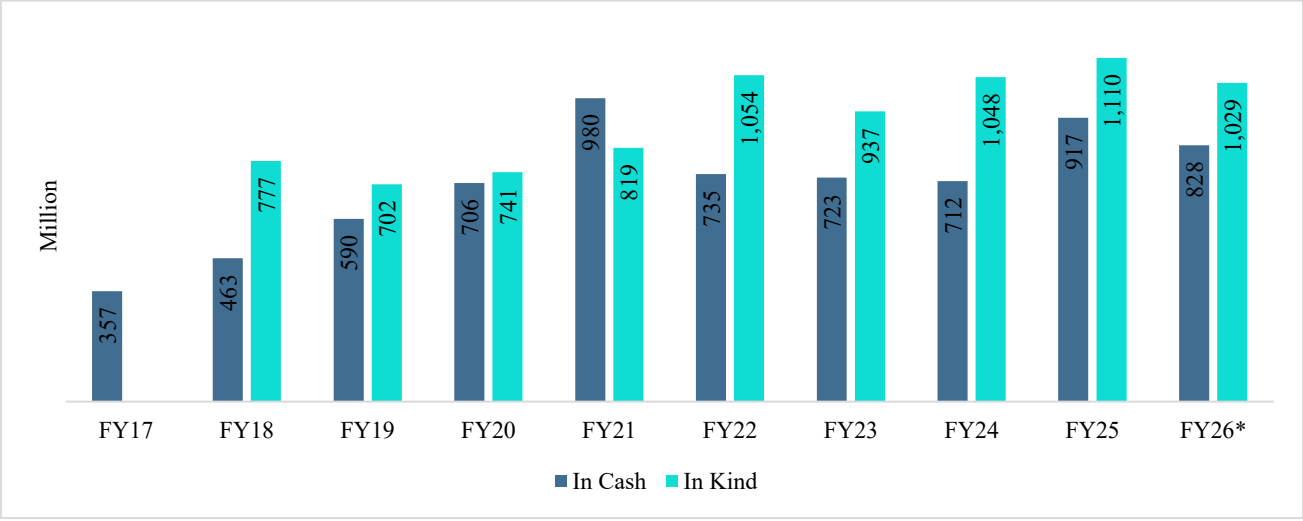
Government schemes being delivered through digital adoption – Direct Benefit Transfer



Source: Direct Benefit Transfer, CareEdge Research
Note: * indicates data as on 23rd January 2026

Overall increase in DBT fund transfers in both cash and in-kind terms from Fiscal 2017 to Fiscal 2026 has been driven by a combination of policy expansion, digital infrastructure strengthening, and improved beneficiary targeting. A key driver has been the progressive onboarding of welfare schemes and beneficiaries onto the DBT framework, including large programmes such as PM-KISAN, Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), food and fertiliser subsidies, which significantly expanded transfer volumes, particularly in the in-kind category. The integration of DBT with Aadhaar and the Public Financial Management System (PFMS) has enabled end-to-end digital tracking of funds, reduced leakages, and improved delivery efficiency, allowing higher and more targeted disbursements over time.

Trend in DBT Beneficiaries (Non unique)



Source: Direct Benefit Transfer, CareEdge Research
Note: *indicates data as on 23rd January 2026

The trend in DBT beneficiaries (non-unique) indicates a sustained expansion in welfare coverage over time, with cash beneficiaries increasing from 357 million in Fiscal 2017 to a peak of 980 million in Fiscal 2021, reflecting the scaling-up of income support and employment-linked schemes, particularly during the COVID-19 period. While

cash beneficiaries moderated in the immediate post-pandemic years, they remained structurally higher than pre-Fiscal 2020 levels, underscoring the institutionalisation of DBT-based delivery mechanisms.

In contrast, in-kind beneficiaries have shown a more persistent upward trajectory, rising from 777 million in Fiscal 2018 to over 1,110 million in Fiscal 2025, driven largely by the expansion and continued reliance on food and fertiliser subsidy programmes under Aadhaar-enabled delivery systems.

Region wise share of banking deposits and credit

Region	% share in overall population in India as of Dec'25	Banking deposits		Banking credit	
		2015	Dec'25	2015	Dec'25
North-East	3.71%	Approximately 2.00%	1.53%	0.69%	1.12%
Central	26.33%	Approximately 13.00%	12.87%	7.53%	9.42%
West	14.43%	Approximately 30.00%	28.64%	34.79%	33.89%
East	22.58%	Approximately 12.00%	11.61%	7.30%	7.06%
South	19.50%	Approximately 23.00%	24.53%	26.39%	28.66%
North	13.42%	Approximately 20.00%	20.82%	23.32%	19.86%

Source: RBI, CareEdge Research

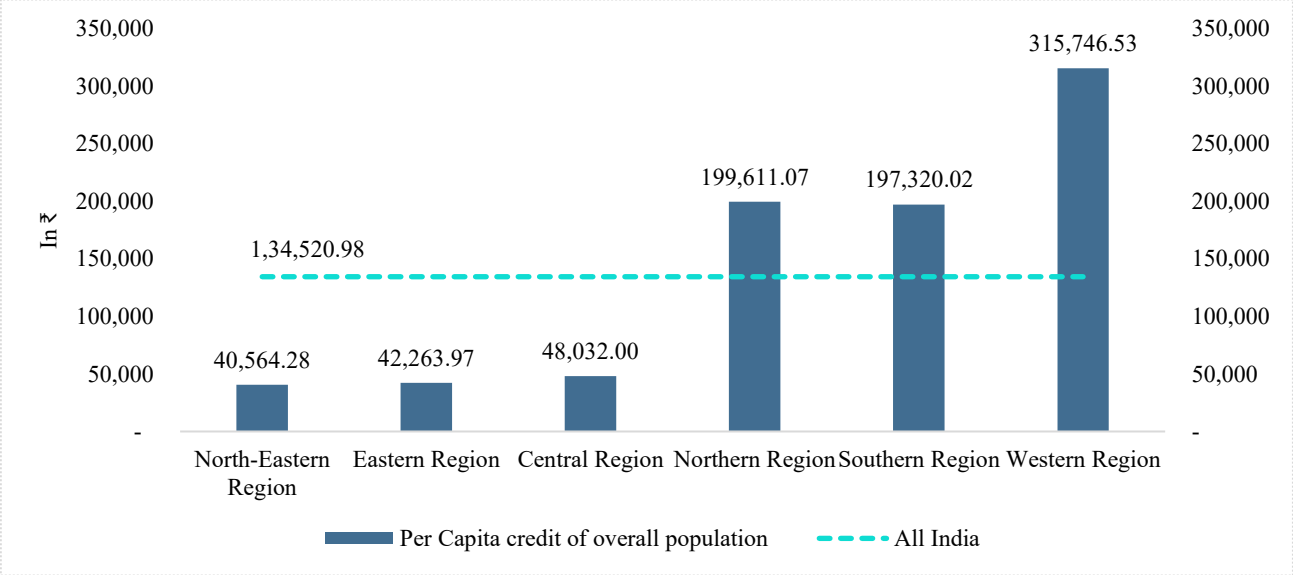
Notes:

1. Northeast includes Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland and Tripura
2. Central includes Chhattisgarh, Madhya Pradesh, Uttar Pradesh and Uttarakhand
3. West includes Goa, Gujarat, Maharashtra, Dadra and Nagar Haveli, and Daman and Diu
4. East includes Bihar, Jharkhand, Odisha, Sikkim, West Bengal, and Andaman and Nicobar Islands
5. South includes Andhra Pradesh, Telangana, Karnataka, Kerala, Tamil Nadu, Lakshadweep, and Puducherry
6. North includes Haryana, Himachal Pradesh, Jammu and Kashmir, Ladakh, Punjab, Rajasthan, Chandigarh, and Delhi

The regional distribution of banking deposits and credit indicates a persistent concentration of banking activity in the western and southern regions of India. As of December 2025, the West and South together account for over half of total banking deposits, with the West contributing 28.64% and the South 24.53%, broadly unchanged from 2015. A similar pattern is observed on the credit aspect, where the West accounts for 33.89% and the South for 28.66% of total banking credit, underscoring their continued dominance in financial intermediation. This reflects the higher level of economic activity, industrialisation, and urbanisation in these regions.

In contrast, other regions continue to exhibit relatively lower shares. The North-East remains marginal, accounting for only 1.53% of deposits and 1.12% of credit, while the East and Central regions show modest participation, despite some improvement in credit share in the Central region from 7.53% to 9.42%. The data highlights structural regional asymmetries in deposit mobilisation and credit deployment, with banking activity remaining heavily skewed towards the South and West, indicating significant scope for deepening financial intermediation in the Central, Eastern, and North-Eastern regions.

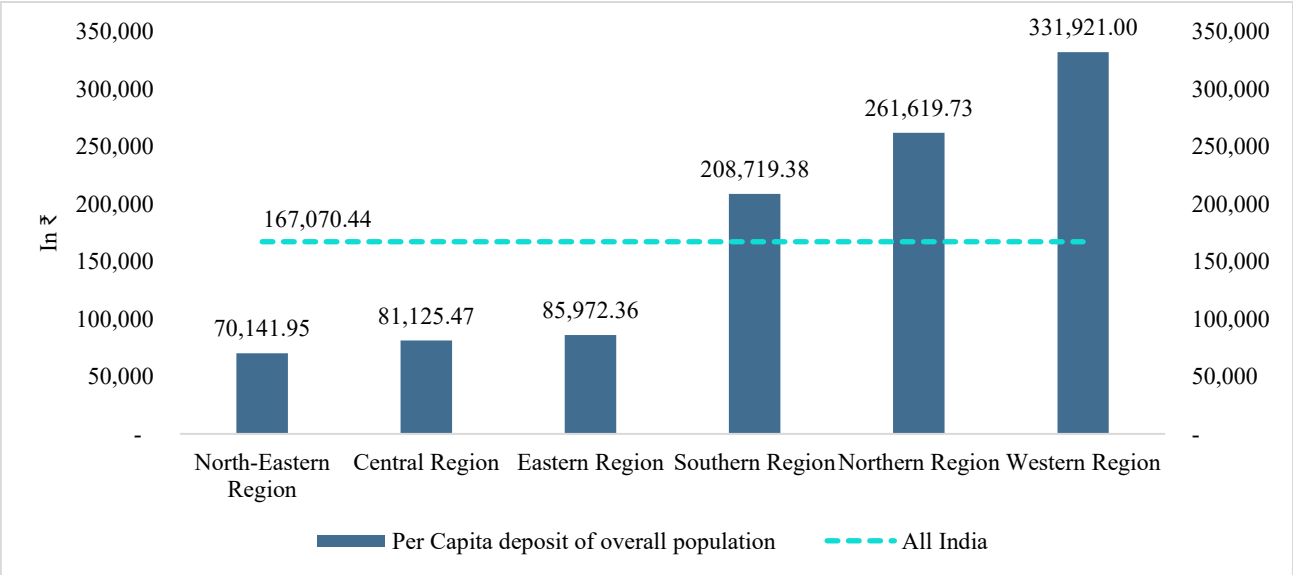
Per capita credit of overall population is the highest for western region (Fiscal 2025 E)



Source: RBI, UIDAI, CareEdge Research
Note: Per capita credit in the region is calculated by Total banking credit amount divided by total estimated population in the region. Population projected as per UIDAI (2024 to 2025); Total banking credit is as of September 2025; E indicates Estimated

The Western and Southern regions record significantly higher per capita credit levels, reflecting their stronger economic base, higher urbanisation, deeper financial intermediation, and concentration of industry, services, and formal employment. These regions also benefit from denser banking networks, higher income levels, and greater demand for retail and corporate credit, resulting in substantially higher credit availability per person. The Central, Eastern, and North-Eastern regions exhibit markedly lower per capita credit, indicating relatively limited financial depth and lower formal credit absorption.

Per capita deposit of overall population is the highest for western region (Fiscal 2025 E)



Source: RBI, UIDAI, CareEdge Research
Note: Per capita deposit in the region is calculated by Total banking deposit amount divided by total estimated population in the region. Population projected as per UIDAI (2024 to 2025); Total banking deposit is as per September 2025; E indicates Estimated.

Per capita deposits are concentrated in the Western and Southern regions, reflecting higher income levels, greater urbanisation, and deeper banking penetration. The Northern region also records above-average deposits, driven by

economically stronger states. In contrast, the Central, Eastern, and North-Eastern regions show significantly lower per capita deposits, indicating limited surplus savings and shallower financial engagement. This highlights continued regional disparities in savings mobilisation and the scope for further financial deepening in these regions.

State wise share of banking credit and concentration of top five districts as of December 2025

Region / state / Union Territory	No. of districts	% share in overall population in India	Share in overall credit	Credit-to-deposit	Concentration of credit in top 5 districts	% of credit in rural areas	% of credit accounts in rural areas
Western region	**76**	**14.43%**	**33.89%**	**97.85%**	**NA**	**2.60%**	**6.50%**
Maharashtra	38	9.09%	28.05%	101.22%	89.32%	1.74%	5.10%
Gujarat	33	5.19%	5.62%	85.11%	71.57%	6.31%	15.18%
Goa	2	0.11%	0.18%	27.58%	100.00%	21.11%	30.82%
Dadra and Nagar Haveli, and Daman and Diu	3	0.05%	0.04%	45.93%	100.00%	2.76%	5.54%
Southern region	**148**	**19.50%**	**28.66%**	**96.62%**	**NA**	**10.29%**	**23.17%**
Tamil Nadu	38	5.47%	9.40%	119.93%	57.96%	12.51%	27.51%
Karnataka	31	4.85%	6.66%	67.87%	75.74%	9.08%	26.52%
Telangana	33	2.72%	5.13%	112.52%	78.32%	7.96%	21.07%
Andhra Pradesh	27	3.79%	4.10%	157.85%	41.03%	16.47%	27.58%
Kerala	14	2.55%	3.24%	69.07%	69.40%	2.20%	3.37%
Puducherry	4	0.10%	0.13%	70.71%	100.00%	9.99%	16.43%
Lakshadweep	1	0.00%	0.00%	13.41%	100.00%	39.60%	39.31%
Northern region	**132**	**13.42%**	**19.86%**	**78.91%**	**NA**	**7.39%**	**20.94%**
NCT of Delhi	1	1.57%	9.56%	90.01%	100.00%	0.25%	0.41%
Rajasthan	50	5.86%	3.41%	92.04%	53.79%	12.24%	23.71%
Haryana	23	2.19%	3.31%	69.21%	68.73%	6.94%	15.76%
Punjab	23	2.20%	2.11%	58.81%	63.32%	19.00%	23.86%
Jammu and Kashmir	20	0.98%	0.57%	58.31%	57.94%	35.85%	49.97%
Chandigarh	1	0.09%	0.55%	83.94%	100.00%	0.30%	0.99%
Himachal Pradesh	12	0.53%	0.32%	38.21%	75.27%	57.21%	69.04%
Ladakh	2	NA	0.02%	45.65%	100.00%	36.28%	44.06%
Central region	**176**	**26.33%**	**9.42%**	**60.50%**	**NA**	**13.41%**	**29.38%**
Uttar Pradesh	75	17.03%	4.92%	51.83%	43.91%	15.12%	33.94%
Madhya Pradesh	55	6.28%	2.77%	79.88%	55.54%	11.77%	22.18%
Chhattisgarh	33	2.19%	1.17%	88.20%	76.46%	8.07%	22.90%
Uttarakhand	13	0.84%	0.55%	42.99%	91.90%	17.75%	28.89%
Eastern region	**124**	**22.58%**	**7.06%**	**50.28%**		**16.61%**	**40.98%**
West Bengal	23	7.08%	3.41%	54.05%	71.64%	14.03%	38.35%
Bihar	38	9.24%	1.41%	50.72%	48.84%	19.24%	41.05%
Odisha	30	3.32%	1.40%	47.76%	61.81%	20.25%	45.15%
Jharkhand	24	2.87%	0.77%	40.92%	71.08%	15.60%	42.64%
Sikkim	6	0.05%	0.04%	46.24%	98.43%	32.73%	37.71%
Andaman and Nicobar Islands	3	0.03%	0.03%	53.47%	100.00%	20.17%	25.16%
Northeastern region	**103**	**3.71%**	**1.12%**	**60.41%**	**NA**	**23.57%**	**14.20%**

Region / state / Union Territory	No. of districts	% share in overall population in India	Share in overall credit	Credit-to-deposit	Concentration of credit in top 5 districts	% of credit in rural areas	% of credit accounts in rural areas
Assam	35	2.58%	0.76%	66.27%	57.38%	21.79%	11.83%
Tripura	8	0.30%	0.08%	46.94%	90.08%	24.57%	31.86%
Meghalaya	12	0.24%	0.08%	45.87%	91.80%	33.52%	42.21%
Manipur	14	0.23%	0.07%	86.45%	82.96%	32.80%	31.76%
Nagaland	10	0.16%	0.05%	59.25%	81.82%	22.29%	28.39%
Arunachal Pradesh	14	0.11%	0.06%	38.03%	77.02%	30.08%	38.13%
Mizoram	10	0.09%	0.03%	44.58%	84.55%	8.29%	9.62%

Note: Arranged in descending order of share in overall credit outstanding of banks in each region; Population data projected as per UIDAI (2024 to 2025)
Source: RBI, CareEdge Research

The regional and state-wise distribution of banking credit highlights significant disparities in credit availability across India, both in terms of geographic concentration and depth of penetration. The western and southern regions together account for a high share of overall credit in India with about 62.54% share. States such as Maharashtra, Tamil Nadu, Telangana, and Andhra Pradesh exhibit high credit-to-deposit ratios, reflecting deeper financial intermediation, stronger industrial and services bases, and greater formal sector participation. However, these regions also display district-level concentration, with a sizeable share of credit concentrated in the top five districts, indicating uneven intra-state credit distribution.

In contrast, the Central, Eastern, and North-Eastern regions demonstrate relatively low credit penetration. The Central region, with 176 districts, accounts for only around 9.42% credit coverage, while the Eastern region shows lower credit intensity, with states such as Bihar, Jharkhand, and Odisha. These regions also exhibit higher proportions of rural credit and rural credit accounts, suggesting that while rural outreach exists, ticket sizes remain small and credit depth limited, particularly in economically weaker districts.

The North-Eastern region, despite a large number of districts relative to population size, continues to display modest credit penetration, with several states recording low credit shares and high district-level concentration, indicating reliance on a few urban or administrative centres. Overall, the data underscores that states and regions with low financial penetration particularly in Central, Eastern, and North-Eastern India, present a strong structural opportunity for growth. Enhancing district-level credit dispersion, increasing average credit size in rural areas, and strengthening institutional lending in underbanked states remain key to achieving more balanced and inclusive credit expansion across the country.

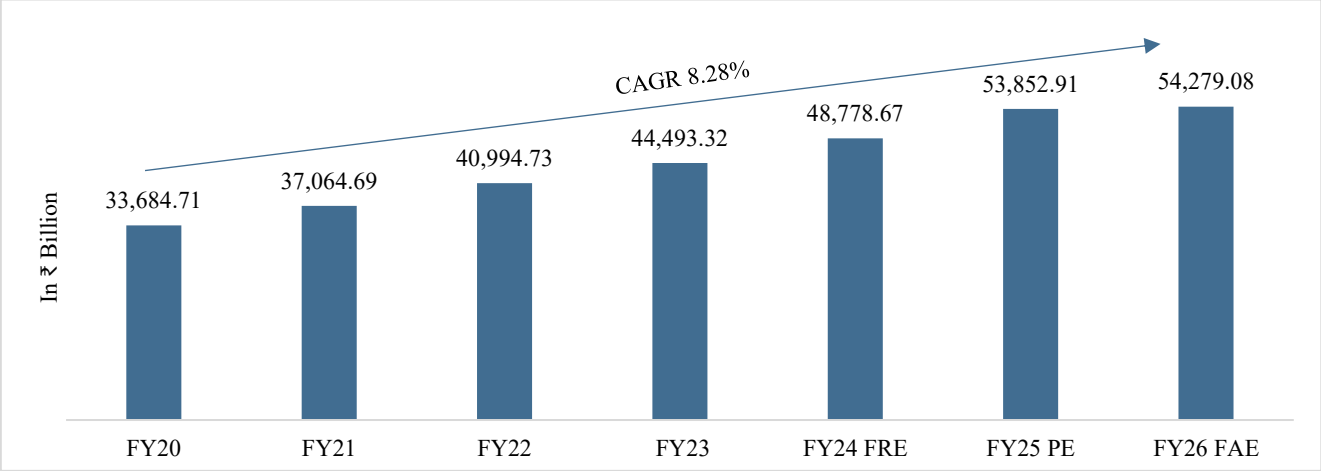
State wise GDP and GDP growth

States	GSDP - Current Prices Fiscal 2025 (₹ Billion)	Y-o-Y GSDP growth (Fiscal 2024 to Fiscal 2025)	GSDP CAGR (Fiscal 2020 to Fiscal 2025)	Credit Penetration as on March 2025	Credit growth (Fiscal 2020 to Fiscal 2025)
Western Region					
Maharashtra	45,315.18	11.73%	11.27%	112.96%	12.38%
Gujarat	24,258.03*	10.09%**	10.67%^	36.02%^^	12.92%
Goa	1,065.32*	13.73%**	9.16%^	27.98%^^	10.88%
Southern Region					
Tamil Nadu	31,031.51	14.02%	12.23%	53.50%	11.71%
Karnataka	28,839.03	12.77%	12.28%	42.66%	13.29%
Telangana	16,125.78	10.12%	11.16%	57.47%	13.44%
Andhra Pradesh	15,930.62	12.02%	11.47%	46.30%	14.48%
Kerala	11,399.45*	11.54%**	8.82%^	47.42%^^	11.81%
Puducherry	527.75	8.46%	7.36%	41.78%	12.68%
Northern Region					

States	GSDP - Current Prices Fiscal 2025 (₹ Billion)	Y-o-Y GSDP growth (Fiscal 2024 to Fiscal 2025)	GSDP CAGR (Fiscal 2020 to Fiscal 2025)	Credit Penetration as on March 2025	Credit growth (Fiscal 2020 to Fiscal 2025)
Delhi	11,129.05*	11.32%**	8.84%^	150.96%^^	6.84%
Rajasthan	17,043.39	12.02%	11.25%	36.04%	14.44%
Haryana	12,139.51	11.83%	10.46%	48.65%	18.71%
Punjab	8,095.38	8.54%	8.55%	46.82%	10.71%
Jammu & Kashmir-U.T.	2,653.89	11.19%	10.09%	39.27%	13.21%
Chandigarh	597.37*	10.18%**	8.30%^	138.95%^^	2.96%
Himachal Pradesh	2,321.85	10.22%	7.84%	24.58%	14.35%
Central Region					
Chhattisgarh	5,678.80	10.89%	10.50%	35.80%	16.04%
Madhya Pradesh	15,033.95	11.05%	10.13%	33.64%	14.04%
Uttarakhand	3,782.44	13.59%	9.59%	25.78%	13.31%
Uttar Pradesh	25,627.92*	13.47%**	10.81%^	31.04%^^	16.06%
Eastern Region					
West Bengal	18,150.09	9.91%	9.01%	33.81%	9.11%
Bihar	8,526.21*	14.38%**	10.02%^	27.93%^^	17.52%
Odisha	9,491.40	10.03%	12.04%	27.90%	15.86%
Jharkhand	4,610.10*	10.46%**	10.40%^	25.84%^^	16.69%
Sikkim	489.37*	14.67%**	11.70%^	13.32%^^	17.47%
Andaman & Nicobar Islands	125.04*	7.16%**	6.38%^	32.88%^^	13.38%
Northeastern Region					
Assam	6,436.66	12.74%	13.16%	21.56%	15.82%
Tripura	822.05*	15.68%**	11.00%^	15.66%^^	10.82%
Meghalaya	592.28	11.63%	11.24%	23.17%	12.49%
Manipur	467.10*	16.18%**	11.88%^	24.17%^^	16.82%
Arunachal Pradesh	390.41*	11.43%**	6.79%^	21.21%^^	18.85%
Mizoram	342.89*	11.69%**	8.23%^	13.70%^^	15.54%
Nagaland	404.14*	13.39%**	7.99%^	21.67%^^	16.32%
All India	3,30,681.45	9.78%	10.47%	55.19%	12.30%

Note: 1. Credit penetration calculated as banking credit to states as of March 2025 divided by state GSDP (at current prices) as of Fiscal 2025.
2. (*) GSDP as of Fiscal 2025 (Based on 2011 to 2012 series)
3. (**) Year on year growth over Fiscal 2023
4. (^) CAGR calculated from Fiscal 2020 to Fiscal 2024
5. (^^) Credit penetration as of fiscal 2024
6. GDP of Fiscal 2025 (Based on 2011 to 2012 series) is considered for India
Source: MOSPI, RBI, CareEdge Research

Growth in Gross Value added in agricultural sector (Based on 2011 to 2012 series)



Source: MOSPI, CareEdge Research
Note: FRE indicates First Revised Estimates, PE indicates Provisional Estimates, FAE indicates First advance Estimates

The agriculture and allied sector in India has demonstrated steady expansion in nominal GVA in recent years, reflecting its continued economic importance and resilience. According to official figures, the sector's GVA at current prices increased from ₹ 33,684.71 billion in Fiscal 2020 to ₹ 54,279.08 billion in Fiscal 2026 (as per first advance estimates). This growth trajectory encapsulates a period of sustained expansion in output and value addition, with nominal GVA rising consistently across successive fiscal years. The CAGR for the period is reported at 8.28%, underscoring the sector's robust contribution to national income in monetary terms despite external challenges such as variable weather patterns and global economic conditions.

Complementing this long-term expansion in value addition, recent official economic assessments highlight the sector's significant share in the broader macroeconomic structure. Agriculture and allied activities are estimated to contribute approximately 17% of total Gross Value Added at current prices in Fiscal 2026 underscoring the sector's structural role in the Indian economy even as services and industry expand.

State wise Rural population spread along with Agriculture contribution (Fiscal 2025) (Based on 2011 to 2012 series)

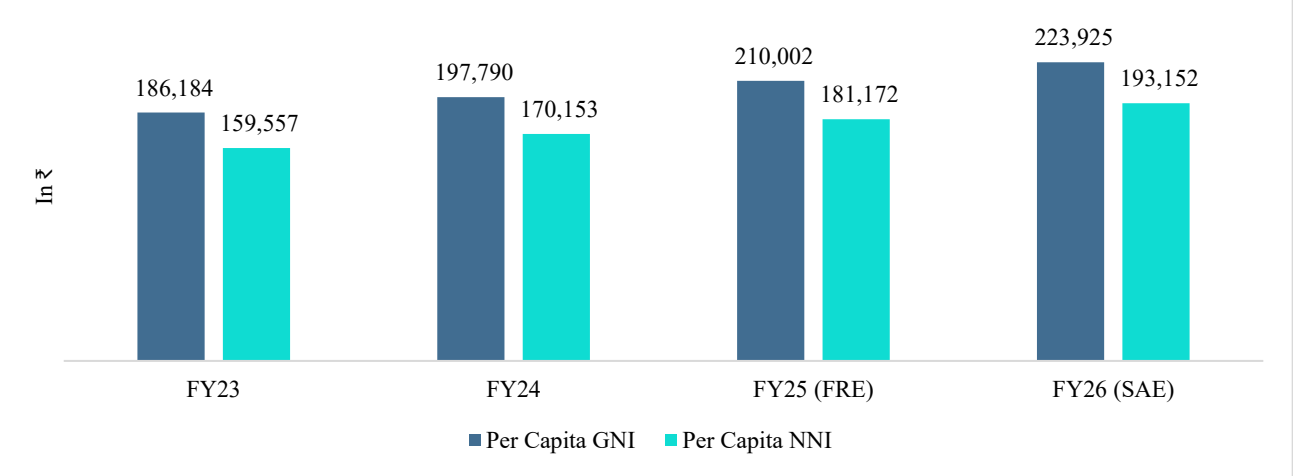
State	State-wise Agri-NVA Contribution to overall Agri-NVA	Rural Population Spread	Agriculture banking credit/ Agriculture NVA
Andaman & Nicobar Islands	-	62.27%	-
Andhra Pradesh	12.72%	70.83%	0.49
Arunachal Pradesh	-	83.47%	-
Assam	2.90%	90.34%	0.11
Bihar	-	73.39%	-
Chandigarh	-	NA	
Chhattisgarh	2.59%	73.32%	0.26
Delhi	-	NA	-
Goa	-	71.48%	-
Gujarat	-	59.74%	-
Haryana	4.50%	57.48%	0.36
Himachal Pradesh	0.62%	NA	0.35
Jammu & Kashmir	1.01%	82.32%	0.25
Jharkhand	-	78.27%	-
Karnataka	7.50%	65.04%	0.55
Kerala	-	80.13%	-

State	State-wise Agri-NVA Contribution to overall Agri-NVA	Rural Population Spread	Agriculture banking credit/ Agriculture NVA
Madhya Pradesh	14.74%	67.87%	0.20
Maharashtra	11.14%	53.55%	0.41
Manipur	-	73.88%	-
Meghalaya	0.29%	NA	0.05
Mizoram	-	52.81%	-
Nagaland	-	82.70%	-
Odisha	3.87%	81.96%	0.27
Puducherry	0.06%	39.97%	2.43
Punjab	4.44%	58.59%	0.44
Rajasthan	10.25%	70.43%	0.32
Sikkim	-	78.99%	-
Tamil Nadu	8.78%	63.74%	1.05
Telangana	5.49%	53.82%	0.56
Tripura	-	77.12%	-
Uttar Pradesh	-	69.28%	-
Uttarakhand	0.61%	60.12%	0.42
West Bengal	8.50%	78.02%	0.16

Source: MOSPI, CareEdge Research

Note: Considered NVA in Agriculture, Forestry & Fishing for Agriculture NVA; NVA figure does not include for Andaman & Nicobar Islands, Arunachal Pradesh, Bihar, Chandigarh, Delhi, Goa, Gujrat, Jharkhand, Kerala, Manipur, Mizoram, Nagaland, Sikkim, Tripura & Uttar Pradesh as data not available.

Increasing per capita income (Constant Price: Base year 2022 to 2023)



Source: MOSPI, CareEdge Research
Note: FRE indicates First Revised Estimate; SAE Second Advance Estimate

The trend in per capita Gross National Income (GNI) and per capita Net National Income (NNI) over the period reflects a gradual strengthening of average income levels in the economy. The steady increase in recent years suggests gains from higher nominal growth, improved employment conditions, and expanding economic opportunities, while the sustained gap between GNI and NNI continues to reflect the impact of capital consumption. Overall, the trajectory points to improving income capacity and resilience of the economy, supporting higher consumption potential and household financial stability over the medium term.

Per Capita Net State Domestic Product (Constant Prices) (In ₹)

State/Union Territory	2024 to 2025
Andaman & Nicobar Islands	-
Andhra Pradesh	141,609
Arunachal Pradesh	120,943
Assam	85,988
Bihar	36,342
Chandigarh	-
Chhattisgarh	93,161
Delhi	283,093
Goa	-
Gujarat	-
Haryana	194,285
Himachal Pradesh	162,275
Jammu & Kashmir*	81,554
Jharkhand	68,357
Karnataka	204,605
Kerala	173,818
Madhya Pradesh	70,434
Maharashtra	176,678
Manipur	-
Meghalaya	84,578
Mizoram	-
Nagaland	-
Odisha	96,224
Puducherry	154,213
Punjab	136,667
Rajasthan	96,638
Sikkim	-
Tamil Nadu	197,747
Telangana	192,128
Tripura	106,126
Uttar Pradesh	55,990
Uttarakhand	158,819
West Bengal	82,781

Source: RBI, MOSPI, CareEdge Research
Note: Base year: 2011 to 2012

The Per Capita Net State Domestic Product (NSDP) at constant prices for 2024 to 2025 reflects considerable variation in income levels across states and union territories. Among the reporting states, Delhi records the highest per capita income, followed by Karnataka, Tamil Nadu, Haryana, Telangana, Maharashtra and Kerala, indicating relatively stronger economic output per person. In contrast, states such as Bihar, Uttar Pradesh, Jharkhand, Assam and Jammu & Kashmir report lower per capita income levels, reflecting differences in economic structure, industrialisation, productivity and demographic factors. Several states and UTs have data marked as not available, limiting full comparability. Overall, the data highlights persistent inter-state income disparities, underscoring variations in development levels and economic capacity across regions.

Increasing penetration of MFI business

	31-Mar-2020				31-Dec-2025			
Type of entity	No. of Entities	Active loan accounts (million)	Portfolio O/s (₹ billion)	Share of portfolio	No. of Entities	Active loan accounts (million)	Portfolio O/s (₹ billion)	Share of portfolio
NBFC-MFIs	84	38	738	31.84%	85	43	1324.18	42.07%
Banks	12	37	923	39.82%	17	33	839.05	26.66%
SFBs	8	19	406	17.52%	10	18	551.87	17.53%
NBFCs	45	10	227	9.79%	95	10	394.56	12.54%
Others	21	1	25	1.08%	-	1	37.61	1.20%
Total	**170**	**105**	**2318**	**100.00%**	**207**	**105**	**3147.28**	**100.00%**

Source: Micrometre report, CareEdge Research

NBFC-MFIs continue to account for the largest share of active loan accounts among all entities. The overall portfolio outstanding has increased between Mar'20 and Dec'25, the sustained scale of borrower engagement reflects the central role of MFIs in extending small-ticket credit to underserved segments. This underscores the structural importance of the MFI channel in advancing last-mile credit access, even amid portfolio consolidation and rationalisation across lending institutions.

Micro-insurance

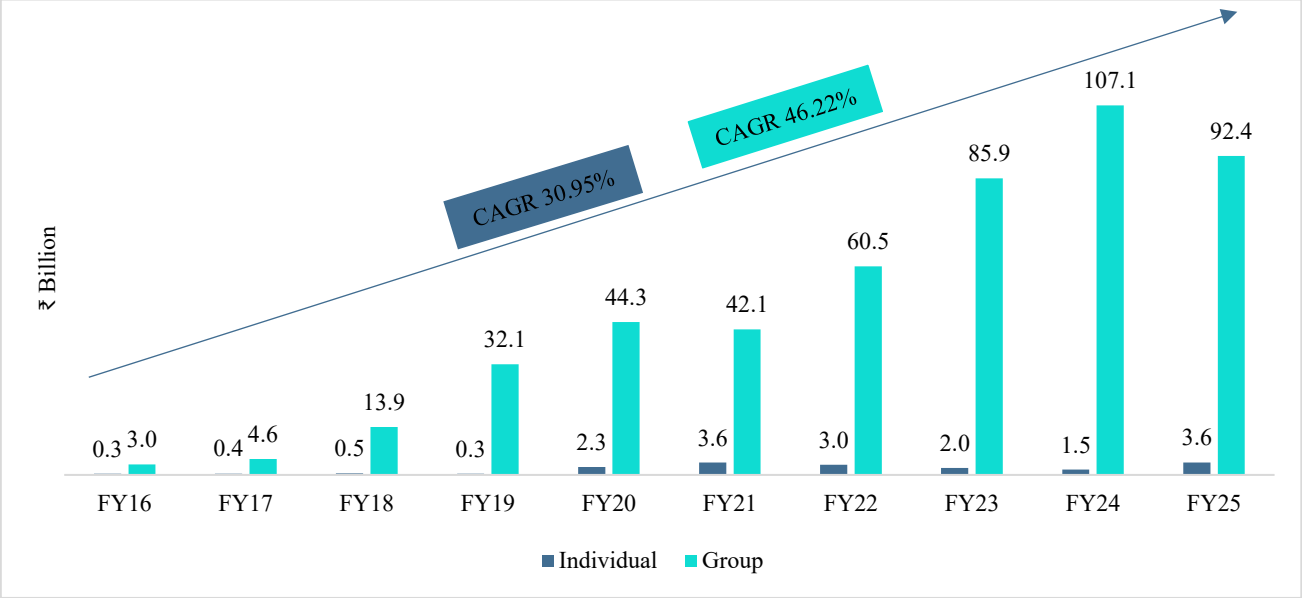
Micro-insurance plays a critical role in advancing financial inclusion by providing low-cost risk protection to low-income and vulnerable households, particularly in rural and informal segments of the economy. In India, the micro-insurance ecosystem has expanded significantly through government-supported schemes and regulatory initiatives aimed at improving insurance penetration and social security coverage. According to official government releases, schemes such as Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) and Pradhan Mantri Suraksha Bima Yojana (PMSBY) together cover over 400 million individuals, offering affordable life and accident insurance with nominal annual premiums.

In the agriculture segment, the Pradhan Mantri Fasal Bima Yojana (PMFBY) has provided crop insurance coverage to several crore farmers annually, supporting income stability against weather and yield-related risks. Collectively, these developments underscore the growing importance of micro-insurance as a tool for enhancing household resilience, reducing vulnerability to shocks, and deepening the overall financial inclusion framework.

Overall insurance penetration in India remains modest, with total insurance penetration (life and non-life combined) at 3.7% in Fiscal 2025, indicating significant headroom for expansion, particularly in rural areas where income volatility, climate risks, and health shocks are relatively higher. Microinsurance has been positioned by IRDAI as a key instrument to address this gap by offering affordable, low-ticket products tailored to low-income and rural households, thereby supporting financial resilience and inclusion.

The rural outreach is being structurally strengthened through mandatory rural and social sector obligations, which require insurers to provide coverage at the Gram Panchayat level and link insurance delivery to beneficiaries of government schemes. Life, general, and health insurers are mandated to insure a minimum proportion of lives or assets in rural areas, ensuring a steady expansion of microinsurance coverage across villages. This regulatory push, combined with the increasing role of group-based microinsurance, insurance marketing firms, NGOs, and MFIs, underscores a substantial untapped opportunity for deeper penetration of life and general microinsurance in rural India, aligned with IRDAI's long-term vision of "Insurance for All by 2047"

New business premium (Group) growing at 46.22%

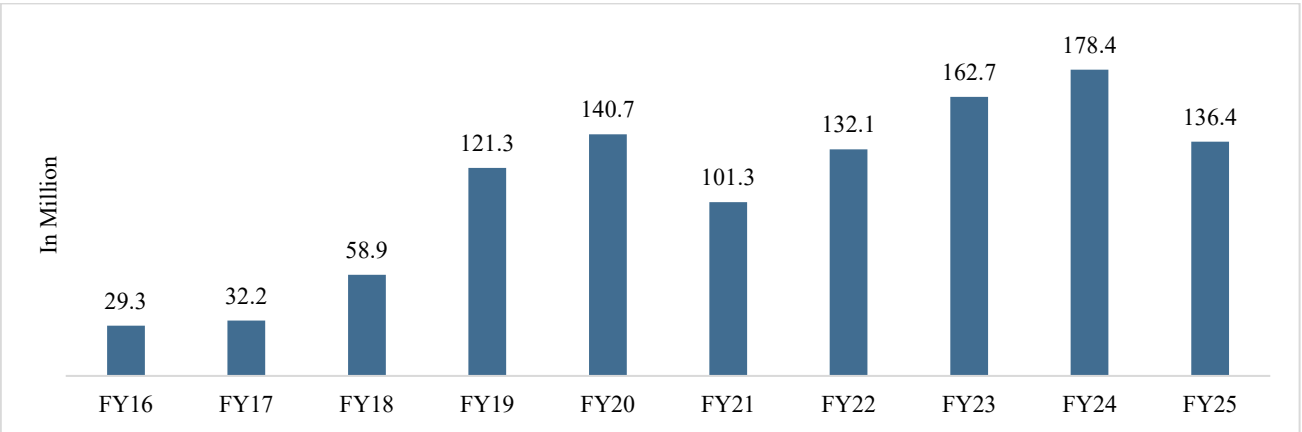


Source: IRDAI, CareEdge Research

Over the period, group micro-insurance premiums have expanded sharply with a CAGR of 46.22% from Fiscal 2016 to Fiscal 2025, reflecting growing reliance on employer-linked, institutional, and government-supported distribution channels such as self-help groups, microfinance institutions, cooperatives, and public welfare schemes. This expansion underscores the scalability and cost efficiency of group policies, which allow insurers to cover a large number of low-income individuals at relatively low per-policy administrative costs, thereby improving outreach and sustainability.

In contrast, individual micro-insurance premiums have remained modest and uneven with a CAGR of 30.95% from Fiscal 2016 to Fiscal 2025, suggesting persistent challenges related to affordability, awareness, and voluntary uptake among low-income households. The relatively stronger and more consistent growth in group premiums also aligns with regulatory encouragement by IRDAI, rural and social sector obligations for insurers, and increasing integration of micro-insurance with government-led social security initiatives and digital enrolment mechanisms.

Number of lives covered under Micro Insurance stands at ₹ 136.45 million

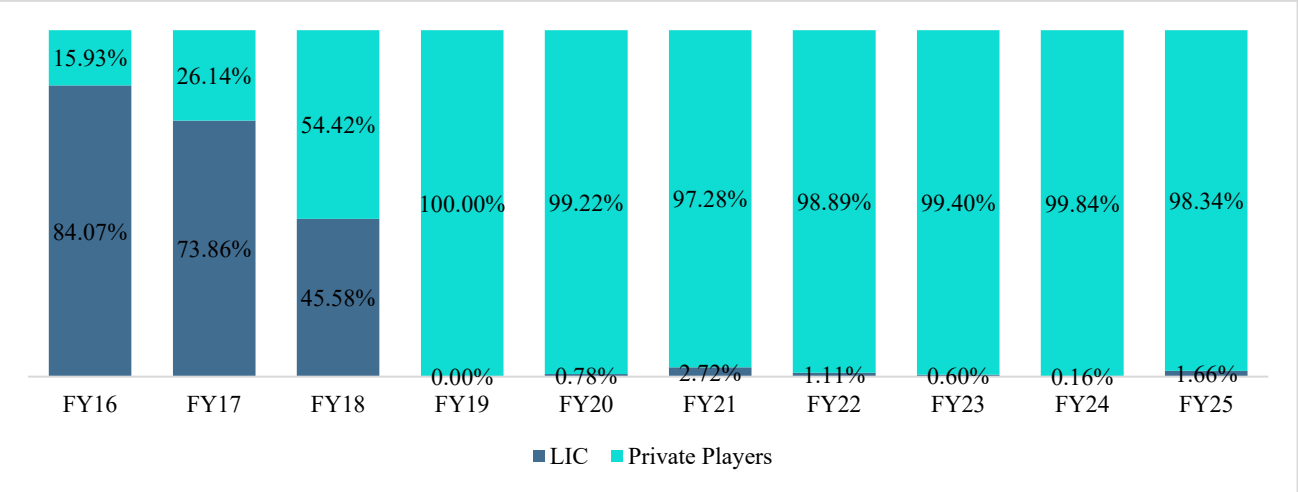


Source: IRDAI, CareEdge Research
Note: Numbers are only for group category

The number of lives covered under micro-insurance new business shows a clear upward trend over time, indicating expanding outreach and penetration among low-income populations. After a temporary decline during Fiscal 2021, coverage recovered strongly and continued to rise in subsequent years, reflecting improved enrolment mechanisms and renewed momentum in insurance uptake. The sustained growth highlights the increasing role of group-based

distribution, digital onboarding, and regulatory support in scaling micro-insurance coverage and strengthening financial protection for vulnerable households.

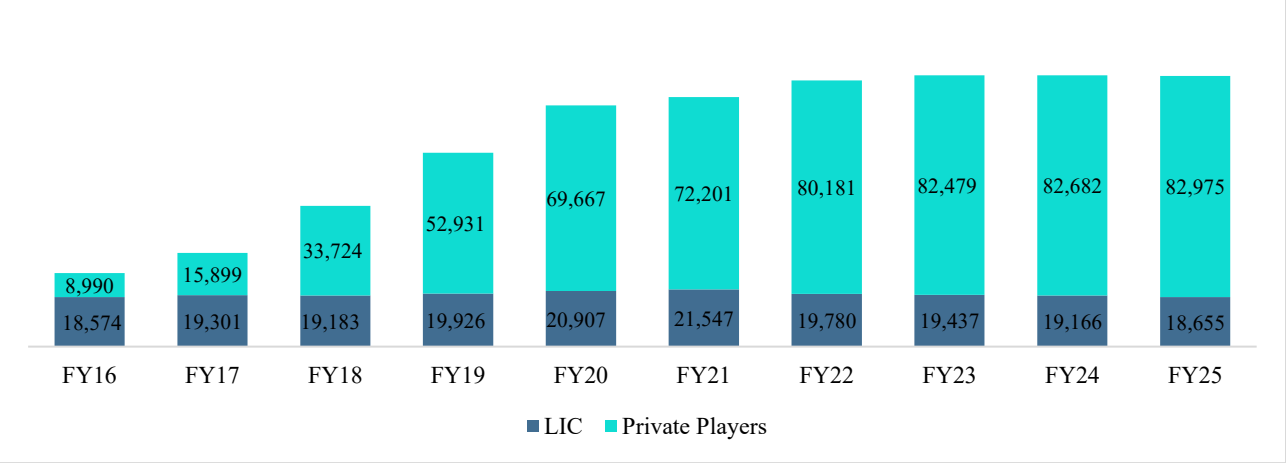
Private players have increased market share in micro insurance by increasing their focus on group business



Source: IRDAI, CareEdge Research

This shows a shift in the micro-insurance market toward private insurers, with their market share rising sharply over time while LIC's presence has declined. This change is largely driven by the greater focus of private players on group micro-insurance, which enables faster scale, lower distribution costs, and wider outreach through institutional and aggregator-led channels. As a result, private insurers have emerged as the dominant contributors to new micro-insurance business, reinforcing the importance of group-based models in expanding coverage.

Increasing number of micro insurance agents (Life)



Source: IRDAI, CareEdge Research

LIC's agent base has remained broadly stable over the period, with only marginal fluctuations, private insurers have expanded their micro-insurance agent network substantially. This sharp increase reflects the aggressive scaling efforts by private players to deepen outreach, particularly through group-based and partnership-driven models.

The growing agent presence of private insurers underscores their focus on wider last-mile connectivity, institutional tie-ups, and targeted distribution in rural and semi-urban areas. By contrast, LIC's relatively steady agent numbers suggest a more conservative expansion approach. Overall, the data indicate that the rapid growth in micro-insurance coverage has been supported primarily by private insurers' expanding agent networks, reinforcing their increasing dominance in this segment.

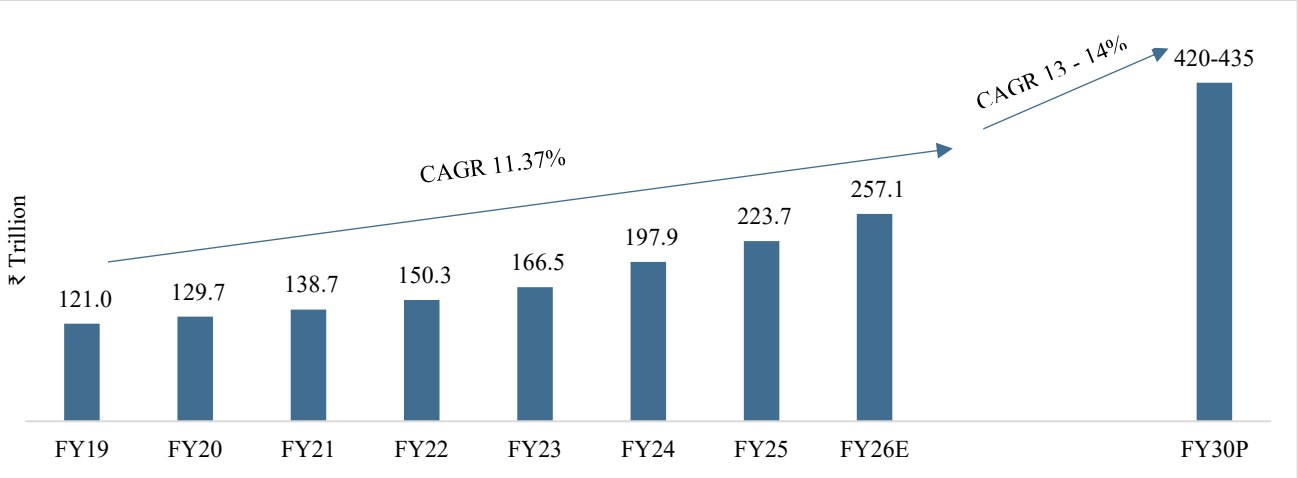
Retail lending in India

Overview

Retail lending in India has become a key growth driver for banks and NBFCs, supported by rising incomes, urbanisation, and increasing consumption demand. It includes housing, vehicle, personal, education, and consumer durable loans, with housing forming the largest share. In recent years, unsecured segments such as personal loans and credit cards have grown rapidly due to digital onboarding and faster disbursals. Improved data analytics, fintech partnerships, and expanding financial inclusion have enhanced credit access, while regulatory oversight has strengthened risk management practices. Overall, retail credit reflects India's structural shift toward consumption-led growth and formalisation of finance.

Systemic credit growth

Systemic Credit by Banks and NBFCs to grow at 13% to 14% CAGR from Fiscal 2026 to Fiscal 2030

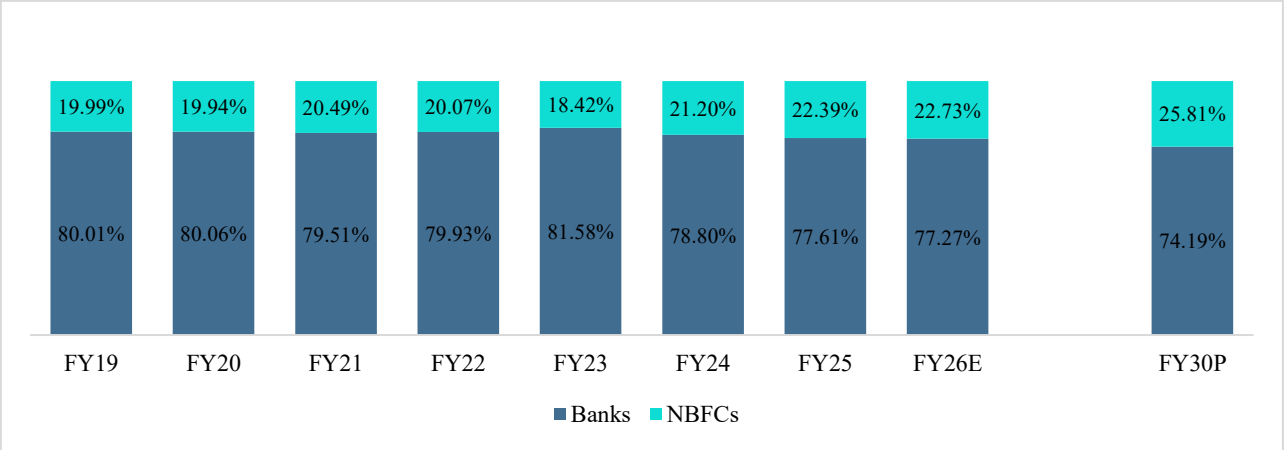


Source: CareEdge Research
Note: P indicates Projected; E indicates Estimated

Systemic credit extended by banks and NBFCs has exhibited a sustained upward trajectory over the period. After a marginal contraction in Fiscal 2020, credit growth recovered steadily, reflecting improving economic activity, and rising credit demand across retail, MSME and corporate segments. The CAGR of 11.37% from Fiscal 2019 to Fiscal 2026E indicates credit intermediation, supported by policy measures, improved asset quality, and deeper financial penetration.

Looking ahead, the projected acceleration to a 13% to 14% CAGR between Fiscal 2026 and Fiscal 2030 suggests a structurally stronger credit cycle. This faster growth is expected to be driven by continued economic expansion, higher infrastructure and capex spending, increased participation of NBFCs in retail and niche segments, and greater formalisation of credit.

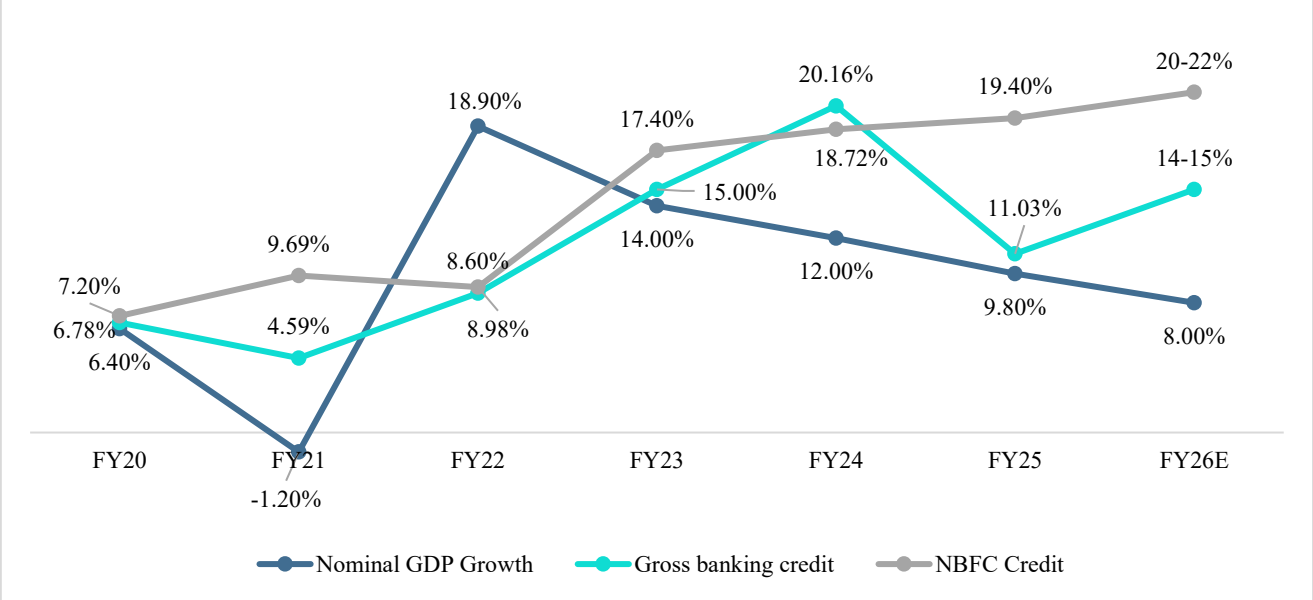
Share of NBFC credit in systemic credit by banks and NBFCs to reach around 25.81% by Fiscal 2030



Source: CareEdge Research
Note: P indicates Projected; E indicates Estimated

The share of NBFCs in systemic credit has gradually increased over the period, indicating their expanding role in India's credit ecosystem. The projected rise in NBFCs' share to about 26% of systemic credit by Fiscal 2030 further underscores this structural shift. As banks continue to focus on balance-sheet strength and risk optimisation, NBFCs are expected to complement the formal credit system by driving last-mile delivery, co-lending partnerships, and specialised lending. This evolving mix highlights a more diversified and resilient credit architecture, with NBFCs playing an increasingly important role alongside banks.

Nominal GDP Growth and Credit Growth Trends in India

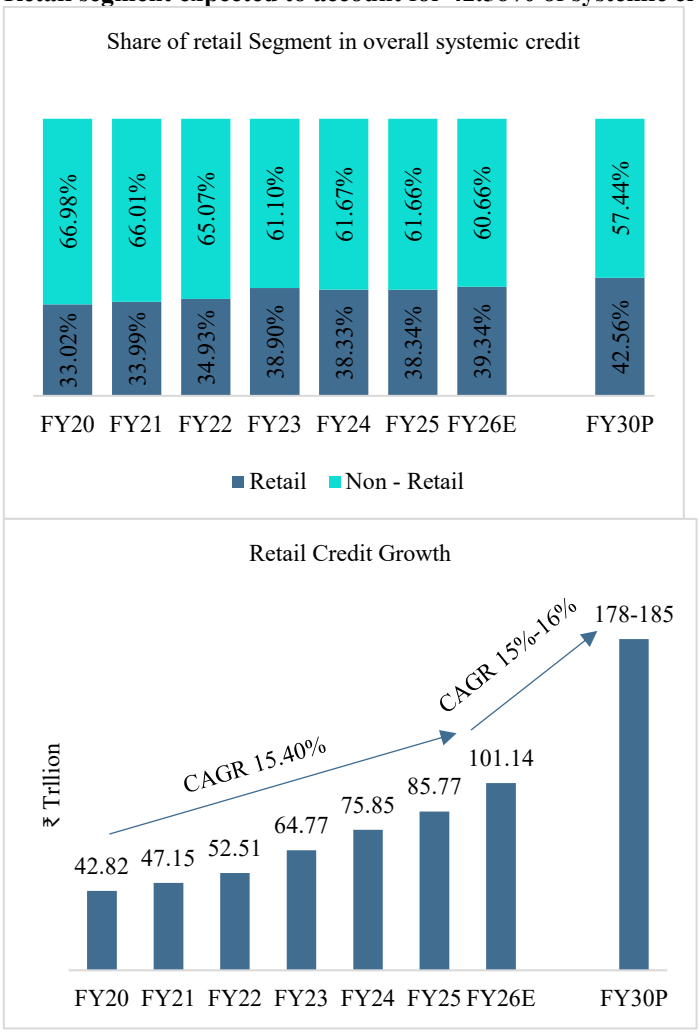


Source: MOSPI, RBI, CareEdge Research
Note: P indicates Projected; Nominal GDP growth based on 2011 to 2012 series

Credit growth has increasingly outpaced overall economic expansion, indicating a phase of deepening financial intermediation in the economy. Both banks and NBFCs have expanded their loan books faster than nominal output, reflecting stronger demand for formal credit and improved transmission of credit to households and businesses.

NBFCs, in particular, have demonstrated higher and more resilient growth, highlighting their growing role in addressing credit needs in retail and niche segments. Even as economic growth moderates in the near term, the sustained pace of credit expansion suggests continued momentum in lending, supported by structural drivers such as formalisation, rising consumption, and diversified credit channels.

Retail segment expected to account for 42.56% of systemic credit by banks and NBFCs as of Fiscal 2030



Source: CareEdge Research

Note: P indicates Projected; Retail segment includes Housing, Vehicle Lonas, Gold loans, Consumer durables, MFI, education loan, credit card receivables, advances against FD, shares and other retail loans

The composition of systemic credit indicates a gradual increase in the share of retail lending over time, reflecting the expanding role of household and personal credit in overall credit growth. The retail credit is expected to grow at 15% to 16% from Fiscal 2026 to Fiscal 2030 to reach ₹ 178 trillion to 185 trillion. The rising retail share highlights stronger demand for housing, consumer durables, and personal loans, supported by improving income levels and wider access to formal finance.

Factors supporting growth of retail credit

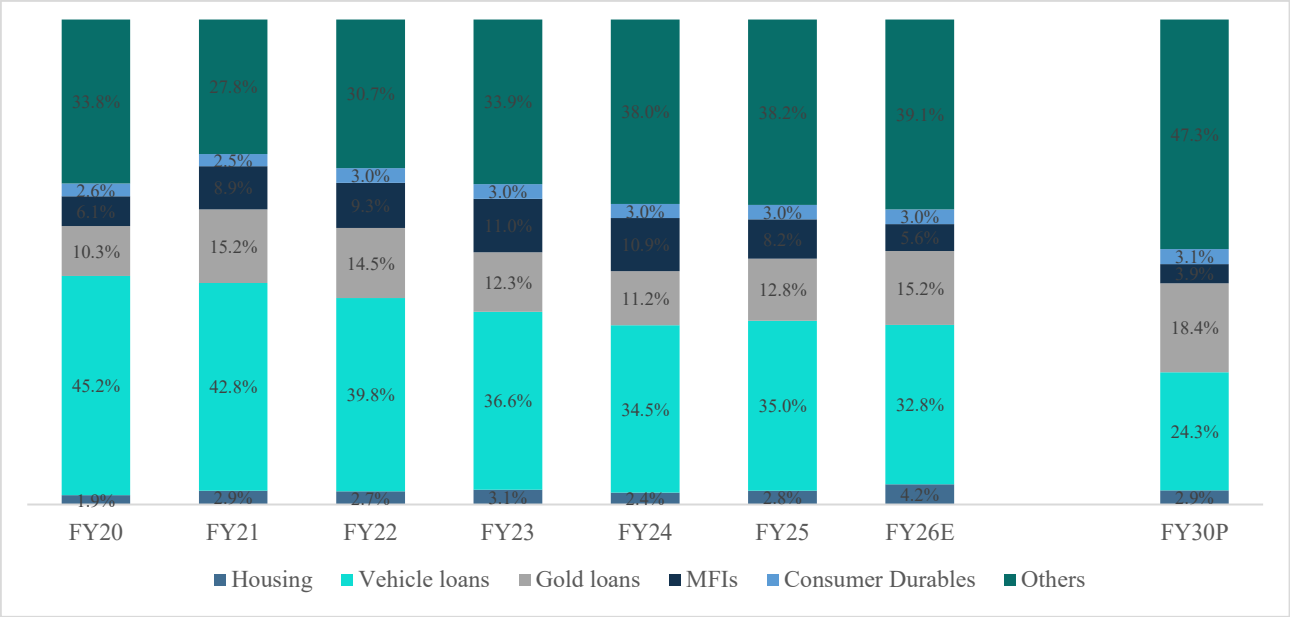
Rising Disposable Incomes	• Growth in per capita income and improved employment opportunities have increased households' repayment capacity, enabling greater access to formal credit. As income levels rise, consumers are more willing to finance housing, vehicles, education, and lifestyle purchases through structured borrowing.
Favorable Demographics	• India's young and expanding working-age population supports sustained demand for retail loans. A large base of first-time earners and aspirational consumers drives demand for credit across both secured and unsecured segments.
Urbanisation and Changing Consumption Patterns	Rapid urbanisation and lifestyle shifts have increased demand for housing, mobility, and discretionary spending. Rising aspirations and a shift toward consumption-led growth have structurally strengthened retail credit demand.
Digitalisation and Technology Adoption	Digital onboarding, e-KYC processes, data analytics, and fintech partnerships have reduced turnaround time and improved credit assessment. Technology-enabled lending models have expanded access to credit, including to previously underserved segments.
Financial Inclusion Initiatives	Government-led initiatives promoting bank account penetration and digital payments have broadened the formal financial ecosystem. Greater financial inclusion has created a wider borrower base and improved credit histories, supporting retail loan growth.
Product Innovation and Competitive Lending Environment	Banks and NBFCs have diversified retail products with flexible repayment options, pre-approved offers, and customised loan structures. Increased competition has improved customer experience and facilitated deeper market penetration.

Impact of Digitization on retail credit

Digitisation has significantly transformed the retail credit landscape by improving speed, access, and efficiency in lending. End-to-end digital onboarding, e-KYC, video verification, and paperless documentation have reduced turnaround times and enhanced customer convenience, enabling faster loan approvals and disbursals.

The use of data analytics, alternative data sources, and automated credit scoring models has strengthened underwriting processes and expanded credit access to new-to-credit and underserved borrowers. Digital channels have also lowered operating costs for lenders, improving scalability and enabling smaller ticket-size lending. At the same time, digitisation has intensified competition, with FinTechs and digital-first NBFCs driving innovation in unsecured personal loans and buy-now-pay-later products. However, the rapid growth of digital credit has also necessitated stronger regulatory oversight to address concerns related to asset quality, data privacy, and responsible lending practices. NPA trends across major retail loan categories in NBFCs

MFI is expected to contribute to approximately 3.91% in Fiscal 2030 in NBFCs' retail assets



Source: RBI, CareEdge Research
Others include Credit Card Receivables, Education Loans, Advances against Fixed Deposits, Advances to Individuals against Shares, Bonds, Other Retail Loans

The asset mix of NBFC retail credit shows a gradual shift over time, with the share of vehicle loans declining while other segments gain prominence. Gold loans and housing loans have seen moderate increases, while the share of MFIs has reduced in recent years, primarily due to asset quality pressures and portfolio stress in the microfinance segment and is expected to contribute around 3.91% in Fiscal 2030.

Consumer durables had the best asset quality as of Fiscal 2025 among selected sectors

Sectoral Gross NPAs ratios of NBFCs				
Sectors	**Fiscal 2022**	**Fiscal 2023**	**Fiscal 2024**	**Fiscal 2025**
Housing loans	4.00%	2.70%	2.30%	2.60%
Consumer durables	0.80%	0.80%	0.70%	1.10%
Credit Card	2.40%	2.60%	2.80%	3.10%
Vehicle loans	7.50%	5.10%	5.10%	4.10%
Gold loans	2.30%	2.30%	2.40%	2.10%
MFI	5.00%	3.70%	3.20%	3.00%

Source: RBI, MFIN, CareEdge Research

The sectoral Gross NPAs ratios of NBFCs indicate a broad-based improvement in retail asset quality over the period, with overall retail Gross NPAs declining steadily from higher levels and stabilising at relatively moderate levels by Fiscal 2025. Housing loans and gold-backed advances continue to exhibit lower and stable delinquency levels, reflecting their secured nature and prudent underwriting practices.

In contrast, unsecured segments such as credit card receivables and consumer durables show a gradual uptick in Gross NPAs ratios, consistent with faster growth and higher risk sensitivity in discretionary and consumption-led credit. Vehicle loans, while witnessing a sharp improvement from earlier stress levels, still reflect cyclical sensitivity linked to income volatility and demand conditions. Overall, the trend suggests improving portfolio resilience, even as NBFCs navigate higher risk in select unsecured retail segments.

ROA amongst retail loan segments of NBFCs

ROA of Microfinance loans expected to increase in Fiscal 2026

Return on Assets		
Segment	**Fiscal 2025**	**Fiscal 2026P**

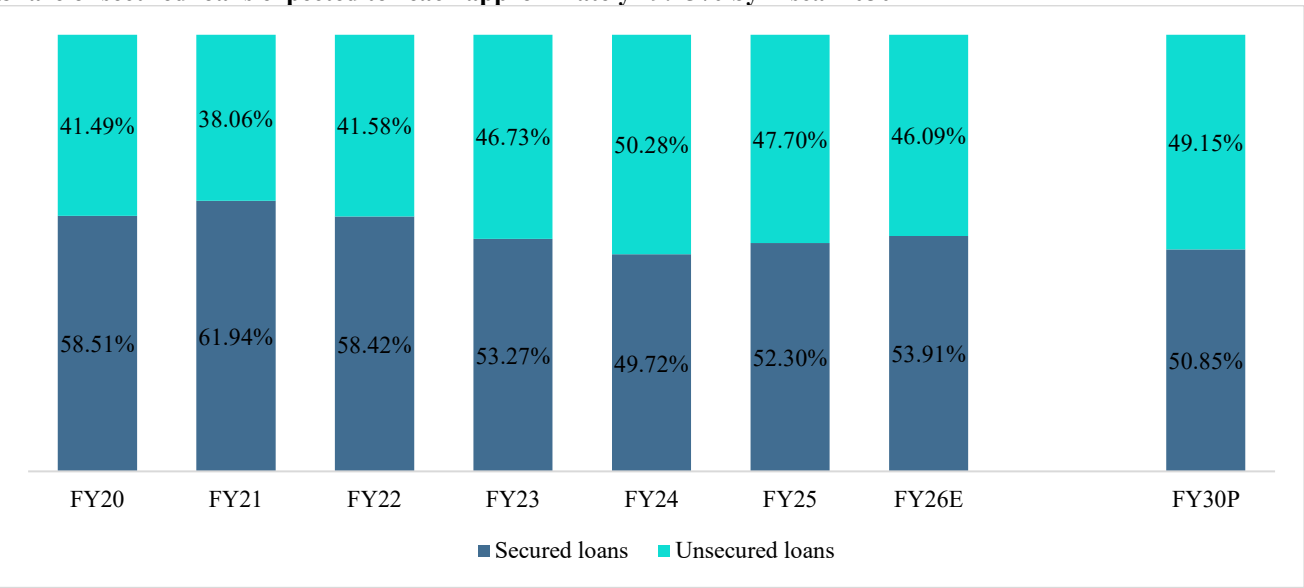
Housing Finance	2.00%	2.00% to 2.10%
Auto Loans	2.60%	3.00% to 3.10%
Personal Loans	5.10%	5.10% to 5.20%
Microfinance Loans	-1.70%	-0.10% to 0.00%

Source: RBI, CareEdge Research

Among retail loan segments, personal loans had the highest return on assets at 5.10% as of Fiscal 2025, which is expected to stabilise at 5.10% to 5.20%. This was followed by auto loans with ROAs as of Fiscal 2025 at 2.60%, expected to increase to 3.00% to 3.10%.

Trend in Mix of secured and unsecured in retail NBFC credit

Share of secured loans expected to reach approximately 49.15% by Fiscal 2030



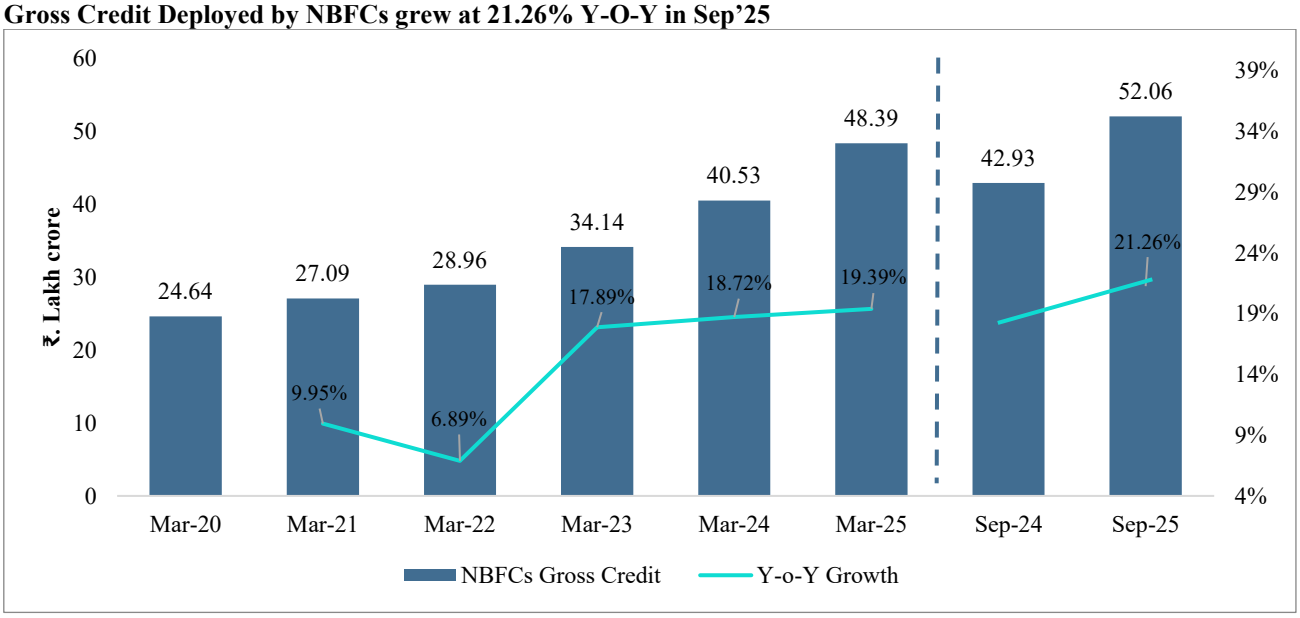
Source: RBI, CareEdge Research
Note: Secured loans include Housing loans, vehicle loans, Gold loans, Advances against Fixed Deposits and Advances to Individuals against Shares, Bonds, etc. Unsecured loans include MFIs, consumer Durables, Credit Card Receivables, Education Loans and Other Retail Loans.
Note: P indicates Projected; E indicates Estimated

The mix of retail NBFC credit shows a gradual shift toward unsecured lending during Fiscal 2020 to Fiscal 2024, with the share of unsecured loans rising from 41.49% in Fiscal 2020 to a peak of 50.28% in Fiscal 2024. This trend reflects increased demand for small-ticket personal loans, consumer durables financing, and microfinance, supported by digital underwriting, faster disbursals, and widening borrower outreach. Consequently, the share of secured loans declined over this period, indicating a temporary rebalancing of portfolios toward higher-yield, unsecured products.

From Fiscal 2025, secured loans started gaining share and expected to recover to 53.91% in Fiscal 2026, suggesting a cautious recalibration by NBFCs amid asset quality considerations. Looking ahead to Fiscal 2030, share of unsecured loans is expected to increase to 49.15%, driven by growth in consumer durables, MFIs and other unsecured loans while share of secured loans is projected to moderate to 50.85%.

NBFC Credit landscape

Gross Credit Deployed by NBFCs grew at 21.26% Y-O-Y in Sep'25



Source: RBI, CareEdge Research

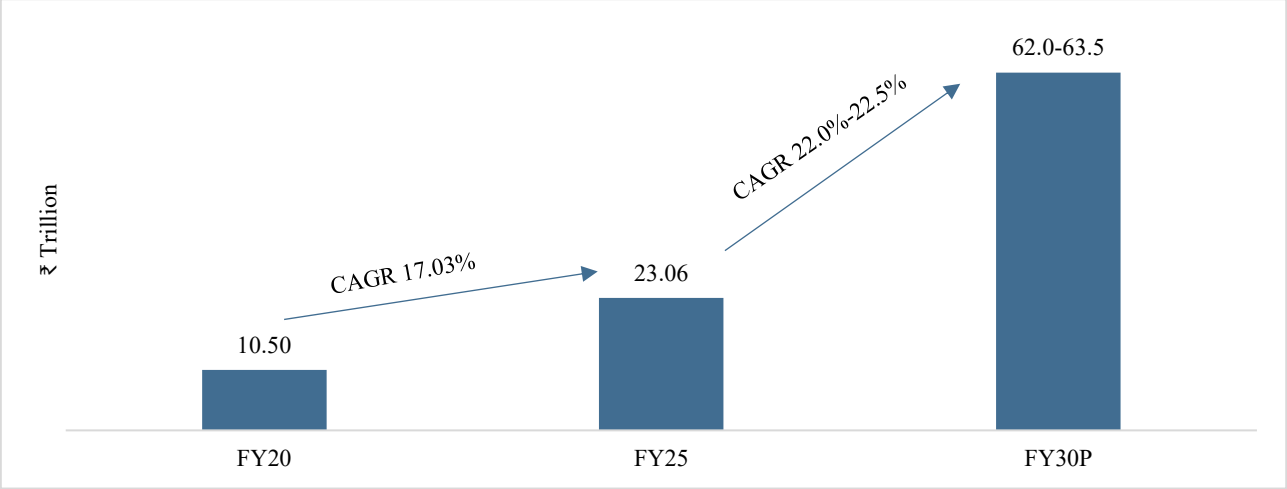
As of Sep'25, the credit growth rate witnessed a significant uptick of 21.26% y-o-y reaching around ₹ 52.06 lakh crore. The continued growth trajectory of NBFCs credit is indicating its importance in India's Financial System. This growth is driven by an increase in demand for retail credit and demand for working capital loans amid fluctuations in commodity prices.

NBFCs growth largely driven by continued demand for retail credit and growing demand for loans towards service sector. The credit growth for NBFCs is expected to remain strong in Fiscal 2026, estimated in the range of 21% to 22% y-o-y supported by GST reforms and reduction in interest rates. NBFCs are expected to maintain a solid trajectory, supported by diversified lending portfolios and prudent risk management, even as the retail segment, particularly unsecured loans, adjusts in response to evolving consumer trends.

The sustained growth of NBFCs also reflects the strong customer value proposition offered by these institutions. NBFCs have been able to effectively address credit gaps through faster turnaround times, simplified processes, flexible underwriting, and customised product offerings tailored to underserved and niche customer segments. Their ability to leverage technology, adopt alternative data for credit assessment, and provide doorstep or digital-first services enhances accessibility and convenience for borrowers. This differentiated approach, particularly in catering to new-to-credit customers, MSMEs, and informal sector participants, has strengthened customer trust and driven continued demand, thereby reinforcing the role of NBFCs in expanding financial inclusion

NBFC Retail Credit

NBFC retail credit is expected to grow at a CAGR of 22% to 22.5% from Fiscal 2025 to Fiscal 2030

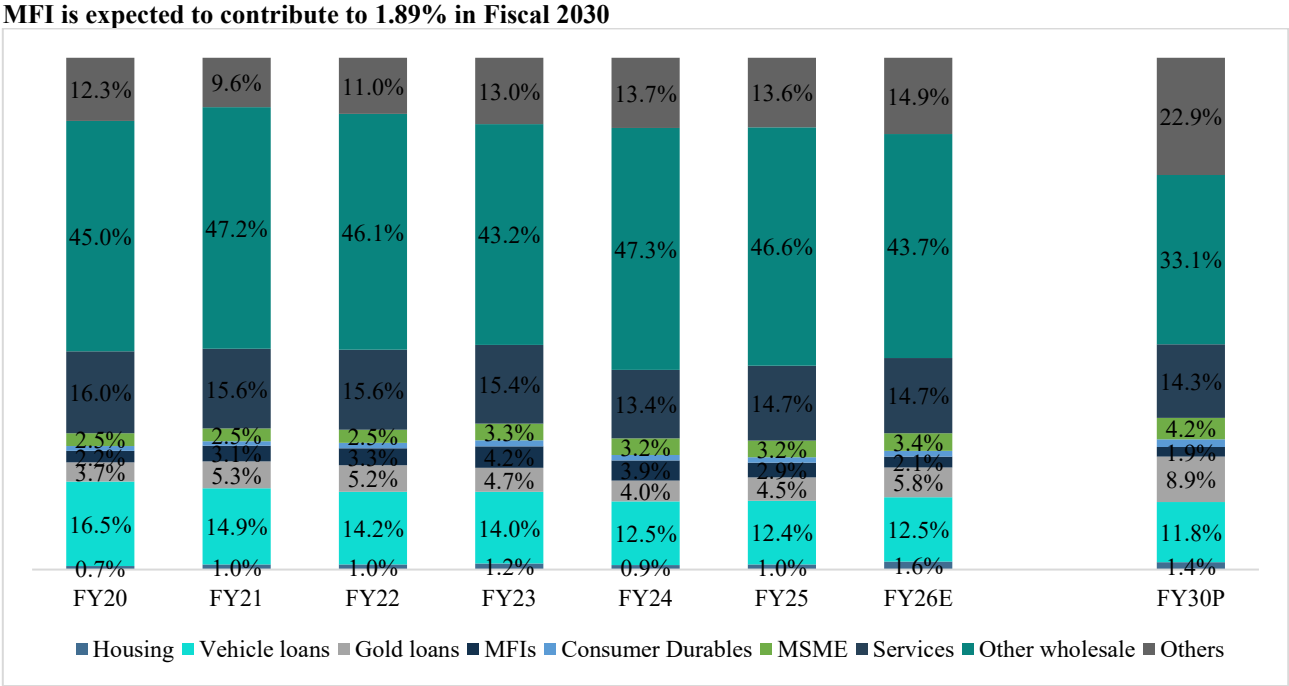


Source: RBI, CareEdge Research

NBFC retail credit has expanded over the past few years, increasing from ₹ 10.50 trillion in Fiscal 2020 to ₹ 23.06 trillion in Fiscal 2025, reflecting strong growth in consumer lending across segments. The CAGR is 17.03% from Fiscal 2020 to Fiscal 2025 which highlights the growing role of NBFCs in catering to underserved and niche borrower segments, supported by digital adoption, faster processing, and flexible underwriting models. Fiscal 2030 is projected to further rise to ₹ 62.0 to ₹ 63.5 trillion by Fiscal 2030. The segment is expected to witness sustained momentum, driven by rising consumption demand, deeper financial inclusion, and continued innovation in credit delivery models.

Sectoral Distribution of NBFC Credit

MFI is expected to contribute to 1.89% in Fiscal 2030



Source: RBI, CareEdge Research

Note: Services include Transport operators, Computer software, Tourism, Hotel and Restaurants, Shipping, Professional Services, Trade, Commercial Real Estate, Aviation, Other Services; Others include Credit card receivables, Education loans, Advances against Fixed Deposits, Advances to Individuals against Shares, Bonds, etc. and Other Retail Loans; P indicates Projected; E indicates Estimated.

During Fiscal 2020 to Fiscal 2026E, the NBFC credit portfolio remained predominantly wholesale-oriented, with other wholesale exposures accounting for around 45% to 47% of total NBFC credit. The services segment was the second-largest contributor, maintaining a steady share of 13% to 16% over the period. Vehicle loans moderated from 16.49% in Fiscal 2020 to about 12.44% in Fiscal 2025, while gold loans remained stable at 4% to 5%. Lending to MSMEs and MFIs together constituted around 6% to 7%, highlighting NBFCs' continued role in last-mile credit delivery and financial inclusion, albeit at a measured scale.

Looking ahead to Fiscal 2030, the NBFC credit mix is expected to diversify significantly, with the share of other wholesale credit projected to decline to around 30%, indicating a gradual shift away from concentration risk. Growth is expected to be driven by gold loans (approximately 8.90%), MSME lending (approximately 4.18%), and services (approximately 14.33%), supported by formalisation of the economy, rising household incomes, and increased penetration of specialised retail credit products. This evolving structure points toward a more balanced and resilient NBFC lending profile over the medium term.

During Fiscal 2020 to Fiscal 2025, lending to MFIs has remained a relatively small component of the overall NBFC credit mix, accounting for only 2% to 4% of total credit, compared with much larger segments such as other wholesale and services. This reflects the inherently small-ticket, short-tenure nature of microfinance loans, which limits outstanding portfolio size despite a large borrower base, and the continued dominance of wholesale and secured retail lending in NBFC balance sheets. Looking ahead to Fiscal 2030, the share of MFIs is projected to remain modest at around 1.89%, even as overall NBFC credit expands.

Growth of asset classes

NBFCs accounts for 29.00% of MFI portfolio and it delivers 14.30% CAGR from Fiscal 2020 to Fiscal 2025

Asset class (₹ trillion)	Fiscal 2025 portfolio outstanding (₹ trillion)	Share of NBFCs/HFCs/ NBFC-MFIs	Overall portfolio CAGR (Fiscal 2020 to Fiscal 2025)	NBFCs/HFCs portfolio CAGR (Fiscal 2020 to Fiscal 2025)	Growth Fiscal 2024 t Fiscal 2025 for overall portfolio	Growth Fiscal 2024 to Fiscal 2025 for NBFCs
Housing	40.17	25.05%	9.42%	-3.42%	8.15%	1.10%
Vehicle Loans	11.95	47.87%	14.30%	11.46%	13.73%	19.87%
Gold loans	4.15	50.26%	30.58%	22.54%	67.50%	35.10%
MFIs	6.63	29.00%	14.28%	14.30%	-3.70%	-9.90%
Consumer Durables	0.72	67.59%	15.21%	20.34%	11.15%	18.12%
Others	27.32	22.82%	16.58%	20.20%	10.94%	18.73%

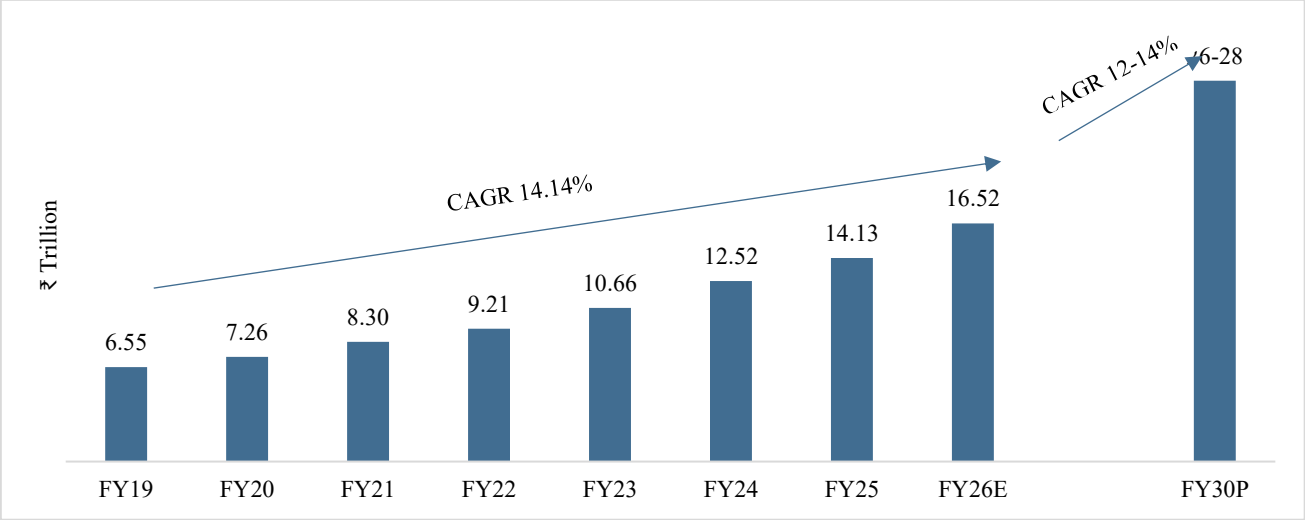
Source: RBI, MFIN, CareEdge Research

Others include Credit Card Receivables, Education Loans, Advances against Fixed Deposits, Advances to Individuals against Shares, Bonds, Other Retail Loans

The asset class-wise portfolio data for Fiscal 2025 indicates differentiated growth trends across retail lending segments, with NBFCs, HFCs and NBFC-MFIs maintaining a meaningful presence in several categories. Gold loans recorded the highest overall portfolio CAGR of 30.58% during Fiscal 2020 to Fiscal 2025, with a sharp 67.50% growth in Fiscal 2025, reflecting strong demand and volatility-driven borrowing. Vehicle loans and MFIs grew at a moderate CAGR of 14.28%, although the MFI segment witnessed contraction in Fiscal 2025, indicating asset quality pressures. Housing loans, despite being the largest segment at ₹ 40.17 trillion, registered relatively stable growth, with NBFC/HFC participation at 25.05%. Consumer durables and Other retail segments saw healthy double-digit expansion, supported by higher NBFC penetration (67.59% in consumer durables). Overall, the data suggests that NBFCs continue to play a significant role in driving growth across select high-yield retail categories, particularly in gold loans, vehicle finance and consumption-linked segments, while certain portfolios such as microfinance reflect cyclical moderation.

Outlook of credit growth in Rural areas

Rural credit growth of banks is expected to grow at 12% to 14% CAGR from Fiscal 2026 to Fiscal 2030



Source: RBI, CareEdge Research
Note: P indicates Projected; E indicates Estimated

Total rural credit has exhibited a steady and sustained expansion over the period, reflecting increasing penetration of formal credit channels in rural areas. The consistent rise indicates improved access to institutional finance for agriculture, allied activities, MSMEs, and retail borrowers, supported by policy focus on financial inclusion, priority sector lending, and strengthening of rural banking and NBFC networks.

The rural credit is expected to reach ₹ 26 to ₹ 28 trillion with a CAGR of 12% to 14% from Fiscal 2026 to Fiscal 2030. This underscores a structural deepening of rural financial markets, driven by rising rural incomes, digital enablement, expansion of retail and MSME lending, and greater participation of NBFCs and MFIs. This outlook highlights significant headroom for growth, positioning rural credit as an increasingly important contributor to overall systemic credit expansion.

Rural Retail lending

Overview

Rural retail lending in India has evolved as a key component of financial inclusion, supported by sustained policy emphasis on expanding formal credit access and improving rural financial infrastructure. Customers in the underpenetrated rural and semi-urban areas do not have access to any form of formal institutional lending. Therefore, they rely on loans from informal sources, such as moneylenders, landlords, local shopkeepers or local traders who may offer loans at much higher interest rates. While India has made significant progress in expanding access to formal financial services, the depth and effective usage of banking products remain relatively limited, indicating under-penetration of the banking sector. Having a huge gap in credit demand and supply and provide relatively greater scope for the growth of microfinance businesses. Unregulated market participants present another source of competition to MFIs as they target the same areas and customer base.

The priority given to rural credit is further reflected in the performance of Regional Rural Banks (RRBs) and priority sector lending, where outstanding loans under priority sector categories consistently exceed prescribed targets, underscoring improved penetration of retail and agricultural credit in rural regions. In Fiscal 2025, RRBs achieved outstanding priority sector lending of 88.44 % of their adjusted net bank credit, surpassing mandated targets and signalling robust credit flows into sectors vital for rural households and enterprises.

Complementing credit flows, rural financial literacy and awareness initiatives have been scaled up by institutional stakeholders such as NABARD and the Reserve Bank of India, with over 2,400 financial literacy centres established nationwide by March 2025 to educate rural borrowers on banking products, savings, digital payments and responsible credit use. These efforts enhance the ability of rural households to engage with formal retail financial services effectively, including digital channels.

At the grassroots level, cooperative credit institutions such as Primary Agricultural Credit Societies (PACS) are being modernised through digital integration and expanded business activities, enabling them to serve rural borrowers with short-term credit and diversified financial services. As of early 2026, tens of thousands of PACS are connected to national digital platforms and process millions of transactions, reflecting the increasing digitisation of rural credit delivery.

Collectively, these developments signal a structural shift in rural retail lending, from informal and cash-based borrowing to formal, regulated, and digitally enabled credit channels that are accessible, more transparent, and tailored to the needs of rural households and enterprises. This trend supports broader goals of financial inclusion and rural economic resilience.

Rural Retail Banking Credit has increased share to 8.00% as of nine months ended December 31, 2025

Tier-wise split	Fiscal 2020	Fiscal 2024	Fiscal 2025	nine months ended December 31, 2025
Metropolitan Regions	52.84%	51.91%	51.61%	50.54%
Urban Regions	23.09%	23.62%	23.63%	23.82%
Semi-Urban Regions	17.13%	17.10%	17.15%	17.64%
Rural Regions	6.93%	7.37%	7.61%	8.00%

Source: RBI, CareEdge Research

As of nine months ended December 31, 2025, Metropolitan regions account for the highest share in Retail Banking Credit with 50.54% share, this was followed by Urban regions accounting for 23.82% share and semi-urban and rural regions accounting for 17.64% and 8.00% share respectively.

Rural Retail Banking Credit Split

Housing Finance accounted for the highest share in Rural Retail Banking Credit as of nine months ended December 31, 2025

Rural Retail Banking Credit Split (₹ billion)					
Financing Segment	Fiscal 2020	Fiscal 2024	Fiscal 2025	nine months ended December 31, 2025	Share (nine months ended December 31, 2025)
Housing Finance	705.26	1,548.38	1,743.88	1,909.22	38.26%
Vehicle loans	189.88	359.81	415.42	483.32	9.69%
Education Loans	108.62	115.15	125.58	141.57	2.84%
Personal Credit Cards	28.57	61.16	63.27	63.70	1.28%
Consumer Durable Loans	17.40	36.12	37.04	41.04	0.82%
Others	675.10	1,614.96	1,969.00	2,350.86	47.11%
Total	1,724.83	3,735.58	4,354.18	4,989.69	100.00%

Source: RBI, CareEdge Research

Among major retail credit segments, Housing Finance accounted for the highest share in Banking retail credit as of nine months ended December 31, 2025 with a 38.26% share with credit outstanding at ₹ 1,909.22 billion. This was followed by automobile financing segment accounting for 9.69% share, education loan with 2.84% share while personal credit cards and consumer durable loans accounted for 1.28% and 0.82% share respectively.

Retail banking credit state wise

Top 5 states account for 55.88% share in Overall Retail Banking Credit as of nine months ended December 31, 2025

State (₹ billion)	Fiscal 2024	Fiscal 2025	nine months ended December 31, 2025	Share (nine months ended December 31, 2025)
Maharashtra	1,368,968	1,514,705	1,607,279	25.94%
Tamil Nadu	394,935	470,195	542,914	8.76%
Karnataka	426,311	476,569	521,788	8.42%

State (₹ billion)	Fiscal 2024	Fiscal 2025	nine months ended December 31, 2025	Share (nine months ended December 31, 2025)
Telangana	333,286	375,164	412,474	6.66%
Uttar Pradesh	301,265	343,187	378,068	6.10%
Gujarat	309,805	342,064	371,082	5.99%
Andhra Pradesh	227,826	265,879	299,758	4.84%
Kerala	209,490	231,860	257,541	4.16%
Rajasthan	188,755	213,178	235,702	3.80%
West Bengal	170,126	191,398	207,070	3.34%
Nct of Delhi	168,301	209,880	207,399	3.35%
Haryana	163,836	187,377	205,208	3.31%
Madhya Pradesh	143,199	164,225	181,337	2.93%
Punjab	108,931	120,989	132,786	2.14%
Bihar	92,870	107,859	117,074	1.89%
Odisha	77,243	87,667	97,356	1.57%
Assam	61,577	69,513	74,087	1.20%
Chhattisgarh	55,883	62,744	33,994	0.55%
Jharkhand	50,803	56,578	61,576	0.99%
Jammu & Kashmir	53,833	57,390	60,252	0.97%
Uttarakhand	40,756	44,765	49,030	0.79%
Himachal Pradesh	22,138	25,464	27,989	0.45%
Chandigarh	20,160	22,507	24,650	0.40%
Goa	16,149	18,180	20,168	0.33%
Puducherry	8,573	9,769	11,059	0.18%
Manipur	8,711	9,715	10,793	0.17%
Meghalaya	7,248	7,935	8,481	0.14%
Nagaland	6,733	7,435	7,970	0.13%
Tripura	6,178	6,980	7,523	0.12%
Arunachal Pradesh	5,883	6,612	7,237	0.12%
Sikkim	3,837	4,307	4,784	0.08%
Mizoram	3,377	3,809	4,088	0.07%
Andaman & Nicobar Islands	2,672	2,960	3,329	0.05%
Ladakh	2,600	2,862	3,108	0.05%
Lakshadweep	107	122	137	0.00%

Source: RBI, CareEdge Research

As of nine months ended December 31, 2025, top 5 states account for 55.88% share in Overall retail banking credit with Maharashtra accounting for the highest share among states (approximately 25.94%), this was followed by Tamil Nadu and Karnataka accounting for approximately 8.76% and approximately 8.42% share respectively.

Indian Microfinance industry

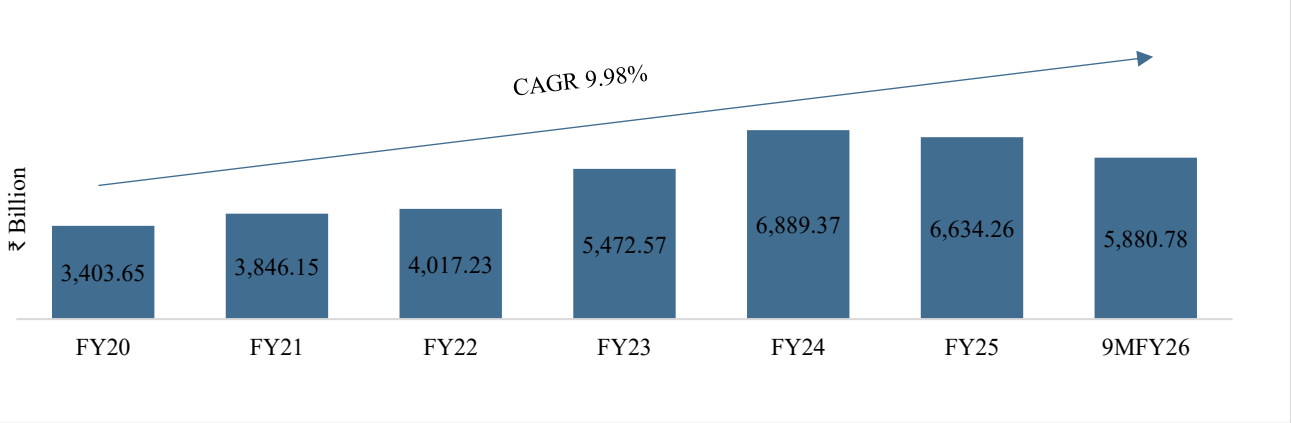
Landscape of Indian MFI Industry

Industry Gross Loan Portfolio (GLP) grew at 9.98% CAGR between Fiscal 2020 and nine months ended December 31, 2025

India's microfinance sector caters primarily to low-income households and women borrowers, bridging the gap between formal credit and under-served communities. The sector is driven by a mix of NBFC-MFIs, banks, and small finance banks, extending small-ticket loans that support livelihoods and entrepreneurship. Over the last 15 years, the industry has transitioned from a niche segment into a mainstream credit channel, supported by regulatory reforms, institutional consolidation, and increasing digitization.

While challenges such as funding costs, regional concentration risks, and asset quality remain, the industry's resilience and ability to adapt have kept it central to India's financial ecosystem. Microfinance continues to play a vital role in empowering women, boosting rural economies, and bridging the gap between formal credit and underserved communities.

GLP clocked 9.98% CAGR between Fiscal 2020 and nine months ended December 31, 2025



Note: Data includes data for microfinance lending by Banks through SHG and joint liability group (JLG); SFBs, NBFC-MFIs, other NBFCs and non-profit MFIs
Source: MFIN, CareEdge Research

Between Fiscal 2020 and nine months ended December 31, 2025 the sector has exhibited robust resilience, with its GLP growing at a CAGR of 9.98%. The microfinance sector has witnessed this growth, despite macroeconomic headwinds such as the COVID-19 pandemic, inflationary pressures, and regulatory tightening, underscores the sector's structural strength and its critical role in advancing financial inclusion.

The sector rebounded sharply in Fiscal 2023 and Fiscal 2024, reflecting pent-up credit demand and accelerated adoption of digital lending platforms, with GLP peaking at ₹ 6,889.37 billion in Fiscal 2024. However, the rapid growth phase resulted in borrower overleveraging, high field staff attrition, and deterioration in asset quality across several regions. Consequently, the sector entered a corrective phase, with GLP declining by about 3.70% to ₹ 6,634.26 billion in Fiscal 2025 and further falling to ₹ 5,880.78 billion in nine months ended December 31, 2025, representing a contraction of nearly 14.64% from the Fiscal 2024 peak. The moderation was largely systemic, RBI's restrictions on select NBFCs and banks prompted lenders to tighten underwriting standards and prioritise portfolio quality over portfolio growth. The microfinance industry is significantly impacted, and is expected to continue to be impacted, by sociopolitical and economic developments in India. Elevated funding costs and margin compression further prompted cautious lending, especially in high-risk geographies. While the near-term outlook remains cautious as institutions stabilise asset quality and borrower leverage levels, the correction is expected to strengthen underwriting discipline and support more sustainable growth over the medium term.

Business Models in the Microfinance Sphere

The Indian microfinance industry plays a critical role in extending formal financial services to underserved and unbanked populations, particularly in rural and semi-urban areas. The key participants in the microfinance ecosystem include Microfinance Institutions (MFIs), NBFC-MFIs, Scheduled Commercial Banks, and Small

Finance Banks (SFBs). While all these entities operate within the broader microfinance framework, their business models, delivery mechanisms, and operating structures differ based on regulatory mandates, funding access, and risk appetite.

MFIs predominantly adopt the Joint Liability Group (JLG) model for lending, as it allows for faster group formation and efficient credit delivery at the grassroot level. In contrast, banks have a dominant presence in the Self-Help Group (SHG) model, primarily through the Self-Help Group–Bank Linkage Programme (SHG-BLP). Some NBFC-MFIs also participate in SHG-based lending, although JLG lending remains their core operational model. In recent years, the share of individual micro-loans within MFI portfolios has gradually increased, reflecting borrower graduation, higher credit requirements, and the sector's shift towards more flexible lending structures alongside traditional group-based models.

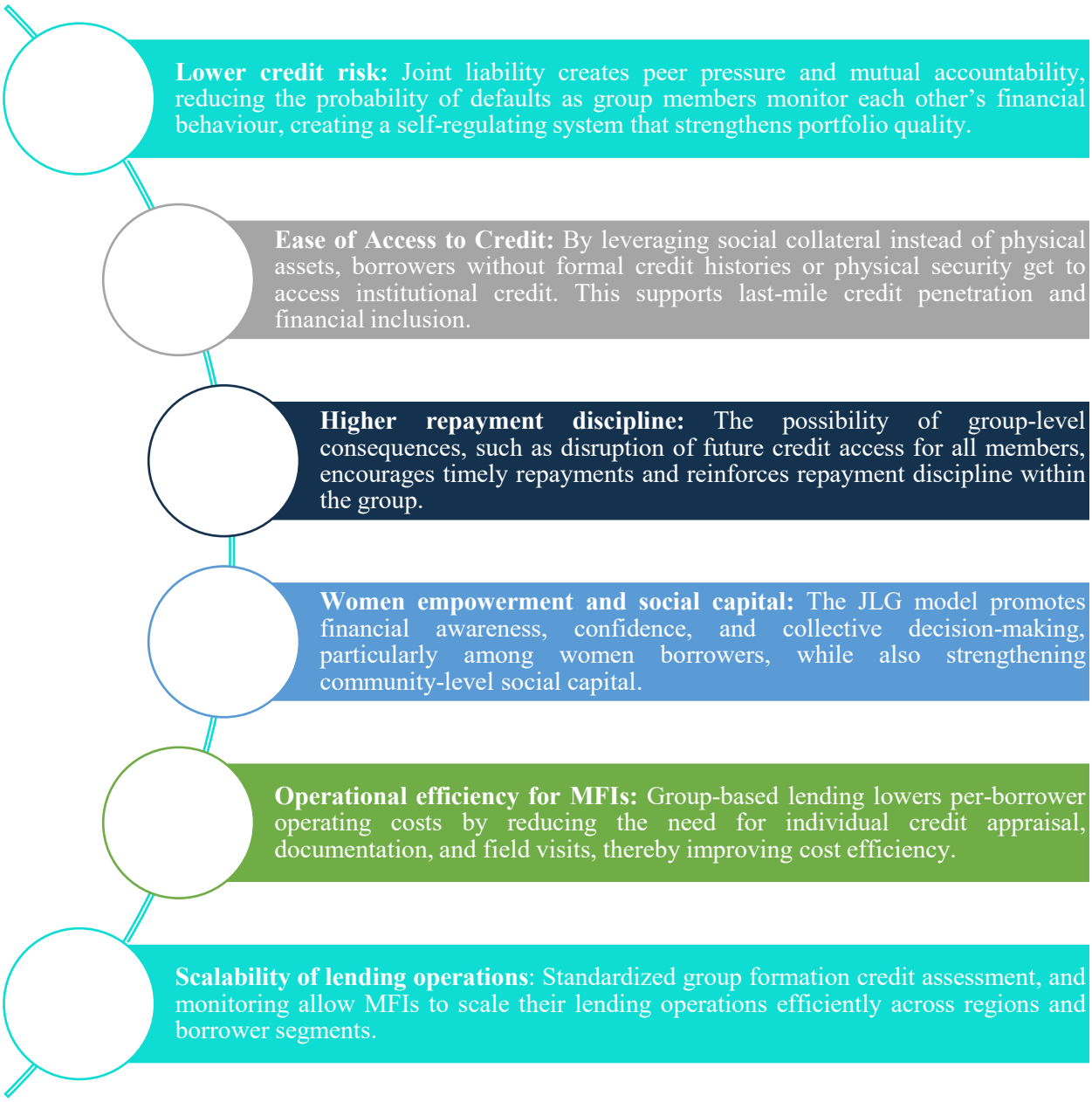
JLG Lending Model: Under the JLG lending model, MFIs begin by identifying a prospective village based on parameters such as population size, income levels, and the proportion of low-income households. Potential borrowers, typically women, are then identified based on household income, family size, and socio-economic profile. These borrowers are organised into small groups of 5 to 7 members, with 3 to 5 such groups forming a centre. Although the loan is disbursed to individual borrowers, repayment responsibility is shared among the group members through the concept of joint liability.

In the event of a default by an individual borrower, social collateral comes into effect, whereby other group members are expected to repay the outstanding amount. Persistent defaults can result in the entire group being blacklisted and becoming ineligible for future loans. This structure creates sustained peer pressure and mutual monitoring, encouraging timely repayments and disciplined borrowing behaviour.

SHG Lending Model: Self-Help Groups are typically formed at the grassroots level and comprise individuals from similar socio-economic backgrounds. Members pool small, regular savings into a common fund, which is initially used for internal lending within the group. Over time, as the SHG establishes a credit history and operational discipline, it is linked to a bank under the SHG-BLP framework and becomes a conduit for formal microfinance.

An SHG generally consists of 15 to 20 members, mostly women, who collectively manage savings, lending, and repayments. MFIs often support SHGs by providing capacity-building initiatives such as financial literacy training, basic entrepreneurship guidance, and operational support to strengthen group governance and financial management capabilities. Loans are extended to the group, with collective responsibility for repayment, reinforcing accountability and peer discipline among members.

Advantages of the JLG Lending Model



Collection Models Adopted by MFIs

• **Field agent / employee-led collections:** MFIs deploy field staff to collect repayments directly from borrowers, enabling close monitoring, relationship building, and higher collection efficiency.

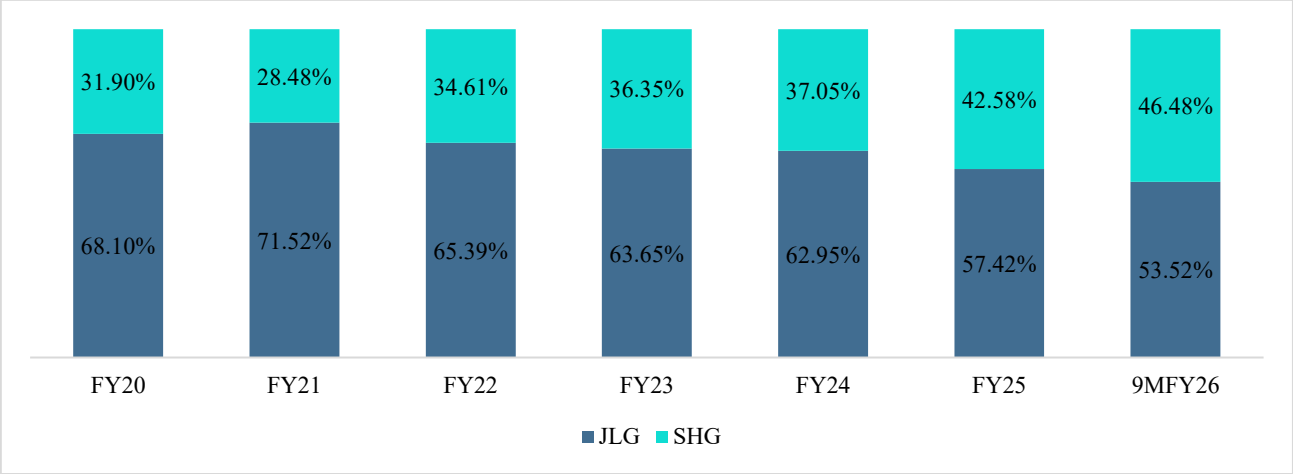
• **Centre or group meeting-based collections:** Repayments are collected during scheduled centre or group meetings, aligning with the JLG structure thereby reinforcing discipline and peer accountability.

• **Digital payment channels:** The use of mobile banking, online transfers, and digital wallets allows borrowers to repay remotely, improving borrower convenience and reducing cash handling risks.

• **Branch-based collections:** Borrowers visit branch offices to make repayments, typically prevalent in regions with strong physical branch presence or lower digital adoption.

• **Hybrid collection models:** A combination of physical and digital channels is used to balance operational efficiency with borrower convenience and local conditions.

JLG accounts for majority of market share in microfinance gross loan portfolio



Note: SHG data includes data for Banks lending through SHG and JLG data includes data for lending through joint liability group (JLG) by Banks, SFBs, NBFC-MFIs, other NBFCs and non-profit MFIs
Source: MFIN, CareEdge Research

JLG continues to account for the majority of microfinance GLP, however its share has steadily declined as lenders increasingly shift towards individual lending models to improve credit underwriting and mitigate risks associated with weakening group accountability and rising borrower indebtedness.

Role of RBI as regulator of the MFI industry

The Malegam Committee on Micro Finance Institutions

The Malegam Committee on Microfinance Institutions, chaired by Shri Y. H. Malegam and constituted by the RBI in 2010, was formed to address concerns around over-indebtedness, weak credit discipline, and asset quality deterioration in the sector. Its recommendations laid the foundation for a formal regulatory framework, emphasising borrower protection, limits on indebtedness, and prudential supervision. The implementation of these measures

Structural Finance

The Committee recommended limits on the number of lenders per borrower and caps on total indebtedness, thereby reducing the risk of multiple and overlapping loans. These measures helped curb excessive credit exposure at the household level and directly contributed to improved repayment behaviour and lower default risk.

Standardising Lending Practices

Further, the Malegam Committee stressed the need for standardised lending practices, including caps on loan size, limits on interest margins, and restrictions on recovery practices. These recommendations promoted responsible lending and ethical collection processes, reducing borrower distress and improving long-term portfolio performance.

Regulatory Framework

The Committee recommended the creation of a distinct regulatory category for NBFC-MFIs, bringing microfinance institutions under closer prudential and supervisory oversight of the RBI. This resulted in improved governance, better risk management systems, and enhanced reporting standards, all of which contributed to greater transparency and early identification of asset quality stress.

Microfinance Sector in India Governed by RBI Guidelines

The microfinance sector in India is governed by the regulatory and supervisory framework prescribed by the RBI. MFIs operated largely in an unregulated environment until 2010, when the Andhra Pradesh (AP) Ordinance was enacted following concerns around borrower over-indebtedness, coercive recovery practices, and rapid sectoral growth. In response, the RBI initiated formal regulatory oversight of the sector to bring in uniformity, transparency, and stability.

Subsequently, in 2011, the RBI issued guidelines defining NBFC-MFIs and establishing a structured operating and regulatory framework for MFIs in India.

RBI Guidelines Issued in December 2011

In November 2010, the RBI constituted a sub-committee under the chairmanship of Mr. Y.H. Malegam to examine issues affecting the microfinance industry in India, particularly in the aftermath of the AP Ordinance. Based on the committee's recommendations, the RBI issued the NBFC-MFI Directions, which came into effect in December 2011. These guidelines laid down eligibility criteria, prudential norms, and operational safeguards for NBFC-MFIs.

The NBFC-MFI guidelines have undergone multiple revisions over time, with the most significant structural changes introduced through the harmonised microfinance regulatory framework effective April 1, 2022. The guidelines were last updated in July 2022 and remain applicable as of 2026, forming the backbone of microfinance regulation in India.

NBFC-MFI - Regulatory guidelines

Parameter	Provision
Minimum Net Owned Funds (NOF)	Current NOF - ₹ 70 million (₹ 50 million in NE region) NOF by March 31, 2027 – ₹ 100 million
Qualifying Assets	Not less than 60% of its total assets
Capital Adequacy	Capital adequacy ratio consisting of tier I and tier II capital, which will not be less than 15% of its aggregate risk weighted assets
Loan Repayment Obligations	Maximum 50% of the monthly household income. The computation of loan repayment obligations shall consider all outstanding loans (collateral-free microfinance loans as well as any other type of collateralized loans) of the household. The outflows capped at 50% of the monthly household income shall include repayments (including both principal as well as interest component) towards all existing loans as well as the loan under consideration.

Qualifying Assets

Parameter	Provision
Total Monthly Repayment Obligations of Borrower should not exceed	50% of monthly household income
Household Annual Income	Up to ₹ 3,00,000
Collateral	None

Breakup of qualifying and non-qualifying assets over the years

Category	Fiscal 2023	Fiscal 2024	Fiscal 2025	nine months ended December 31, 2025
Qualifying assets	76.50%	76.00%	73.80%	63.20%
Non-qualifying assets	23.50%	24.00%	26.20%	36.80%

Source: MFIN, CareEdge Research

In June 2025, the RBI took further steps to enhance operational flexibility by revising the qualifying asset criteria for NBFC-MFIs. The central bank reduced the minimum qualifying asset requirement from 75% to 60% of total assets, as defined in the Master Directions. This adjustment broadens the scope for NBFC-MFIs to diversify their asset base, enabling them to allocate a portion of their portfolio to related lending activities while still maintaining a core focus on microfinance. The revised criteria allow NBFC-MFIs to expand into adjacent credit segments such as small enterprise or affordable housing finance, improving risk diversification and balance sheet resilience.

To further promote responsible lending practices, MFIN came up with additional guardrails. These guardrails are:

- Mandatory e-validation of Voter ID
- A maximum of 3 microfinance lenders can provide loans to borrowers
- Limiting the total microfinance indebtedness to ₹ 2 lakhs
- No loan to a borrower who has a DPD >60 days (previously 90 days) on any loan that has an outstanding amount greater than ₹ 3,000 with any regulated entity (RE) at the time of underwriting the loan under consideration

The RBI has introduced a harmonised regulatory framework for microfinance loans that allows greater flexibility in loan sizing, aligned with household income and repayment capacity. By linking higher permissible loan amounts with stringent income assessment, repayment caps, enhanced disclosure requirements and a limit of lending from a maximum of three lenders per borrower. These regulations support growth in ticket sizes while maintaining prudential safeguards to protect asset quality.

Unified Definition of Microfinance Loans with Higher Loan Thresholds: A microfinance loan is defined as a collateral-free loan given to a household having an annual household income up to ₹ 3,00,000, irrespective of the specific purpose or mode of disbursement. This updated definition broadens the scope of eligible borrowers and implicitly allows higher permissible loan amounts consistent with this broader income threshold.

Household Income and Debt Assessment Linked to Loan Size Prudence: Regulated entities must conduct board-approved policies for assessing household income and indebtedness, ensuring that the total loan repayment obligations (including principal and interest) do not exceed 50% of the monthly household income. This requirement directly influences how larger ticket sizes are underwritten, embedding a prudential check that prevents over-indebtedness even if higher ticket sizes are offered.

Transparent Pricing, Documentation and Risk Disclosure Requirements: Lenders should adopt board-approved pricing models that map loan amount, interest, cost of funds, risk premium and margin, with a standardised pricing policy and disclosure to borrowers. These norms ensure that larger ticket loans are priced prudently with transparency and supervisory oversight, thereby aligning product design with risk management.

Harmonised Regulatory Regime ensures level playing field and benefits NBFC-MFIs

The revised regulatory framework introduced by the RBI ensures a level playing field across all regulated entities engaged in microfinance lending, including NBFC-MFIs, banks, and SFBs. Competitive intensity, especially in regions with high lender density, is expected to limit increase in lending rates for borrowers with stable repayment behaviour and established credit history.

<table>
<tr><th rowspan="2">Area of regulation</th><th colspan="2">Earlier regulations</th><th>New regulations (effective April 1, 2022 unless mentioned otherwise)</th></tr>
<tr><th>For NBFC-MFIs</th><th>For banks and SFBs</th><th>For all regulated entities*</th></tr>
<tr><td rowspan="2">Loan pricing</td><td>Margin cap at 10% for large MFIs (loan portfolios > ₹ 1 billion)</td><td rowspan="3">No restrictions for banks and SFBs</td><td>No pricing cap. Underwriting of loans to be done on risk-based analysis, and a risk premium to be charged based on the borrower.</td></tr>
<tr><td>12% for small MFIs (loan portfolios < ₹ 1 billion)</td><td rowspan="2">A Board-approved policy for pricing of loans to be put in place. The policy should include the interest rate model, the range of spread of each component for various categories of borrowers, and the interest rate ceiling and all other charges on MFI loans.</td></tr>
<tr><td>Processing fees</td><td>Not more than 1% of the gross loan amount</td></tr>
<tr><td rowspan="2">Qualifying criteria</td><td rowspan="2">85% loans unsecured</td><td rowspan="2">To meet the target set for priority sector loans</td><td>The minimum requirement of microfinance loans has been revised to 60% of an NBFC-MFI’s total assets. (effective June 2025)</td></tr>
<tr><td>The maximum limit on microfinance loans for NBFCs other than NBFC-MFIs has been revised to 25% of the total assets from 10% previously.</td></tr>
<tr><td rowspan="2">Household income</td><td>Rural areas: ₹ 125,000 per annum</td><td rowspan="4">No restrictions for banks and SFBs</td><td>Annual household income: Up to ₹ 300,000 for urban as well as rural areas.</td></tr>
<tr><td>Urban areas: ₹ 200,000 per annum</td><td>Board-approved policy for the assessment of household income.</td></tr>
<tr><td>Ticket size of loans</td><td>₹ 75,000 in the first cycle and ₹ 125,000 in the subsequent cycles</td><td rowspan="2">As per the revised regulation cap/restrictions for ticket size and tenure has been removed.</td></tr>
<tr><td>Tenure of loans</td><td>Not less than 24 months for loan amounts in excess of ₹ 30,000</td></tr>
<tr><td>Lending to the same borrower</td><td>Not more than two lenders allowed per borrower</td><td>More than two banks can lend to the same borrower</td><td rowspan="2">Limit on maximum loan repayment obligation of a household towards all loans: 50% of monthly household income.
Number of micro finance lenders capped to three per borrower</td></tr>
<tr><td>Overall borrower indebtedness</td><td>Should not exceed ₹ 125,000</td><td>No restrictions for banks and SFBs</td></tr>
</table>

Note: *Regulated entities include all commercial banks (including SFBs, local area banks and regional rural banks), excluding payments banks; all primary (urban) co-operative banks, state co-operative banks and district central co-operative banks; and all NBFCs (including MFIs and housing finance companies)
Source: RBI, CareEdge Research

The revised RBI regulations introduce a new, borrower-centric definition of microfinance loans, encompassing collateral-free loans extended to households with annual income of up to ₹ 3 lakhs, irrespective of the end use or the mode of application, processing, or disbursal, whether physical or digital. This expanded definition is expected to significantly widen the addressable market for NBFC-MFIs, enabling them to cater to a larger pool of eligible households and thereby support portfolio growth.

Further, the RBI has removed the earlier regulatory restrictions on the number of lenders servicing a single borrower and replaced the overall indebtedness cap with a prudential limit linked to repayment capacity. In addition, industry-level guardrails introduced by Self-Regulatory Organisations have further tightened credit discipline by recommending a cap of three lenders per borrower. This approach strengthens borrower protection by directly linking permissible leverage to income and cash flow, while also limiting multiple lending exposures and allowing lenders greater operational flexibility.

The regulatory framework governing microfinance in India has undergone significant evolution to create a harmonised and flexible environment for all regulated entities engaged in microcredit, including NBFC-MFIs. The RBI's Regulatory Framework for Microfinance Loans Directions, 2022 set out a contemporary, risk-sensitive foundation that enables greater operational flexibility while maintaining prudent borrower safeguards. This harmonisation of norms for banks and non-bank lenders has positive implications for NBFC-MFIs in terms of competitiveness, portfolio management, and sustainable growth.

A key element of the harmonised framework was the removal of fixed margin caps on microfinance loans for NBFC-MFIs. Previously, NBFC-MFIs were subject to prescribed margin limits on their lending spread, but under the updated Directions, margin caps have been discontinued. Instead, all regulated entities are required to adopt board-approved pricing policies that reflect cost of funds, risk premiums, and other factors, subject to supervisory oversight by RBI. This shift enables NBFC-MFIs to price products in a risk-aligned manner, improving commercial viability while protecting borrower interests. This policy must clearly specify the components of pricing, including cost of funds, risk premium, and margins, the permissible range for each component across borrower categories, and an overall ceiling on interest rates and related charges. This approach balances regulatory oversight with flexibility, allowing NBFC-MFIs to price risk appropriately while ensuring transparency and fairness in lending practices.

The elimination of margin caps and the alignment of microfinance definitions across banks and NBFCs also level the competitive playing field. NBFC-MFIs can now compete more effectively with banks and small finance banks on pricing and product design, which can support market expansion and customer retention. Furthermore, the capacity to diversify beyond strict microcredit, through relaxed qualifying asset norms, strengthens NBFC-MFIs' ability to innovate and tailor offerings to evolving borrower needs while managing credit risk thoughtfully.

Overall, the shift in the regulatory landscape centred on harmonisation of norms, risk-based pricing, and diversification-enabling criteria positions NBFC-MFIs to navigate sectoral headwinds more robustly. By combining these regulatory enhancements with disciplined risk management and borrower protection practices, NBFC-MFIs are better placed to sustain growth, improve asset quality, and continue advancing financial inclusion in India.

Regulatory Changes in 2025

Reduction in Qualifying Asset Requirement for NBFC-MFIs: The RBI reduced the minimum qualifying asset requirement for NBFC-MFIs from 75% to 60% of total assets. The revised framework also aligns the definition of qualifying assets with microfinance loans (collateral-free loans to households with annual income up to ₹ 3 lakh). This change provides NBFC-MFIs with greater flexibility to diversify their portfolios beyond microfinance lending while maintaining their core focus.

Alignment of Qualifying Assets with Microfinance Definition: As part of the same regulatory update, the RBI aligned the definition of "qualifying assets" with the broader definition of microfinance loans under the 2022 Directions. This ensures consistency across regulatory provisions and strengthens the linkage between asset classification and borrower eligibility criteria, while improving transparency in reporting and supervision.

Enhanced Flexibility for Portfolio Diversification: By lowering the qualifying asset threshold to 60%, the RBI has enabled NBFC-MFIs to allocate a larger share of their portfolio (up to 40%) to non-microfinance assets. This is expected to reduce concentration risk, improve balance sheet resilience, and allow institutions to expand into adjacent lending segments such as MSME or secured lending, thereby supporting long-term sustainability.

State cannot regulate MFIs registered with the RBI as per the High Court

In 2010, the Government of Andhra Pradesh promulgated the Andhra Pradesh Microfinance Institutions (Regulation of Money Lending) Ordinance in response to concerns regarding coercive recovery practices, elevated interest rates, and rising borrower over-indebtedness among certain MFIs. The Ordinance sought to impose tighter controls on lending operations, including caps on interest rates, stricter recovery norms, and a requirement for prior state approval before the disbursement of each loan. These measures significantly disrupted microfinance operations in the state, resulting in a sharp contraction of lending activity.

The developments in Andhra Pradesh had broader implications for the microfinance industry across India, affecting investor confidence and sectoral stability. Multiple writ petitions were subsequently filed challenging the constitutional validity of the Andhra Pradesh Microfinance Institutions (Regulation of Money Lending) Act, 2011, on the grounds of legislative competence. On 14th February 2023, the Telangana High Court held that the regulation of financial institutions such as NBFCs, including matters relating to interest rates, falls within the legislative domain of Parliament rather than the State Legislature. While states are empowered to legislate on money lending,

the regulation and winding up of financial corporations, including NBFCs, are subjects under the Union List. Accordingly, the Court ruled that the Act could not apply to NBFCs and would be valid only in respect of entities that are not registered as NBFCs.

A similar constitutional issue was examined by the Supreme Court in Nedumpalli Finance Company Limited v. State of Kerala, wherein the applicability of state money-lending laws to RBI-registered NBFCs was challenged. The Court held that, to the extent such state legislation sought to regulate NBFCs governed by the Reserve Bank of India Act, it was unconstitutional due to lack of legislative competence.

The Andhra Pradesh crisis ultimately prompted significant regulatory reforms within the microfinance sector, leading to the establishment of a more structured and centralised regulatory framework under the RBI. More recently, developments such as the ordinances and regulatory interventions in states like Karnataka and Tamil Nadu have highlighted the continued sensitivity of the sector to localised policy actions, reinforcing the need for balanced regulation that safeguards borrower interests while ensuring the sustainability of lending institutions.

Comparison of different types of lenders in microfinance industry

Particulars	SCBs	SFBs	MFIs
Priority sector lending			
Targeted lending to sectors	40% for priority sector lending of their adjusted net bank credit (ANBC) or equivalent off-balance-sheet exposure (whichever is higher) 18% of ANBC to agriculture 7.5% of ANBC to micro-enterprises 12% of ANBC to weaker sections	60% for priority sector lending of their ANBC 18% of ANBC to agriculture 7.5% of ANBC to micro-enterprises 12% of ANBC to weaker sections At least 50% of loan portfolio should constitute loans and advances of up to ₹ 2.5 million	60% of loans should be qualifying microfinance assets Income generation loans > 50% of total loans
Prudential norms			
Capital adequacy framework	Minimum Tier 1 capital: 7%	Minimum Tier 1 capital: 7.5%	Tier 1 capital > Tier 2 capital
	Minimum capital adequacy ratio: 9%	Minimum capital adequacy ratio: 15%	Minimum capital adequacy ratio: 15%
Margin cap	No cap; board-approved pricing policy	No cap; board-approved pricing policy	No cap; board-approved pricing policy
CRR / SLR	Maintenance of CRR (3%) /SLR (18%) mandatory	Maintenance of CRR (3%) /SLR (18%) mandatory	No such requirement
Leverage ratio	The minimum Leverage Ratio is 4% for D-SIBs and 3.5% for other SCBs.	Minimum leverage ratio of 4.5%	No such requirement
Liquidity coverage ratio/ net stable funding ratio (NSFR)	Mandatory requirement to maintain liquidity coverage ratio of 100%	Minimum liquidity coverage ratio of 100% and a minimum NSFR of 100% to be maintained	No such requirement
Funding			
Deposits	Primarily rely on deposits for funding requirements	Primarily rely on deposits for funding requirements	MFIs cannot accept deposits
Bank loans/ market funding	Access to broader array of market borrowings	Access to broader array of market borrowings	Diversified funding sources including bank loans short- and long-term market borrowings; funding from NABARD, MUDRA loans, etc.
Products			
Products offered	Entire spectrum of banking savings investment and insurance products	SFBs offer savings and investment products apart from credit products/loans	MFIs can act as a business correspondent to another bank and offer savings deposits credit and investment products
		And act as corporate agent to offer insurance products	MFIs can act as a corporate agent to offer insurance products
		SFBs cannot act as business correspondent to other banks	

NBFC-MFIs have been maintaining market share between 21.68% to 25.27% in overall MFI industry

NBFC-MFIs and non-profit MFIs are the only player categories with loan portfolios exclusively focused on microcredit. Over time, several well-established MFIs have either converted into SFBs or been acquired by banking institutions, leading to a structural shift in the microfinance landscape. The RBI awarded an in-principal SFB licenses to 10 applicants on September 16, 2015, of which eight were MFIs. Later, these applicants received the final approval to operate as SFBs.

Post commencement of operations, NBFC-MFIs that have converted to SFBs have gradually expanded into other asset classes such as affordable housing, MSME lending, and vehicle finance. This expansion has been aimed at achieving a balance between secured and unsecured assets while also broadening product offerings. As a result, growth in these non-microfinance segments may outpace the expansion of microfinance portfolios within SFBs

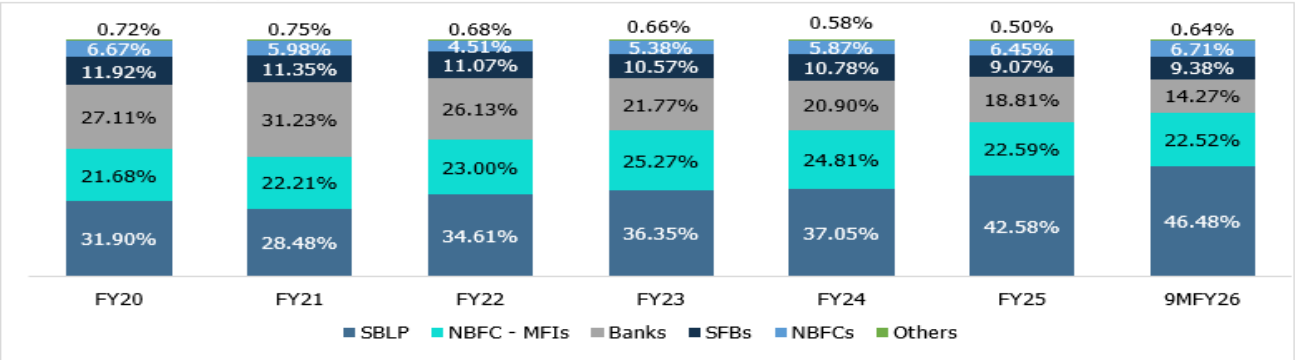
over the medium term. The share of SFBs in the microfinance industry has remained range bound between 9% to 11% between Fiscal 2020 and H1Fiscal 2026.

The share of NBFC-MFIs has recovered post-pandemic owing to increasing reach in newer regions and deepening penetration in existing regions. As of H1Fiscal 2026, NBFC-MFIs have 22.52% share in total MFI gross loan portfolio.

Participants in the MFI lending business

Participants	Description	Player Examples
Bank SHGs	Banks providing collateral-free microcredit under the SHG Bank Linkage Programme, largely routed through women-led SHGs and supported by NABARD.	SBI, BOB, Canara Bank, PNB, ICICI Bank, Axis Bank, Bandhan Bank, etc.
Banks	Banks with direct microfinance lending and indirect exposure through BCs and MFI partnerships; private banks are key drivers of JLG lending.	
NBFC-MFIs	RBI-registered NBFCs exclusively engaged in microfinance, primarily following the JLG lending model to low-income households.	Arohan Financial Services, Satin Creditcare Network Ltd., Muthoot Microfin, Asirvad Micro Finance Ltd., CreditAccess Grameen Ltd., Belstar Microfinance Ltd., IIFL Samasta; Spandana Sphoorty Finance Ltd., Annapurna Finance Ltd., Fusion Finance Ltd., etc.
SFBs	Small finance banks offering microfinance along with deposits and retail banking; most originated as NBFC-MFIs.	Jana SFB, Utkarsh SFB, ESAF SFB, Ujjivan SFB, Suryoday SFB, Equitas SFB
NBFCs	Diversified NBFCs with microcredit as one of several lending verticals alongside MSME and retail finance.	L&T Finance, Mahindra Finance, Tata Capital, Bajaj Finance, Cholamandalam Investment
Non-profit MFIs	Not-for-profit MFIs operating as trusts, societies or Section 8 companies, focused on financial inclusion and livelihood support.	Cashpor, Grameen Foundation India, Bandhan (pre-SFB phase), BASIX, SKDRDP

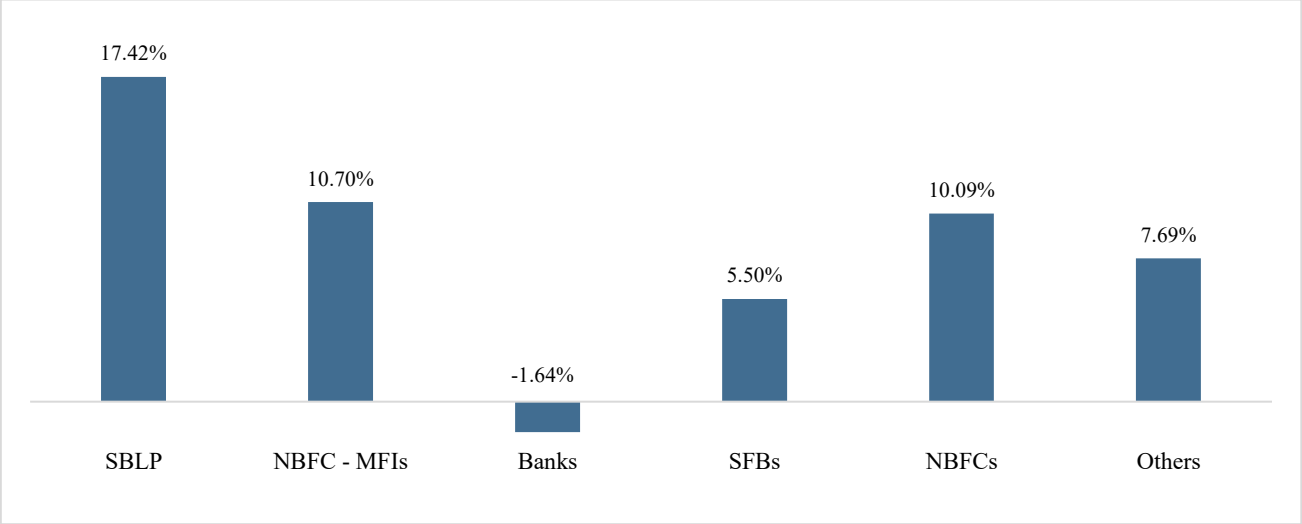
NBFC MFIs account for 22.52% of the total gross loan portfolio as of nine months ended December 31, 2025



Note: Data includes data for Banks SHG, Bank JLG, SFBs, NBFC-MFIs, other NBFCs and non-profit MFIs, SBLP indicates SHG Bank Linkage Programme
Source: MFIN, CareEdge Research

NBFC-MFIs account for 22.52% of the industry GLP as of Dec'25, indicating that while the NBFC-MFIs represent a significant component of credit delivery to underserved areas, a substantial portion of the market continues to be serviced by other lenders, suggesting scope for incremental growth for NBFC-MFIs. The lender mix also indicates a steady rise in the share of the SHG Bank Linkage Programme, which has emerged as the largest component of the overall portfolio by nine months ended December 31, 2025. This reflects increasing formalisation and scale-up of SHG lending within the system. NBFC-MFIs continue to hold a meaningful and relatively stable share, while banks, SFBs and NBFCs account for smaller share.

GLP of SBLP and NBFC-MFIs witnessed significant CAGR between Fiscal 2020 to nine months ended December 31, 2025

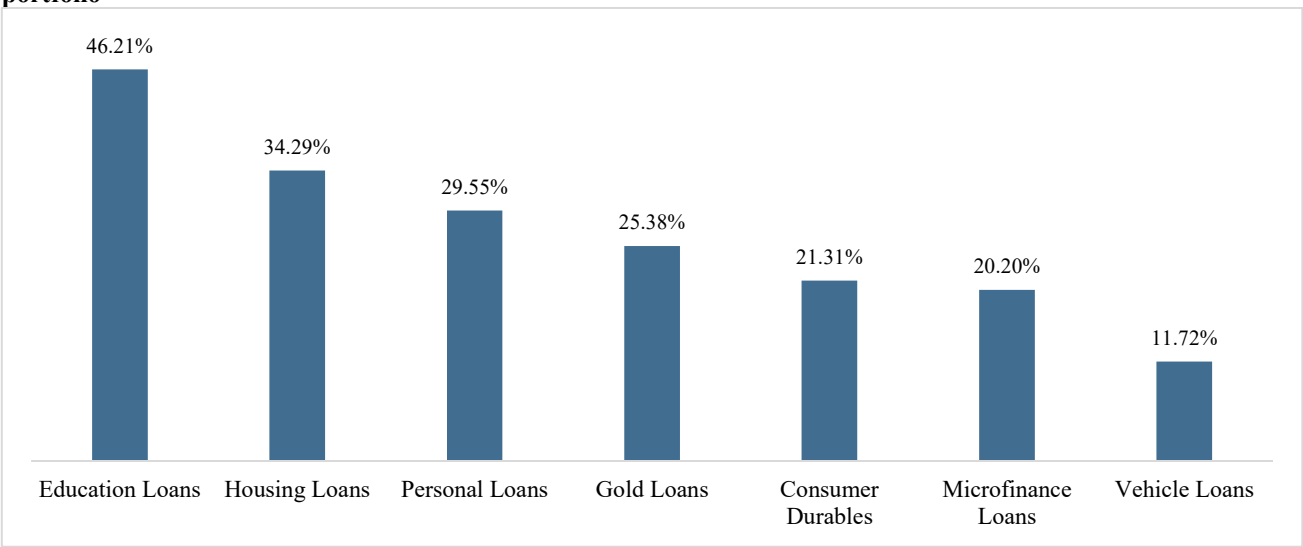


Note: Data includes data for Banks SHG, Bank JLG, SFBs, NBFC-MFIs, other NBFCs and non-profit MFIs.
Source: MFIN, CareEdge Research

NBFCs Credit towards Microfinance is amongst the fastest growing retail loan segments in India

During Fiscal 2020 to H1Fiscal 2026, education loans by NBFCs registered the highest growth rate at a CAGR of 46.21%, followed by housing loans at 34.29%. Microfinance loans grew at a CAGR of 20.20% during the same period.

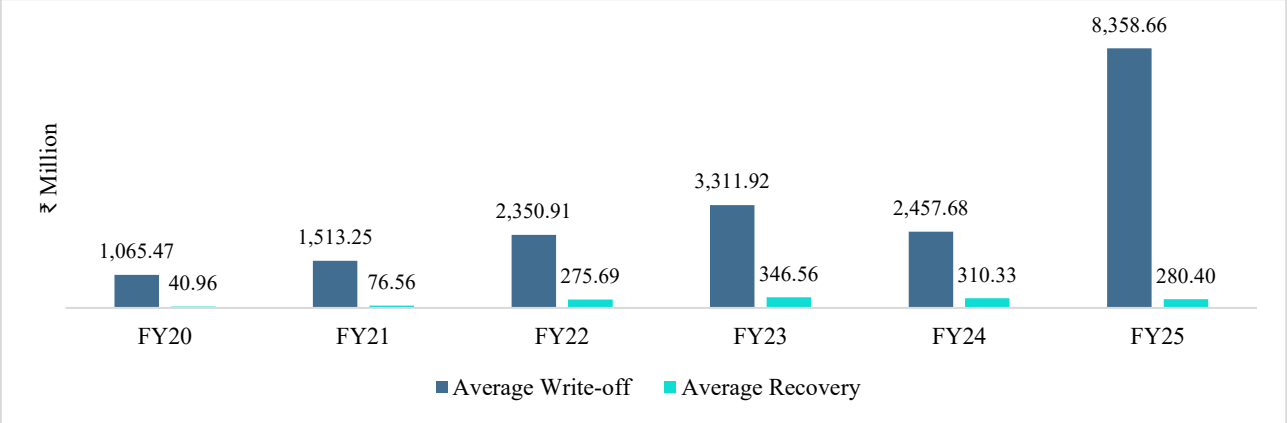
Retail segments of NBFCs have witnessed high CAGR during Fiscal 2020 to H1Fiscal 2026 in terms of loan portfolio



Source: RBI, CareEdge Research
Note: Personal Loan CAGR is as per CareEdge Estimates

NBFC-MFIs witnessed highest average write-offs

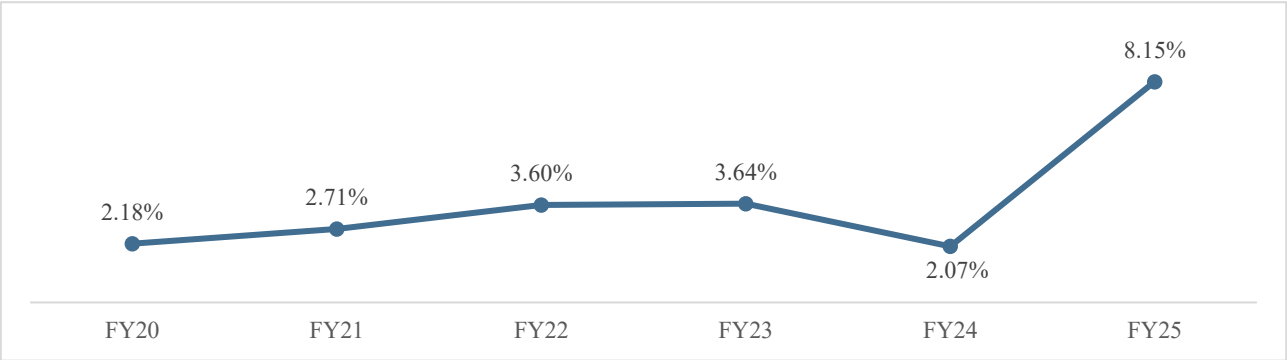
Average write-offs and average loan assets recovered by NBFC-MFIs



Source: Company Annual reports, CareEdge Research
Note: CreditAcces Grameen Limited, Muthoot Microfin Ltd, IIFL Samasta Ltd, Satin CreditCare Ltd, Fusion Finance Ltd, Asirvad Microfinance Ltd, Spandana Sphoorty Financial Ltd, Belstar Microfinance Ltd, Svatantara Microfin Ltd, Chaitanya India Fin Credit Private Ltd and Arohan Financial Services Ltd as of March 2025 have been taken for calculating average write-off and recoveries.
Average recovery for Fiscal 2020 and Fiscal 2021 does not include Satin CreditCare Ltd and Arohan Financial Services Ltd.
Average recovery for Fiscal 2020 does not include Chaitanya India Fin Credit Private Ltd
Average recovery for Fiscal 2022 does not include Satin CreditCare Ltd.

The average write-off reported by NBFC-MFIs reached ₹ 2,457.68 million in Fiscal 2024 and ₹ 8,358.66 million in Fiscal 2025. This rise primarily reflects deterioration in asset quality, prompting companies to accelerate the recognition and write-off of stressed and non-performing assets. NBFC-MFIs reported average recoveries of ₹ 310.33 million Fiscal 2024, ₹ 280.40 million in Fiscal 2025.

Percentage of average write-offs done by NBFC-MFIs witness significant uptick in Fiscal 2025



Note: Data of top 10 NBFC-MFIs players have been considered for above calculation, Percentage of average write-offs has been calculated as sum product of write-offs and gross loan portfolio divided by sum of gross loan portfolio
Source: Company reports, CareEdge Research

The percentage of average-write offs done by NBFC-MFIs remained range-bound between 2.07% and 3.64% during Fiscal 2020 to Fiscal 2024, indicating controlled credit costs and steady portfolio seasoning. However, Fiscal 2025, witnessed a sharp escalation to 8.15%, marking a structural break from the historical trend. This likely reflects accelerated recognition of stressed accounts and portfolio clean-up. While this may pressure near-term profitability, timely write-offs can also help reset the balance sheet and improve asset quality if fresh slippages remain contained.

MFI Industry resilient despite major setbacks and Changing landscape

The microfinance sector has undergone significant structural shifts over the last decade, driven by its response to regional and national economic events. While various farm loan waivers and localized crises occurred, the industry utilized these occasions to refine its risk management and operational strategies.

Key Turning Points:

Andhra Pradesh (2010):

A foundational event that led to the implementation of corporate debt restructuring (CDR) for several entities and highlighted the need for formalized credit processes.

Demonetization (2016)

Demonetization severely affected the microfinance sector due to its heavy reliance on cash-based loan disbursement and collections. The cash crunch reduced borrowers' repayment capacity and constrained fresh loan disbursements due to liquidity shortages. Larger MFIs with stronger liquidity positions were better placed than smaller players. The period saw a decline in loan portfolios and ticket sizes. However, demonetization accelerated digital adoption, with MFIs strengthening technology platforms and promoting direct bank accounts, supporting financial inclusion.

Farm Loan Waivers (Fiscal 2017 and Fiscal 2018)

Farm loan waivers are typically announced by governments in response to adverse events such as natural calamities or weak monsoons that impair farmers' repayment capacity. Under these schemes, the government assumes responsibility for repaying eligible loans, which are limited by criteria such as loan size, type of lending institution, and farmer category. While intended as relief measures, loan waivers often undermine long-term credit discipline and disrupt the repayment culture in affected regions.

States such as Maharashtra, Uttar Pradesh, and Karnataka implemented some of the largest farm loan waiver programs, with Andhra Pradesh and Telangana also undertaking similar measures. These waivers initially led to a decline in collection efficiency as borrower expectations regarding eligibility increased. Over time, collections improved as MFIs undertook borrower education initiatives to clarify the scope and applicability of the schemes. Support from government authorities and industry bodies, including public awareness campaigns through media, further aided this process. Although lending activity slowed due to disruptions in repayment cycles in the affected states, NBFC-MFIs experienced relatively lower impact compared to banks, owing to their closer and more frequent engagement with borrowers.

Details of amount of farm loans waived off by various states

State	Name of the debt waiver scheme since 2014	Key Features	Actual Amount waived (₹ Billion)
Assam	Farm Loan Waiver Scheme (2018)	The scheme intended to waive 25 percent of all agricultural loans taken by farmers, with a maximum waiver benefit capped at ₹ 25,000 per farmer.	6.0 (Budgeted)
Jammu and Kashmir	50% KCC Waiver Scheme – 2017	KCC loans up to ₹ 1 lakh were given 50% waiver in a phased manner.	2.44
Karnataka	Karnataka State Debt Waiver Scheme – 2017	To waive off Agri farmer loans up to ₹ 2 lakhs taken from state run cooperative banks	77.94
	Karnataka State Debt Waiver Scheme 2018		142.94
Chhattisgarh	2015 to 2016 (Debt Waiver Scheme -2015)	To waive off Agri farmer loans	1.30
	2018 to 2019 (CG Government Short Term Agri, Debt Waiver Scheme -2018)		61.00
Madhya Pradesh	Debt Waiver Scheme -2018	The scheme intended to waive agri loans up to ₹ 2 lakh	119.12
Maharashtra	Chhatrapati Shivaji Maharaj Shetkari Sanman Yojana, 2017	The scheme intended to waive off loans to the extent of ₹ 1.5 lakhs	305.00
Punjab	Crop Loan Waiver scheme 2017 to 2018	Government to waive off farm loans for approximately. 10 lakh farmers	46.25
Rajasthan	Farm Loan Waiver by Cooperative Banks (for short term crop loans)	State Government to waive loans upto ₹ 50,000 for loans taken by farmers till 30th September 2017	75.25
	Farm Loan Waiver by Cooperative Banks (for medium- and long-term agriculture loans)		78.51

State	Name of the debt waiver scheme since 2014	Key Features	Actual Amount waived (₹ Billion)
Assam	Farm Loan Waiver Scheme (2018)	The scheme intended to waive 25 percent of all agricultural loans taken by farmers, with a maximum waiver benefit capped at ₹ 25,000 per farmer.	6.0 (Budgeted)
Tamil Nadu	Crop Loan Waiver -2016 (Small and Marginal Farmers)	Government of Tamil Nadu to waive off loans issued to small and marginal farmers by cooperative banks	53.19
Puducherry	Loan Waiver Scheme 2018		0.19
Uttar Pradesh	Debt Waiver Scheme 2017 to 2018	Waive loans up to ₹ 1 lakh for crop loans disbursed before Fiscal 2017	252.33

Source: Waiving Off Agriculture Loan (2018); Ministry of Agriculture & Farmers Welfare, Written Answers to Rajya Sabha (6th March 2020), CareEdge Research

In August 2024, the Government of Telangana announced and initiated the implementation of a farm loan waiver scheme providing relief of up to ₹ 2 lakh per eligible farmer. The government waived farm loans aggregating about ₹ 310 billion, and these amounts were deposited directly into the bank accounts of farmers as part of the scheme's execution.

Assam MFI incentive & Relief Scheme (AMIRS), funds received and receivables or resolution and status

Assam experienced a period of sector-wide stress between Fiscal 2020 and Fiscal 2022 due to factors including rising credit penetration, socio-political developments and the economic impact of the COVID-19 pandemic, which led to elevated delinquencies across the microfinance sector. During this period, the Government of Assam introduced regulatory measures, including the Assam Microfinance Incentive and Relief Scheme, 2021 ("AMFIRS 2021"), to moderate borrower indebtedness and support portfolio stabilisation.

The scheme classified borrowers into three categories:

Category 1: Borrowers who had been regularly paying their microfinance loans. These borrowers were eligible for a credit incentive, encouraging them to continue making timely payments.

Category 2: Borrowers who had missed one or two instalments in repayment. These borrowers received partial relief, with the state government helping them clear overdue amounts.

Category 3: Borrowers who have become completely unable to repay their loans due to financial stress. In this case, the state government aimed to provide full relief by waiving their outstanding loans.

As per official publications of the Government of Assam, across the implemented categories, the State has extended aggregate relief of over ₹ 20.81 billion benefitting nearly 1.2 million borrowers. Further, the Assam Cabinet, in its decision dated November 26, 2024, approved Category-III (Phase-2) support covering approximately 78,000 borrowers with an estimated financial outlay of ₹ 2.23 billion.

The implementation mechanism, as stated in official communications, involves identification of eligible borrowers in coordination with participating lenders and disbursement of incentives/relief pursuant to the Scheme guidelines and MoU framework.

Impact of floods in Kerala and Odisha (2018 to 2020)

Kerala (2018): Record-breaking floods devastated income-generating businesses, leading to a sharp decline in credit quality.

Odisha & West Bengal (2019 to 2020): Cyclones Fani and Amphan caused significant infrastructure damage. This resulted in a near-term spike in the Portfolio at Risk (PAR) for NBFC-MFIs and SFBs, as borrowers struggled to maintain repayment schedules amidst the recovery.

Impact of the Covid-19 Pandemic (2020 to 2021)

During 2020 to 2021, the prolonged nationwide lockdown significantly affected the income and savings of MFI borrowers, who typically have weaker credit profiles. By August 2020, around 50% of microloans were under moratorium. Lockdowns disrupted core MFI operations - loan origination and collections, particularly in the initial months, given the sector's field-intensive and cash-based nature.

Despite these challenges, most MFIs entered the lockdown with adequate liquidity and strong collection efficiency of 98% to 99%, having completed a large portion of collections by Fiscal 2020. Although MFIs had drawn bank loans for planned disbursements, these were deferred due to the lockdown. Disbursements recovered to pre-Covid levels by the third and fourth quarters of Fiscal 2021, driven largely by rural and semi-urban areas where the pandemic impact was relatively limited.

The industry's performance during the pandemic was marked by a gradual recovery and the strengthening of balance sheets. Support from government schemes and proactive fund-raising helped maintain stability during periods of collection uncertainty. NBFC-MFIs prioritized the build-up of liquidity buffers and successfully navigated initial funding aversions through various state-supported liquidity schemes.

Regulatory Harmonization and Growth (2022 to 2023)

In Fiscal 2022, despite a resurgence of Covid-19 in the first quarter, the industry experienced a sharp rebound in the latter half of the year, driven by increased disbursement volumes. High collection efficiencies recorded since late 2017 (with a brief interruption in early 2021) demonstrate a resilient repayment culture among the target demographic.

Furthermore, as on Fiscal 2022, RBI revised household income thresholds for collateral-free loans have widened the eligibility criteria, fostering growth in Fiscal 2023. This, along with higher consumption demand and lower slippages, supported a broad-based recovery.

Market Expansion and Emerging Guardrails (2024)

In Fiscal 2024, the industry reached a significant scale, characterized by high disbursement volumes and a stabilized regulatory environment. However, the year also marked the introduction of "self-correction" mechanisms to prevent the over-indebtedness that plagued the sector in 2010. To manage this rapid scale, Self-Regulatory Organizations (SROs) such as MFIN and Sa-Dhan introduced voluntary guardrails to prevent borrower over-indebtedness. These measures included a recommended cap of three lenders per borrower and a total indebtedness limit of ₹ 2 lakh. Additionally, the corporate landscape began to shift through consolidation. In late 2023, Svatantra Microfin completed the acquisition of Chaitanya India Fin Credit. This was followed by the merger in April 2024 of Fincare Small Finance Bank with AU Small Finance Bank, signalling a move toward larger, more diversified financial entities.

Asset Quality Calibration and Stricter Norms

In Fiscal 2025, the sector experienced a notable increase in delinquency rates, with Portfolio at Risk (PAR) levels rising as external factors, including regional climate events, impacted borrower repayment capacities. In response to these asset quality concerns, the industry tightened its lending norms, enforcing a "three-lender" limit per borrower starting April 1, 2025 as imposed by MFIN. The sector experienced a moderation in growth as lenders consciously tightened credit norms, reduced exposure in stressed pockets, and focused on portfolio quality. Collection efficiency remained largely stable, supported by close monitoring and borrower engagement, while asset quality pressures were contained through corrective actions.

Unified Regulatory Framework and Digital Maturity

The regulatory environment has matured with the RBI's issuance of consolidated Master Directions, which provide a single, unified framework for compliance. Operationally, there is an increasing shift toward individual loan products alongside the traditional JLG model to better segment risk. The industry has also standardized Digital Lending Directions, ensuring that all borrowers receive a mandatory Key Fact Statement (KFS) detailing the full Annual Percentage Rate (APR), thereby increasing transparency in the lending process.

Credit Guarantee Fund for Micro Units (CGFMU)

The CGFMU, managed by National Credit Guarantee Trustee Company, is designed to provide credit guarantee cover to lenders such as banks, NBFCs and MFIs against default in micro loans, thereby reducing their credit risk and encouraging collateral-free lending. The scheme covers micro loans up to ₹ 20 lakh extended to eligible borrowers, including individuals, SHGs and JLGs, across manufacturing, services, and allied agricultural activities (excluding direct crop loans). The guarantee typically covers up to 75% of the default amount for certain categories such as SHGs and aims to improve credit flow to underserved segments by providing comfort to lenders and strengthening financial inclusion.

Karnataka Micro Loan and Small Loan (Prevention of Coercive Actions) Ordinance, 2025

The Ordinance introduced by the Government of Karnataka focuses on strengthening borrower protection, particularly for vulnerable segments such as low-income households, women, and farmers. It places explicit restrictions on coercive recovery practices, including harassment and intimidation, and brings microfinance institutions, moneylenders, and other lending entities under tighter regulatory oversight through compliance and registration requirements. The framework also emphasises transparency by mandating clear disclosure of loan terms, interest rates, and charges, thereby promoting informed borrowing and fair lending practices.

The Ordinance signifies increased state-level intervention alongside the regulatory framework of the RBI, particularly in areas of recovery conduct and borrower protection. While it is expected to strengthen responsible lending practices and improve borrower safeguards, it may also lead to more cautious lending behaviour and higher compliance requirements for lenders, potentially impacting credit flow in the short term, especially in higher-risk borrower segments.

Tamil Nadu Money Lending Entities (Prevention of Coercive Actions) Act, 2025

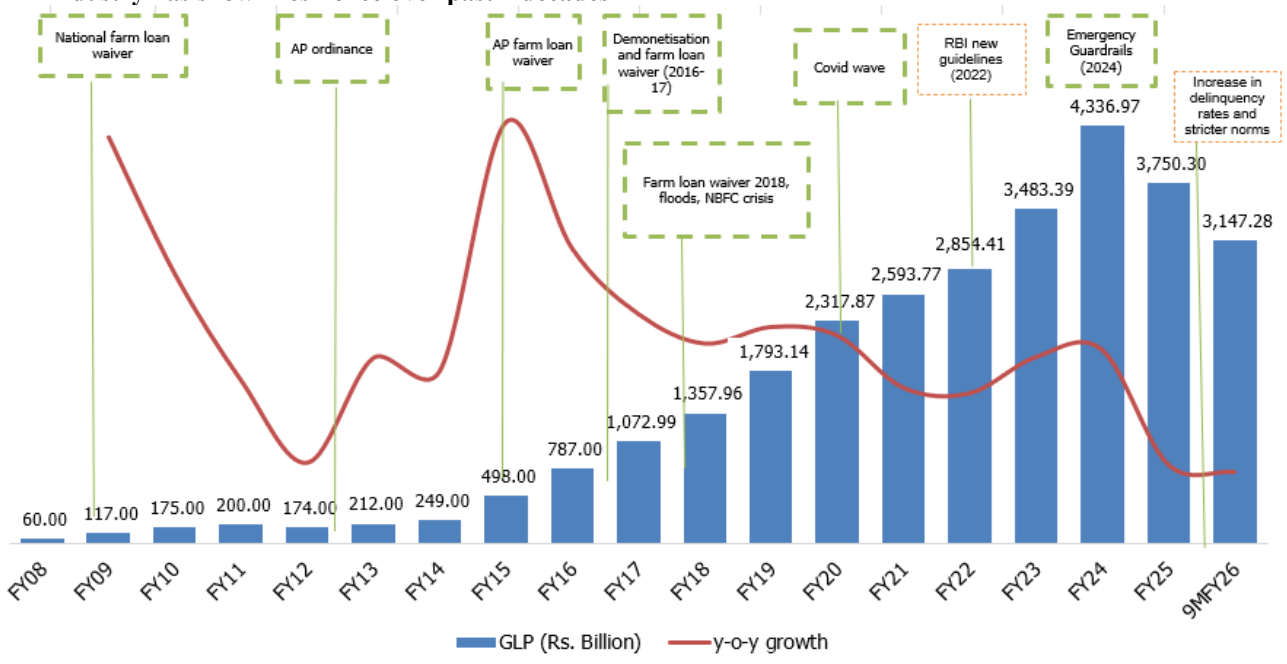
The Act introduced by the Government of Tamil Nadu aims to strengthen borrower protection by regulating the conduct of money lending entities, including microfinance institutions and informal lenders. It prohibits coercive recovery practices such as harassment, intimidation, and undue pressure, and brings lenders under a formal regulatory framework through registration and compliance requirements. The Act also emphasises transparency in lending by mandating clear disclosure of loan terms, interest rates, and charges, along with provisions for grievance redressal to safeguard borrower interests.

The Act reflects heightened state-level intervention in the microfinance and small loan ecosystem, complementing the regulatory oversight of the Reserve Bank of India. While it is expected to reinforce responsible lending practices and enhance borrower protection, it may lead to stricter compliance requirements and more cautious lending by institutions, particularly in higher-risk segments, potentially affecting credit availability in the near term while improving long-term sector stability.

Credit Guarantee Scheme for Microfinance Institutions 2.0 (2026)

The Government of India has introduced the Credit Guarantee Scheme for Microfinance Institutions 2.0 (CGSMFI 2.0) to enhance credit flow to the microfinance sector by providing guarantees on loans extended by banks and financial institutions to eligible MFIs. The scheme is designed to facilitate incremental credit flow of up to ₹ 20,000 crore to NBFC-MFIs, thereby enhancing their ability to lend to small and under-served borrowers, with an estimated benefit to around 36 lakh borrowers. The scheme aims to improve last-mile financial inclusion, particularly for low-income households, by mitigating lender risk and enabling MFIs to access lower-cost funding, thereby supporting sustained credit growth in under-served segments.

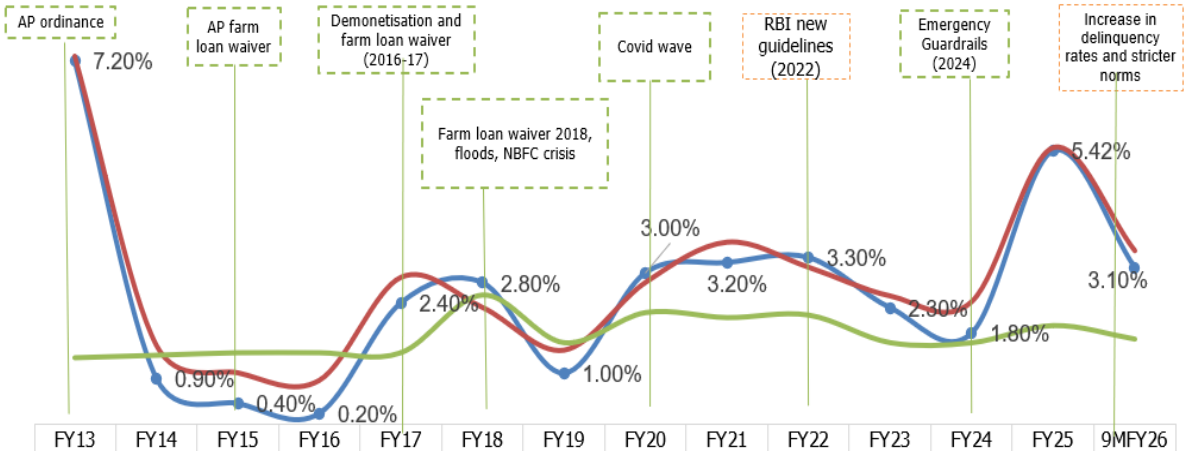
MFI industry has shown resilience over past 2 decades



Source: MFIN, CareEdge Research
Note: Data includes data for Banks lending through joint liability group (JLG), SFBs, NBFC-MFIs, other NBFCs and non-profit MFIs. It excludes data for Banks lending through SHG; The amounts are as at the end of Fiscal year.

Over the years, MFIs have proven their resilience to high-impact events while continuing to advance financial inclusion by extending credit to borrowers at the bottom of the economic pyramid. Despite serving a relatively vulnerable customer base, the sector has historically exhibited strong recovery capabilities following systemic shocks such as demonetisation, with profitability sustained across cycles. During the pandemic, MFIs further strengthened their balance sheets through timely equity infusions, underscoring investor confidence in the sector's long-term growth potential, countercyclical adaptability, and embedded social impact. Their ability to navigate crisis has been supported by proactive risk management, disciplined underwriting, and calibrated portfolio realignment. Additionally, the RBI's evolving regulatory framework has played a pivotal role in fostering sustainable growth, enhancing governance standards, and mitigating systemic vulnerabilities, thereby reinforcing the sector's long-term stability.

Impact of Various Events on Credit Costs for Microfinance Industry



	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	9MFY26
Overall	7.20%	0.90%	0.40%	0.20%	2.40%	2.80%	1.00%	3.00%	3.20%	3.30%	2.30%	1.80%	5.42%	3.10%
MFI	12.60%	1.10%	0.00%	-0.30%	3.80%	2.60%	0.90%	3.60%	5.20%	4.20%	3.06%	2.83%	8.96%	4.86%
SFBs	0.60%	0.70%	0.80%	0.80%	0.80%	3.10%	1.20%	2.40%	2.20%	2.30%	1.20%	1.20%	1.88%	1.34%

Overall MFI SFBs

Note: Data includes data for 12 NBFC MFIs and eight SFBs including Equitas SFB, Ujjivan SFB, AU SFB, Jana SFB, ESAF SFB, Suryoday SFB, Capital SFB, and Utkarsh SFB which constitute more than 80% of Industry

Impact of Major Disruptive Events on Asset Quality in the Microfinance Sector

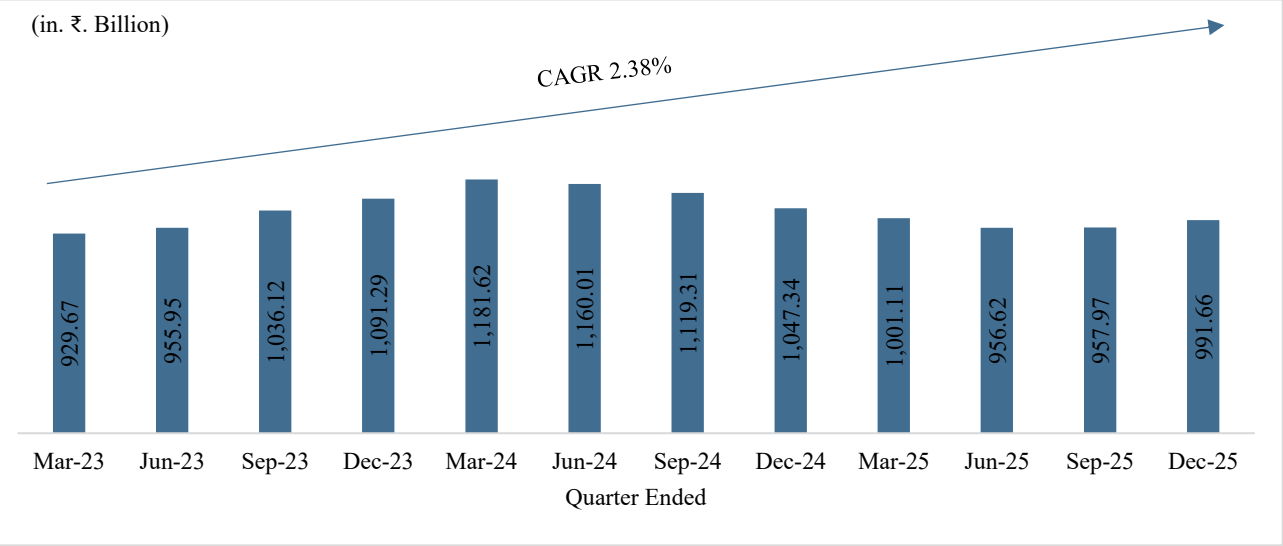
The microfinance sector in India has historically demonstrated sensitivity to regulatory shocks, liquidity disruptions, and natural calamities. Events such as the Andhra Pradesh microfinance crisis, demonetisation, and large-scale natural disasters have had varying degrees of impact on repayment behaviour and portfolio quality. A comparison of these disruptions with the COVID-19 pandemic highlights differences in scale, geographic spread, and recovery dynamics.

The **Andhra Pradesh microfinance crisis (2010)** represented a structural and region-specific shock to the sector. Regulatory actions at the state level, coupled with restrictions on collections, resulted in a sharp deterioration in repayment discipline within the state. The event exposed vulnerabilities related to borrower over-indebtedness, concentration risk, and governance gaps. Asset quality deterioration was severe in the affected geography, and the crisis triggered significant sectoral reforms. Unlike subsequent events, the crisis was concentrated geographically but had long-term structural implications for underwriting standards and regulatory frameworks.

Demonetisation (2016) constituted a liquidity-driven disruption affecting cash-dependent borrowers, particularly in rural and informal segments. On November 8, 2016, the Government of India announced the demonetisation of ₹ 500 and ₹ 1,000 bank notes, resulting in the withdrawal of approximately 86% of the currency in circulation by value. The gradual replacement of currency, particularly in rural and semi-urban areas, led to liquidity constraints and had an immediate adverse impact on the microfinance sector, which is largely cash-based. Collection efficiencies declined and delinquencies increased across the industry.

The **liquidity crisis** plaguing NBFCs in India had a minor ripple effect on micro-lenders. Lenders who relied on NBFCs for funding slowed down disbursement and started looking at different avenues to raise money. However, the impact of the crisis was not that profound since large NBFC-MFIs had a diversified funding mix and were able to leverage this to their advantage.

Funding trend of NBFC-MFIs (outstanding borrowing)



Note: Data includes only NBFC-MFIs
Source: MFIN, CareEdge Research

Between Mar-23 and Dec-25 NBFC–MFI borrowings recorded a modest CAGR of 2.38%, reflecting an overall consolidation phase despite interim volatility. Borrowings rose sharply until Fiscal 2024, driven by strong credit demand, improved collections, and supportive lender sentiment, enabling portfolio expansion. However, from Fiscal 2024 onwards, outstanding borrowings declined due to emerging asset quality pressures, tighter lender risk appetite, and higher funding costs, prompting MFIs to moderate disbursements and prioritise balance sheet stability. By nine months ended December 31, 2025, borrowings stabilised, indicating sector adjustment to stress conditions and a shift towards cautious, quality-focused growth rather than aggressive expansion.

Natural calamities such as **cyclones and floods** have also periodically affected microfinance portfolios, particularly in coastal and agriculturally dependent states. These events typically result in short-term stress due to livelihood disruption and infrastructure damage. However, the impact is often localised and mitigated through relief measures, restructuring support, and community-based repayment mechanisms. Consequently, asset quality stress from natural disasters has historically been region-specific and temporary in nature.

In contrast, the **COVID-19 pandemic** represented an unprecedented, nationwide economic disruption. Lockdowns and mobility restrictions affected both rural and urban borrowers simultaneously, disrupting income generation across agriculture, services, and informal employment. The scale and duration of the shock were materially larger than prior disruptions. However, policy measures including regulatory moratoriums, liquidity support, and government relief schemes helped cushion the immediate impact on repayment behaviour. Unlike demonetisation, which was primarily a liquidity shock, COVID-19 combined income disruption with mobility restrictions, leading to a broader but policy-mitigated stress on asset quality.

In summary, while the Andhra Pradesh crisis was regulatory and concentrated, demonetisation was liquidity-driven and temporary, and natural calamities have been localised and cyclical, the COVID-19 pandemic was systemic and nationwide. The sector's prior experience with these disruptions strengthened risk management frameworks, regulatory oversight, and operational resilience, which moderated the longer-term asset quality impact during the pandemic relative to the severity of the initial shock.

Impact of COVID on rural and urban market

The COVID-19 pandemic had a differentiated impact on rural and urban markets, shaped by variations in income sources, employment structures, and access to mobility and formal support systems. While both segments experienced economic disruption, the intensity and recovery trajectory varied meaningfully across regions.

In urban markets, the impact was more immediate and pronounced due to the concentration of salaried employment, informal service-sector jobs, and small businesses that were directly affected by prolonged lockdowns and mobility restrictions. Job losses, salary reductions, and business closures weakened household cash flows, leading to higher stress on loan repayments, particularly among urban informal workers and micro-entrepreneurs. The disruption to supply chains and limited operating hours further constrained income generation, resulting in a sharper short-term deterioration in repayment behaviour.

Rural markets, although not immune, demonstrated relatively higher resilience during the initial phases of the pandemic. Agricultural activities, allied sectors, and government support measures helped cushion income shocks to some extent. The continuity of farming operations and rural employment schemes provided partial income stability, supporting basic consumption and debt servicing. However, rural households engaged in non-farm activities and migrant-dependent income streams faced stress due to reverse migration and reduced remittances.

Over time, recovery trends also diverged. Urban markets exhibited a faster rebound as economic activity normalised, businesses reopened, and employment opportunities gradually returned, albeit unevenly across sectors. In contrast, rural recovery was steadier and more gradual, supported by agricultural output and public welfare measures, though lingering effects on discretionary income and indebtedness persisted in certain regions.

Overall, the pandemic underscored the structural differences between rural and urban markets, highlighting the higher volatility of urban informal incomes and the relative stability, but slower recovery of rural livelihoods. These dynamics had important implications for credit performance, portfolio risk, and lending strategies across regions.

Key government steps that supported MFIs during the Covid-19 crisis

Reducing the debt servicing burden through a moratorium period: The RBI initially allowed lending institutions to grant a three-month moratorium on repayment of instalments for term loans outstanding as on March 1, 2020, along with a deferment of interest payments on working capital facilities. This moratorium was subsequently extended by another three months until August 31. Banks were required to maintain an additional 10% provisioning for accounts availing of the moratorium, which could later be adjusted against provisions for actual slippage. These measures were aimed at supporting borrower liquidity and restoring confidence in the broader economy.

Refinance support from RBI: In April 2020, the RBI announced refinance support of ₹ 250 billion to the National Bank for Agriculture and Rural Development, which in turn provides funding support to NBFC-MFIs, regional rural banks and co-operative banks.

Loan interest subvention scheme: Under this scheme, the government extended a 2% interest subvention on loans disbursed under the Mudra-Shishu category. These loans, with ticket sizes up to ₹ 50,000, are largely extended by NBFC-MFIs to low-income borrowers.

PSL status for SFB lending to NBFC-MFIs: On May 5, 2021, the RBI permitted fresh lending by SFBs to NBFC-MFIs with asset size below ₹ 5 billion, for onward lending to individual borrowers, to be classified under priority sector lending. This step facilitated improved credit flow to smaller MFIs that were facing comparatively greater funding constraints. The dispensation remained available until March 31, 2022.

SLTRO: The RBI introduced a special long-term repo operation programme of ₹ 100 billion for SFBs to mitigate the impact of the second Covid-19 wave. The first auction was conducted on May 17, 2021, and subsequent auctions were held until the allocated amount was fully utilised. Funds raised under this window were to be deployed towards lending to small business units and the unorganised sector.

Credit Guarantee Scheme: On June 28, 2021, the finance minister announced a Credit Guarantee Scheme routed through MFIs, covering the first 2.5 million borrowers for a maximum tenure of three years. Up to three-fourths of the guarantee was extended to scheduled commercial banks for loans up to ₹ 1.25 lakh to new or existing NBFC-MFIs. This measure aimed to alleviate the acute cash flow stress experienced by individuals and small enterprises during the second wave.

Guardrail 1 - Accountability and Governance: This guardrail emphasises the need for a structured and well-defined governance framework to ensure responsible deployment and oversight of AI systems within an organisation. It involves establishing clear accountability mechanisms, including the designation of an overall AI owner and the development of a comprehensive AI strategy aligned with business objectives. In addition, organisations are required to build internal capabilities through targeted training and awareness initiatives, while also ensuring that AI systems operate in compliance with applicable regulatory and legal standards. Collectively, these measures promote transparency, accountability, and effective oversight in AI adoption.

Guardrail 2 - Risk Management Process: This guardrail focuses on the implementation of a robust and continuous risk management framework to address potential risks arising from AI systems. It requires organisations to proactively identify risks based on the intended use and impact of AI applications, and to conduct stakeholder impact assessments to evaluate potential consequences on users and other affected parties. Further, it emphasises the need for ongoing risk monitoring and periodic reassessment throughout the lifecycle of AI systems, ensuring that emerging risks are identified and mitigated in a timely manner, thereby supporting safe and responsible AI deployment.

RBI's Cease and Desist (C&D) orders to Microfinance Institutions (MFIs), update and measures or steps taken post supervisory restrictions

Cease and Desist (C&D) order by the RBI:

Over the past five years, Reserve Bank of India has adopted an effective regulatory posture, utilising business restrictions, often referred to as Cease and Desist (C&D) orders to enforce compliance, transparency and technological resilience. While these actions may generate short-term market volatility for the affected entities, historical data confirms they are temporary. Companies that engage proactively with the regulator and invest in systemic upgrades routinely exit these restrictions within six to ten months and emerge with structured and compliance driven operational frameworks.

Overview of RBI Cease & Desist Actions

What is Cease and Desist:

A C&D or supervisory restriction is a targeted regulatory order issued by the RBI- typically under Section 35A of the Banking Regulation Act, 1949, or Section 45L of the RBI Act, 1934 (for NBFCs). Rather than revoking a license, the RBI temporarily restricts specific business activities, such as onboarding new customers digitally, issuing new credit cards, or disbursing loans under specific products.

When it is applied:

These orders are applied when the regulator identifies material supervisory concerns during routine or special audits. They act as an immediate "pause" button to prevent systemic risk or consumer detriment while the entity rectifies the identified gaps.

The rationale behind the regulator action:

The RBI's primary objectives behind such actions are protecting consumer interests and maintaining systemic stability. Recent actions have been driven by three core rationales:

Technological Resilience: Ensuring core banking systems and IT infrastructures can handle rapid digital scaling without extended outages.

Pricing & Transparency: Enforcing the Digital Lending Guidelines, particularly the accurate issuance of Key Fact Statements and preventing usurious pricing models.

Process Integrity: Addressing gaps in onboarding (KYC lapses) or operational processes.

Landscape Analysis: Actions Over the Past Five Years

Over the last five years, the RBI has initiated approximately 10 to 15 major business restrictions against banks and NBFCs. This demonstrates that regulatory scrutiny is a sector-wide baseline, not an isolated risk.

Sector-Wise Analysis and Remediation Timelines

The following tables provide details on the specific entities affected, the duration of the business embargoes, and the core vulnerabilities exposed.

Commercial & Payments Banks: IT and KYC Vulnerabilities

Banks primarily faced restrictions on digital acquisition and credit card issuance. The remediation for IT-related deficiencies proved to be a lengthy and capital-intensive process.

Entity	Primary Vulnerability	Order Issued	Order Revoked	Embargo Duration
Kotak Mahindra Bank	Severe IT infrastructure deficits; failure to manage traffic surges.	Apr 24, 2024	Feb 12, 2025	Approximately 10 Months

Entity	Primary Vulnerability	Order Issued	Order Revoked	Embargo Duration
Bank of Baroda	Governance failure in 'bob World' app onboarding (KYC tampering).	Oct 10, 2023	May 8, 2024	Approximately 7 Months
Paytm Payments Bank	Persistent, systemic KYC and AML compliance failures.	Jan 31, 2024	Permanent	N/A (Core business ceased)
SBM Bank	LRS transaction compliance failures.	Jan 23, 2023	Mid-2024 (Phased)	Approximately 18 Months
Federal Bank	Regulatory gaps in co-branded credit card issuance.	Mar 12, 2024	NA	NA
South Indian Bank	The directive followed concerns about compliance with credit card issuance and conduct rules, particularly around co-branding partner access to customer data.	Mar 12, 2024	NA	NA

NBFCs & Microfinance Institutions: Pricing and Asset Quality

The NBFC sector faced prudent, targeted action primarily concerning excessive interest rates and unfair practices. Notably, once these entities recalibrated their pricing models, the RBI lifted the restrictions relatively quickly.

In October 2024, the RBI issued an order against four NBFCs, including Arohan Financial Services, and directed such NBFCs, to cease and desist from sanction or disbursal of loans with effect from close of business of October 21, 2024, until certain material supervisory concerns of the RBI were suitably remediated (the “RBI Order”). The RBI lifted the restrictions from Arohan Financial Services on January 3, 2025, marking the second fastest industry exits from such an order, achieved within less than 75 days.

Entity	Primary Vulnerability	Order Issued	Order Revoked	Embargo Duration
Navi Finserv	Usurious pricing & non-compliance with Fair Practices.	Oct 17, 2024	Dec 2, 2024	Approximately 1.5 Months (42 days)
Arohan Financial Services	Usurious pricing & non-compliance with Fair Practices.	Oct 17, 2024	Jan 3, 2025	Approximately 2.5 Months (74 days)
DMI Finance	Usurious pricing & excessive interest margins.	Oct 17, 2024	Jan 8, 2025	Approximately 2.5 Months (79 days)
Asirvad Micro Finance	Usurious pricing & poor household income assessment.	Oct 17, 2024	Jan 8, 2025	Approximately 2.5 Months (79 days)
Bajaj Finance	Immediately stop the sanction and disbursement of new loans via 'eCOM' and 'Insta EMI Card' products.	Nov 15, 2023	May 2, 2024	Approximately 5.6 Months (169 days)
IIFL Finance	Material concerns in Gold Loan valuation and disbursal.	Mar 4, 2024	Sep 19, 2024	Approximately 6.5 Months (199 days)
Edelweiss (ECL & EARCL)	Evergreening of stressed assets via structured transactions.	May 29, 2024	Dec 17, 2024	Approximately 6.5 Months (202 days)
JM Financial Products	Governance issues in IPO financing (shares/debentures).	Mar 5, 2024	Oct 18, 2024	Approximately 7.5 Months (227 days)

Resolution & Recovery: The path to exiting C&D

A critical takeaway for investors is that RBI restrictions are remedial, not punitive end-states. Typical Time Taken to Exit: Based on the actions over the past five years, the average time taken for an entity to resolve the issues, complete external audits, and have the restrictions lifted is between 3 to 10 months, depending on the complexity of the remediation.

Fast Resolutions (2 to 6 months): Navi Finserv, Arohan Finance DMI Finance, and Asirvad Micro Finance had their curbs lifted between December 2024 and January 2025. Bajaj Finance resolved its KFS issues in roughly 6 months (lifted May 2024).

Medium Resolutions (6 to 10 months): IIFL Finance exited its gold loan ban in about 6.5 months (September 2024). Bank of Baroda's ban was lifted in 7 months.

Complex Tech Overhauls (10+ months): Kotak Mahindra Bank resolved its deep-rooted IT gaps in 10 months for a complete lift.

The regulatory restrictions by the RBI are typically intended to be remedial and temporary rather than punitive so long as the concerned entity responds with prompt, concrete and independently verifiable corrective measures. Such actions signal regulatory seriousness and institutional accountability, which can facilitate the easing of supervisory constraints.

It should be noted that the regulatory measures and proactiveness with regards to rapid changes in technology and innovative business models have risen materially to avoid any systemic risk. Expansion and growth indicators, while still relevant, no longer occupy centre stage in supervisory evaluation. Instead, regulators are placing substantially greater weight on the strength and resilience of IT systems, transparency in pricing structures and disclosures to customers and uncompromising compliance with KYC (Know Your Customer) requirements. In effect, sustainable governance, technological robustness and compliance discipline now form the primary foundation of regulatory comfort, with growth treated as a by-product of operational integrity rather than its substitute.

MFI industry growth drivers pointing towards a sustained recovery in the sector



The points below include the developments in the microfinance sector that suggest improving stability and the potential for a sustained recovery.

Structural Financial Inclusion Support: Government data on financial inclusion show broad improvements in access to formal financial services, notably through initiatives like the Pradhan Mantri Jan Dhan Yojana (PMJDY). As of December 2025, over 573.3 million PMJDY accounts have been opened, with significant rural penetration, forming a foundation that supports microfinance activity by expanding the base of potential borrowers connected to formal credit systems.

Rural Economic Support and Demand Potential: Data released by the Government of India's Rural Economic Conditions and Sentiments Survey (RECSS), July 2025, indicate rising rural incomes and consumption, with over three-fourths of surveyed households reporting increased consumption and nearly 40% reporting higher income. This strengthening of rural economic fundamentals supports future credit demand, which is a key underlying driver for microfinance growth.

Improved Operating Environment in Rural and Semi-Urban Areas: Broader improvements in rural livelihoods, infrastructure development, and social welfare delivery mechanisms have strengthened household income stability. A more resilient rural economy improves repayment behaviour and credit absorption capacity, which is essential for sustained recovery in microfinance operations.

Operational Resilience and Digital Enablement: MFIs have increasingly adopted digital tools for customer onboarding, collections, and monitoring, improving operational efficiency and risk management. This digital shift enhances transparency, reduces operating costs, and supports scalability without compromising credit discipline.

In the Union Budget 2025 to 2026, the development of the Grameen Credit Score was announced. This framework is expected to be created by public sector banks to assess the credit needs of Self-Help Group (SHG) members and people in rural areas by leveraging both conventional and alternative data. This will enable lending institutions to make data-driven credit decisions, thereby advancing the government's financial inclusion agenda and expanding credit access for rural communities.

MFIs have played a meaningful role in improving the socio-economic conditions of low-income households by providing timely and collateral-free access to formal credit. By supporting income-generating activities such as

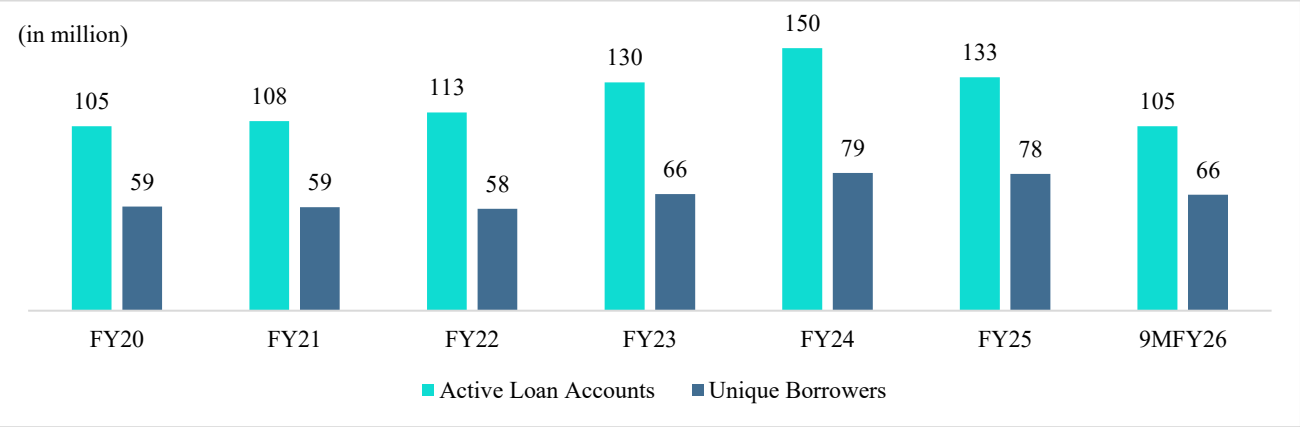
small retail trade, agriculture-allied businesses, tailoring, livestock rearing and other micro-enterprises, MFIs contribute to livelihood creation and income stability. A significant proportion of borrowers are women, and access to financial services has been associated with enhanced financial independence, improved household decision-making capacity, and greater participation in economic activity.

Beyond credit, the group-based lending framework adopted by many MFIs fosters financial discipline, peer accountability and regular savings habits. Continued engagement with formal lenders also helps borrowers build credit histories, enabling gradual access to larger and more diversified financial products over time.

Strengthened regulatory oversight, improved credit bureau integration, adoption of technology in underwriting and monitoring, and enhanced risk management practices are expected to support asset quality and operational efficiency. With a renewed focus on prudent lending and borrower protection, MFIs are likely to continue advancing financial inclusion while contributing positively to rural and semi-urban economic development.

Trend in number of active MFI loan accounts and unique borrowers

Active MFI loan accounts witnessed decline in Fiscal 2025 and nine months ended December 31, 2025 reflecting tighter underwriting



Source: MFIN, CareEdge Research

Between Fiscal 2020 and Fiscal 2022, unique borrowers remained largely flat, reflecting negligible growth, while active loan accounts recorded low single-digit growth, indicating that credit expansion came mainly from existing customers. Fiscal 2023 marked a sharp recovery phase, with active loan accounts growing by around 15.04% y-o-y growth and unique borrowers increasing by about 14.48% y-o-y growth, driven by economic normalisation and a revival in credit demand post the pandemic. In Fiscal 2025 active MFI loan accounts declined and unique borrowers remained range bound. By nine months ended December 31, 2025, the trend suggests consolidation, with decline in loan accounts, reflecting tighter underwriting and portfolio rationalisation by lenders. This is in-line with regulatory cap limiting borrowers to a maximum of three lenders, which aims to curb overleveraging, improve credit discipline, and enhance overall asset quality within the microfinance sector.

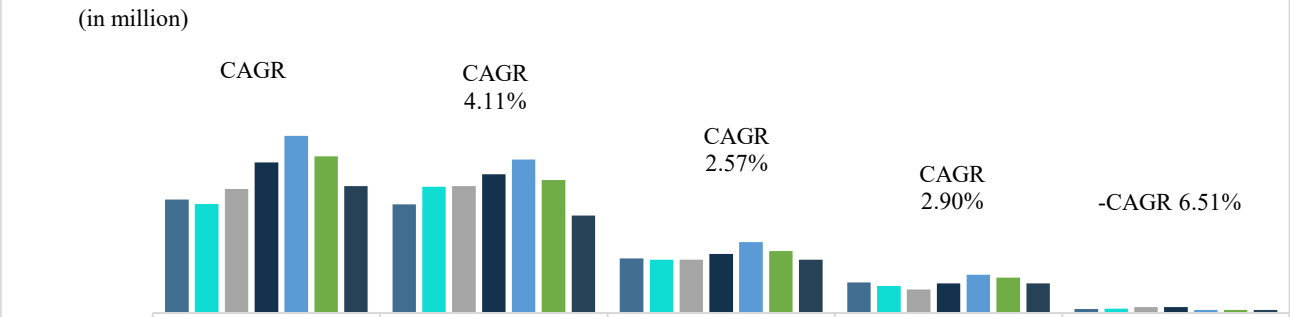
Average active loan accounts per unique borrower have been declining since Fiscal 2024



Source: MFIN, CareEdge Research

The average number of active loan accounts per unique borrower increased gradually from 1.77 in Fiscal 2020 to a peak of 1.96 in Fiscal 2023, reflecting a phase of deeper credit penetration and higher cross-borrowing as lenders expanded product offerings and borrowers accessed multiple loan cycles during the post-pandemic recovery. However, the metric moderated thereafter to 1.90 in Fiscal 2024 and further to 1.59 in nine months ended December 31, 2025, indicating a structural tightening in lending practices driven by heightened regulatory scrutiny under the revised RBI guidelines, improved credit bureau discipline, and a greater focus by NBFC-MFIs on borrower-level indebtedness and loan consolidation. This decline suggests a deliberate shift towards controlling borrower leverage and avoiding excessive multiple lending, even as overall borrower growth continues.

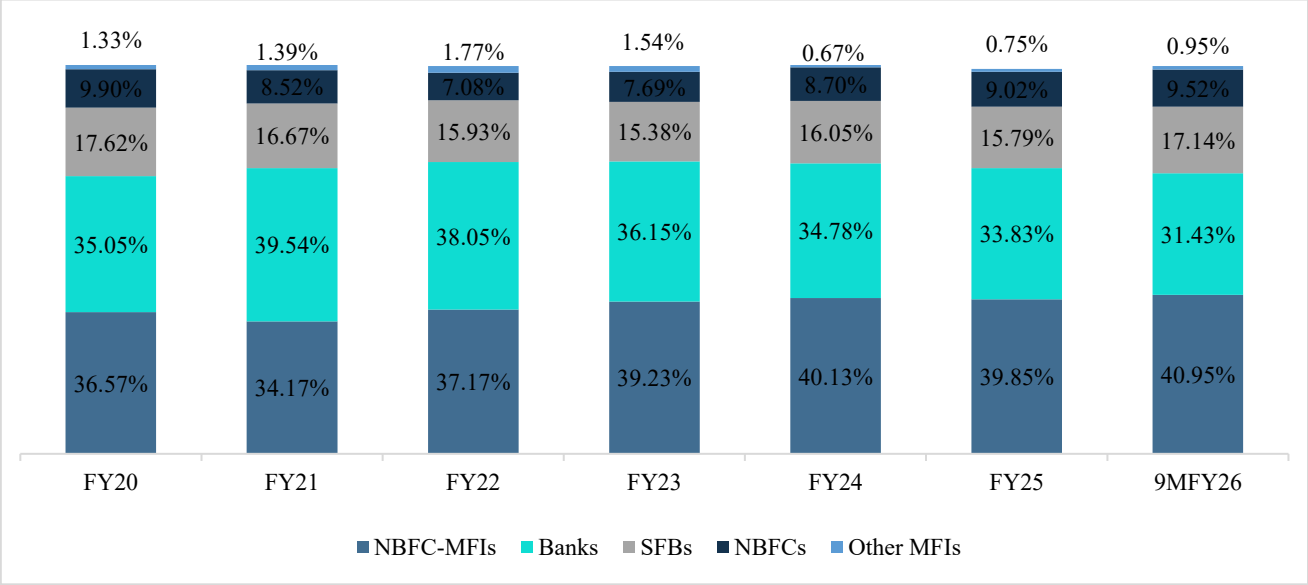
NBFC-MFIs have highest number of active loan accounts and grew fastest (Fiscal 2020 to nine months ended December 31, 2025) among other types of lenders



	NBFC-MFIs	Banks	SFBs	NBFCs	Others
FY20	38.40	36.80	18.50	10.40	1.40
FY21	36.90	42.70	18.00	9.20	1.50
FY22	42.00	43.00	18.00	8.00	2.00
FY23	51.00	47.00	20.00	10.00	2.00
FY24	60.00	52.00	24.00	13.00	1.00
FY25	53.00	45.00	21.00	12.00	1.00
9MFY26	43.00	33.00	18.00	10.00	1.00

Source: MFIN, CareEdge Research
Note: Other MFIs include non-profit entities, CAGR growth is between Fiscal 2020 to Fiscal 2025

Share of NBFC-MFIs in active loan accounts increased from 36.57% as of Fiscal 2020 to 40.95% as of nine months ended December 31, 2025



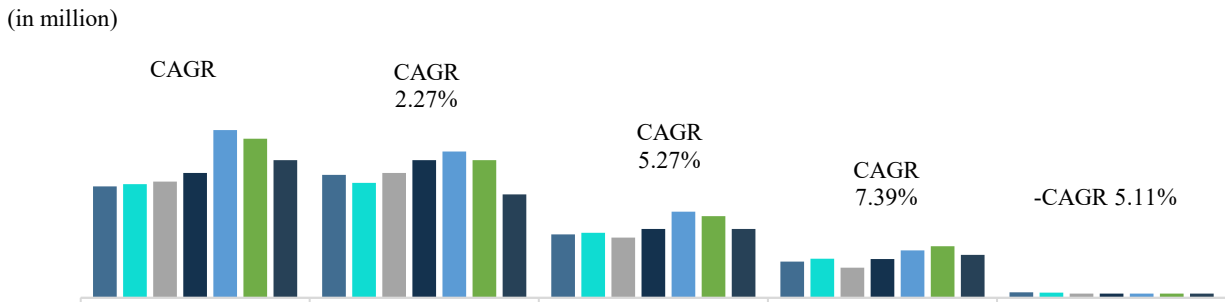
Source: MFIN, CareEdge Research
Note: Other MFIs include non-profit entities

NBFC-MFIs surpassed banks to secure largest share of unique microfinance borrowers

NBFC-MFIs reported one of the highest growth rates in number of unique borrowers, growing at CAGR of 7.39% between Fiscal 2020 to Fiscal 2025. In Fiscal 2024, NBFC-MFIs recorded a robust 34.48% year-on-year growth in number of unique borrowers. This led NBFC-MFIs to acquire largest share in number of unique borrowers in microfinance at 36.63% in Fiscal 2025, surpassing banks which grew at CAGR of 2.27% during Fiscal 2020 to Fiscal 2025 and reported 32% share in total number of unique borrowers as of Fiscal 2025. The number of unique borrowers for SFBs grew at CAGR of 5.27% between Fiscal 2020 to Fiscal 2025. NBFCs reported CAGR of 7.39% during the same period. As of Fiscal 2025, SFBs and NBFCs have 18.81% and 11.88% share respectively in number of unique borrowers.

The overall growth in unique borrowers has been primarily driven by NBFC-MFIs' deeper rural and semi-urban penetration, higher risk appetite within regulated guardrails, quick turnaround time, and stronger last-mile distribution models. Additionally, calibrated risk-based pricing and improved digital onboarding capabilities have supported borrower acquisition and market share gains.

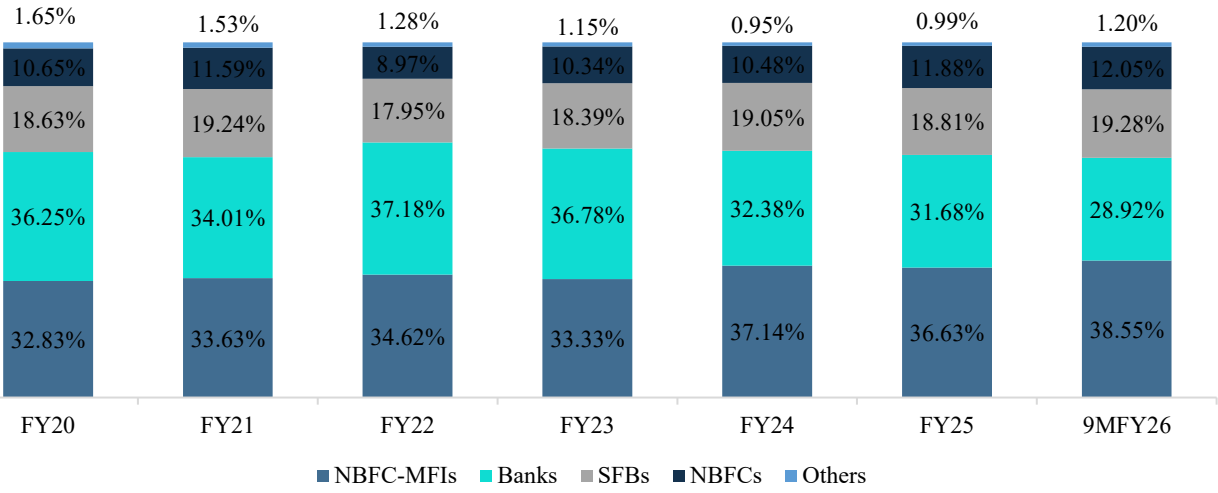
NBFC-MFIs reported fastest growth in number of unique borrowers among other types of lenders



	NBFC-MFIs	Banks	SFBs	NBFCs	Others
FY20	25.90	28.60	14.70	8.40	1.30
FY21	26.40	26.70	15.10	9.10	1.20
FY22	27.00	29.00	14.00	7.00	1.00
FY23	29.00	32.00	16.00	9.00	1.00
FY24	39.00	34.00	20.00	11.00	1.00
FY25	37.00	32.00	19.00	12.00	1.00
9MFY26	32.00	24.00	16.00	10.00	1.00

Note: Other MFIs include non-profit entities, CAGR growth is between Fiscal 2020-Fiscal 2025
Source: MFIN, CareEdge Research

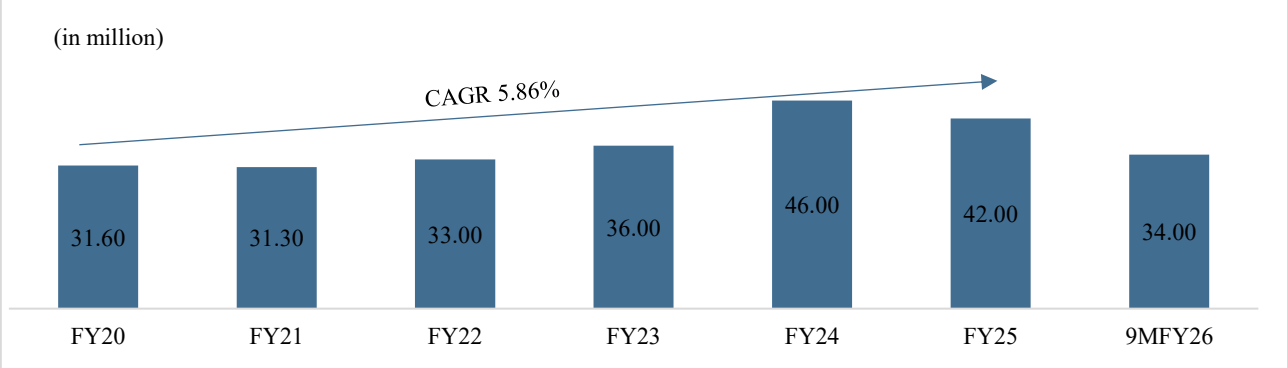
Share of NBFC-MFIs in number of unique borrowers increased from 32.83% as of Fiscal 2020 to 38.55% as of nine months ended December 31, 2025



Note: Other MFIs include non-profit entities
Source: MFIN, CareEdge Research

Number of clients for NBFC-MFIs grew at CAGR of 5.9% between Fiscal 2020 and Fiscal 2025

Trend in number of clients for NBFC-MFIs



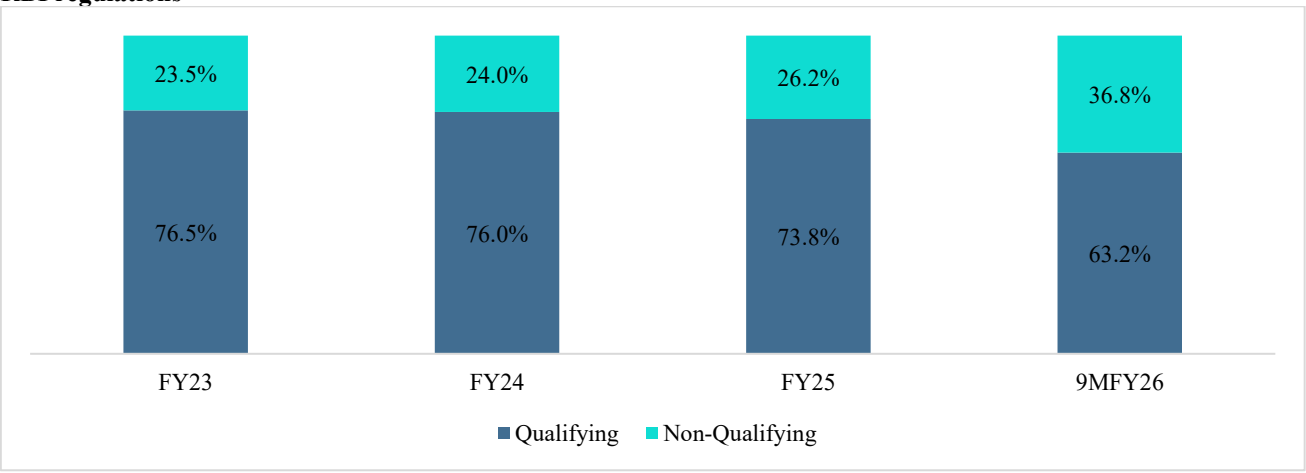
Note: The client numbers above are the aggregate of clients of MFIs who are members of MFIN. Given some degree of overlaps, it does not reflect the number of 'unique' clients
Source: MFIN, CareEdge Research

The number of clients for NBFC-MFIs increased from 31.60 million in Fiscal 2020 to 42.00 million in Fiscal 2025, growing at a CAGR of 5.86% during the period. Number of clients witnessed a slight dip in Fiscal 2021 owing to pandemic. However, the number of clients for NBFC-MFIs witnessed uptick post-covid.

Between Fiscal 2024 and nine months ended December 31, 2025, the number of clients served by NBFC-MFIs declined from approximately 46.00 million to 34.00 million. This moderation reflects a period of portfolio recalibration driven by asset quality considerations and industry-wide efforts to strengthen credit discipline. Lenders adopted a more cautious underwriting approach, particularly in geographies experiencing stress, and undertook portfolio clean-up to address overleveraged and delinquent accounts. Additionally, voluntary guardrails introduced by MFIN, including a recommended cap of three lenders per borrower, contributed to a rationalisation of borrower bases. Overall, the decline in client numbers appears to be aligned with risk containment and responsible lending objectives rather than a structural contraction in demand.

NBFC-MFIs diversifying their portfolio

Share of qualifying assets in owned portfolio of NBFC-MFIs have witnessed decline following changes in RBI regulations



Source: MFIN, CareEdge Research

The mix of the owned portfolio of NBFC-MFIs reflects a policy-driven shift away from qualifying assets towards non-qualifying assets, with the share of qualifying assets declining from 76.50% in Fiscal 2023 to 63.20% in nine months ended December 31, 2025, while non-qualifying assets increased from 23.50% to 36.80%. This trend is largely driven by a combination of business and regulatory factors, including pressure on asset quality and margins in core microfinance lending, which has encouraged NBFC-MFIs to diversify into higher-ticket and allied lending products.

As per the latest RBI guidelines, the definition and operational requirements for qualifying microfinance loans through borrower income caps, loan size limits, and enhanced conduct and risk management norms, effectively

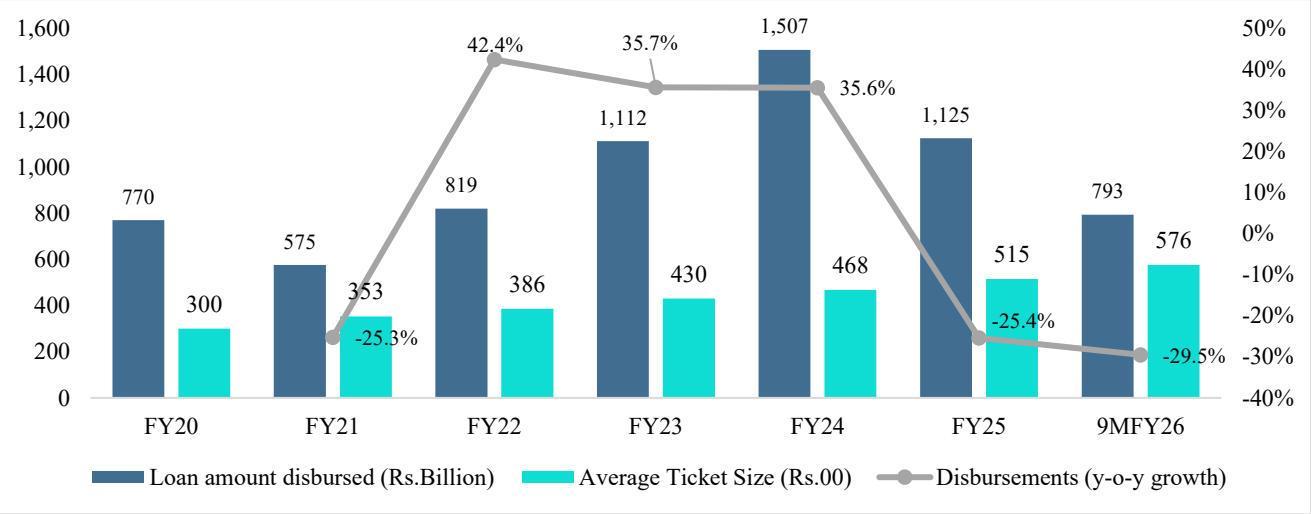
narrows the pool of loans that qualify under regulatory criteria. As a result, a portion of portfolio growth has structurally shifted towards permissible non-qualifying segments to sustain growth and profitability, leading to a gradual but visible decline in the share of qualifying assets within the overall owned portfolio.

NBFC-MFIs' disbursements grew at CAGR of 7.88% during Fiscal 2020 and nine months ended December 31, 2025

In Fiscal 2025, NBFC-MFI's disbursements witnessed degrowth of 25.37% over Fiscal 2024. This degrowth can be attributed to rising asset quality stress, and tighter underwriting norms following regulatory changes. Lenders prioritized collections and portfolio stability amid higher cost of funds and borrower over-leveraging, leading to a shift from aggressive volume growth to risk-controlled, quality-focused expansion rather than a structural demand slowdown which again can be established from the fact that the number of clients decreased by 8.70% y-o-y in Fiscal 2025.

During Fiscal 2024 and Fiscal 2025, the microfinance industry experienced elevated asset quality pressures arising from a combination of borrower over-indebtedness in certain pockets, uneven cash-flow recovery among low-income households and regulatory recalibration, including the introduction of enhanced underwriting norms and borrower indebtedness limits. These developments resulted in moderation in sector-wide disbursements and heightened focus on portfolio quality across NBFC-MFIs.

NBFC-MFIs' disbursements grew at CAGR of 7.88% during Fiscal 2020 and nine months ended December 31, 2025

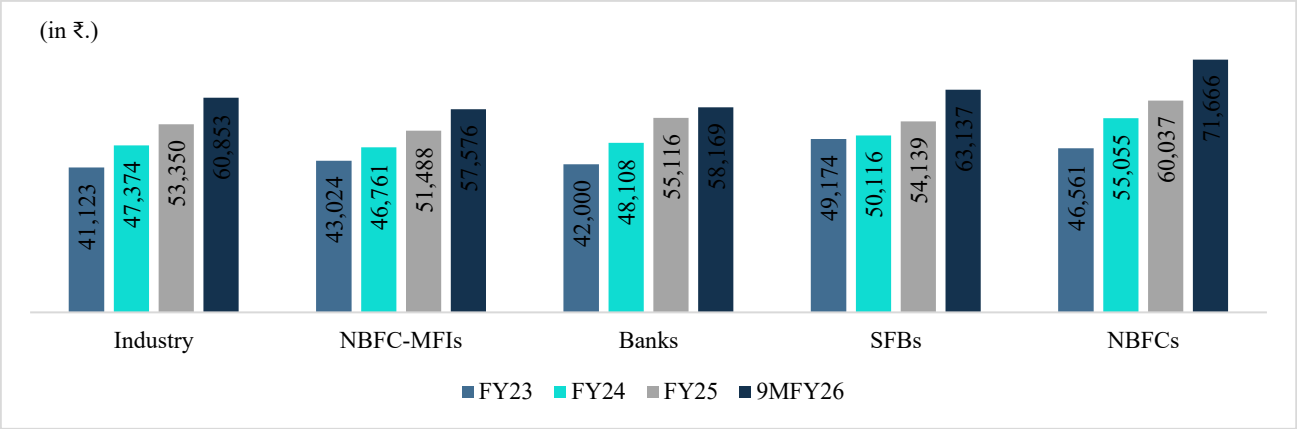


Note: Data includes NBFC MFI players
Source: MFIN, CareEdge Research

Average ticket size to continue to expand in the coming years

The average ticket size of NBFC MFIs has risen from ₹ 43,024 in Fiscal 2023 to ₹ 57,576 in nine months ended December 31, 2025 quarter. NBFCs reported highest average ticket size among peer groups at ₹ 71,666 in nine months ended December 31, 2025 followed by SFBs at ₹ 63,137, both recording average ticket size higher than the industry. CareEdge Research expects this trend to persist in the medium term with NBFC-MFIs continuing to grow at a healthy pace.

Average MFI loan ticket size of NBFC-MFI players is lower as compared to the other industry players



Source: MFIN, CareEdge Research

Consolidation Before the Next Growth Cycle

The Indian microfinance sector is transitioning from a high growth expansion phase to a period of portfolio recalibration, risk discipline and structural strengthening. After a sharp credit acceleration in Fiscal 2023 and Fiscal 2024, Fiscal 2025 marked the beginning of a moderation cycle characterised by elevated delinquencies, lower disbursements and tighter underwriting standards. This phase, while cyclical in nature, is laying the foundation for a more resilient and sustainable growth trajectory over the medium term.

As per MFIN data, the overall GLP of the microfinance industry declined by 13.53% y-o-y in Fiscal 2025. This degrowth was accompanied by moderation in disbursements during the year, reflecting lenders' strategic pivot from volume led growth to asset quality preservation. The decline can be attributed to lenders implementing stringent underwriting norms in response to rising borrower leverage and early signs of stress across regions.

During Fiscal 2025, the number of active borrowers moderated compared to the previous year, indicating a slowdown in fresh customer acquisition and repeat lending. While average ticket sizes remained relatively stable to marginally higher, overall disbursement volumes fell materially y-o-y. This suggests that lenders prioritised relatively stronger borrower segments and curtailed incremental exposure in districts exhibiting saturation or elevated delinquency trends. Funding conditions also became relatively tighter, with lenders facing higher cost of borrowings compared to the low-rate cycle seen earlier. Consequently, liquidity discipline and balance sheet protection became central themes of F20Y25.

Asset quality metrics weakened during Fiscal 2025, with Portfolio at Risk in the 31 to 180 days bucket rising compared to Fiscal 2024. The stress was more pronounced in select states characterised by higher lender density and borrower overlap. However, the deterioration was not systemic across all regions. Importantly, institutions responded proactively through intensified collection efforts, calibrated branch expansion, strengthened field supervision and more stringent credit bureau checks. Provisioning buffers were enhanced, reflecting prudent recognition of stress rather than aggressive restructuring.

The consolidation phase deepened in Fiscal 2026, with the industry's GLP declining further on a y-o-y basis as of nine months ended December 31, 2025. Disbursements during the first nine months of Fiscal 2026 remained subdued relative to the corresponding period of the previous year, indicating continued caution in fresh origination. The number of active loans and unique borrowers also contracted, reflecting ongoing portfolio rationalisation. NBFC MFIs continued to hold a significant share within the industry structure, although contraction trends were visible across lender categories including banks and SFBs.

From an asset quality perspective, early delinquency buckets showed signs of stabilisation in nine months ended December 31, 2025, suggesting that tighter underwriting norms implemented in Fiscal 2025 are beginning to yield results. However, stress in longer overdue categories persisted, reflecting lag effects of prior over expansion and repayment strain in certain pockets. The divergence between early bucket improvement and longer bucket stress indicates that the industry is in a healing phase rather than a recovery phase.

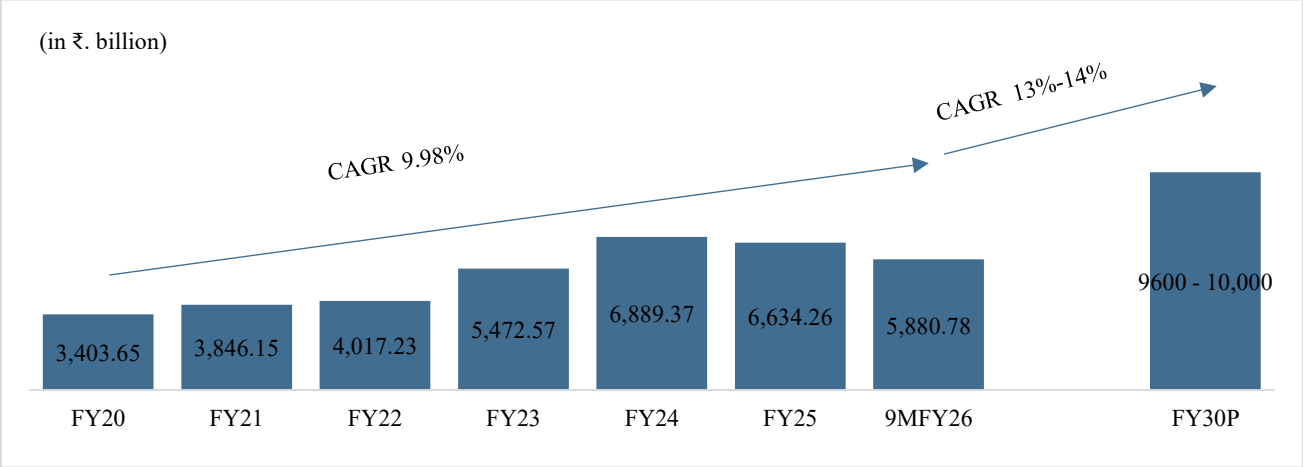
Qualitatively, three structural themes define the outlook. First, underwriting standards have become materially stricter, with enhanced borrower indebtedness assessment and bureau-based validation. Second, lenders are prioritising portfolio quality, collection efficiency and capital preservation over branch led expansion. Third,

governance and responsible lending frameworks have gained prominence, reducing the probability of unchecked competitive aggression.

Recovery in disbursement momentum will depend on sustained improvement in delinquency trends, normalisation of funding flows and restoration of lender confidence in previously stressed districts. Over the medium term, structural demand for microcredit remains intact, supported by financial inclusion gaps, rural income formalisation and consumption driven credit needs. However, the next growth cycle is expected to be more disciplined, data driven and risk calibrated compared to the previous expansionary phase.

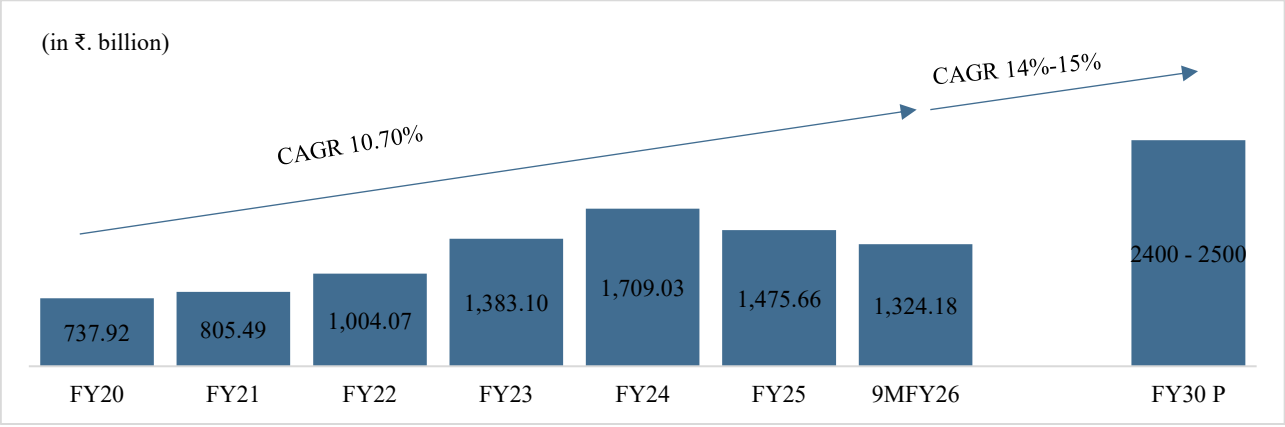
Additionally, heightened geopolitical uncertainties could lead to inflationary pressures and dampen rural consumption, thereby affecting borrowers' repayment behaviour. Any tightening in global liquidity may also elevate funding costs for lenders, constraining credit flow to vulnerable segments. This could delay portfolio stabilisation and prolong stress in already impacted regions. Consequently, near-term growth may remain cautious and uneven across geographies.

GLP of overall MFI Industry to grow at 13% to 14% CAGR over nine months ended December 31, 2025 to Fiscal 2030



Note: P – Projected; Chart includes data for bank lending through joint liability group, bank lending through self-help groups, SFBs, NBFC-MFIs, other NBFCs and non-profit MFIs.
Source: MFIN, CareEdge Research

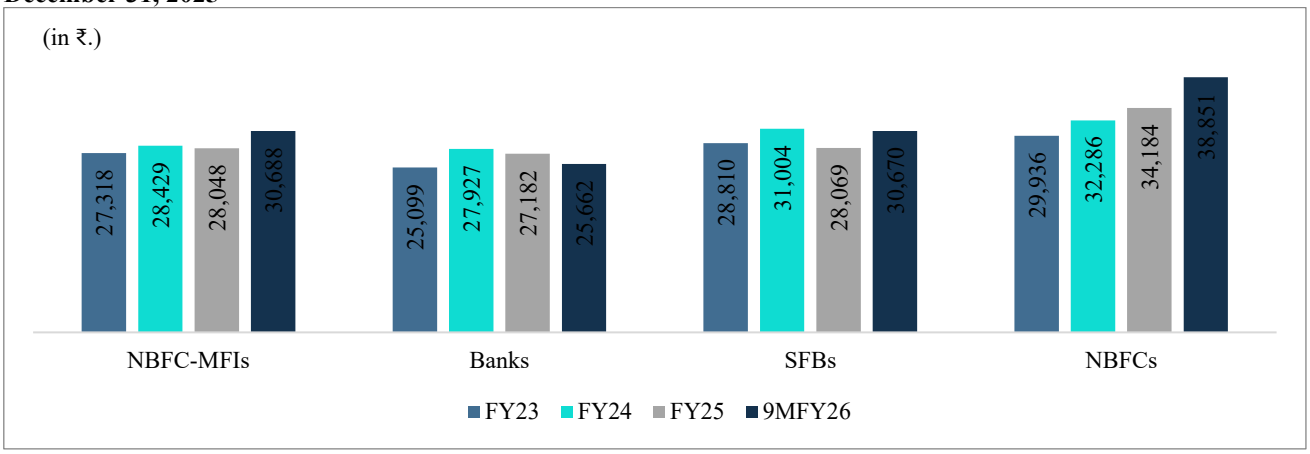
GLP of NBFC-MFIs expected to recover soon and experience a period of rapid expansion over the next few years



Note: P – Projected; Data includes NBFC MFI players.
Source: MFIN, CareEdge Research

Market share mix of lenders

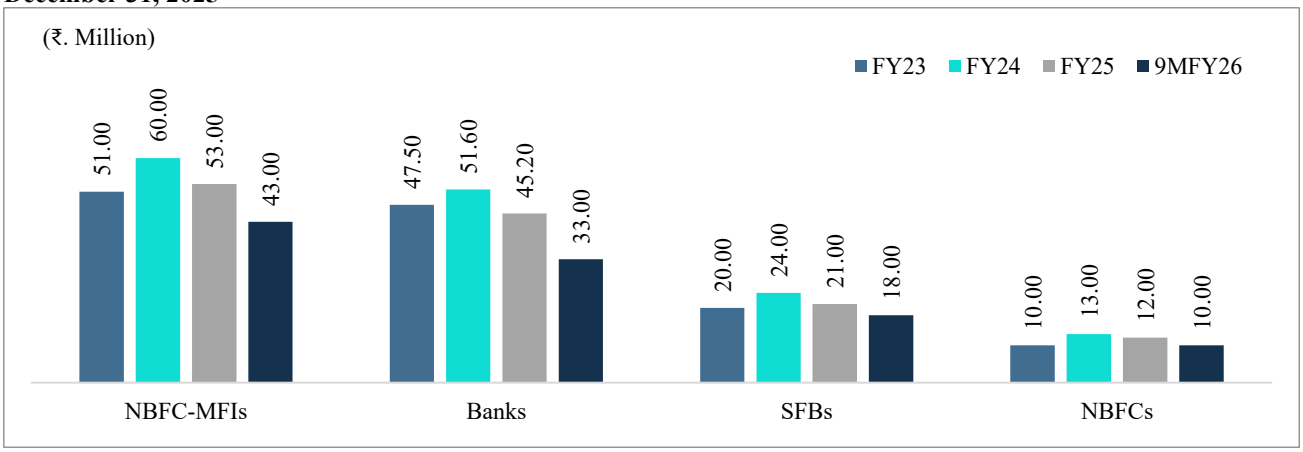
NBFCs have the highest average loan outstanding per account between Fiscal 2023 and nine months ended December 31, 2025



Source: MFIN, CareEdge Research

NBFCs consistently reported the highest average loan outstanding between Fiscal 2023 and nine months ended December 31, 2025. This reflects their exposure to relatively higher-ticket borrowers and a calibrated shift towards larger loan sizes within the microfinance segment. Compared to Banks, NBFC-MFIs and SFBs, NBFCs demonstrated stronger upward momentum, particularly post Fiscal 2024, widening the gap. While this supports higher revenue per borrower, it also increased NBFCs exposure to concentration and asset quality risks in a stress cycle.

NBFC-MFIs have highest number of active loan accounts between Fiscal 2023 to nine months ended December 31, 2025



Source: MFIN, CareEdge Research

NBFC-MFIs and Banks account for major chunk of active loan accounts, reflecting their strong borrower reach and scale in microfinance. However, active accounts moderated by nine months ended December 31, 2025 across lenders, indicating cautious disbursement and portfolio consolidation amid rising stress. NBFCs maintain lower volumes, consistent with their strategy of focusing on higher ticket sizes rather than borrower expansion.

Asset quality trend of NBFC MFIs vs other players in the MFI space

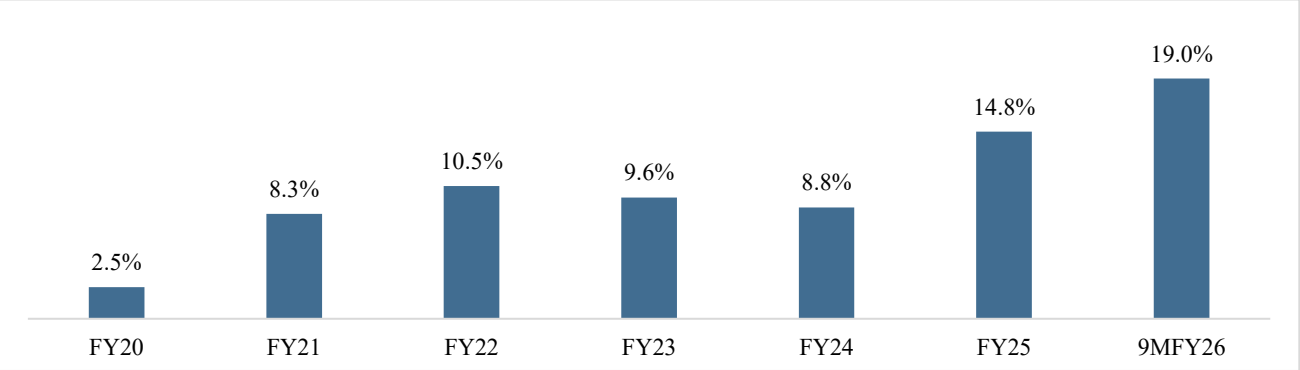
Asset quality – overall universe

In Fiscal 2021 and Fiscal 2022, the asset quality deteriorated sharply, reflecting the adverse impact of Covid-19 on the industry. The asset quality of MFI industry started deteriorating in Fiscal 2021 and PAR>90 shot up to 8.3% in Fiscal 2021 and 10.5% in Fiscal 2022. This could be attributed to slippages from the restructured book for various MFI players. The situation improved marginally in Fiscal 2023 and Fiscal 2024. However, stress has resurfaced in Fiscal 2025, with PAR >90 rising sharply to 14.8%, and further increasing to 19.0% in nine months ended December 31, 2025, indicating renewed asset quality pressures across the industry.

The recent spike suggests elevated borrower leverage, regional concentration risks, and operational disruptions in certain pockets. If this trend persists, credit costs are likely to remain elevated in the near term, warranting tighter underwriting standards, stronger risk monitoring, and proactive portfolio pruning by lenders.

Since 2024, the microfinance sector in India has been impacted by a renewed stress cycle characterised by rising borrower over indebtedness in certain geographies, moderation in household cash flows, and higher incidence of delinquencies across segments. Increased competition to source customers, coupled with multiple lending relationships at the household level, has contributed to repayment pressures in certain pockets, leading to deterioration in asset quality indicators for several NBFC MFIs. As a result, the sector has witnessed elevated Gross NPAs, higher credit costs, and a more cautious lending environment. During Fiscal 2024 and Fiscal 2025, the microfinance sector experienced asset quality pressures due to borrower over indebtedness in certain geographies, uneven income recovery, and regulatory recalibration, resulting in moderated sector wide disbursements.

Asset quality (PAR> 90) for overall industry has deteriorated in Fiscal 2025 and nine months ended December 31, 2025



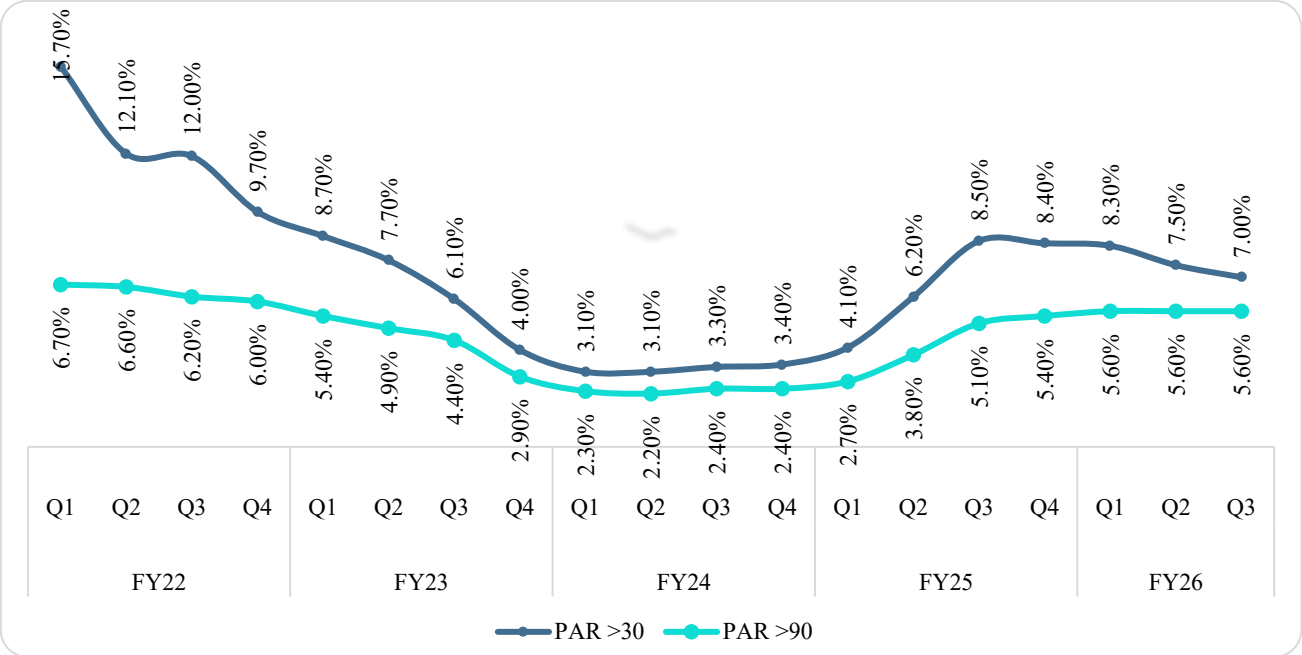
Source: MFIN, CareEdge Research

Asset Quality for NBFC-MFIs

Asset quality improved materially between Fiscal 2022 and Fiscal 2024, with PAR>30 declining 1,230 bps from 15.7% in Q1Fiscal 2022 to 3.4% in Q4Fiscal 2024, and PAR>90 reducing 430 bps from 6.7% to 2.4%. This reflected portfolio clean-up, stronger collections, and tighter underwriting following the post-pandemic stress phase.

However, the trend has reversed over the past year. PAR>30 has increased 540 bps from the Q4Fiscal 2024 low of 3.4% to a peak of 8.8% in Q3Fiscal 2025, and remains elevated at 7% in Q3Fiscal 2026, still 420 bps above the trough. PAR>90 has risen 320 bps to 5.6%, indicating that incremental stress is flowing into higher delinquency buckets. The sustained elevation in PAR>90 suggests that asset quality pressures are not transitory and may keep credit costs elevated in the near term.

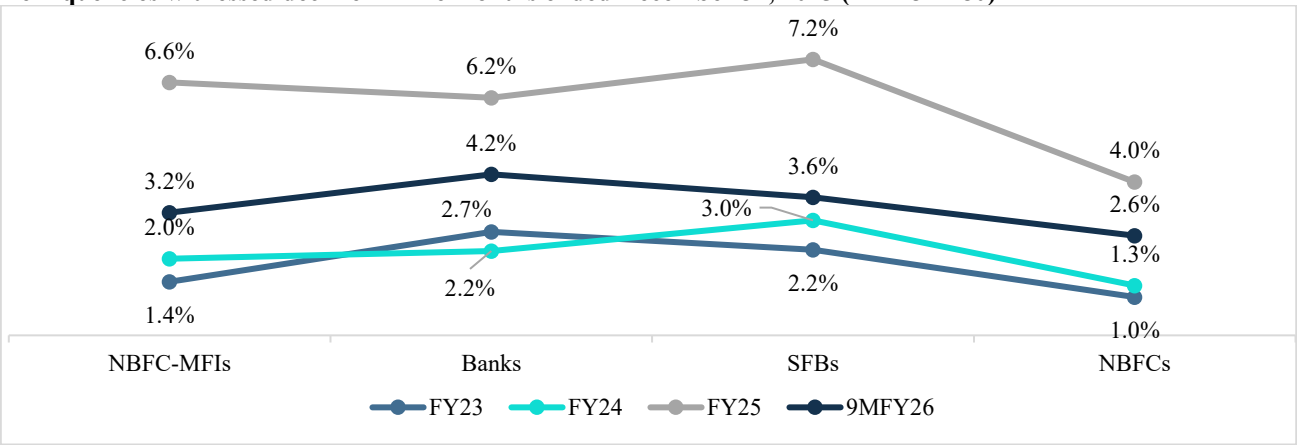
Overleveraging and challenges faced during Fiscal 2025 in Gross NPAs for NBFC- MFIs



Source: MFIN, CareEdge Research

Delinquencies have risen sharply, with PAR>30 increasing 540 bps from 3.40% in Q4Fiscal 2024 to 8.5% in Q3Fiscal 2025 and remaining elevated at 7.00% in Q3Fiscal 2026. PAR>90 has risen 320 bps to 5.60%, indicating migration of early stress into higher buckets. Overleveraging remains the key driver of stress, particularly among borrowers with multiple lenders and new to credit customers with limited credit history. Proposed measures such as capping lenders per borrower at three and tightening overdue norms to 60 days may elevate reported delinquencies in the short term by curbing incremental liquidity and reducing netting-off practices. Sustained improvement will depend on stronger underwriting, leverage caps, and calibrated growth focused on existing customers.

Delinquencies witnessed decline in nine months ended December 31, 2025 (PAR 31-180)



Source: MFIN, CareEdge Research
Note: Categories mentioned represent original cohorts as per MFIN in respective years

Across lender categories, delinquency levels rose sharply from Fiscal 2023 into Fiscal 2025, expanding by roughly 200 bps to 300 bps in most segments, reflecting asset quality stress and borrower overleveraging. However, nine months ended December 31, 2025 shows a broad-based correction of around 150 bps to 250 bps, indicating improving collections and gradual portfolio stabilisation, though stress remains above Fiscal 2023 levels.

Delinquency by number of lender association

Number of Active Lender Associations	Mar-25	Dec-25
<=2	5.40%	3.40%

3	11.60%	7.50%
4	19.00%	13.90%
>=5	35.30%	18.60%
Industry	**8.70%**	**4.80%**

Source: CRIF Highmark, CareEdge Research

Delinquency of borrowers holding ≤3 loans has declined, the delinquency is higher among borrowers with ≥4 lender associations, reflecting the portfolio adjustments undertaken to enhance overall portfolio quality. To further promote responsible lending practices, MFIN came up with additional guardrails. These guardrails are:

- Mandatory e-validation of Voter ID
- A maximum of 3 microfinance lenders can provide loans to a borrowers
- Limiting the total microfinance indebtedness to ₹ 2 lakhs
- No loan to a borrower who has a DPD >60 days (previously 90 days) on any loan that has an amount outstanding of greater than ₹ 3,000 with any regulated entity (RE) at the time of underwriting the loan under consideration.

Delinquency by ticket size

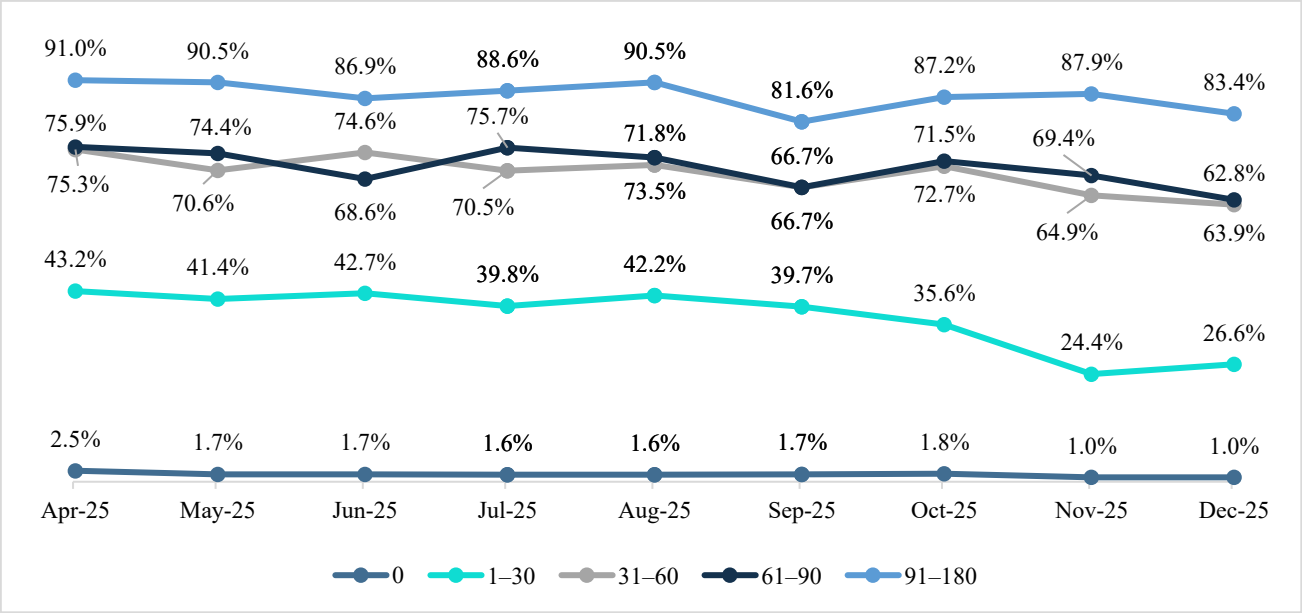
Average Ticket Size	Mar-2025			Dec-2025		
	PAR 31-90	PAR 91-180	PAR 180+	PAR 31-90	PAR 91-180	PAR 180+
<=30K	5.40%	3.30%	6.40%	1.00%	1.70%	33.50%
30K-50K	7.90%	4.60%	7.00%	1.70%	2.60%	26.70%
50K-80K	5.60%	3.00%	4.00%	1.40%	1.90%	12.90%
80K-1L	4.30%	2.10%	2.40%	1.00%	1.10%	8.10%
1L+	2.90%	1.30%	1.60%	1.40%	1.10%	4.90%

Note: PAR 180+ (incl. write-offs) is for Loans disbursed in last 36 M.
Source: CRIF Highmark, CareEdge Research

In PAR 31–90, the risk concentration is predominantly in the 30K-50K segment as of Dec'25. PAR 91–180 shows improvement, however, stress continues to be concentrated in the 30K-50K ticket size, where delinquency levels remain significantly higher than in the 80K+ segment. PAR 180+ (incl. write-offs) remains structurally high and rising, with sharp build-up in the ≤30K and 30K-50K segments. The 80K-1L and 1L+ consistently remain at the lower end of PAR 31-90 and 91-180, while PAR 180+ (including write-offs) is concentrated in the ≤50K segment, as the new disbursement is driven by >50K ticket size.

Forward flow rate trends

Net Forward Flow% (based on total active loans) has shown improvement since Oct'25



Source: CRIF Highmark, CareEdge Research

Net Forward Flow% (based on total active loans) has shown continuous improvement in buckets 31 to 60, 61 to 90, and 91 to 180 since Oct'25. Improved collection efficiency driven by increased collection efforts and guardrails introduced by self-regulatory organization (SRO) have led to improved Net forward flow for in recent months. However, PAR 1-30 recorded a slight increase between Nov'25 and Dec'25, highlighting the need for closer monitoring of early collection efforts.

MFI industry largely caters to rural areas

CareEdge Research expects the rural segment to remain a key growth driver for MFIs, supported by rising credit demand from these regions. Compared with urban centres, the rural market (comprising of rural and semi-urban) in India continues to have relatively lower branch and outlet penetration, indicating significant headroom for expansion in savings as well as loan products. The rural market in India therefore remains under penetrated, presenting a sizeable long-term opportunity for MFIs.

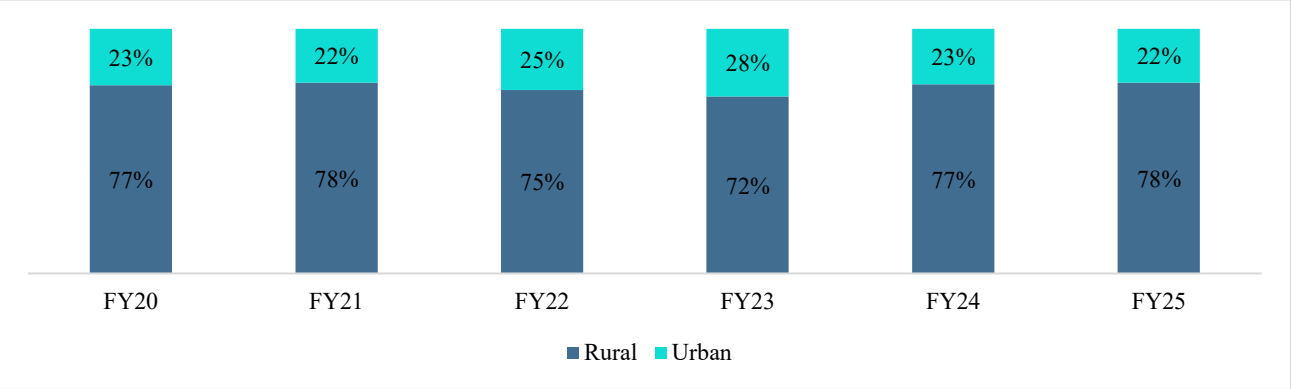
Building strong relationships with rural customers typically results in longer and more stable customer associations, which can be effectively leveraged for cross selling additional financial products. Further, with the government's continued push towards financial inclusion and a growing presence of financial institutions in previously unbanked areas, loan demand in rural regions has remained structurally higher. As of Fiscal 2025, the rural pie had accounted for 78% of the overall disbursement. Additionally, in terms of GLP, rural regions accounted for 83.80% of the overall portfolio of NBFC-MFIs, other NBFCs, and non-profit MFIs as of nine months ended December 31, 2025.

Disbursement and number of borrowers in rural areas

(₹ billion)	Disbursement (Fiscal 2025)	Share of disbursement (Fiscal 2025)	Share of borrowers (Fiscal 2025)
Rural	1,453	78%	80%
Urban	410	22%	20%

Note: Values taken as per Bharat Microfinance Report 2025
Source: Sa-Dhan, CareEdge Research

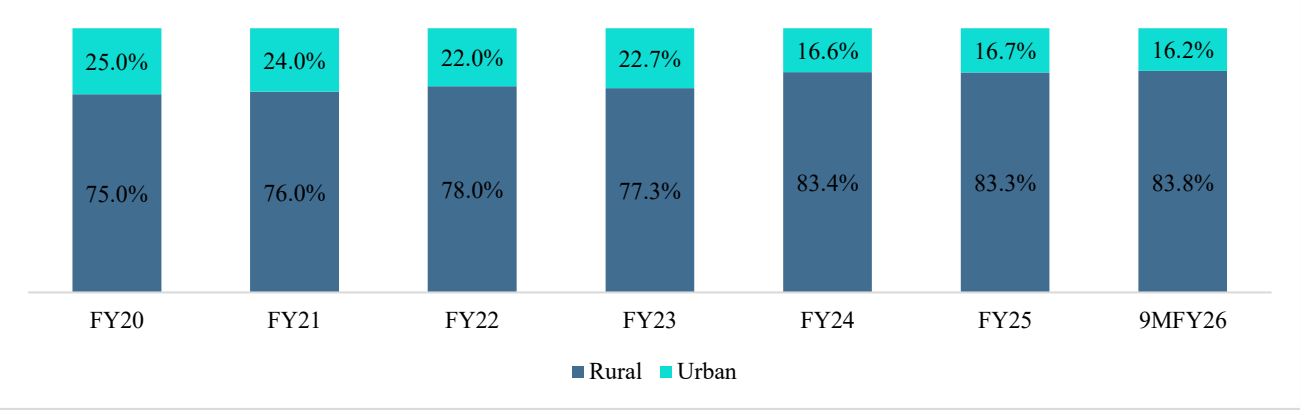
Share of rural area in overall disbursements regained to 78% in Fiscal 2025 which had declined to 72% in Fiscal 2023



Note: Values taken as per Bharat Microfinance Reports
Source: Sa-Dhan, CareEdge Research

Loan disbursements continued to be rural focused throughout the period. The urban contribution remained range bound, the overall mix reflects sustained dependence on rural markets, highlighting the continued depth and outreach of microfinance operations in semi-urban and rural regions.

Share of rural areas in GLP of NBFC-MFIs has increased from 75.0% as of Fiscal 2020 to 83.8% as of nine months ended December 31, 2025



Source: MFIN, CareEdge Research

Over the past few years, with higher focus on rural areas NBFC-MFIs have been able to maintain good asset quality in rural areas. Such a trend in asset quality forms a strong base for NBFC-MFIs to penetrate more into rural areas.

Implications of a rural centred MFI business

A rural-centred MFI strategy involves prioritising outreach to low- and mid-income communities that predominantly reside in villages and small towns. This orientation carries significant implications across business operations, portfolio performance, risk management, and socio-economic impact.

A rural focus expands the outreach footprint of MFIs by tapping into markets that are often underserved by formal financial institutions. Focusing on rural markets also implies that MFIs must adapt to seasonal and agriculture-linked income cycles. Unlike urban salaried or enterprise incomes that are relatively predictable, rural incomes often depend on sowing, harvesting, monsoon cycles, and allied activities. This necessitates flexible product design such as seasonal repayment schedules, crop-linked credit products, and grace periods that align with the cyclical nature of rural cash flows. Effective alignment of credit terms with income patterns can improve repayment behaviours and support better asset quality over time.

Operationally, a rural-centred strategy increases the importance of robust field operations and local engagement. Geographic dispersion of rural borrowers often translates into higher transaction costs, extended travel for field agents, and the need for personnel who understand local socio-economic conditions and speak regional languages. Technology adoption such as mobile data capture, geo-tagged customer verification, and digital

KYC integration can mitigate these costs, improve data quality, and strengthen process validation in remote areas.

From a risk management perspective, rural portfolios may display different risk profiles compared to urban portfolios. While rural borrowers often have lower formal indebtedness and may benefit from diversified household income sources tied to agriculture and allied activities, they are also exposed to climatic and commodity price risks that can impact repayment capacity. A rural-first strategy therefore requires enhanced stress testing, tailored credit assessment models, and proactive monitoring tools to identify early signs of vulnerability.

A rural-centred business model also advances financial inclusion goals, supporting national policy priorities. Government financial inclusion metrics, such as the Financial Inclusion Index, showed a rise from 53.9 in 2021 to 67.0 in 2025, reflecting broader access, usage, and quality of formal financial services in rural regions. By extending credit responsibly into these regions, MFIs contribute to inclusive growth, reduce reliance on informal credit channels, and facilitate participation in the formal financial ecosystem.

In summary, an MFI strategy centred on rural markets deepens financial inclusion and unlocks large, underserved credit demand, but it also requires operational adaptability, product flexibility, sophisticated risk frameworks, and technological enablement. When these capabilities are effectively integrated, rural-centric MFIs are better positioned to balance sustainable growth with portfolio quality.

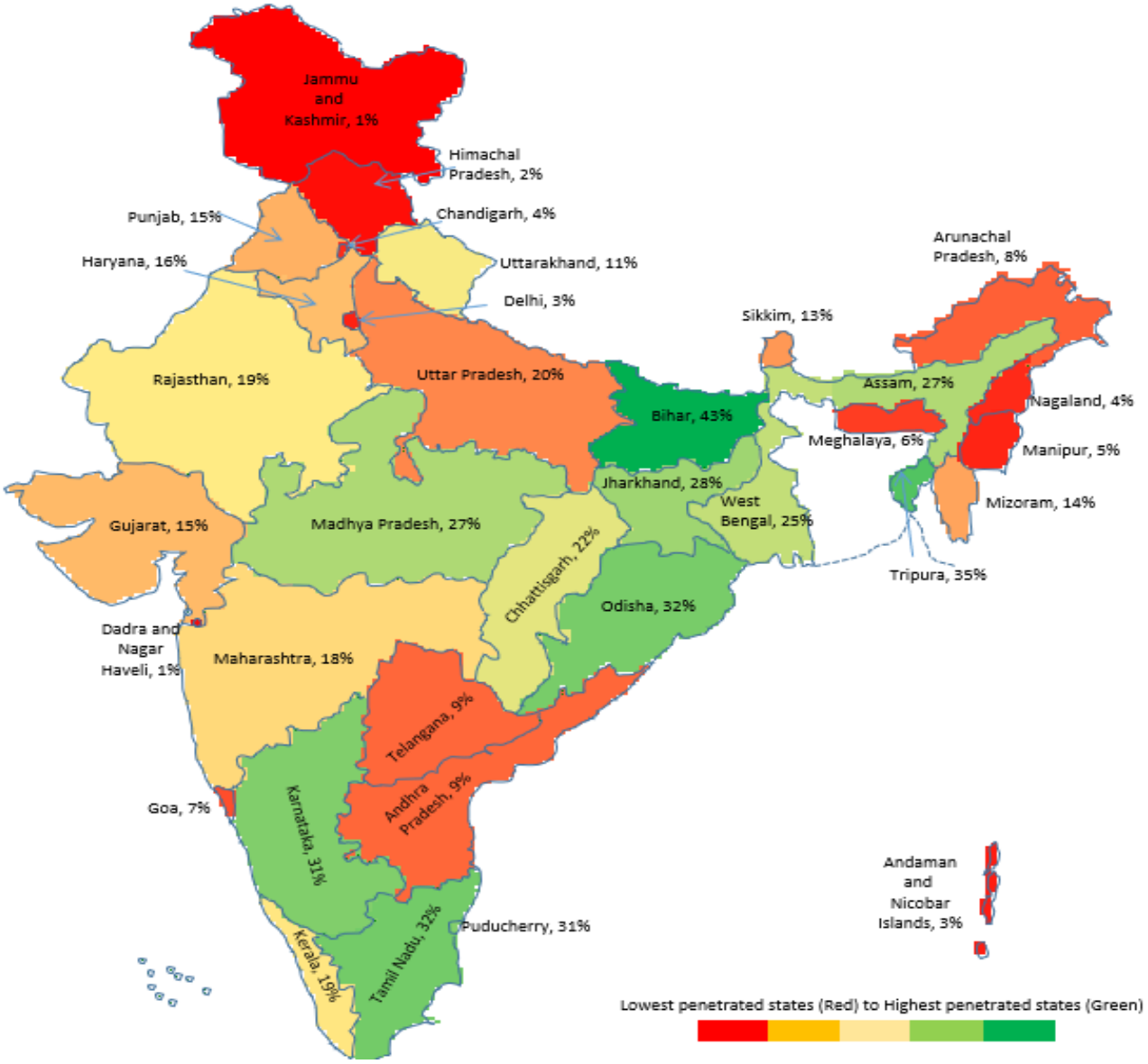
Market opportunity for NBFC-MFIs

As per estimates by MFIN, 70% of total Households in rural locations and 50% in urban/semi-urban locations fall into eligibility category of annual income below ₹ 3 Lakh as per new RBI guidelines. Based on this CareEdge Research estimates that micro finance demand was approximately ₹ 9 trillion in Fiscal 2026, however the supply is estimated at ₹ 3.3 trillion which covers only 37% of demand. Going forward, it is projected that microfinance demand will increase to ₹ 11 trillion and supply is projected to increase to ₹ 5.5 trillion that is 50% of total demand. Based on the estimates, it can be stated that, there is a huge demand supply gap in microfinance industry. This significant gap between credit demand and supply continues to present a strong growth opportunity for the microfinance sector, enabling institutions to expand outreach and deepen financial inclusion.

Particulars (₹ Trillion)	Fiscal 2026E	Fiscal 2030P
Demand	9.0	11.0
GLP	3.3	5.5
Demand-supply gap	5.7	5.5
% of demand covered	37%	50%

CareEdge Research expects growth in the MFI portfolio to come from states that have a relatively lower penetration. Thus, CareEdge Research expects under-penetrated states like Andhra Pradesh, Arunachal Pradesh and Telangana to drive future growth along with some of the moderately penetrated states, such as Rajasthan, Maharashtra, Chhattisgarh and Uttar Pradesh.

Underpenetrated states to drive growth for MFIs in the coming years



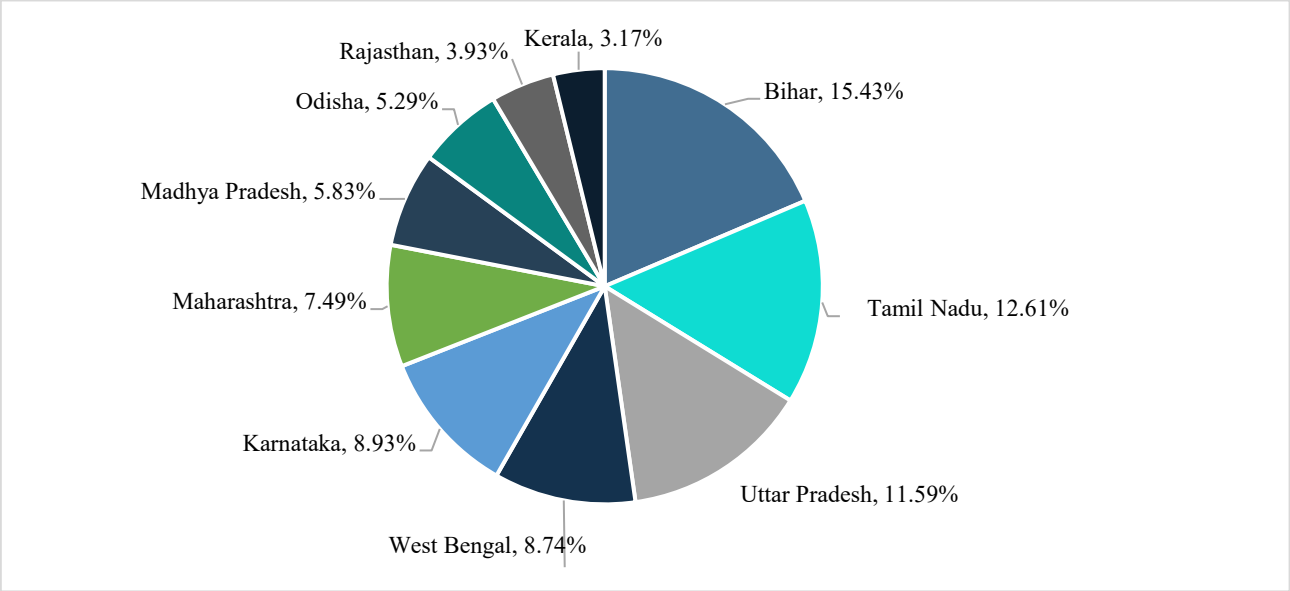
Note: Data includes data for banks' lending through JLG, SFBs, NBFC-MFIs, other NBFCs and non-profit MFIs. It excludes data for banks' lending through SHG. The no. of clients is as of the end of the H1Fiscal 2026
Note: Penetration has been computed by dividing no. of MFI clients by estimated number of households
Source: MFIN, CareEdge Research

State wise analysis

Top 10 states contribute over 80% of total MFI gross loan portfolio as of nine months ended December 31, 2025

The microfinance industry continues to exhibit a high degree of geographic concentration, with over 80.00% of the industry's GLP concentrated in top ten states in terms of GLP as of Dec'25 with Bihar (15.43%), Tamil Nadu (12.61%), and Uttar Pradesh (11.59%).

State-wise distribution of industry GLP (as of nine months ended December 31, 2025)



Source: MFIN, CareEdge Research
Note: Data includes data for Banks, SFBs, NBFC-MFIs, other NBFCs and non-profit MFIs.

Regional distribution of Total AUM across top 10 states

Region	States Included	GLP as of Dec'25 (₹ Billion)	Percentage of Total GLP
Eastern India	West Bengal, Bihar, Odisha	927.36	29.47%
Northern India	Uttar Pradesh, Rajasthan	488.63	15.53%
Central India	Madhya Pradesh	183.50	5.83%
Southern India	Karnataka, Kerala, Tamil Nadu	777.84	24.71%
Western India	Maharashtra	235.69	7.49%
Total GLP across top 10 states		**2,613.02**	**83.02%**

Bihar, Uttar Pradesh, Tamil Nadu and West Bengal have highest number of loan accounts as of nine months ended December 31, 2025

As of nine months ended December 31, 2025, Bihar reported highest number of MFI loan accounts (15,970,224), followed by Uttar Pradesh (12,247,675); Tamil Nadu (11,507,667) and West Bengal (9,348,341).

State-wise number of loan accounts

States	Fiscal 2023	Fiscal 2024	Fiscal 2025	nine months ended December 31, 2025	Y-o-Y growth % (Fiscal 2025 vs Fiscal 2024)
Bihar	17,760,556	22,055,354	20,104,661	15,970,224	-8.84%
Uttar Pradesh	12,233,605	16,013,105	14,785,952	12,247,675	-7.66%
Tamil Nadu	16,958,858	18,485,131	14,997,802	11,507,667	-18.87%
West Bengal	11,248,563	12,790,947	11,908,750	9,348,341	-6.90%
Karnataka	11,575,489	14,036,462	12,414,116	9,195,684	-11.56%
Maharashtra	10,685,826	11,783,770	10,577,825	8,351,566	-10.23%
Odisha	8,412,729	9,623,394	8,266,385	6,436,118	-14.10%
Madhya Pradesh	8,218,403	9,063,569	7,878,191	6,379,368	-13.08%
Rajasthan	6,125,030	6,685,465	5,548,892	4,292,008	-17.00%
Jharkhand	4,162,583	4,836,534	4,194,649	3,530,236	-13.27%

Source: MFIN, CareEdge Research

Bihar, Uttar Pradesh and Tamil Nadu continue to have highest active MFI Clients

No of Clients in Million

State	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025	nine months ended December 31, 2025
Bihar	4.40	5.27	7.23	6.72	5.31
Uttar Pradesh	3.40	4.60	6.33	5.99	4.54
Tamil Nadu	3.80	3.84	5.04	4.21	3.41
Karnataka	2.70	2.76	3.69	3.41	2.76
West Bengal	2.30	2.21	3.17	3.13	2.70
Maharashtra	2.35	2.41	2.92	2.81	2.44
Madhya Pradesh	2.80	2.96	3.48	3.00	2.41
Odisha	2.80	2.74	3.21	2.68	2.10
Rajasthan	1.73	1.78	2.35	1.85	1.45
Jharkhand	1.10	1.28	1.71	1.42	1.12

Note: Data includes only NBFC-MFI players and those states where ten or more MFIs are operating
Source: MFIN, CareEdge Research

Bihar has been recording highest loan disbursements by NBFC-MFIs between Fiscal 2023 and nine months ended December 31, 2025

The top 10 states contributed 84.15% of total disbursements whereas the top 5 states contributed 57.30% of total disbursements by NBFC-MFIs in Fiscal 2025. Bihar reported highest loan disbursements at ₹ 165 .29 billion, followed by Uttar Pradesh at ₹ 147.44 billion and Tamil Nadu at ₹ 116.18 billion in Fiscal 2025.

State-wise distribution of loans disbursements by NBFC-MFIs (₹ Billion)

States	Fiscal 2023	Fiscal 2024	Fiscal 2025	nine months ended December 31, 2025	Y-o-Y growth % (Fiscal 2025 vs Fiscal 2024)
Bihar	192.33	212.33	165.29	112.56	-22.15%
Uttar Pradesh	142.94	174.15	147.44	94.50	-15.34%
Tamil Nadu	137.76	162.29	116.18	88.36	-28.41%
Karnataka	123.30	153.08	123.62	84.01	-19.24%
Maharashtra	88.21	102.55	91.85	68.53	-10.43%
West Bengal	95.18	87.81	82.57	59.59	-5.97%
Madhya Pradesh	93.09	98.39	81.03	53.56	-17.64%
Odisha	129.14	90.71	62.73	42.40	-30.85%
Rajasthan	62.05	62.64	43.63	28.86	-30.35%
Jharkhand/Gujarat	43**	42#	32**	110*	NA

Note: **Loan disbursements in Jharkhand; #Loan disbursements in Gujarat
Source: MFIN, CareEdge Research

Tamil Nadu, West Bengal and Karnataka recorded highest average loan outstanding per account as of nine months ended December 31, 2025

As of nine months ended December 31, 2025, Tamil Nadu, West Bengal and Karnataka reported highest average loan outstanding per account among top 10 states with highest loan portfolio.

Average loan outstanding per account in top 10 states

States	Fiscal 2023	Fiscal 2024	Fiscal 2025	nine months ended December 31, 2025
Tamil Nadu	27,535	31,382	31,131	34,491
Kerala	28,437	29,118	28,009	30,584
Karnataka	27,513	30,111	28,296	30,578
Bihar	27,782	29,623	28,619	30,412
Uttar Pradesh	27,449	28,656	27,954	29,793
West Bengal	28,736	31,146	30,488	29,428
Rajasthan	26,049	27,026	26,775	28,831
Madya Pradesh	25,748	27,137	27,176	28,764
Maharashtra	25,672	27,618	27,331	28,222
Odisha	24,193	26,391	24,854	25,881

Note: States have been arranged as per total gross loan portfolio in descending order.
Source: MFIN, CareEdge Research

Gujarat, Karnataka, Rajasthan and Odisha reported highest PAR 90 in the top 15 states

Delinquency levels vary significantly across top 15 states with highest MFI portfolio outstanding as of H1Fiscal 2026, with Gujarat reporting the highest stress across all PAR buckets. Karnataka, Rajasthan, Odisha and Jharkhand also show relatively elevated slippages. In contrast, Assam and Maharashtra display comparatively contained asset quality levels.

Majority of states have witnessed deteriorated NBFC-MFIs asset quality (nine months ended December 31, 2025)

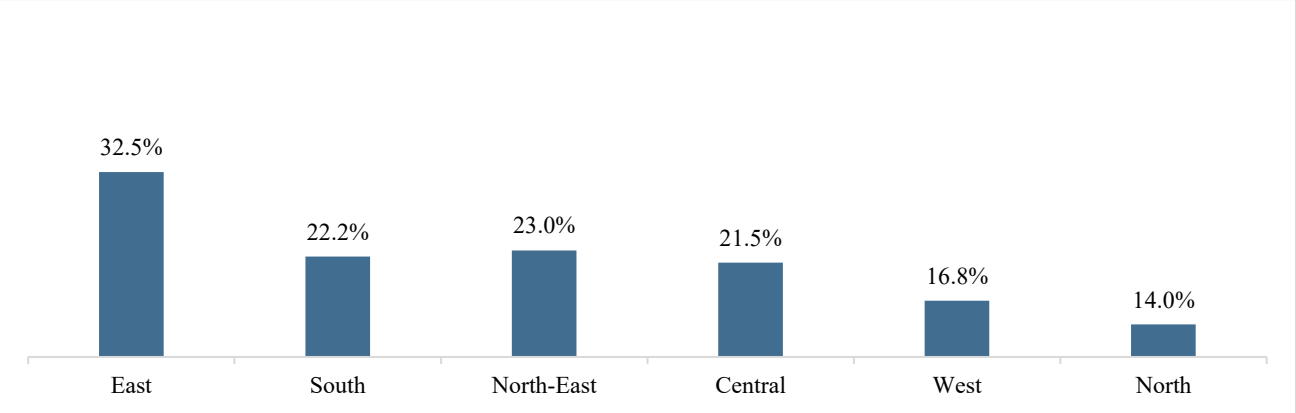
State	GLP (₹ Billion)	PAR>30	PAR>90	PAR>180	Share in GLP
Bihar	485.69	7.60%	6.10%	4.10%	15.43%
Tamil Nadu	396.91	6.40%	5.20%	3.80%	12.61%
Uttar Pradesh	364.89	7.30%	5.90%	4.00%	11.59%
Karnataka	281.19	8.50%	7.10%	4.90%	8.93%
Maharashtra	235.69	5.00%	3.80%	2.40%	7.49%
West Bengal	275.10	6.20%	4.50%	3.10%	8.74%
Madhya Pradesh	183.50	7.70%	6.10%	4.10%	5.83%
Odisha	166.57	7.20%	6.00%	4.50%	5.29%
Rajasthan	123.74	9.30%	7.20%	5.10%	3.93%
Jharkhand	98.09	6.80%	5.70%	4.20%	3.12%
Total	**3,147.28**	**7.00%**	**5.60%**	**3.90%**	**100.00%**

Note: States are arranged share in GLP as of nine months ended December 31, 2025 in descending order
Source: MFIN, CareEdge Research

Northern and western region are underpenetrated in microfinance

As of December 2025, the Eastern region recorded the highest microfinance penetration at 32.53%, materially higher than other regions. The relatively higher penetration reflects adoption of the JLG model, extensive lender participation and established borrower familiarity with formal microcredit. Northern and Western regions are most underpenetrated regions in microfinance as of nine months ended December 31, 2025, and hence, provides ample market opportunities for the MFI lenders in fulfilling the financial needs of underserved populations and fostering economic development in these regions.

Eastern states have highest penetration of microfinance as of nine months ended December 31, 2025



Note: Data includes data for banks' lending through JLG, SFBs, NBFC-MFIs, other NBFCs and non-profit MFIs. It excludes data for banks' lending through SHG.
Note: Penetration has been computed by dividing no. of unique borrowers by estimated number of households as of nine months ended December 31, 2025
Note: Central region includes Madhya Pradesh, Uttarakhand, Chhattisgarh and Uttar Pradesh; Eastern region includes Odisha, Bihar, Jharkhand, West Bengal, Sikkim and Andaman & Nicobar Islands; Northern region includes Punjab, Haryana, Rajasthan, Delhi, Himachal Pradesh, Chandigarh and Jammu & Kashmir; North eastern region includes Tripura, Assam, Mizoram, Manipur, Meghalaya, Nagaland and Arunachal Pradesh, Southern region includes Puducherry, Karnataka, Kerala, Tamil Nadu, Telangana, Andhra Pradesh and Lakshadweep; Western region includes Maharashtra, Gujarat, Goa, Daman & Diu and Dadra & Nagar Haveli

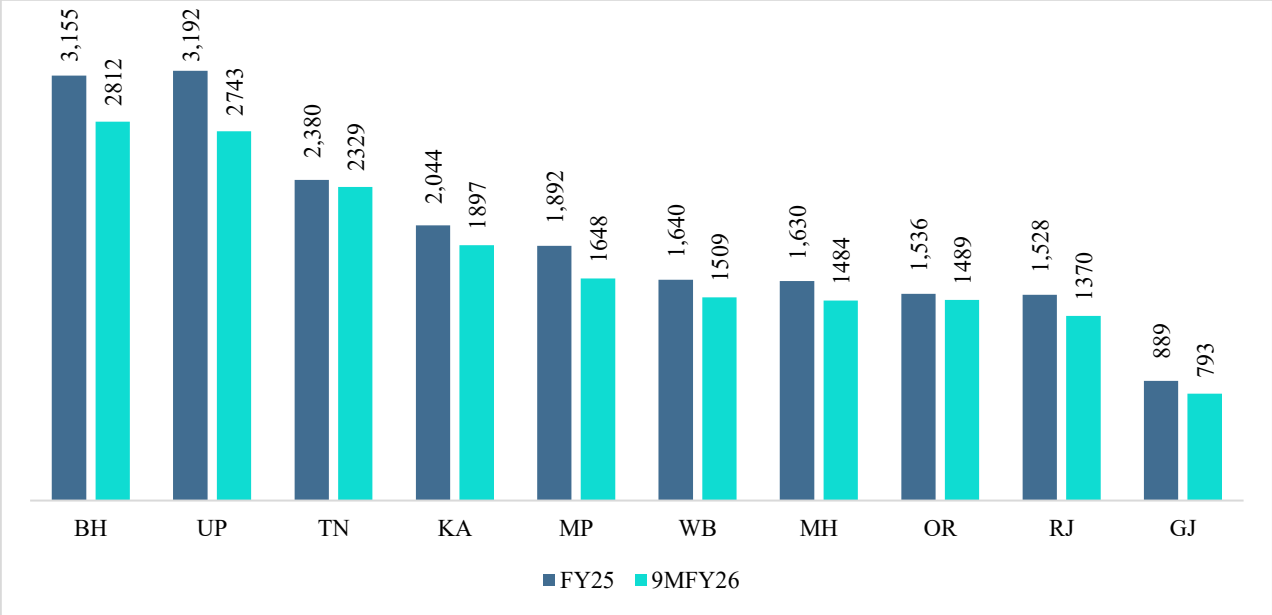
Source: MFIN, CareEdge Research

Players tapping newer states and districts to widen client base

The number of MFIs operating in Telangana, Uttar Pradesh, Bihar and Karnataka have witnessed significant growth, reflecting a strategic shift from aggressive footprint expansion to calibrated consolidation. While these states had added significant branches by Fiscal 2025 compared to Fiscal 2024, the network size in several cases stabilised or marginally rationalised by nine months ended December 31, 2025, indicating a stronger focus on portfolio quality, productivity and risk recalibration rather than pure scale-led growth.

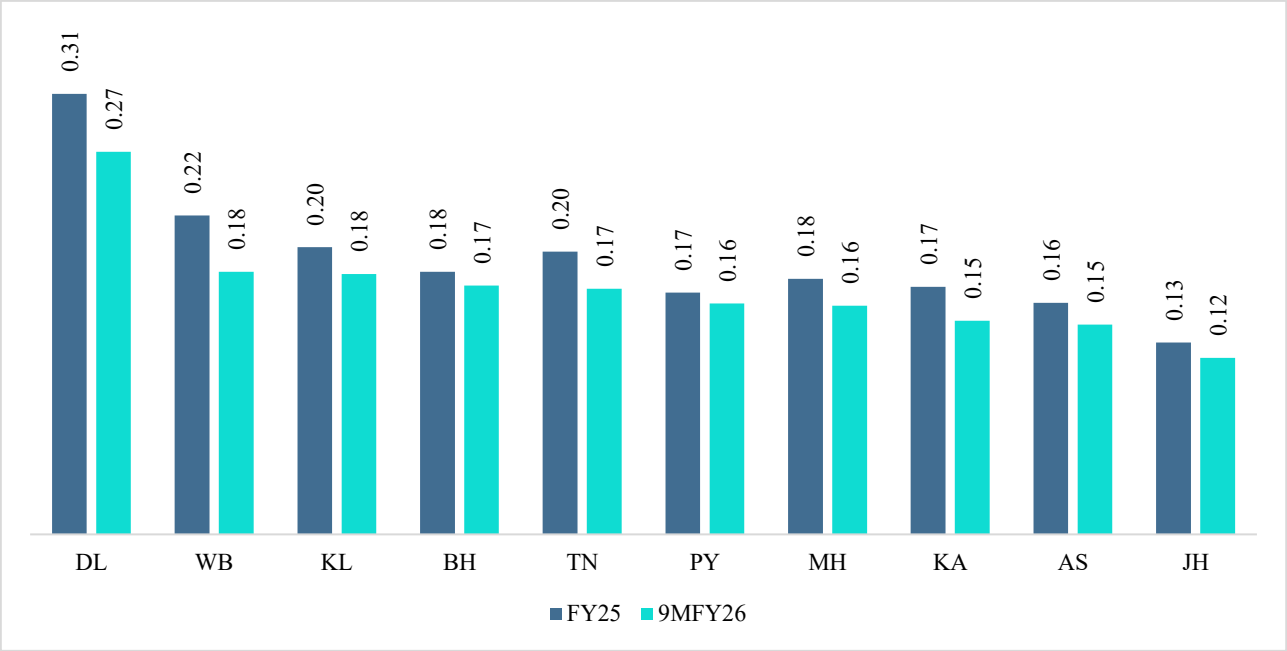
Despite this moderation, portfolio outstanding remains structurally elevated versus Fiscal 2024 levels, supported by deeper penetration within existing districts and higher average ticket sizes. Furthermore, continued availability of borrower-level data from credit information companies has strengthened underwriting discipline and also ensured that MFIs have access to more data on borrowers, helping them make informed lending decisions.

Total branches of MFIs in major States/UTs



Note: Data includes only NBFC-MFI players and those states where ten or more MFIs are operating
Source: MFIN, CareEdge Research

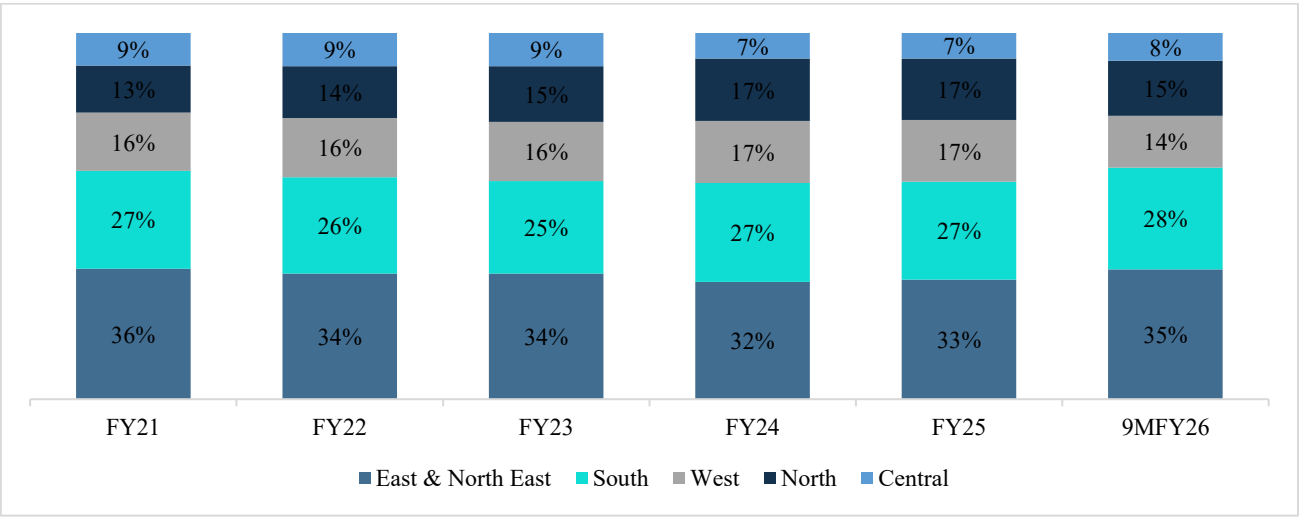
GLP per branch of MFIs in Major States/UTs (₹ Billion)



Note: Data includes only NBFC-MFI players and those states where ten or more MFIs are operating
Source: MFIN, CareEdge Research

State wise and region wise (North, East, West and South)

East and North-East continue to account for over a third of GLP



Source: MFIN, CareEdge Research

As illustrated in the above chart, the East & North-East region together have consistently accounted for approximately one-third of the industry's GLP between Fiscal 2021 and nine months ended December 31, 2025. East & North-East continue to dominate the highest share of unique borrowers, underscoring the region's structural importance to the microfinance ecosystem. The dominance reflects deep-rooted SHG penetration, mature operating models, and strong borrower familiarity with group lending structures.

While diversification is underway across other regions, this geography remains the core growth and volume anchor. Sustained performance here is critical, though concentration risks necessitate continued geographic balancing. The Eastern region represents a mature, high-penetration and high-competition microfinance market that continues to serve as a structural anchor for the industry.

Key attributes include:

- Highest regional penetration in India (32.5% as of Dec-25)

- Largest share in borrower base and GLP
- Established operating ecosystem and credit culture; and

While Northern and Western regions present relatively underpenetrated expansion opportunities, the Eastern region remains structurally attractive due to its scale, stability and entrenched borrower ecosystem, subject to disciplined risk management and continuous monitoring of borrower leverage indicators.

Challenges in Serving Rural Customers and the Strengths Required to Address Them

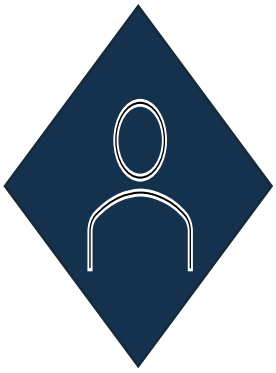
Serving rural customers presents distinct challenges arising from geographic dispersion, income variability, and limited financial infrastructure. Rural populations are often spread across remote and semi-remote locations, increasing the cost and complexity of customer acquisition, service delivery, and monitoring. Physical distance from branches or service points can constrain regular engagement, documentation, and grievance redressal, particularly in areas with weak connectivity and transport infrastructure.

Income patterns in rural markets also pose a challenge, as livelihoods are largely dependent on agriculture and allied activities, which are seasonal and vulnerable to climatic conditions. Irregular cash flows and exposure to weather-related risks can affect repayment capacity and lead to higher income volatility compared to salaried urban customers. Additionally, dependence on informal income sources and limited availability of verifiable financial records can complicate credit assessment and underwriting.

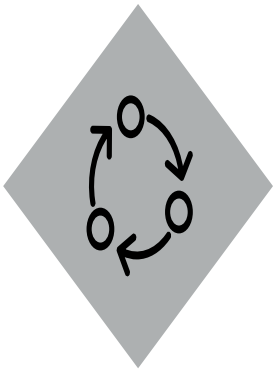
Serving rural markets effectively requires a set of institutional strengths tailored to the unique economic, social, and operational characteristics of these regions. Given the variability in income patterns, geographic dispersion, and differing levels of financial awareness, lenders must combine strong local engagement with disciplined risk management and operational resilience to ensure sustainable growth and portfolio stability such as the following:



Robust credit appraisal frameworks and prudent risk management practices form another critical strength.
This includes effective borrower indebtedness checks, conservative underwriting standards, and close monitoring of portfolio performance. Aligning loan structures and repayment schedules with seasonal and agricultural income patterns further strengthens repayment behaviour and reduces stress during lean periods.



A strong on-ground presence supported by trained field staff is essential.
Personnel with familiarity with local languages, livelihoods, and community dynamics enable better credit assessment, relationship management, and borrower engagement. This local understanding supports more accurate evaluation of repayment capacity and helps build trust with rural customers.



Operational resilience and prudent risk management are equally important strengths.
This includes flexible product design aligned to seasonal income cycles, conservative underwriting standards, and close monitoring of borrower indebtedness. Leveraging digital tools for payments, data collection, and portfolio tracking, while maintaining human interface can further enhance efficiency and outreach in rural markets.



Customer education and financial literacy initiatives are equally important in rural markets.
Clear communication of loan terms, repayment obligations, and grievance mechanisms enhances transparency and supports responsible borrowing. Over time, this contributes to stronger borrower discipline and improved asset quality.

Trend in Profitability of MFI Sector

The NBFC-MFI sector experienced a significant deterioration in profitability in fiscal 2025 driven by rising credit costs and asset-quality stress.

RoA tree	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 22	Fiscal 2023	Fiscal 2024	Fiscal 2025	Fiscal 2026E
Interest income	14.5%	17.5%	15.9%	16.5%	18.1%	19.7%	20.1%	18.6%
Interest expense	7.1%	7.8%	7.4%	7.6%	7.5%	8.0%	8.1%	6.7%
Net interest income	7.5%	9.8%	8.5%	8.8%	10.6%	11.7%	12.0%	11.9%
Other income	2.1%	3.1%	1.6%	1.8%	2.9%	2.6%	1.9%	2.2%
Operating costs	5.0%	5.9%	4.7%	5.5%	5.8%	5.8%	6.7%	7.7%
Credit cost	0.8%	2.8%	4.6%	3.5%	3.1%	2.8%	9.0%	6.5%
Pre-Tax RoA	3.7%	4.2%	0.8%	1.6%	4.6%	5.6%	-1.7%	-0.1%

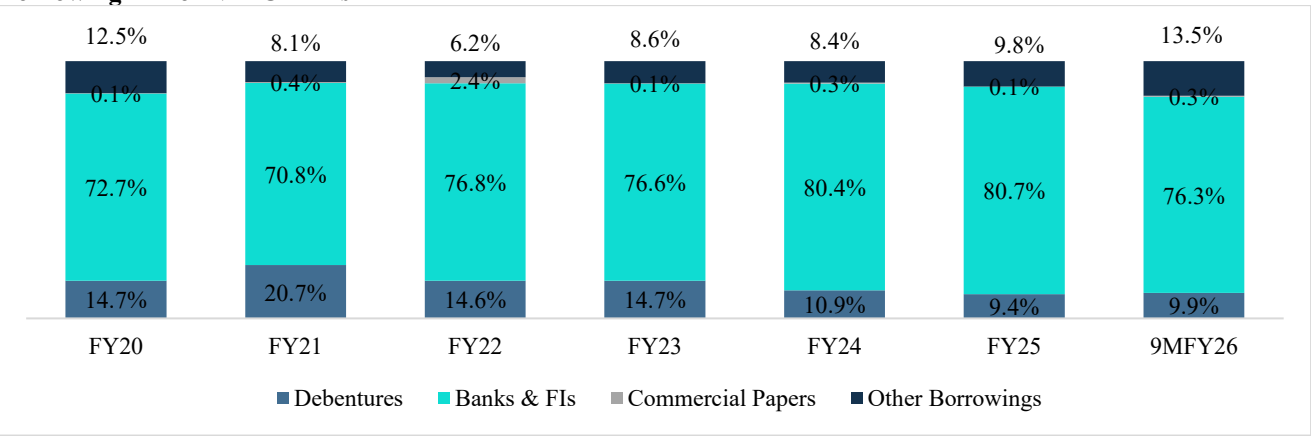
Note: 1. All the ratios are as a percentage of average assets, Non-interest income is taken as Other income.
2. Data of CreditAccess Grameen, Muthoot Microfin, Satin Creditcare Network, IIFL Samasta Finance, Annapurna Finance, Fusion Micro Finance, Asirvad Microfinance, Belstar Microfinance, Svatantra Microfin, Spandana Sphoorty Financial, Arohan Financial Service, Chaitanya India Fin Credit has been considered for RoA Tree.
Source: Company Reports, CareEdge Research

Borrowing Mix of NBFC-MFIs Over the years

Banks have traditionally been the key lenders to NBFC-MFIs. Smaller players would resort to portfolio sell-outs to channel growth. However, in Fiscal 2021, funds raised by NBFC-MFIs through non-convertible debenture (NCD) issuances increased substantially, mainly due to targeted long-term repo operations (TLTRO) announced by the RBI. NBFC-MFIs also raised funds through the partial credit guarantee scheme under which the RBI extended a special liquidity facility to NABARD, SIDBI and National Housing Bank to the tune of ₹ 25,000 crore, ₹ 15,000 crore and ₹ 10,000 crore, respectively, to be further lent to sectors such as construction and small and medium NBFC-MFIs. After an increase in term loans from banks by 600 bps in Fiscal 2022, the borrowings remained range bound in Fiscal 2023.

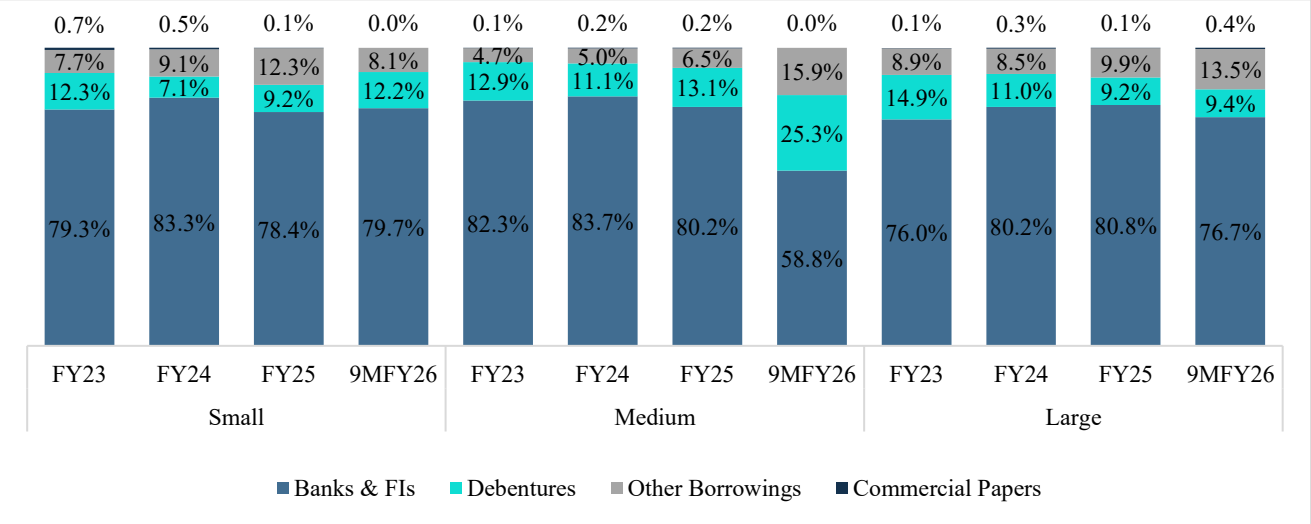
In Fiscal 2024, the share of banks and financial institutions lending to NBFC-MFIs expanded further to 80.40%. With increased interest rates in the global markets and domestic bond markets, the share of external borrowings and capital market borrowing declined in Fiscal 2024. and a marginal uptick during Fiscal 2025 on account of decline in repo rate in turn improvement in cost of funds form debt market. However, in nine months ended December 31, 2025, bank share moderated to 76.30% while other borrowings increased to 13.50%, signalling funding diversification and possible risk-driven repricing. The shift suggests balance sheet fortification amid evolving portfolio quality dynamics.

Borrowing mix of NBFC-MFIs



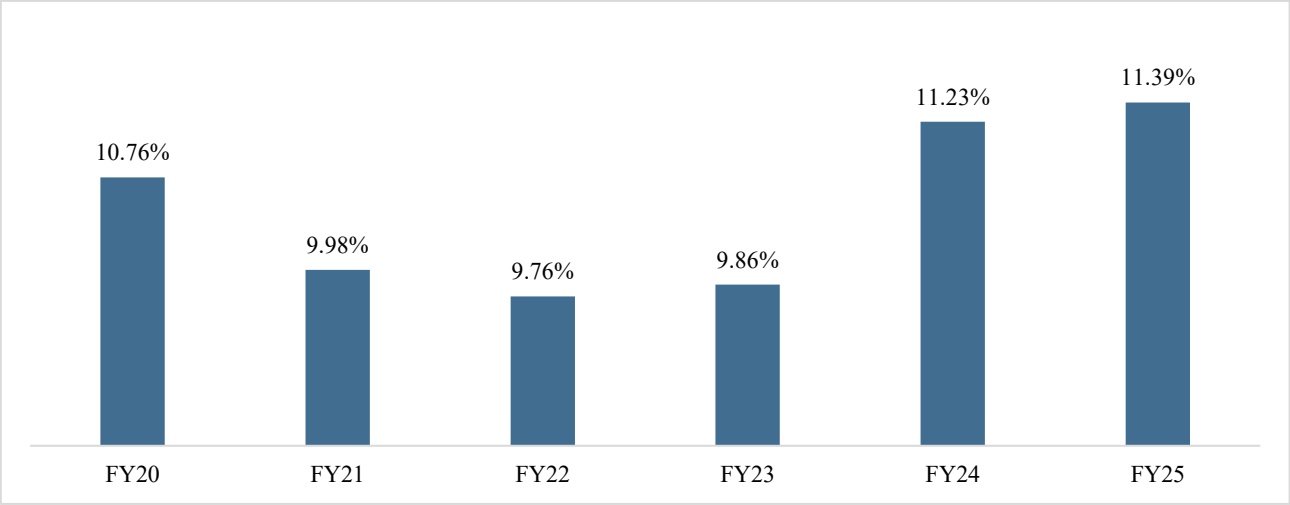
Note: Data is based on sample set of NBFC MFIs, Other borrowings include sub-debt and other debt
Source: MFIN, CareEdge Research

Borrowing mix of NBFC-MFIs across different bucket size



Note: Other borrowings include sub-debt and external borrowings; Small NBFC MFIs – AUM < ₹ 500 Cr, Medium NBFC MFIs – AUM ₹ 500 Cr to ₹ 2,000 Cr, Large NBFC MFIs – GLP > ₹ 2,000 Cr
Source: MFIN, CareEdge Research

NBFC-MFIs' Cost of Borrowing



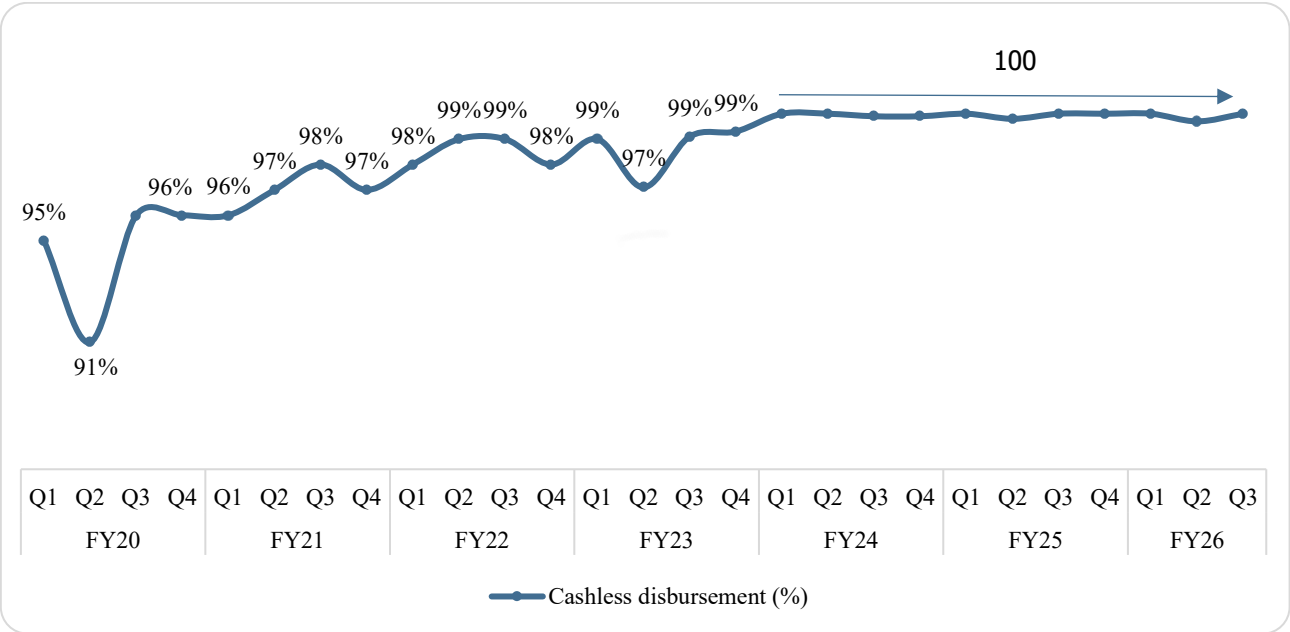
Note: 1. Cost of Borrowing is finance cost as a percentage of average total borrowings.
2. Data of CreditAccess Grameen, Muthoot Microfin, Satin Creditcare Network, IIFL Samasta Finance, Annapurna Finance, Fusion Micro Finance, Asirvad Microfinance, Belstar Microfinance, Svatantra Microfin, Spandana Sphoorty Financial, Arohan Financial Service, Chaitanya India Fin Credit has been considered for Cost of Borrowing.
Source: Company Reports, CareEdge Research

The cost of borrowing for NBFC-MFIs declined from 10.76% in Fiscal 2020 to 9.86% in Fiscal 2022, supported by low interest rates and abundant liquidity, before rising sharply in Fiscal 2024 amid policy rate hikes and tighter liquidity conditions. The upward trend also reflects higher risk premium amid asset quality concerns in unsecured microfinance portfolios. Additionally, sector-specific factors such as asset quality concerns in certain borrower segments, regulatory tightening, and higher reliance on bank borrowings at floating rates have contributed to elevated funding costs.

From Cash to Cashless

Cashless disbursements and collections have become increasingly popular in the microfinance industry in India, as they promote transparency, reduce cash handling costs and improve customer experience.

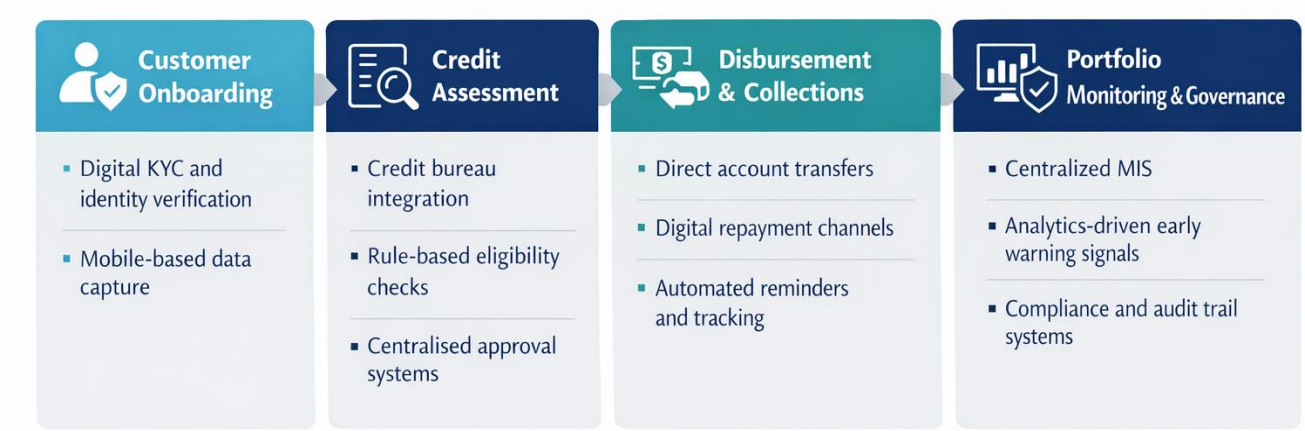
Trend in cashless disbursements for NBFC-MFIs



Note: Data includes NBFC MFI players. Cashless disbursements % is loan amount disbursed through cashless mode.
Source: MFIN, CareEdge Research

Adoption of technology in MFI industry

The microfinance industry has increasingly integrated technology across the loan lifecycle to enhance efficiency, strengthen controls, and improve risk management. Digital systems now support key operational stages from onboarding to portfolio monitoring, enabling standardisation and scalability while maintaining compliance and governance oversight.



- At the **customer onboarding** stage, technology facilitates digital KYC and identity verification, ensuring regulatory compliance and reducing documentation errors. Mobile-based data capture allows field staff to record borrower details in real time, improving data accuracy and creating structured digital records from the outset.
- In **credit assessment**, integration with credit bureaus enables real-time verification of borrower credit history and indebtedness. Rule-based eligibility checks ensure that applications adhere to predefined policy parameters, while centralised approval systems promote consistency in underwriting decisions and reduce the risk of manual deviations.
- For **disbursement and collections**, direct account transfers enhance transparency and reduce cash handling risks. Digital repayment channels provide borrowers with convenient payment options, and automated reminders and tracking systems support improved collection efficiency and timely identification of delinquencies.
- Under **portfolio monitoring and governance**, centralised MIS platforms enable real-time performance tracking and reporting. Analytics-driven early warning signals assist in identifying emerging stress within the portfolio, while technology-supported compliance frameworks ensure adherence to regulatory requirements and internal policies.

Leveraging technology for process validation in the loan lifecycle

Technology plays an increasingly important role in strengthening process validation across the loan lifecycle, helping lenders improve efficiency, accuracy, and control. Digital tools are used at various stages of the lending process to ensure adherence to internal policies, regulatory requirements, and prudent lending practices.

At the customer onboarding stage, technology enables digital KYC, identity verification, and data capture, reducing manual errors and ensuring compliance with regulatory norms. Standardised digital application forms and geo-tagged customer information support validation of borrower details and field-level activities.

During credit appraisal, automated rule-based checks and system-driven validations are used to assess eligibility, income parameters, and borrower indebtedness. Integration with credit bureaus and internal databases allows real-time verification of credit history and exposure limits, enhancing underwriting discipline and consistency.

Additionally, technology-enabled income and eligibility assessment tools leverage alternative data sources such as bank statement analysis, cash flow surrogates, transaction patterns, and digital footprints to estimate borrower income, particularly in cases where formal income documentation is unavailable. Algorithm-based models and

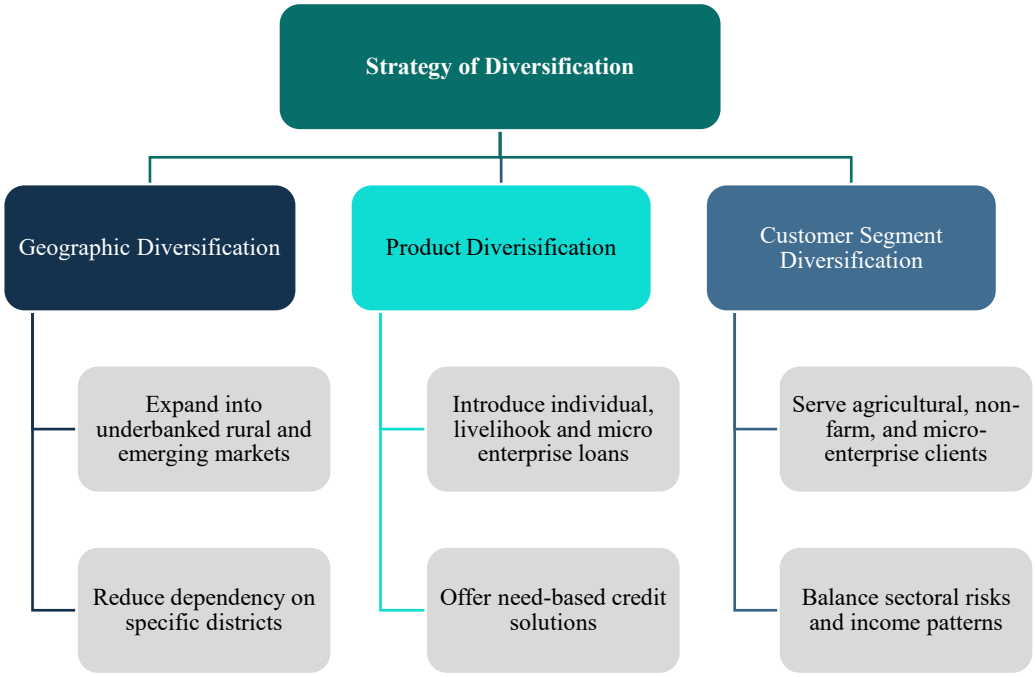
analytics are used to derive repayment capacity and ensure alignment with regulatory caps on household indebtedness.

In the disbursement and servicing stages, technology supports controlled fund flows through direct credit to borrower accounts, minimising leakages and ensuring traceability. Digital repayment channels, automated reminders, and system-based reconciliation improve collection efficiency and enable early identification of stress.

Overall, the use of technology strengthens process integrity by reducing dependence on manual interventions, improving transparency, and enabling continuous monitoring and auditability across the loan process.

Strategy of diversification

Diversification is a key strategic lever for microfinance institutions to strengthen resilience while advancing financial inclusion objectives. By expanding across geographies, customer segments, and product offerings, MFIs are better positioned to reduce concentration risks and broaden access to formal financial services for underserved populations.



Geographic diversification enables institutions to extend outreach beyond high-penetration regions into underbanked and emerging markets. This approach reduces dependence on specific states or districts and mitigates the impact of localised disruptions such as regulatory changes, climatic events, or socio-economic stress. At the same time, it supports deeper financial inclusion by bringing credit access to previously underserved rural and semi-urban areas.

Product diversification further enhances inclusion by addressing varied borrower needs. Beyond traditional group-based microcredit, MFIs may introduce individual loans, livelihood loans, micro-enterprise finance, and other need-based credit solutions. Tailoring products to income cycles and household requirements helps improve credit absorption capacity and strengthens long-term borrower relationships.

Diversification across customer segments also contributes to portfolio stability. Serving a mix of agricultural, non-farm, and micro-enterprise borrowers reduces sectoral concentration risk and balances seasonal income patterns. This enhances repayment stability and supports sustainable portfolio growth.

Overall, a well-executed diversification strategy allows MFIs to optimise financial inclusion outcomes while maintaining prudent risk management. By balancing expansion with operational discipline, institutions can achieve sustainable growth and contribute meaningfully to inclusive economic development.

Major growth drivers



Expansion into New States and Districts

Microfinance institutions are increasingly expanding their geographical footprint by entering new states and districts to diversify their customer base. This strategic expansion enables institutions to reduce concentration risk, improve portfolio diversification, and capture untapped demand for formal credit.

Penetration into newer geographies also supports business scalability while strengthening the overall outreach of the financial inclusion ecosystem.



Underpenetrated States as Future Growth Engines

Several states remain relatively underpenetrated in terms of formal microfinance coverage, presenting significant headroom for growth. As financial awareness improves and infrastructure strengthens, these regions are expected to contribute meaningfully to portfolio expansion.

Institutions focusing on calibrated entry strategies, supported by robust credit assessment mechanisms, are likely to benefit from sustainable growth in such markets.



Higher Rural Exposure Driving Portfolio Growth

The rural segment continues to account for a substantial share of microfinance business, driven by demand for livelihood financing and limited access to formal banking channels. With ongoing policy support for rural development and self-employment initiatives, rural markets are expected to remain a key growth driver.

The focus on rural borrowers aligns with the broader financial inclusion agenda and supports long-term portfolio stability when accompanied by prudent underwriting.

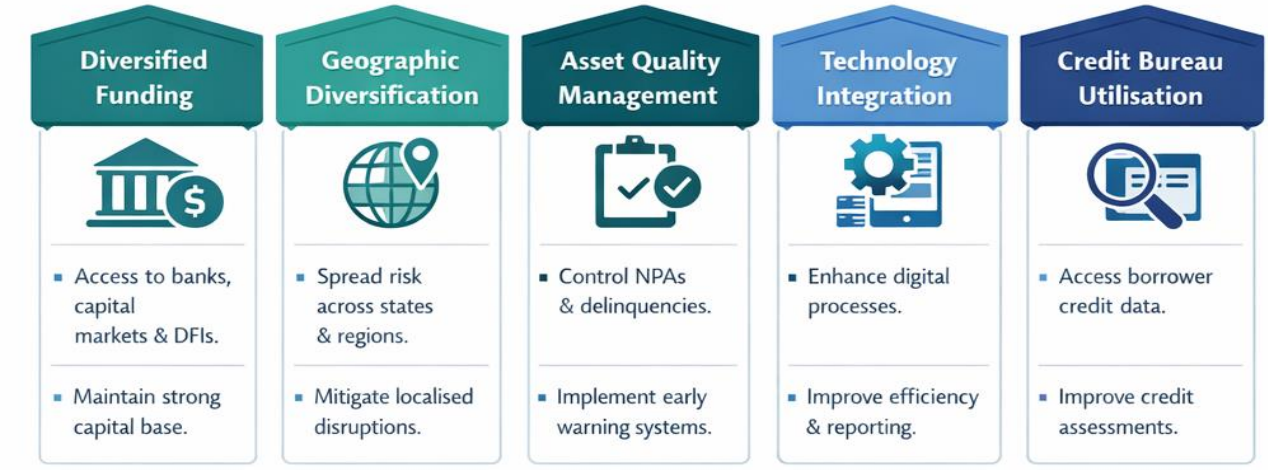


Expansion in Average Ticket Size

A gradual increase in average ticket size reflects the evolving credit needs of borrowers and the transition of customers to higher income and enterprise levels. Larger loan sizes enable borrowers to undertake more productive economic activities, thereby improving repayment capacity and deepening lender–borrower relationships.

When supported by responsible lending norms and income assessment frameworks, this trend can contribute positively to portfolio growth and operational efficiency.

Key success factors of MFI lenders



- A critical success factor for MFIs is the **ability to attract funding and maintain a healthy capital position**. Sustained access to diversified funding sources such as banks, financial institutions, capital markets, and development finance institutions supports portfolio growth and liquidity management. A strong capital base enhances resilience during economic stress, enables regulatory compliance, and supports expansion without compromising prudential norms.

Geographic diversification of the loan portfolio is another important determinant of stability. A well-diversified presence across states and regions reduces concentration risk arising from localised disruptions such as regulatory actions, natural calamities, or socio-political developments. Geographic spread enables MFIs to offset stress in one region with stable performance in others, thereby contributing to overall portfolio resilience.

The **ability to control asset quality and manage the ageing of NPAs** remains fundamental to long-term sustainability. Strong underwriting standards, disciplined collection practices, early warning mechanisms, and timely resolution of delinquent accounts help contain credit costs. Effective monitoring of portfolio trends and proactive recovery strategies limit slippages and prevent accumulation of aged NPAs.

Increasing **adoption of technology** is a structural advantage that supports cost optimisation, operational efficiency, and profitability. Digital onboarding, automated underwriting checks, centralised MIS platforms, and analytics-driven monitoring reduce manual errors and transaction costs. Technology also enhances scalability while strengthening governance and compliance oversight.

Finally, **credit risk mitigation through credit bureau integration** plays a vital role in maintaining portfolio quality. Access to borrower credit histories and exposure data enables MFIs to assess indebtedness levels, prevent over-lending, and make informed credit decisions. Effective use of bureau data improves underwriting discipline and supports responsible lending practices across the sector.

Role of Self-Regulatory Organisation (SRO)

MFIN was recognised by the RBI as an SRO for NBFC-MFIs in June 2014, authorising it to support regulatory oversight through monitoring member compliance with RBI instructions and industry codes of conduct. This recognition made MFIN the first microfinance network in India, and among the earliest in Asia, to receive formal SRO status. Its mandate includes submission of member MFIs' financial and operational data to the RBI, along with research, training, and capacity-building initiatives.

In September 2017, MFIN introduced the Mutually Agreed Code of Conduct (MACC), which restricts lending to borrowers already served by three microcredit lenders, with the objective of curbing over-indebtedness. While RBI regulations initially applied only to NBFC-MFIs, MACC extended similar discipline across a broader set of microfinance lenders, excluding SHGs.

Sa-Dhan is the second industry body recognised by the RBI as an SRO for NBFC-MFIs. Its role centres on policy advocacy, sector surveillance, submission of reports to the RBI, and operation of grievance redressal and dispute resolution mechanisms to safeguard borrower interests and ensure regulatory compliance.

Following demonetisation and during subsequent localised disruptions, both MFIN and Sa-Dhan have undertaken field-level interventions, including borrower awareness programmes and coordination with state authorities, to maintain operational stability in the microfinance sector.

In March 2024, the RBI issued an omnibus framework for recognition and governance of SROs across all regulated entities. This framework, applicable to microfinance SROs as well, standardises objectives, eligibility norms, governance standards, and core functions, reinforcing accountability and strengthening the role of SROs in supporting regulatory supervision going forward.

MFIN Guardrail

MFIN, as a Self-Regulatory Organization (SRO), has been actively ensuring that its member institutions comply with the RBI's Regulatory Framework for Microfinance Loans, 2022. These Directions mandate, inter alia, the formulation of board-approved policies covering assessment of household income, limits on aggregate loan repayment obligations of borrowers, and transparent pricing of microfinance loans. The framework also lays down norms relating to qualifying asset criteria and prescribes standards of conduct in dealing with microfinance borrowers, including staff training, oversight of outsourced activities, recovery practices, and engagement of recovery agents.

In line with its commitment to responsible lending and borrower protection, MFIN has taken proactive measures to safeguard client interests. Notably, around ten of its member institutions have reduced their lending rates despite elevated funding costs. This moderation in pricing has been supported by improved post-pandemic asset quality, operational efficiencies, increased technology adoption, and a more diversified funding profile. SROs and Regulated Entities (REs) continue to work collectively to ensure that gains arising from efficiencies in funding, operations, and credit costs are passed on to borrowers.

In order to further promote responsible lending practices, MFIN came up with additional guardrails. These guardrails are:

- Mandatory e-validation of Voter ID
- A maximum of 3 microfinance lenders can provide loans to a borrowers
- Limiting the total microfinance indebtedness to ₹ 2 lakhs
- No loan to a borrower who has a DPD >60 days (previously 90 days) on any loan that has an amount outstanding of greater than ₹ 3,000 with any regulated entity (RE) at the time of underwriting the loan under consideration.

The above-mentioned guardrails are over and above the RBI regulations and Industry Code of Conduct which reflects continued efforts of MFIN as an SRO as well as the industry's commitment to responsible lending practices.

Other Institutions

MUDRA

In the Union Budget 2015 to 2016, the Government of India announced the establishment of Micro Units Development & Refinance Agency Ltd. (MUDRA) with the objective of promoting financial inclusion within the non-corporate small business segment, a large part of which remains outside the formal credit system. MUDRA functions primarily as a refinance and development institution, extending support to banks, NBFCs, and MFIs that provide credit to micro and small enterprises. By offering comparatively lower-cost refinance facilities, MUDRA enables these institutions to expand credit access to underserved micro-entrepreneurs.

NABARD refinancing MFIs to encourage lending in rural areas

The National Bank for Agriculture and Rural Development (NABARD) plays a significant role in advancing microfinance, particularly in rural and semi-urban areas. It provides refinance assistance to eligible NBFC-MFIs and SFBs, thereby supporting credit flow to rural borrowers. In April 2021, the RBI announced a special liquidity facility of ₹ 250 billion to NABARD to enable refinancing of cooperative banks, Regional Rural Banks (RRBs), and MFIs in view of the disruptions caused by the COVID-19 pandemic.

SIDBI

Established in April 1990, the Small Industries Development Bank of India (SIDBI) was created to promote and strengthen credit delivery to the MSME sector while addressing broader developmental needs. SIDBI supports liquidity in the MSME ecosystem through various schemes, providing funding assistance to banks, NBFCs, and MFIs at competitive rates to sustain credit flow. In April 2000, SIDBI launched the National Microfinance Support Programme (NMFSP) in partnership with the UK's Department for International Development (DFID) to promote best practices in microfinance. This collaboration was further expanded in April 2002 through an arrangement with the International Fund for Agricultural Development (IFAD) to extend on-lending support to MFIs.

Credit Guarantee Fund for Micro Units (CGFMU) and Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE)

The CGFMU, associated with Pradhan Mantri Mudra Yojana, operates on a similar principle to Credit Guarantee Fund Trust for Micro and Small Enterprises but is specifically targeted at micro enterprises. It provides portfolio-based credit guarantees for loans extended under the MUDRA framework, thereby reducing default risk for lending institutions such as banks, NBFCs, and other financial intermediaries. The fund is managed by National Credit Guarantee Trustee Company, a Government of India entity. Together, CGTMSE and CGFMU serve as key policy instruments to expand access to formal credit across the MSME and micro-enterprise spectrum, with CGTMSE catering to relatively larger segments and CGFMU focusing on smaller ticket loans.

As of 18th March 2026, CGTMSE has approved approximately 1.39 crore guarantees, with a total sanctioned amount of around ₹ 13.2 lakh crore. Further, as on March 31, 2025, the total funds available with CGTMSE stood at ₹ 29,684.7 crore, comprising corpus contributions, accumulated surplus, and retained earnings. These figures reflect the continued expansion and financial strengthening of the scheme in recent years.

MFIs and SFBs have increasingly leveraged such credit guarantee mechanisms as part of their lending strategies. As institutions focused on financial inclusion, they cater to borrowers with limited credit histories and minimal collateral. Participation in guarantee frameworks such as CGFMU, particularly for MUDRA-linked lending enables these entities to expand outreach while partially mitigating credit risk. From a systemic perspective, this supports credit deepening, improves portfolio diversification, and facilitates lending to new-to-credit borrowers and small entrepreneurs, thereby strengthening the broader financial inclusion ecosystem.

Peer Comparison

In this chapter, CareEdge Research has analysed the operational performance and key financial indicators of top 12 NBFC-MFIs (Non-banking Finance Company-Microfinance Institutions) players in terms of assets under management (AUM) and select Small Finance Banks (SFBs) and Bandhan Bank that have loan portfolios inclined towards the MFI segment. However, it should be noted that the business models of SFBs and Bandhan Bank are different from NBFC-MFIs on account of RBI's regulation on qualifying assets for an NBFC-MFI. For an NBFC-MFI, a minimum of 60% of its total assets should consist of microfinance loans. For an SFB/Bank, the primary goal is to meet the target of Priority Sector Loans (PSL) with no restriction of qualifying assets. However, for all SFB/Bank, NBFCs and NBFC-MFIs, microfinance loans have the same definition which is a collateral free loan to households with annual household income up to ₹ 300,000.

List of peers NBFC – MFIs[1] considered for analysis include:

S. No.	Name of the Peers	Type of Peers	Brief Profile
1	CreditAccess Grameen Ltd (CreditAccess)	NBFC-MFI	Incorporated in 1999, CreditAccess Grameen Ltd is part of CreditAccess India BV. The company provides microfinance loans primarily through the JLG model to women borrowers in rural and semi-urban areas. Its product offerings include income generation loans, family welfare loans, and home improvement loans.
2	Muthoot Microfin Ltd (Muthoot)	NBFC-MFI	Incorporated in 1992, Muthoot Microfin Ltd is part of the Muthoot Pappachan Group. The company provides microfinance loans to women borrowers, along with allied financial services such as individual loans, insurance distribution, and other financial inclusion products.
3	Satin Creditcare Network Ltd (Satin)	NBFC-MFI	Incorporated in 1990, part of Satin group, Satin Creditcare Network Ltd operates as an NBFC-MFI providing microfinance loans to economically weaker sections. The company also offers MSME loans and has presence in housing finance through its subsidiary Satin Housing Finance Ltd.
4	Annapurna Finance Pvt Ltd (Annapurna)	NBFC-MFI	Incorporated in 2009, Annapurna Finance Pvt Ltd provides microfinance services to low-income households, primarily in eastern India. The company also offers MSME loans and affordable housing finance and operates through a branch-led distribution network.
5	IIFL Samasta Finance Ltd (Samasta)	NBFC-MFI	Incorporated in 2008, IIFL Samasta Finance Ltd is a subsidiary of IIFL Finance Ltd. The company provides microfinance loans to women borrowers and operates across multiple states, focusing on income generation and household financing needs.
6	Svatantra Microfin Pvt Ltd (Svatantra)	NBFC-MFI	Incorporated in 2012, Svatantra Microfin Pvt Ltd is promoted by Svatantra Holdings Pvt Ltd. The company provides microfinance loans through group lending as well as individual lending products aimed at underserved customer segments.
7	Chaitanya India Fin Credit Pvt Ltd (Chaitanya)	NBFC-MFI	Incorporated in 2009, Chaitanya India Fin Credit Pvt Ltd is part of Navi Group. The company provides microfinance loans through the joint liability group model and also offers individual loans to small entrepreneurs.
8	Belstar Microfinance Ltd (Belstar)	NBFC-MFI	Incorporated in 1988, Belstar Microfinance Ltd is a subsidiary of Muthoot Finance Ltd. The company provides microfinance loans, MSME loans, and small-ticket individual loans to customers in rural and semi-urban areas.
9	Fusion Finance Ltd (Fusion)	NBFC-MFI	Incorporated in 1994, Fusion Finance Ltd operates as an NBFC-MFI providing microfinance loans primarily to women borrowers. The company also offers MSME loans and operates across multiple states with a branch-based model.
10	Arohan Financial Services Ltd (Arohan)	NBFC-MFI	Incorporated in 2006, Arohan Financial Services Ltd is part of the Aavishkaar Group which also includes Aavishkaar Capital, a participant in impact-led investing, having invested in the microfinance industry in 2007. Arohan Financial Services Ltd provides microfinance loans and has expanded into MSME lending and other financial inclusion products.

[1] Peer NBFC-MFIs comprise the top 12 NBFC-MFIs in India based on AUM for the relevant period, along with select small finance banks ("**SFBs**") and Bandhan Bank that have loan portfolios with a significant focus on the microfinance segment. Although regulatory requirements for qualifying assets differ between NBFC-MFIs, SFBs and Bandhan Bank, such entities have been included as peers due to the comparable nature of microfinance loans, which are uniformly defined as collateral-free loans to households with annual income of up to ₹ 300,000.

S. No.	Name of the Peers	Type of Peers	Brief Profile
11	Asirvad Microfinance Ltd (Asirvad)	NBFC-MFI	Incorporated in 2007, Asirvad Microfinance Ltd is a subsidiary of Manappuram Finance Ltd. The company provides microfinance loans primarily to women borrowers and operates through a branch-led model across several states.
12	Spandana Sphoorty Financial Ltd (Spandana)	NBFC-MFI	Incorporated in 2003, Spandana Sphoorty Financial Ltd provides microfinance loans using the joint liability group model. The company also offers individual loans and operates across multiple states in India.
13	Bandhan Bank (Bandhan)	Bank	Incorporated in 2014, Bandhan Bank Ltd is part of Bandhan Financial Holdings Ltd. The bank provides a range of banking services including microfinance loans, retail loans, MSME loans, and deposit products.
14	Ujjivan SFB (Ujjivan)	SFB	Incorporated in 2016, Ujjivan Small Finance Bank Ltd is a subsidiary of Ujjivan Financial Services Ltd. The bank offers microfinance loans, housing loans, MSME loans, and deposit products to retail customers.
15	Jana SFB (Jana)	SFB	Incorporated in 2018, Jana Small Finance Bank Ltd evolved from Janalakshmi Financial Services. The bank provides microfinance, MSME, affordable housing, and retail loan products along with deposit services.
16	Utkarsh SFB (Utkarsh)	SFB	Incorporated in 2016, Utkarsh Small Finance Bank Ltd is promoted by Utkarsh CoreInvest Ltd. The bank provides microfinance loans, retail banking services, MSME loans, and deposit products.
17	ESAF SFB (ESAF)	SFB	Incorporated in 2017, ESAF Small Finance Bank Ltd is promoted by ESAF Financial Holdings Pvt Ltd. The bank provides microfinance loans, agricultural loans, MSME finance, and deposit services.
18	Suryoday SFB (Suryoday)	SFB	Incorporated in 2017, Suryoday Small Finance Bank Ltd is promoted by Suryoday Micro Finance Ltd. The bank provides microfinance loans, affordable housing loans, MSME loans, and deposit products.

The Peer NBFC-MFIs in India accounted for 70% of the NBFC-MFI portfolio in Fiscal 2025

MFI Comparison by RBI registration and regional presence in terms of corporate office

They are the second largest in Eastern India (based on presence of corporate office) in terms of AUM as of Dec'25.

NBFCs	Corporate office	Region as per corporate office
CreditAccess Grameen Ltd	Bengaluru	South
Muthoot Microfin Ltd	Ernakulam	South
Satin Credit care Network Ltd	Haryana	North
Annapurna Finance Pvt Ltd	Bhubaneswar	East
IIFL Samasta Finance Ltd	Bengaluru	South
Svatantra Microfin Pvt Ltd	Bengaluru	South
Chaitanya India Fin Credit Pvt Ltd	Bengaluru	South
Belstar Microfinance Ltd	Chennai	South
Fusion Finance Ltd	Haryana	North
Arohan Financial Services Ltd	Kolkata	East
Asirvad Microfinance Ltd	Thrissur	South
Spandana Sphoorty Financial Ltd	Hyderabad	South

Arohan Financial Services Limited is the Ninth largest NBFC-MFI in India in terms of AUM as of nine months ended December 31, 2025[2]

As of Dec'25[1], Arohan Financial Services was ranked as the ninth largest NBFC-MFI in India in terms of AUM with a market share of 4.71%, placing us among the leading participants in the micro finance industry. NBFC-MFIs saw a degrowth in Fiscal 2025, with majority of the players reporting negative or muted AUM growth. In Fiscal 2025, Arohan's AUM moderated to ₹ 60.03 billion, reflecting a decline of 15.60%. This contraction was lower than the decline observed in certain peers NBFC – MFIs such as Spandana (-49.65%), Asirvad (-31.07%), IIFL Samasta (-21.88%), Fusion (-21.75%) and Belstar (-20.49%), though higher than players that maintained growth such as Chaitanya with highest growth of 13.10% followed by Satin (6.83%) and Annapurna (6.75%). As of nine

[2]considering acquisition of Chaitanya by Svatantra and treating them as one entity

months ended December 31, 2025, Arohan reported stable growth of 5.10%, fourth highest among the peers NBFC – MFIs considered. Arohan recorded a CAGR of 6.12% for the period Fiscal 2023 to nine months ended December 31, 2025. Chaitanya registered highest CAGR 21.43% for the period Fiscal 2023 to nine months ended December 31, 2025.

Under SFBs, Suryoday SFB posted the highest CAGR of 27.37% among SFBs and Bandhan Bank between Fiscal 2023 to nine months ended December 31, 2025.

Comparison of key players in the MFI industry

AUM (₹ Billions)	Market share (as on nine months ended December 31, 2025)	Fiscal 2023	Fiscal 2024	Fiscal 2025	nine months ended December 31, 2025
CreditAccess Grameen Ltd	19.83%	210.30	267.14	259.48	265.66
Muthoot Microfin Ltd	9.76%	92.08	121.94	123.57	130.79
Satin Creditcare Network Ltd	8.57%	79.29	105.93	113.16	114.82
Annapurna Finance Pvt Ltd	7.98%	87.49	103.36	110.34	106.91
IIFL Samasta Finance Ltd	7.23%	105.52	142.11	111.01	96.81
Svatantra Microfin Pvt Ltd	6.82%	74.99	77.25	73.09	91.33
Chaitanya India Fin Credit Pvt Ltd	6.25%	49.10	67.13	75.93	83.74
Belstar Microfinance Ltd	5.90%	61.92	100.23	79.69	79.10
Fusion Finance Ltd	5.13%	92.96	114.76	89.80	68.76
Arohan Financial Services Ltd	4.71%	53.57	71.12	60.03	63.08
Asirvad Microfinance Ltd	4.55%	100.41	118.81	81.89	60.91
Spandana Sphoorty Financial Ltd	2.46%	79.80	119.73	60.29	32.96
Banks and SFBs					
Bandhan Bank	NM	1091.20	1247.20	1369.90	1452.20
Ujjivan SFB	NM	240.90	297.80	321.22	370.57
Jana SFB	NM	201.00	247.50	295.45	NA
ESAF SFB	NM	163.30	196.60	196.43	206.79
Utkarsh SFB	NM	139.60	183.00	196.66	183.06
Suryoday SFB	NM	61.10	86.50	102.51	118.85

Note: (1) AUM for NBFC-MFI players comprises largely of MFI loans and some non-MFI loans allowed as per extant regulations and based on each company's strategy, (2) Market share is based on nine months ended December 31, 2025 AUM of NBFC-MFIs; NBFC MFIs are arranged in ascending order of AUM as of Dec'25 (3) NA – Not available; NM – Not meaningful (4) Numbers for Svatantra are on standalone basis and excludes Chaitanya acquisition (5) Overall AUM has been considered for Banks & SFBs

Source: Company reports, CareEdge Research, MFIN.

AUM Growth (%)	Y-o-Y Growth%			nine months ended December 31, 2025 vs Fiscal 2025	CAGR (Fiscal 2023 to nine months ended December 31, 2025)
	Fiscal 2023	Fiscal 2024	Fiscal 2025		
CreditAccess Grameen Ltd	26.69%	27.03%	-2.87%	2.38%	8.87%
Muthoot Microfin Ltd	47.22%	32.42%	1.34%	5.84%	13.61%
Satin Creditcare Network Ltd	23.72%	33.60%	6.83%	1.47%	14.41%
Annapurna Finance Pvt Ltd	33.57%	18.14%	6.75%	-3.11%	7.56%
IIFL Samasta Finance Ltd	62.74%	34.68%	-21.88%	-12.79%	-3.08%
Svatantra Microfin Pvt Ltd	51.33%	3.00%	-5.38%	24.95%	7.43%
Chaitanya India Fin Credit Pvt Ltd	85.00%	36.73%	13.10%	10.29%	21.43%
Belstar Microfinance Ltd	41.86%	61.86%	-20.49%	-0.75%	9.31%
Fusion Finance Ltd	36.99%	23.45%	-21.75%	-23.43%	-10.39%
Arohan Financial Services Ltd	29.97%	32.75%	-15.60%	5.10%	6.12%
Asirvad Microfinance Ltd	43.40%	18.32%	-31.07%	-25.62%	-16.62%
Spandana Sphoorty Financial Ltd	28.71%	50.04%	-49.65%	-45.33%	-27.50%
Banks and SFBs					
Bandhan Bank	9.84%	14.30%	9.84%	6.01%	10.95%
Ujjivan SFB	32.65%	23.62%	7.86%	15.36%	16.95%
Jana SFB	30.94%	23.13%	19.37%	NA	NA
ESAF SFB	32.33%	20.39%	-0.09%	5.28%	8.97%
Utkarsh SFB	31.33%	31.09%	7.46%	-6.92%	10.36%
Suryoday SFB	20.75%	41.57%	18.51%	15.94%	27.37%

Note: (1) NA: Not Available, (2) NBFC MFIs are arranged in ascending order of AUM as of Dec'25. (3) Numbers for Svatantra are on standalone basis and excludes Chaitanya acquisition (4) Overall AUM has been considered for Banks & SFBs (5) nine months ended December 31, 2025 growth over Fiscal 2025
Source: Company reports, CareEdge Research, MFIN.

Disbursement data for

Disbursements across NBFC-MFIs were broadly subdued in Fiscal 2025, with several players recording sharper contractions than Arohan (30.90%) — including Spandana (-47.56%), IIFL Samasta (-45.95%), Asirvad (-40.14%), Belstar (-38.03%) and Fusion (-32.28%). The decline at Arohan was steeper than CreditAccess (-13.37%), Muthoot (-16.78%), and Svatantra (-9.41%), while only 3 peers NBFC – MFIs delivered disbursement growth in Fiscal 2025 - Chaitanya (9.99%), Annapurna (7.53%), and Satin (1.51%).

Disbursement (₹ Billions)	Fiscal 2023	Fiscal 2024	Fiscal 2025	nine months ended December 31, 2025
CreditAccess Grameen Ltd	185.40	231.30	200.37	165.47
Muthoot Microfin Ltd	81.05	106.62	88.73	65.42
Satin Creditcare Network Ltd	73.90	96.91	98.37	73.82
Annapurna Finance Pvt Ltd	77.10	83.13	89.39	58.65
IIFL Samasta Finance Ltd	102.14	122.06	65.97	51.23
Svatantra Microfin Pvt Ltd	62.86	62.25	56.39	64.56
Chaitanya India Fin Credit Pvt Ltd	49.88	63.34	69.67	57.01
Belstar Microfinance Ltd	57.95	97.08	60.16	55.90
Fusion Finance Ltd	85.96	102.94	69.71	36.27

Disbursement (₹ Billions)	Fiscal 2023	Fiscal 2024	Fiscal 2025	nine months ended December 31, 2025
Arohan Financial Services Ltd	52.99	67.09	46.36	44.92
Asirvad Microfinance Ltd	193.80	93.20	55.79	24.73
Spandana Sphoorty Financial Ltd	81.25	106.88	56.05	21.14
Banks and SFBs				
Bandhan Bank	657.70	761.90	694.80	513.90
Ujjivan SFB	200.37	233.89	234.64	227.64
Jana SFB	148.12	176.05	198.30	47.75
ESAF SFB	149.41	170.14	209.84	296.04
Utkarsh SFB	NA	NA	NA	NA
Suryoday SFB	50.83	69.19	69.89	73.89

Note: NA: Not Available, NBFC MFIs are arranged in ascending order of AUM as of Dec'25, Numbers for Svatantra are on standalone basis and excludes Chaitanya acquisition. Data as on nine months ended December 31, 2025 sourced from Micrometer.
Source: Company reports, CareEdge Research, MFIN

Disbursement Growth	Y-o-Y Growth%		
	Fiscal 2023	Fiscal 2024	Fiscal 2025
CreditAccess Grameen Ltd	44.51%	24.76%	-13.37%
Muthoot Microfin Ltd	74.40%	31.55%	-16.78%
Satin Creditcare Network Ltd	83.33%	31.14%	1.51%
Annapurna Finance Pvt Ltd	44.92%	7.82%	7.53%
IIFL Samasta Finance Ltd	78.87%	19.51%	-45.95%
Svatantra Microfin Pvt Ltd	38.19%	-0.97%	-9.41%
Chaitanya India Fin Credit Pvt Ltd	88.72%	26.99%	9.99%
Belstar Microfinance Ltd	63.41%	67.51%	-38.03%
Fusion Finance Ltd	39.09%	19.75%	-32.28%
Arohan Financial Services Ltd	36.76%	26.61%	-30.90%
Asirvad Microfinance Ltd	126.40%	-51.91%	-40.14%
Spandana Sphoorty Financial Ltd	140.88%	31.54%	-47.56%
Banks and SFBs			
Bandhan Bank	NA	15.84%	-8.81%
Ujjivan SFB	41.98%	16.73%	0.32%
Jana SFB	27.84%	18.86%	12.64%
ESAF SFB	NA	13.87%	23.34%
Utkarsh SFB	NA	NA	NA
Suryoday SFB	44.08%	36.12%	1.01%

Note: (1) NA: Not Available, (2) NBFC MFIs are arranged in ascending order of AUM as of Dec'25. (3) Numbers for Svatantra are on standalone basis and excludes Chaitanya acquisition, Overall Disbursement has been considered for Banks & SFBs
Source: Company reports, MFIN, CareEdge Research. Data as on nine months ended December 31, 2025 sourced from Micrometer.

Client Outreach decreased throughout the microfinance sector

Arohan Financial Services Limited reported a client outreach of 2.14 million in Fiscal 2025, representing a 11.20% YoY decline from Fiscal 2024 (2.41 million). While the decline reflects sector-wide moderation, the contraction was less steep than several other peers NBFC – MFIs, including Asirvad (-25.28%), Spandana (-25.00%) and Fusion (-16.93%). In Fiscal 2025, only few NBFC-MFIs recorded positive client growth, namely Chaitanya (5.75%), Annapurna (4.92%) and Muthoot (2.39%), indicating that contraction in outreach was an industry trend rather than company-specific.

Chaitanya recorded the highest CAGR of 12.63% from Fiscal 2023 to nine months ended December 31, 2025 among NBFC-MFIs, while Suryoday SFB led the SFB segment with a 20.03% CAGR (Fiscal 2023 to nine months ended December 31, 2025).

During the recovery phase prior to Fiscal 2025 moderation, Arohan demonstrated expansion, with outreach growing 19.90% y-o-y in Fiscal 2024, 7th highest among the peers NBFC – MFIs.

Client outreach (in millions)	Fiscal 2023	Fiscal 2024	Fiscal 2025	nine months ended December 31, 2025
CreditAccess Grameen Ltd	4.26	4.92	4.69	4.40
Muthoot Microfin Ltd	2.77	3.35	3.43	3.33
Satin Creditcare Network Ltd	2.56	3.34	3.29	3.18
Annapurna Finance Pvt Ltd	2.50	2.79	2.93	2.90
IIFL Samasta Finance Ltd	2.40	3.00	2.70	2.27
Svatantra Microfin Pvt Ltd	2.23	2.36	2.17	2.20
Chaitanya India Fin Credit Pvt Ltd	1.37	1.74	1.84	1.90
Belstar Microfinance Ltd	2.13	2.83	2.53	2.10
Fusion Finance Ltd	3.52	3.84	3.19	2.32
Arohan Financial Services Ltd	2.01	2.41	2.14	1.95
Asirvad Microfinance Ltd	2.99	3.52	2.63	1.70
Spandana Sphoorty Financial Ltd	2.26	3.32	2.49	1.15
Banks and SFBs				
Bandhan Bank	30.00	33.60	31.60	32.50
Ujjivan SFB	4.25	4.86	4.90	NA
Jana SFB	4.60	5.40	4.20	4.30
ESAF SFB	6.80	8.37	9.40	9.99
Utkarsh SFB	3.60	4.51	4.99	5.14
Suryoday SFB	2.30	2.80	3.40	3.80

Note: For Banks and SFBs clients include total number of customers (both liability & asset side), NBFC MFIs are arranged in ascending order of AUM as of Dec'25, Numbers for Svatantra are on standalone basis and excludes Chaitanya acquisition, nine months ended December 31, 2025 sourced from Micrometer.
Source: MFIN, Company reports, CareEdge Research

Client outreach	Client outreach Growth%				CAGR%
	Fiscal 2023	Fiscal 2024	Fiscal 2025	nine months ended December 31, 2025	Fiscal 2023 to nine months ended December 31, 2025
CreditAccess Grameen Ltd	11.51%	15.34%	-4.55%	-6.24%	1.16%
Muthoot Microfin Ltd	35.12%	20.94%	2.39%	-2.92%	6.92%
Satin Creditcare Network Ltd	4.49%	30.47%	-1.50%	-3.34%	8.21%
Annapurna Finance Pvt Ltd	8.70%	11.70%	4.92%	-1.02%	5.55%
IIFL Samasta Finance Ltd	33.33%	25.00%	-10.00%	-15.93%	-2.00%
Svatantra Microfin Pvt Ltd	32.38%	5.99%	-8.00%	1.29%	-0.45%
Chaitanya India Fin Credit Pvt Ltd	69.14%	27.01%	5.75%	3.26%	12.63%
Belstar Microfinance Ltd	25.74%	33.02%	-10.53%	-17.16%	-0.51%
Fusion Finance Ltd	29.41%	9.09%	-16.93%	-27.27%	-14.07%
Arohan Financial Services Ltd	5.79%	19.90%	-11.20%	-8.88%	-1.10%
Asirvad Microfinance Ltd	24.58%	17.73%	-25.28%	-35.36%	-18.56%
Spandana Sphoorty Financial Ltd	-3.83%	46.90%	-25.00%	-53.65%	-21.68%
Banks and SFBs					
Bandhan Bank	14.07%	12.00%	-5.95%	2.85%	2.95%
Ujjivan SFB	12.14%	14.35%	0.82%	NA	NA
Jana SFB	24.32%	17.39%	-22.22%	2.38%	-2.42%
ESAF SFB	51.11%	23.09%	12.31%	6.28%	15.01%
Utkarsh SFB	16.13%	25.28%	10.64%	3.01%	13.83%
Suryoday SFB	21.05%	21.74%	21.43%	11.76%	20.03%

Notes: (1) NA – Not available, 2) For Banks and SFBs clients include total number of customers (both liability & asset side), (3) NBFC MFIs are arranged in ascending order of AUM as of Dec'25, (4) Numbers for Svatantra are on standalone basis and excludes Chaitanya acquisition
Source: MFIN, Company reports, CareEdge Research

Arohan Financial Services has the second highest Clients per Loan Officer as of Fiscal 2025

As of nine months ended December 31, 2025, Arohan had 9,502 employees, 5,723 loan officers, 1,073 branches and disbursed ₹ 44.92 billion through 0.76 million loans. Arohan has the second highest clients per loan officers as of Fiscal 2025 among the peers NBFC – MFIs considered. Muthoot had the highest clients per loan officers as of Fiscal 2025 among the peers NBFC – MFIs considered.

Reach and efficiency parameters (nine months ended December 31, 2025)	No of employees	No. of loan officers	No of branches	Disbursements (₹ billion)	No. of loans disbursed (in millions)	Clients per branch	Disbursements per branch (₹ million)	AUM per branch (₹ million)	Clients per loan officer	Disbursements per loan officer (₹ million)	AUM/ Loan officer (₹ million)
CreditAccess Grameen Ltd	21,701	14,464	2,222	165.47	3.05	1,980.65	74.47	119.56	304.27	11.44	18.37
Muthoot Microfin Ltd	16,032	9,102	1,691	65.42	0.89	1,969.25	38.69	77.34	365.85	7.19	14.37
Satin Creditcare Network Ltd	16,411	11,109	1,987	73.82	1.24	1,600.40	37.15	57.79	286.25	6.65	10.34
Annapurna Finance Pvt Ltd	14,121	9,952	1,729	58.65	4.02	1,677.27	33.92	61.83	291.40	5.89	10.74
IIFL Samasta Finance Ltd	15,859	9,861	1,590	51.23	0.76	1,427.67	32.22	60.89	230.20	5.20	9.82
Svatantra Microfin Pvt Ltd	12,869	7,555	1,045	64.56	1.15	2,105.26	61.78	87.40	291.20	8.55	12.09
Chaitanya India Fin Credit Pvt Ltd	11,587	7,425	1,055	57.01	0.97	1,800.95	54.04	79.37	255.89	7.68	11.28
Belstar Microfinance Ltd	11,846	7,152	1,290	55.90	0.79	1,627.91	43.33	61.32	293.62	7.82	11.06
Fusion Finance Ltd	11,668	7,131	1,537	36.27	0.65	1,509.43	23.60	44.74	325.34	5.09	9.64
Arohan Financial Services Ltd	9,502	5,723	1,073	44.92	0.76	1,820.05	41.86	58.79	341.24	7.85	11.02
Asirvad Microfinance Ltd	13,383	7,175	1,776	24.73	0.51	957.21	13.92	34.30	236.93	3.45	8.49
Spandana Sphoorty Financial Ltd	10,785	7,534	1,667	21.14	0.35	692.26	12.68	19.77	153.17	2.81	4.37
Banks & SFBs											
Bandhan Bank	74,512	NA	1,831	513.90	NA	17,749.86	280.67	793.12	NA	NA	NA
Ujjivan SFB	NA	NA	753	227.64	NA	NA	110.13	492.12	NA	NA	NA
Jana SFB	25,892	NA	816	47.75	NA	5,269.61	58.52	NA	NA	NA	NA
ESAF SFB	11,098	NA	788	296.04	NA	12,677.66	NA	262.42	NA	NA	NA
Utkarsh SFB	18,827	NA	1,105	NA	NA	4,651.58	NA	165.67	NA	NA	NA
Suryoday SFB	8,759	NA	712	73.89	NA	5,337.08	103.78	166.92	NA	NA	NA

Note: NBFC MFIs are arranged in ascending order of AUM as of Dec'25, Numbers for Svatantra are on standalone basis and excludes Chaitanya acquisition

Source: MFIN, Company reports, CareEdge Research

Reach and efficiency parameters (Fiscal 2025)	No of employees	No. of loan officers	No of branches	Disbursements (₹ billion)	No. of loans disbursed (in millions)	Clients per branch	Disbursements per branch (₹ million)	AUM per branch (₹ million)	Clients per loan officer	Disbursements per loan officer (₹ million)	AUM/ Loan officer (₹ million)
CreditAccess Grameen Ltd	20,970	14,117	2,063	200.37	3.91	4,694.00	97.13	125.78	332.51	14.19	18.38
Muthoot Microfin Ltd	15,989	9,748	1,699	88.73	1.81	2,018.83	52.22	72.73	351.87	9.10	12.68
Satin Creditcare Network Ltd	15,189	11,509	1,568	98.37	1.83	2,098.21	62.74	72.17	285.86	8.55	9.83
Annapurna Finance Pvt Ltd	14,177	9,246	1,571	89.39	1.42	2,030.55	56.90	70.24	316.89	9.67	12.01
IIFL Samasta Finance Ltd	17,957	11,853	1,660	65.97	1.28	1,626.51	39.74	66.87	227.79	5.57	9.31
Svatantra Microfin Pvt Ltd	12,043	7,172	996	56.39	1.10	2,180.77	56.62	73.39	302.85	7.86	8.37
Chaitanya India Fin Credit Pvt Ltd	11,247	7,296	1,038	69.67	1.25	1,772.64	67.12	73.15	252.19	9.55	12.31

Reach and efficiency parameters (Fiscal 2025)	No of employees	No. of loan officers	No of branches	Disbursements (₹ billion)	No. of loans disbursed (in millions)	Clients per branch	Disbursements per branch (₹ million)	AUM per branch (₹ million)	Clients per loan officer	Disbursements per loan officer (₹ million)	AUM/ Loan officer (₹ million)
Belstar Microfinance Ltd	13,076	NA	1,281	60.16	NA	1,978.89	46.96	62.21	NA	NA	NA
Fusion Finance Ltd	15,709	10,638	1,636	69.71	1.63	1,790.95	42.61	54.89	299.87	6.55	6.87
Arohan Financial Services Ltd	10,252	6,359	1,103	46.36	0.88	1,938.90	42.03	54.42	336.31	7.29	9.44
Asirvad Microfinance Ltd	17,506	9,127	1,785	55.79	1.07	1,473.39	31.25	45.88	288.16	6.11	8.32
Spandana Sphoorty Financial Ltd	18,382	11,994.	1,804	56.05	1.11	1,380.27	31.07	33.42	207.60	4.67	6.83
Banks & SFBs											
Bandhan Bank	75,032.00	NA	1,715	694.80	NA	18,425.66	405.13	798.78	NA	NA	NA
Ujjivan SFB	24,374	NA	753	234.64	NA	6,507.30	311.61	426.59	NA	NA	NA
Jana SFB	25,381	NA	802	198.30	NA	5,236.91	247.26	368.39	NA	NA	NA
ESAF SFB	19,779	NA	1,092	209.84	NA	4,569.60	0.00	180.09	NA	NA	NA
Utkarsh SFB	12,520	NA	787	NA	NA	11,944.09	266.64	249.59	NA	NA	NA
Suryoday SFB	8,649	NA	710	69.89	NA	4,788.73	98.44	144.38	NA	NA	NA

Note: NBFC MFIs are arranged in ascending order of AUM as of Dec'25, Numbers for Svatantra are on standalone basis and excludes Chaitanya acquisition
Source: MFIN, Company reports, CareEdge Research

During Fiscal 2024, Arohan operated with 9,333 employees, 5,680 loan officers and 976 branches, disbursing ₹ 67.09 billion through 1.52 million loans. As of Fiscal 2024, Arohan's Clients per loan officer (424.45) is 3rd highest, Clients per branch (2,470.18) is 4th highest, disbursement per branch (₹ 68.74 million) is 8th highest, AUM per branch (₹ 72.87 million) is 10th highest, disbursement per loan officer (₹ 11.81 million) is 5th highest, AUM per loan officer (₹ 12.52 million) is 8th highest among the peers NBFC – MFIs considered.

Reach and efficiency parameters (Fiscal 2024)	No of employees	No. of loan officers	No of branches	Disbursements (₹ billion)	No. of loans disbursed (in millions)	Clients per branch	Disbursements per branch (₹ million)	AUM per branch (₹ million)	Clients per loan officer	Disbursements per loan officer (₹ million)	AUM/ Loan officer (₹ million)
CreditAccess Grameen Ltd	19,395	13,190	1,967	231.30	5.40	4,918.00	117.59	135.81	372.86	17.54	20.25
Muthoot Microfin Ltd	13,866	8,539	1,508	106.62	2.43	2,221.49	70.70	80.86	392.32	12.49	14.28
Satin Creditcare Network Ltd	11,363	9,309	1,393	96.91	2.03	2,397.70	69.57	76.04	358.79	10.41	11.38
Annapurna Finance Pvt Ltd	12,071	7,694	1,379	83.13	1.55	2,025.11	60.28	74.95	362.96	10.80	13.43
IIFL Samasta Finance Ltd	16,519	10,281	1,648	122.06	2.70	1,820.39	74.07	86.23	291.80	11.87	13.82
Svatantra Microfin Pvt Ltd	9,818	6,058	966	62.25	1.36	2,443.97	64.44	79.96	389.71	10.28	12.75
Chaitanya India Fin Credit Pvt Ltd	8,701	5,343	848	63.34	1.38	2,051.89	74.69	79.17	325.66	11.85	12.56
Belstar Microfinance Ltd	10,559	6,035	1,015	97.08	NA	2,791.36	95.64	98.75	469.47	16.09	16.61
Fusion Finance Ltd	13,807	8,476	1,297	102.94	2.29	2,960.68	79.37	88.48	453.04	12.14	13.54
Arohan Financial Services Ltd	9,333	5,680	976	67.09	1.52	2,470.18	68.74	72.87	424.45	11.81	12.52

Asirvad Microfinance Ltd	17,997	11,035	1,743	93.20	3.39	2,019.51	53.47	68.16	318.99	8.45	10.77
Spandana Sphoorty Financial Ltd	14,243	9,653	1,642	106.88	2.40	2,021.92	65.09	72.92	343.93	11.07	12.40
Banks & SFBs											
Bandhan Bank	75,748	NA	1,700	761.90	448.18	19,764.71	NA	733.65	NA	NA	NA
Ujjivan SFB	22,566	NA	752	233.89	NA	6,462.77	311.02	396.01	NA	NA	NA
Jana SFB	21,800	NA	808	176.05	NA	6,683.17	217.88	306.26	NA	NA	NA
ESAF SFB	16,081	NA	888	170.14	NA	5,078.83	NA	206.07	NA	NA	NA
Utkarsh SFB	5,967	NA	753	NA	NA	11,115.54	225.95	261.08	NA	NA	NA
Suryoday SFB	7,440	NA	695	69.19	NA	4,028.78	99.55	124.46	NA	NA	NA

Note: NBFC MFIs are arranged in ascending order of AUM as of Dec'25, Numbers for Svatantra are on standalone basis and excludes Chaitanya acquisition
Source: MFIN, Company reports, CareEdge Research

Arohan Financial Services has presence in 17 states as of nine months ended December 31, 2025

Amongst the peers NBFC – MFIs, Satin has the highest presence in 31 states as of nine months ended December 31, 2025.

No. of states	Fiscal 2023	Fiscal 2024	Fiscal 2025	nine months ended December 31, 2025
CreditAccess Grameen Ltd	15	17	17	17
Muthoot Microfin Ltd	18	19	20	21
Satin Creditcare Network Ltd	24	26	29	31
Annapurna Finance Pvt Ltd	20	21	21	21
IIFL Samasta Finance Ltd	19	22	22	22
Svatantra Microfin Pvt Ltd	19	19	19	19
Chaitanya India Fin Credit Pvt Ltd	12	12	15	15
Belstar Microfinance Ltd	18	19	21	21
Fusion Finance Ltd	20	22	22	22
Arohan Financial Services Ltd	13	16	17	17
Asirvad Microfinance Ltd	23	NA	26	26
Spandana Sphoorty Financial Ltd	18	20	20	17
Banks and SFBs				
Bandhan Bank	34	35	35	35
Ujjivan SFB	25	26	26	26
Jana SFB	24	24	25	25
Utkarsh SFB	26	26	27	27
ESAF SFB	NA	25	26	26
Suryoday SFB	15	15	15	16

Notes: NA – Not available
NBFC MFIs are arranged in ascending order of AUM as of Dec'25,
Numbers for Svatantra are on standalone basis and excludes Chaitanya acquisition.
Source: Company reports, CareEdge Research, MFIN

Arohan's average number of branches per state was 63 in nine months ended December 31, 2025

Arohan's average branches per state decreased from 65 in Fiscal 2025 to 63 in nine months ended December 31, 2025. As of nine months ended December 31, 2025, CreditAccess has highest average number of branches per state at 131 followed by Spandana at 98.

Average no. of branches per state	Fiscal 2023	Fiscal 2024	Fiscal 2025	nine months ended December 31, 2025
CreditAccess Grameen Ltd	119	116	121	131
Muthoot Microfin Ltd	65	79	85	81
Satin Creditcare Network Ltd	54	54	54	64
Annapurna Finance Pvt Ltd	54	59	71	82
IIFL Samasta Finance Ltd	67	75	75	72
Svatantra Microfin Pvt Ltd	42	51	52	55
Chaitanya India Fin Credit Pvt Ltd	59	71	69	70
Belstar Microfinance Ltd	43	53	61	61
Fusion Finance Ltd	54	59	71	70
Arohan Financial Services Ltd	64	61	65	63
Asirvad Microfinance Ltd	73	NA	69	68
Spandana Sphoorty Financial Ltd	66	82	90	98
Banks and SFBs				
Bandhan Bank	42	49	49	52
Ujjivan SFB	25	29	29	29
Jana SFB	31	34	32	33
Utkarsh SFB	32	34	40	41
ESAF SFB	30	30	30	30
Suryoday SFB	38	46	47	45

Notes: NA – Not available
NBFC MFIs are arranged in ascending order of AUM as of Dec'25
Numbers for Svatantra are on standalone basis and excludes Chaitanya acquisition.
Source: Company reports, CareEdge Research, MFIN

Incremental branches in the last two years were 9.94% of Fiscal 2024 branches for Arohan – 8th highest among peers NBFC – MFIs.

Arohan's branch network grew 13.01% in Fiscal 2025, 5th highest among peers NBFC – MFIs, however, declined by 2.72% in nine months ended December 31, 2025. Belstar's branch network grew highest among the peers NBFC – MFIs at 26.21% y-o-y followed by Chaitanya (22.41%) and Fusion (21.13%). Among SFBs, Utkarsh SFB led branch network growth at 22.97% y-o-y in Fiscal 2025.

YoY growth in branches (%)	Fiscal 2023	Fiscal 2024	Fiscal 2025	nine months ended December 31, 2025	Incremental branches in last 2 years as % of Fiscal 2024 branches
CreditAccess Grameen Ltd	9.24%	10.13%	4.88%	7.71%	12.96%
Muthoot Microfin Ltd	29.50%	28.67%	12.67%	-0.47%	12.14%
Satin Creditcare Network Ltd	5.07%	8.32%	12.56%	26.72%	42.64%
Annapurna Finance Pvt Ltd	20.22%	16.57%	18.64%	5.68%	25.38%
IIFL Samasta Finance Ltd	57.00%	30.07%	0.73%	-4.22%	-3.52%
Svatantra Microfin Pvt Ltd	16.18%	20.15%	3.11%	4.92%	8.18%
Chaitanya India Fin Credit Pvt Ltd	50.42%	18.93%	22.41%	1.64%	24.41%
Belstar Microfinance Ltd	21.17%	32.33%	26.21%	0.70%	27.09%
Fusion Finance Ltd	16.27%	19.43%	21.13%	-2.16%	18.50%
Arohan Financial Services Ltd	12.16%	17.59%	13.01%	-2.72%	9.94%
Asirvad Microfinance Ltd	10.43%	3.50%	2.41%	-0.50%	1.89%

YoY growth in branches (%)	Fiscal 2023	Fiscal 2024	Fiscal 2025	nine months ended December 31, 2025	Incremental branches in last 2 years as % of Fiscal 2024 branches
Spandana Sphoorty Financial Ltd	5.27%	39.27%	9.87%	-7.59%	1.52%
Banks and SFBs					
Bandhan Bank	18.67%	20.48%	0.88%	6.76%	7.71%
Ujjivan SFB	9.39%	19.55%	0.13%	0.00%	0.13%
Jana SFB	5.45%	7.16%	-0.74%	1.75%	0.99%
Utkarsh SFB	21.00%	6.99%	22.97%	1.19%	24.44%
ESAF SFB	21.74%	7.57%	4.52%	0.13%	4.65%
Suryoday SFB	2.12%	20.45%	2.16%	0.28%	2.45%

Notes: NBFC MFIs are arranged in ascending order of AUM as of Dec'25,
Numbers for Svatantra are on standalone basis and excludes Chaitanya acquisition
Source: Company reports, CareEdge Research, MFIN

Arohan has increased its presence from 254 districts in Fiscal 2023 to 320 districts in nine months ended December 31, 2025

Arohan has increased its presence from 254 districts in Fiscal 2023 to 323 districts in Fiscal 2025 (320 District as of nine months ended December 31, 2025), 10th largest among the peers NBFC – MFIs. Satin has presence in 529 districts in Fiscal 2025 (558 districts as of nine months ended December 31, 2025), highest among the peers NBFC – MFIs followed by Fusion which has presence in 497 districts in Fiscal 2025 (489 in nine months ended December 31, 2025).

No. of districts	Fiscal 2023	Fiscal 2024	Fiscal 2025	nine months ended December 31, 2025
CreditAccess Grameen Ltd	352	383	423	450
Muthoot Microfin Ltd	321	353	388	394
Satin Creditcare Network Ltd	405	421	529	558
Annapurna Finance Pvt Ltd	388	424	439	457
IIFL Samasta Finance Ltd	332	417	417	425
Svatantra Microfin Pvt Ltd	336	364	349	358
Chaitanya India Fin Credit Pvt Ltd	183	196	222	224
Belstar Microfinance Ltd	216	300	294	305
Fusion Finance Ltd	398	453	497	489
Arohan Financial Services Ltd	254	293	323	320
Asirvad Microfinance Ltd	450	442	455	454
Spandana Sphoorty Financial Ltd	314	408	414	403
Banks and SFBs				
Bandhan Bank	600	615	NA	NA
Ujjivan SFB	271	326	NA	NA
Jana SFB	NA	NA	NA	NA
Utkarsh SFB	253	262	NA	NA
ESAF SFB	NA	NA	NA	NA
Suryoday SFB	NA	NA	NA	NA

Notes: NA – Not available
NBFC MFIs are arranged in ascending order of AUM as of Dec'25, Numbers for Svatantra are on standalone basis and excludes Chaitanya acquisition.
Source: Company reports, CareEdge Research, MFIN

As of nine months ended December 31, 2025, on an average Arohan has 3 branches per district

Average no. of branches per district	Fiscal 2023	Fiscal 2024	Fiscal 2025	nine months ended December 31, 2025
CreditAccess Grameen Ltd	5	5	5	5
Muthoot Microfin Ltd	4	4	4	4
Satin Creditcare Network Ltd	3	3	3	4
Annapurna Finance Pvt Ltd	3	3	4	4
IIFL Samasta Finance Ltd	4	4	4	4
Svatantra Microfin Pvt Ltd	2	3	3	3
Chaitanya India Fin Credit Pvt Ltd	4	4	5	5
Belstar Microfinance Ltd	4	3	4	4
Fusion Finance Ltd	3	3	3	3
Arohan Financial Services Ltd	3	3	3	3
Asirvad Microfinance Ltd	4	4	4	4
Spandana Sphoorty Financial Ltd	4	4	4	4
Banks and SFBs				
Bandhan Bank	2	3	NA	NA
Ujjivan SFB	2	2	NA	NA
Jana SFB	NA	NA	NA	NA
Utkarsh SFB	3	3	NA	NA
ESAF SFB	NA	NA	NA	NA
Suryoday SFB	NA	NA	NA	NA

Notes: NA – Not available
NBFC MFIs are arranged in ascending order of AUM as of Dec'25, Numbers for Svatantra are on standalone basis and excludes Chaitanya acquisition.
Source: Company reports, CareEdge Research, MFIN

Share of MFI portfolio in overall AUM

Arohan's top 5 states contribute around 82.36% of the AUM, indicating a relatively high degree of geographic concentration. This trend is reflective of the broader microfinance sector, where operations tend to be concentrated in a similar set of core states.

Share of top states and districts by AUM As of December 2025	No. of states	No. of districts	Share of top states by AUM (%)			Share of top districts by AUM (%)		
			Top State	Top 3 states	Top 5 states	Top District	Top 5 Districts	Top 10 districts
CreditAccess Grameen Ltd	17	450	30.10%	70.20%	83.20%	3.00%	11.00%	18.00%
Muthoot Microfin Ltd	21	394	25.00%**	50.00%**	67.00%**	3.00%	12.00%	20.00%
Satin Creditcare Network Ltd	31	558	24.00%	51.00%	67.00%	NA	NA	NA
Annapurna Finance Pvt Ltd	21*	451*	21.00-23.00%**	52%**	NA	NA	NA	NA
IIFL Samasta Finance Ltd	22	416*	21.00%	47.00%	64.00%	NA	NA	NA
Svatantra Microfin Pvt Ltd	19*	335	NA	NA	NA	NA	NA	NA
Chaitanya India Fin Credit Pvt Ltd	15*	223*	27.00%	70.00%	87.00%	NA	NA	NA
Belstar Microfinance Ltd	21*	303	NA	NA	NA	NA	NA	NA
Fusion Finance Ltd	22	489	NA	NA	67.00%	NA	NA	NA
Arohan Financial Services Ltd	17	320	37.73%	67.89%	82.36%	8.99%	19.49%	26.84%
Asirvad Microfinance Ltd	26	454*	13.00%	37.00%	53.00%	NA	NA	NA
Spandana Sphoorty Financial Ltd	17	414	15.00%	41.00%	60.00%	2.00%	9.00%	16.00%

Share of top states and districts by AUM As of December 2025	No. of states	No. of districts	Share of top states by AUM (%)			Share of top districts by AUM (%)		
			Top State	Top 3 states	Top 5 states	Top District	Top 5 Districts	Top 10 districts
Bandhan Bank	35	NA	23.00%	44.00%	58.00%	NA	NA	NA
Ujjivan SFB	26	NA	15.30%	39.30%	58.60%	NA	NA	NA
Jana SFB	25	NA	14.00%	38.00%	56.00%	NA	NA	NA
Utkarsh SFB$$$	27	NA	45.00%	80.00%	91.00%	NA	NA	NA
ESAF SFB	26	NA	34.00%	69.00%	82.00%	NA	NA	NA
Suryoday SFB	16	NA	35.00%	72.00%	88.00%	NA	NA	NA

Source: MFIN, company reports, CareEdge Research
Notes: NA – Not available
* Data as of H1Fiscal 2026
** Data as of March 2025
#Share of rural branches as % of total branches
$Includes rural and semi-urban share of advances
$$ For MFI portfolio
NBFC MFIs are arranged in ascending order of AUM as of Dec'25, Numbers for Svatantra are on standalone basis and excludes Chaitanya acquisition.

Productivity Metrics of key players in the MFI space

CreditAccess Gramin had the highest AUM per branch as of nine months ended December 31, 2025 at ₹ 119.56 million, followed by Svatantra Microfin at ₹ 87.40 million among the peers NBFC – MFIs. In comparison, Arohan had ₹ 58.79 million AUM per branch as of nine months ended December 31, 2025.

AUM per branch:

Productivity metrics	AUM per branch (₹ million)				YoY Growth % (Fiscal 2024 to Fiscal 2025)
NBFC-MFIs	Fiscal 2023	Fiscal 2024	Fiscal 2025	nine months ended December 31, 2025	
CreditAccess Grameen Ltd	117.75	135.81	125.78	119.56	-7.39%
Muthoot Microfin Ltd	78.57	80.86	72.73	77.34	-10.05%
Satin Creditcare Network Ltd	61.66	76.04	72.17	57.79	-5.10%
Annapurna Finance Pvt Ltd	73.96	74.95	67.44	61.83	-10.02%
IIFL Samasta Finance Ltd	83.28	86.23	66.87	60.89	-22.45%
Svatantra Microfin Pvt Ltd	93.28	79.96	73.39	87.40	-8.23%
Chaitanya India Fin Credit Pvt Ltd	68.86	79.17	73.15	79.37	-7.60%
Belstar Microfinance Ltd	80.73	98.75	62.21	61.32	-37.00%
Fusion Finance Ltd	85.60	88.48	57.16	44.74	-35.40%
Arohan Financial Services Ltd	64.55	72.87	54.42	58.79	-25.32%
Asirvad Microfinance Ltd	59.63	68.16	45.88	34.30	-32.70%
Spandana Sphoorty Financial Ltd	67.68	72.92	33.42	19.77	-54.17%
Banks and SFBs					
Bandhan Bank	773.35	733.65	798.78	793.12	8.88%
Ujjivan SFB	382.91	396.01	426.59	492.12	7.72%
Jana SFB	262.71	306.26	368.39	NA	20.29%
Utkarsh SFB	168.16	206.07	180.09	165.67	-12.61%
ESAF SFB	233.30	261.08	249.59	262.42	-4.40%
Suryoday SFB	105.96	124.46	144.38	166.92	16.00%

Source: MFIN, company reports, CareEdge
Notes: NA – Not available
NBFC MFIs are arranged in ascending order of AUM as of Dec'25, Numbers for Svatantra are on standalone basis and excludes Chaitanya acquisition.

CreditAccess Gramin had the highest AUM per loan officer as of nine months ended December 31, 2025 at ₹ 18.37 million amongst the peer NBFC – MFIs, followed by Muthoot Microfin at ₹ 14.37 million (nine months ended

December 31, 2025). In comparison, Arohan has fourth highest AUM per loan officer at ₹ 11.02 million as of nine months ended December 31, 2025.

AUM per loan officer:

Productivity metrics	AUM per loan officer (₹ million)				YoY Growth % (Fiscal 2024 to Fiscal 2025)
NBFC-MFIs	Fiscal 2023	Fiscal 2024	Fiscal 2025	nine months ended December 31, 2025	
CreditAccess Grameen Ltd	18.30	20.25	18.38	18.37	-9.25%
Muthoot Microfin Ltd	14.68	14.28	12.68	14.37	-11.23%
Satin Creditcare Network Ltd	10.64	11.38	9.83	10.34	-13.59%
Annapurna Finance Pvt Ltd	13.39	13.43	10.37	10.74	-22.79%
IIFL Samasta Finance Ltd	16.98	13.82	9.37	9.82	-32.24%
Svatantra Microfin Pvt Ltd	16.01	12.75	10.19	12.09	-20.07%
Chaitanya India Fin Credit Pvt Ltd	12.80	12.56	10.41	11.28	-17.17%
Belstar Microfinance Ltd	13.66	16.61	NA	11.06	NA
Fusion Finance Ltd	14.83	13.54	9.71	9.64	-28.27%
Arohan Financial Services Ltd	11.18	12.52	9.44	11.02	-24.61%
Asirvad Microfinance Ltd	11.49	10.77	8.97	8.49	-16.67%
Spandana Sphoorty Financial Ltd	11.23	12.40	5.03	4.37	-59.47%

Source: MFIN, company reports, CareEdge Research
Notes: NA – Not available
Number of loan officers is not available for Banks and SFBs, hence is excluded from the table, NBFC MFIs are arranged in ascending order of AUM as of Dec'25, Numbers for Svatantra are on standalone basis and excludes Chaitanya acquisition

CreditAccess Gramin had the highest AUM per district at ₹ 590.36 million amongst the peer NBFC – MFIs as of nine months ended December 31, 2025. In comparison, Arohan's AUM per district stood at ₹ 197.14 million as of nine months ended December 31, 2025.

AUM per district:

Productivity metrics	AUM per district (₹ million)				YoY Growth % (Fiscal 2024 to Fiscal 2025)
NBFC-MFIs	Fiscal 2023	Fiscal 2024	Fiscal 2025	Nine months ended December 31, 2025	
CreditAccess Grameen Ltd	597.44	697.49	613.43	590.36	-12.05%
Muthoot Microfin Ltd	286.86	345.42	318.47	331.94	-7.80%
Satin Creditcare Network Ltd	195.78	251.62	213.91	205.77	-14.98%
Annapurna Finance Pvt Ltd	225.49	243.77	251.34	233.94	3.11%
IIFL Samasta Finance Ltd	317.83	340.79	266.21	227.79	-21.88%
Svatantra Microfin Pvt Ltd	223.20	212.21	209.44	255.11	-1.31%
Chaitanya India Fin Credit Pvt Ltd	268.31	342.52	342.02	373.84	-0.15%
Belstar Microfinance Ltd	286.67	334.09	271.07	259.34	-18.86%
Fusion Finance Ltd	233.57	253.33	180.68	140.61	-28.68%
Arohan Financial Services Ltd	210.92	242.73	185.84	197.14	-23.44%
Asirvad Microfinance Ltd	223.13	268.80	179.98	134.16	-33.04%
Spandana Sphoorty Financial Ltd	254.14	293.46	145.63	81.79	-50.37%
Banks and SFBs					
Bandhan Bank	1,818.67	2,027.97	NA	NA	NA
Ujjivan SFB	888.93	913.50	NA	NA	NA
Jana SFB	NA	NA	NA	NA	NA
Utkarsh SFB	645.45	750.38	NA	NA	NA
ESAF SFB	NA	NA	NA	NA	NA
Suryoday SFB	NA	NA	NA	NA	NA

Source: MFIN, company reports, CareEdge Research
Notes: NA – Not available
NBFC MFIs are arranged in ascending order of AUM as of Dec'25, Numbers for Svatantra are on standalone basis and excludes Chaitanya acquisition

CreditAccess had the highest disbursements per loan officer as of nine months ended December 31, 2025 at ₹ 11.44 million amongst the peer NBFC – MFIs, followed by Arohan at ₹ 7.85 million.

Disbursements per loan officer:

Productivity metrics	Disbursements per loan officer (₹ million)				
NBFC-MFIs	Fiscal 2023	Fiscal 2024	Fiscal 2025	Nine months ended December 31, 2025	YoY Growth % (Fiscal 2024 to Fiscal 2025)
CreditAccess Grameen Ltd	16.14	17.54	14.19	11.44	-19.06%
Muthoot Microfin Ltd	12.92	12.49	9.10	7.19	-27.10%
Satin Creditcare Network Ltd	9.92	10.41	8.55	6.65	-17.90%
Annapurna Finance Pvt Ltd	11.80	10.80	8.40	5.89	-22.23%
IIFL Samasta Finance Ltd	16.44	11.87	5.57	5.20	-53.12%
Svatantra Microfin Pvt Ltd	13.42	10.28	7.86	8.55	-23.48%
Chaitanya India Fin Credit Pvt Ltd	13.01	11.85	9.55	7.68	-19.45%
Belstar Microfinance Ltd	12.78	16.09	NA	7.82	NA
Fusion Finance Ltd	13.71	12.14	7.54	5.09	-37.92%
Arohan Financial Services Ltd	11.06	11.81	7.29	7.85	-38.28%
Asirvad Microfinance Ltd	22.18	8.45	6.11	3.45	-27.63%
Spandana Sphoorty Financial Ltd	11.44	11.07	4.67	2.81	-57.79%

Notes: NA – Not available, Number of loan officers is not available for Banks and SFBs, hence excluded from the table. NBFC MFIs are arranged in ascending order of AUM as of Dec'25, Numbers for Svatantra are on standalone basis and excludes Chaitanya acquisition
Source: MFIN, company reports, CareEdge Research

Average portfolio outstanding per account

Arohan's average portfolio outstanding per account improved to ₹ 31,847 in nine months ended December 31, 2025 from ₹ 24,038 in Fiscal 2023, delivering a CAGR of 10.77% over Fiscal 2023 to nine months ended December 31, 2025.

Productivity metrics	Average portfolio outstanding per account (₹)				
NBFC-MFIs	Fiscal 2023	Fiscal 2024	Fiscal 2025	nine months ended December 31, 2025	CAGR(Fiscal 2023 to nine months ended December 31, 2025)
CreditAccess Grameen Ltd	28,680	30,866	34,139	37,316	10.04%
Muthoot Microfin Ltd	27,418	29,740	30,902	34,969	9.25%
Satin Creditcare Network Ltd	29,489	30,827	33,783	35,589	7.08%
Annapurna Finance Pvt Ltd	34,605	36,681	37,334	36,611	2.07%
IIFL Samasta Finance Ltd	44,000	33,568	25,953	32,106	-10.83%
Svatantra Microfin Pvt Ltd	25,373	25,309	27,618	32,163	9.01%
Chaitanya India Fin Credit Pvt Ltd	28,890	28,206	31,743	34,164	6.29%
Belstar Microfinance Ltd	27,021	27,253	NA	36,246	11.27%
Fusion Finance Ltd	25,550	28,609	27,490	29,189	4.96%
Arohan Financial Services Ltd	24,038	29,357	27,484	31,847	10.77%
Asirvad Microfinance Ltd	25,262	26,703	26,429	33,025	10.23%
Spandana Sphoorty Financial Ltd	35,182	30,536	22,582	26,941	-9.25%
Average of 12 MFIs	**29,625.67**	**29,804.58**	**29,587.00**	**33,347.17**	**4.40%**

Note: Number of loan accounts not available for Banks and SFBs, hence is excluded from the table. NBFC MFIs are arranged in ascending order of AUM as of Dec'25, Numbers for Svatantra are on standalone basis and excludes Chaitanya acquisition
Source: MFIN, CareEdge Research

Gross loan portfolio (GLP) per customer

Arohan's GLP per customer increased to ₹ 32,302.60 as of nine months ended December 31, 2025, strengthening from ₹ 26,620.42 in Fiscal 2023, delivering a CAGR of 7.29% during the period, demonstrating consistent upward movement despite sector-wide variability.

NBFC-MFIs	Gross loan portfolio per customer (₹)				
	Fiscal 2023	Fiscal 2024	Fiscal 2025	nine months ended December 31, 2025	CAGR (Fiscal 2023 to nine months ended December 31, 2025)
CreditAccess Grameen Ltd	49,319.89	54,318.83	55,279.08	60,363.55	7.62%
Muthoot Microfin Ltd	33,242.96	36,398.51	36,025.36	39,275.08	6.25%
Satin Creditcare Network Ltd	30,972.66	31,715.57	34,395.14	36,106.92	5.74%
Annapurna Finance Pvt Ltd	34,996.00	37,011.80	37,658.70	36,865.52	1.91%
IIFL Samasta Finance Ltd	43,966.67	47,370.00	41,114.81	42,647.58	-1.10%
Svatantra Microfin Pvt Ltd	33,669.37	32,719.10	33,651.88	41,513.64	7.91%
Chaitanya India Fin Credit Pvt Ltd	35,839.42	38,582.18	41,264.95	44,073.68	7.81%
Belstar Microfinance Ltd	29,072.48	35,375.80	31,438.35	37,666.67	9.88%
Fusion Finance Ltd	26,409.09	29,885.42	28,150.47	29,637.93	4.28%
Arohan Financial Services Ltd	26,620.42	29,499.58	28,067.68	32,302.60	7.29%
Asirvad Microfinance Ltd	33,581.94	33,752.84	31,136.88	35,829.41	2.38%
Spandana Sphoorty Financial Ltd	35,309.73	36,063.25	24,212.85	28,561.53	-7.42%

Note: NA: Not Available, Number of customers not available for Banks and SFBs, hence is excluded from the table. NBFC MFIs are arranged in ascending order of AUM as of Dec'25, Numbers for Svatantra are on standalone basis and excludes Chaitanya acquisition
Source: MFIN, CareEdge Research

Average ticket size based on disbursement

Arohan's average ticket size rose to ₹ 55,552 in nine months ended December 31, 2025, up from ₹ 39,525 in Fiscal 2023, reflecting steady expansion in ticket sizes. The company delivered a CAGR of 13.18% over Fiscal 2023 to nine months ended December 31, 2025, broadly in line with the industry trend.

Productivity metrics	Average ticket size based on disbursement (₹)				
NBFC-MFIs	Fiscal 2023	Fiscal 2024	Fiscal 2025	nine months ended December 31, 2025	CAGR(Fiscal 2023 to nine months ended December 31, 2025)
CreditAccess Grameen Ltd	37,965	42,812	51,330	52,443	12.47%
Muthoot Microfin Ltd	37,985	43,843	48,932	90,885	37.33%
Satin Creditcare Network Ltd	42,276	47,833	53,690	63,160	15.72%
Annapurna Finance Pvt Ltd	51,436	53,538	55,016	63,235	7.80%
IIFL Samasta Finance Ltd	43,038	45,281	51,572	71,317	20.16%
Svatantra Microfin Pvt Ltd	46,256	45,873	51,131	58,746	9.08%
Chaitanya India Fin Credit Pvt. Ltd	42,509	45,777	55,948	62,243	14.87%

Productivity metrics	Average ticket size based on disbursement (₹)				
NBFC-MFIs	Fiscal 2023	Fiscal 2024	Fiscal 2025	nine months ended December 31, 2025	CAGR(Fiscal 2023 to nine months ended December 31, 2025)
Belstar Microfinance Ltd	43,051	51,648	NA	73,015	21.18%
Fusion Finance Ltd	37,922	43,351	46,797	59,584	17.86%
Arohan Financial Services Ltd	39,525	45,093	52,028	55,552	13.18%
Asirvad Microfinance Ltd	49,324	40,616	52,141	52,871	2.56%
Spandana Sphoorty Financial Ltd	46,256	41,921	45,400	62,845	11.79%
Average of 12 MFIs	**43,131**	**45,551**	**51,213**	**63,984**	**15.42%**

Note: NA: Not Available, Data not available for Banks and SFBs, hence is excluded from the table. NBFC MFIs are arranged in ascending order of AUM as of Dec'25, Numbers for Svatantra are on standalone basis and excludes Chaitanya acquisition
Source: MFIN, CareEdge Research

Long term credit rating

Peers NBFC – MFIs	Long term credit rating as of February 2026
CreditAccess Grameen Ltd	ICRA AA- (Stable), Crisil AA- (Stable), IND AA- (Stable)
Muthoot Microfin Ltd	Crisil A+ (Stable)
Satin Creditcare Network Ltd	ICRA A (Stable), CARE BBB+ (Stable)
Annapurna Finance Pvt Ltd	Crisil A- (Stable), ICRA A- (Stable), CARE A- (Stable)
IIFL Samasta Finance Ltd	ACUITE AA- (Stable), Crisil AA-/ (Stable), IND AA (Stable)
Svatantra Microfin Pvt Ltd	Crisil AA- (Stable), CARE AA (Stable)
Chaitanya India Fin Credit	CARE AA (Stable), CRISIL AA- (Stable), IND AA- (Stable)
Belstar	CRISIL AA (Stable), CARE AA- (Stable)
Fusion Finance Ltd	Crisil A- (Stable), ICRA A- (Stable), CARE A
Arohan Financial Services Ltd	CARE A- (Stable), ICRA A (Stable)
Asirvad Microfinance Ltd	Crisil AA-/Crisil PPMLD AA- (Stable), CARE AA- (Stable)
Spandana Sphoorty Financial Ltd	Crisil BBB+ (Stable), ICRA A- (Negative), CARE BBB+ (Stable), IND BBB+ (Negative)
Banks and SFBs	
Bandhan Bank	Crisil AA- (Stable), ICRA AA- (Stable)
Ujjivan SFB	CARE AA- (Stable)
Jana SFB	ICRA A (Stable), IND A (Stable), CARE A (Stable)
Utkarsh SFB	ICRA A (Negative), CARE A (Negative)
ESAF SFB	CARE A- (Negative)
Suryoday SFB	ICRA A (Stable)

Note: NBFC MFIs are arranged in ascending order of AUM as of Dec'25, Numbers for Svatantra are on standalone basis and excludes Chaitanya acquisition
Source: Company reports, Rating rationales, CareEdge Research

Borrowing Mix for NBFC-MFIs

Based on Fiscal 2025 data, term loans from banks constitute the largest component of borrowings for all NBFC-MFIs, making bank funding the dominant source of borrowings across the sector.

Fiscal 2025 funding mix: In-line with industry trend, Arohan's borrowings were predominantly from bank term loans at 75%, complemented by 11% from financial institutions and NBFC term loans.

Fiscal 2025	Term Loans from banks	Term Loans from FIs	Term Loans from NBFCs	External Commercial Borrowings	Subordinated Liabilities	Debentures	Others
CreditAccess Grameen Ltd	59%	9%	2%	20%	-	6%	4%

Fiscal 2025	Term Loans from banks	Term Loans from FIs	Term Loans from NBFCs	External Commercial Borrowings	Subordinated Liabilities	Debentures	Others
Muthoot Microfin Ltd	77%	15%	5%	-	-		3%
Satin Creditcare Network Ltd	63%	6%	10%	21%	-	-	-
Annapurna Finance Pvt Ltd	54%	6%^	-	21%	13%	7%	-
IIFL Samasta Finance Ltd	55%	-	-	-	9%	21%	15%
Svatantra Microfin Pvt Ltd	60%	12%	-	3%	6%	-	19%
Chaitanya India Fin Credit	81%	18%^	-	1%	-	-	-
Belstar Microfinance Ltd	92%	2%^	-	-	5%	1%	-
Fusion Finance Ltd	80%	14%^	-	3%	1%	2%	-
Arohan Financial Services Ltd	75%	11%^	-	-	8%	5%	-
Asirvad Microfinance Ltd	82%	3%^	-	-	9%	3%	2%
Spandana Sphoorty Financial Ltd	46%	17%^	-	-	-	27%	10%

Note: As Banks are allowed to accept deposits, their borrowing mix are not comparable with NBFC-MFIs and hence not included. (^) Includes term loan From FI and NBFCs, NBFC MFIs are arranged in order of nine months ended December 31, 2025 AUM. Numbers for Svatantra are on standalone basis and excludes Chaitanya acquisition, Others include borrowings under securitization agreement, For some companies, total may not add up to 100% due to rounding off numbers.
Source: CareEdge Research

Yield, Margin and Provisioning Analysis

In Fiscal 2025, Arohan reported a cost of borrowing of 11.79%. Operating expenses stands at 8.05% of average AUM, while other income at 1.85% of average advances have provided incremental support to operating profitability, resulting in PPOP of 7.14%. Credit costs stand at 6.06% which is 5th best among peers NBFC – MFIs.

NBFCs (Fiscal 2025)	Cost of borrowing	NIM	Opex (as % of average AUM)	Other income as % of average advances	PPOP (%)	Credit costs (Provision/Avg Total Assets)	Provision coverage ratio (%)
CreditAccess Grameen Ltd	9.21%	13.22%	4.44%	0.85%	9.31%	7.33%	64.83%
Muthoot Microfin Ltd	11.38%	11.41%	6.04%	2.16%	7.96%	8.49%	73.32%
Satin Creditcare Network Ltd	12.67%	8.50%	6.31%	3.27%	7.02%	4.59%	62.35%
Annapurna Finance Pvt Ltd	12.01%	8.63%	7.76%	5.08%	5.80%	3.64%	72.02%
IIFL Samasta Finance Ltd	10.42%	10.72%	7.17%	4.32%	8.10%	6.06%	70.53%
Svatantra Microfin Pvt Ltd	10.04%	11.32%	7.40%	3.26%	5.84%	3.97%	NA
Chaitanya India Fin Credit	10.40%	12.70%	7.03%	2.27%	8.68%	3.38%	81.98%
Belstar Microfinance Ltd	10.73%	14.16%	6.14%	1.62%	10.40%	9.10%	NA
Fusion Finance Ltd	11.24%	12.56%	7.71%	2.73%	7.34%	18.28%	NA
Arohan Financial Services Ltd	11.79%	13.10%	8.05%	1.85%	7.14%	6.06%	81.70%
Asirvad Microfinance Ltd	12.05%	14.65%	8.12%	1.57%	8.33%	16.91%	73.03%
Spandana Sphoorty Financial Ltd	12.32%	12.24%	8.67%	2.91%	5.65%	20.70%	80.16%
Banks and SFBs							
Bandhan Bank	6.70%	6.81%	5.40%	2.34%	4.00%	2.88%	86.47%
Ujjivan SFB	7.30%	9.07%	9.02%	2.90%	3.83%	0.67%	78.00%
Jana SFB	7.60%	7.19%	7.20%	3.10%	3.45%	2.55%	66.00%
Utkarsh SFB	8.03%	8.40%	8.51%	2.28%	3.87%	5.16%	51.20%
ESAF SFB	14.67%	8.14%	9.98%	2.57%	2.09%	6.36%	80.53%
Suryoday SFB	7.20%	9.35%	9.89%	2.41%	2.78%	2.60%	37.70%

Note: NA: NBFC MFIs are arranged in ascending order of AUM as of Dec'25, Numbers for Svatantra are on standalone basis and excludes Chaitanya acquisition
Source: Company reports, CareEdge Research

In Fiscal 2024, Arohan reported a cost of borrowing of 11.23%. Operating expenses stands at 7.24% of average AUM, while other income at 3.81% of average advances have provided incremental support to operating profitability, resulting in PPOP of 8.37%. Credit costs stand at 2.87% which is 6th best among peers NBFC – MFIs.

NBFCs (Fiscal 2024)	Cost of borrowing	NIM	Opex (as % of average AUM)	Other income as % of average advances	PPOP (%)	Credit costs (Provision/Avg Total Assets)	Provision coverage ratio (%)
CreditAccess Grameen Ltd	9.08%	12.84%	4.38%	1.23%	9.44%	1.89%	70.75%
Muthoot Microfin Ltd	11.61%	10.06%	5.68%	3.45%	7.77%	1.61%	60.99%
Satin Creditcare Network Ltd	13.18%	8.63%	5.48%	4.43%	8.01%	1.56%	60.45%
Annapurna Finance Pvt Ltd	11.47%	8.20%	6.62%	6.18%	7.27%	3.40%	74.56%
IIFL Samasta Finance Ltd	10.82%	12.09%	6.58%	4.22%	10.57%	3.36%	82.52%
Svatantra Microfin Pvt Ltd	10.41%	11.68%	5.63%	2.74%	7.79%	4.86%	NA
Chaitanya India Fin Credit	10.34%	10.68%	6.28%	4.27%	9.15%	1.34%	84.99%
Belstar Microfinance Ltd	9.65%	12.93%	5.51%	2.93%	10.53%	3.95%	NA
Fusion Finance Ltd	10.27%	12.48%	5.71%	3.56%	9.73%	3.51%	79.71%
Arohan Financial Services Ltd	11.23%	12.20%	7.24%	3.81%	8.37%	2.87%	100.00%
Asirvad Microfinance Ltd	10.28%	13.76%	6.38%	2.30%	9.56%	4.23%	55.24%
Spandana Sphoorty Financial Ltd	12.01%	11.77%	6.22%	3.03%	7.88%	2.44%	80.00%
Banks and SFBs							
Bandhan Bank	6.00%	6.80%	5.00%	1.90%	4.00%	3.16%	84.50%
Ujjivan SFB	7.30%	10.04%	8.50%	3.30%	5.20%	2.51%	87.00%
Jana SFB	7.50%	7.77%	7.20%	3.30%	4.10%	2.74%	73.70%
Utkarsh SFB	7.30%	9.84%	8.00%	2.00%	4.60%	2.09%	98.90%
ESAF SFB	7.00%	11.18%	9.20%	2.70%	5.00%	3.29%	65.20%
Suryoday SFB	6.90%	10.41%	9.90%	3.10%	4.10%	2.25%	71.20%

Note: NBFC MFIs are arranged in ascending order of AUM as of Dec'25, Numbers for Svatantra are on standalone basis and excludes Chaitanya acquisition
Source: Company reports, CareEdge Research

Weighted Average Interest Rates of Peers NBFC – MFIs

CreditAccess has the lowest weighted average interest rate for Q3Fiscal 2026 at 22.7%. Among the peers NBFC – MFIs, Arohan has charged one of the lowest weighted average interest rates among NBFC-MFIs based in eastern and northeastern states in India for Q3Fiscal 2026 at 23.6%.

Name of Lender (Q3Fiscal 2026)	Minimum Interest Rate	Maximum Interest Rate	Weighted Avg. Interest Rate	Average For	Last updated on*
CreditAccess Grameen Ltd	18.0%	23.8%	22.7%	Q3Fiscal 2026	18th Jan '26
Chaitanya India Fin Credit Pvt Ltd	22.8%	24.0%	23.2%	Q3Fiscal 2026	02nd Feb '26
Belstar Microfinance Ltd	22.6%	24.8%	23.5%	Q3Fiscal 2026	05th Feb '26

Name of Lender (Q3Fiscal 2026)	Minimum Interest Rate	Maximum Interest Rate	Weighted Avg. Interest Rate	Average For	Last updated on*
Svatantra Microfin Pvt Ltd	22.8%	24.0%	23.6%	Q3Fiscal 2026	14th Jan '26
Arohan Financial Services Ltd	23.7%	24.2%	23.6%	Q3Fiscal 2026	05th Jan '26
Annapurna Finance Pvt Ltd	19.9%	24.0%	23.8%	Q3Fiscal 2026	29th Jan '26
Fusion Finance Limited	19.0%	24.0%	23.9%	Q3Fiscal 2026	03rd Feb '26
Asirvad Microfinance Ltd	22.8%	24.0%	23.9%	Q3Fiscal 2026	03rd Feb '26
IIFL Samasta Finance Ltd	23.5%	25.5%	24.4%	Q3Fiscal 2026	07th Jan '26
Muthoot Microfin Ltd	24.2%	24.9%	24.4%	Q3Fiscal 2026	05th Jan '26
Spandana Sphoorty Financial Ltd	23.0%	26.0%	25.3%	Q3Fiscal 2026	03rd Feb '26
Satin Credit Care Network Ltd	23.0%	28.0%	25.8%	Q3Fiscal 2026	30th Jan '26

Note: Data not available for Banks and SFBs, hence is excluded from the table. NBFC MFIs are arranged in ascending order of weighted average interest rate for Q3Fiscal 2026
Source: MFIN, CareEdge Research

CAGR Analysis of Earnings

Arohan recorded a Total Income CAGR of 24.65% over Fiscal 2023 to Fiscal 2025, supported by NII (a CAGR of 39.42%). Opex grew at 24.72%, reflecting network expansion, while PPOP grew 37.54%.

Players	Total Income CAGR	Non-interest Income CAGR	Net Interest Income CAGR	Opex CAGR	PPOP CAGR	PAT CAGR
	Fiscal 2023 to Fiscal 2025	Fiscal 2023 to Fiscal 2025	Fiscal 2023 to Fiscal 2025	Fiscal 2023 to Fiscal 2025	Fiscal 2023 to Fiscal 2025	Fiscal 2023 to Fiscal 2025
CreditAccess Grameen Ltd	27.32%	-3.24%	29.86%	18.71%	32.29%	-19.79%
Muthoot Microfin Ltd	33.16%	11.90%	39.13%	30.76%	38.77%	NM
Satin Creditcare Network Ltd	9.58%	5.73%	11.93%	6.32%	0.07%	1.77%
Annapurna Finance Pvt Ltd	17.94%	2.12%	30.27%	29.03%	12.93%	45.47%
IIFL Samasta Finance Ltd	21.18%	28.18%	20.49%	28.17%	16.64%	-60.11%
Svatantra Microfin Pvt Ltd	8.57%	10.76%	-22.05%	32.54%	-1.48%	12.73%
Chaitanya India Fin Credit	43.05%	10.05%	53.15%	36.14%	56.39%	31.30%
Belstar Microfinance Ltd	43.09%	-11.57%	61.62%	32.87%	56.55%	-40.34%
Fusion Finance Ltd	14.72%	8.36%	16.48%	33.14%	1.68%	NM
Arohan Financial Services Ltd	24.65%	-10.35%	39.42%	24.72%	37.54%	24.54%
Asirvad Microfinance Ltd	24.67%	-20.43%	29.68%	22.26%	23.09%	NM
Spandana Sphoorty Financial Ltd	26.89%	8.84%	23.44%	34.47%	6.68%	NM
Banks and SFBs						
Bandhan Bank	16.45%	49.91%	-1.91%	23.47%	2.07%	11.84%
Ujjivan SFB	23.07%	26.51%	11.94%	24.50%	6.65%	-18.75%
Jana SFB	21.76%	11.55%	22.22%	22.98%	10.72%	39.96%

Players	Total Income CAGR	Non-interest Income CAGR	Net Interest Income CAGR	Opex CAGR	PPOP CAGR	PAT CAGR
	Fiscal 2023 to Fiscal 2025	Fiscal 2023 to Fiscal 2025	Fiscal 2023 to Fiscal 2025	Fiscal 2023 to Fiscal 2025	Fiscal 2023 to Fiscal 2025	Fiscal 2023 to Fiscal 2025
Utkarsh SFB	24.76%	39.76%	10.67%	27.75%	9.60%	-75.79%
ESAF SFB	17.39%	22.77%	2.77%	26.25%	-21.05%	NM
Suryoday SFB	30.18%	31.08%	22.58%	35.80%	7.39%	21.65%

Note: NBFC MFIs are arranged in ascending order of AUM as of Dec'25; NM – Not Meaningful, Numbers for Svatantra are on standalone basis and excludes Chaitanya acquisition
Source: Company reports, CareEdge Research

Operating expenses (except depreciation) split for peers NBFC – MFIs in Fiscal 2025

Arohan's operating expense mix in Fiscal 2025 stood at 73.75% employee expenses and 24.95% other expenses, broadly aligned with the peer NBFC – MFIs set. The share of employee costs is the highest among the peers NBFC – MFIs. In contrast, SFBs continued to report structurally higher other-expense proportions, led by ESAF at 65.20%.

Players – As on Fiscal 2025	As a % of operating expense	
	Employee benefits expenses	Other expense
CreditAccess Grameen Ltd	62.47%	32.21%
Muthoot Microfin Ltd	72.02%	22.20%
Satin Creditcare Network Ltd	73.44%	23.15%
Annapurna Finance Pvt Ltd	70.40%	27.50%
IIFL Samasta Finance Ltd	72.71%	25.09%
Svatantra Microfin Pvt Ltd	65.22%	32.42%
Chaitanya India Fin Credit Pvt Ltd	63.38%	34.67%
Belstar Microfinance Ltd	70.03%	28.19%
Fusion Finance Ltd	72.69%	25.83%
Arohan Financial Services Ltd	73.75%	24.95%
Asirvad Microfinance Ltd	69.11%	23.87%
Spandana Sphoorty Financial Ltd	71.20%	26.37%
Banks and SFBs		
Bandhan Bank	64.52%	35.48%
Ujjivan SFB	56.84%	43.16%
Jana SFB	65.06%	34.94%
Utkarsh SFB	56.24%	43.76%
ESAF SFB	34.80%	65.20%
Suryoday SFB	51.95%	48.05%

Note: Depreciation is excluded from calculation of operating expenses, No. for Svatantra is on standalone basis and excludes Chaitanya acquisition
Source: Company reports, CareEdge Research

Cost to income ratio

Arohan's cost-to-income ratio stood at 49.63% in Fiscal 2025 (6th high among the peers NBFC – MFIs), improving from 54.51% in Fiscal 2023 though higher than 43.29% in Fiscal 2024.

Cost to income ratio	Fiscal 2023	Fiscal 2024	Fiscal 2025
CreditAccess Grameen Ltd	35.49%	30.39%	30.70%
Muthoot Microfin Ltd	48.32%	43.74%	45.36%
Satin Creditcare Network Ltd	37.56%	41.67%	48.41%
Annapurna Finance Pvt Ltd	55.10%	49.83%	61.57%
IIFL Samasta Finance Ltd	47.38%	43.15%	52.09%
Svatantra Microfin Pvt Ltd	37.41%	39.50%	51.96%
Chaitanya India Fin Credit	54.48%	43.88%	47.56%
Belstar Microfinance Ltd	46.53%	35.24%	38.53%

Cost to income ratio	Fiscal 2023	Fiscal 2024	Fiscal 2025
Fusion Finance Ltd	37.80%	36.04%	50.94%
Arohan Financial Services Ltd	54.51%	43.29%	49.63%
Asirvad Microfinance Ltd	48.24%	39.18%	47.90%
Spandana Sphoorty Financial Ltd	45.44%	41.65%	56.96%
Banks and SFBs			
Bandhan Bank	39.54%	46.84%	48.89%
Ujjivan SFB	54.82%	54.31%	62.31%
Jana SFB	56.22%	57.35%	61.30%
Utkarsh SFB	54.15%	56.38%	61.61%
ESAF SFB	57.93%	58.65%	77.88%
Suryoday SFB	60.02%	61.61%	70.59%

Note: NBFC MFIs are arranged in ascending order of AUM as of Dec'25, Numbers for Svatantra are on standalone basis and excludes Chaitanya acquisition
Source: Company reports, CareEdge Research

Profitability of Players

Arohan's average ROE was 10.28% over Fiscal 2023 to Fiscal 2025, 6th highest among peers NBFC – MFIs. The period remained volatile across NBFC-MFIs.

Players	ROE %			
	Fiscal 2023	Fiscal 2024	Fiscal 2025	Avg (Fiscal 2023 to Fiscal 2025)
CreditAccess Grameen Ltd	17.81%	24.77%	7.86%	16.81%
Muthoot Microfin Ltd	11.06%	20.30%	-8.19%	7.72%
Satin Creditcare Network Ltd	15.02%	18.46%	7.86%	13.78%
Annapurna Finance Pvt Ltd	3.28%	16.63%	4.28%	8.06%
IIFL Samasta Finance Ltd	11.04%	30.20%	1.01%	14.08%
Svatantra Microfin Pvt Ltd	12.86%	11.97%	5.67%	10.16%
Chaitanya India Fin Credit	26.50%	32.54%	19.49%	26.18%
Belstar Microfinance Ltd	13.38%	24.09%	2.65%	13.37%
Fusion Finance Ltd	21.16%	19.55%	-54.53%	-4.61%
Arohan Financial Services Ltd	5.99%	19.30%	5.57%	10.28%
Asirvad Microfinance Ltd	17.07%	24.82%	-34.87%	2.34%
Spandana Sphoorty Financial Ltd	0.41%	14.18%	-30.97%	-5.46%
Banks and SFBs				
Bandhan Bank	11.88%	10.84%	11.96%	11.56%
Ujjivan SFB	31.80%	26.43%	12.59%	23.60%
Jana SFB	17.19%	25.06%	13.10%	18.45%
Utkarsh SFB	22.64%	20.01%	0.80%	14.48%
ESAF SFB	19.41%	20.29%	-23.53%	5.39%
Suryoday SFB	5.03%	12.74%	6.16%	7.98%

Note: NBFC MFIs are arranged in ascending order of AUM as of Dec'25; Numbers for Svatantra are on standalone basis and excludes Chaitanya acquisition
Source: Company reports, CareEdge Research

Arohan's ROA was 1.46% in Fiscal 2025, 5th highest among the peers NBFC – MFIs; the average ROA for Arohan was 2.39% over Fiscal 2023 to Fiscal 2025.

Players	ROA %			
	Fiscal 2023	Fiscal 2024	Fiscal 2025	Avg (Fiscal 2023 to Fiscal 2025)
CreditAccess Grameen Ltd	4.20%	5.70%	1.88%	3.93%
Muthoot Microfin Ltd	2.32%	4.47%	-1.98%	1.60%
Satin Creditcare Network Ltd	3.52%	4.77%	2.07%	3.45%

Players	ROA %			
	Fiscal 2023	Fiscal 2024	Fiscal 2025	Avg (Fiscal 2023 to Fiscal 2025)
Annapurna Finance Pvt Ltd	0.42%	2.66%	0.77%	1.28%
IIFL Samasta Finance Ltd	2.69%	4.95%	0.20%	2.61%
Svatantra Microfin Pvt Ltd	1.95%	2.57%	1.87%	2.13%
Chaitanya India Fin Credit	4.30%	5.80%	4.01%	4.70%
Belstar Microfinance Ltd	2.42%	4.36%	0.55%	2.44%
Fusion Finance Ltd	4.65%	4.78%	-12.20%	-0.92%
Arohan Financial Services Ltd	1.26%	4.44%	1.46%	2.39%
Asirvad Microfinance Ltd	2.63%	4.04%	-6.00%	0.22%
Spandana Sphoorty Financial Ltd	0.15%	4.24%	-9.17%	-1.59%
Banks and SFBs				
Bandhan Bank	1.5%	1.34%	1.49%	1.44%
Ujjivan SFB	3.9%	3.48%	1.65%	3.00%
Jana SFB	1.1%	2.29%	1.41%	1.61%
Utkarsh SFB	2.4%	2.31%	0.09%	1.59%
ESAF SFB	1.6%	1.84%	-1.96%	0.49%
Suryoday SFB	0.9%	1.94%	0.82%	1.21%

Note: NBFC MFIs are arranged in ascending order of AUM as of Dec'25, Numbers for Svatantra are on standalone basis and excludes Chaitanya acquisition
Source: Company reports, CareEdge Research

Operating expenses as % of total assets vs Return on Assets for NBFC-MFI players & Banks in Fiscal 2025

Arohan's operating expense to average total assets was 7.04% (7th best among peers NBFC – MFIs) with ROA at 1.46%.

Players	Operating expense/ Average total asset	ROA
CreditAccess Grameen Ltd	4.13%	1.88%
Muthoot Microfin Ltd	6.61%	-1.98%
Satin Creditcare Network Ltd	6.59%	2.07%
Annapurna Finance Pvt Ltd	9.28%	0.77%
IIFL Samasta Finance Ltd	8.80%	0.20%
Svatantra Microfin Pvt Ltd	6.32%	1.87%
Chaitanya India Fin Credit	7.87%	4.01%
Belstar Microfinance Ltd	6.52%	0.55%
Fusion Finance Ltd	7.86%	-12.20%
Arohan Financial Services Ltd	7.04%	1.46%
Asirvad Microfinance Ltd	7.65%	-6.00%
Spandana Sphoorty Financial Ltd	7.47%	-9.17%
Banks and SFBs		
Bandhan Bank	3.83%	1.49%
Ujjivan SFB	6.34%	1.65%
Jana SFB	5.46%	1.41%
Utkarsh SFB	6.21%	0.09%
ESAF SFB	7.37%	-1.96%
Suryoday SFB	6.67%	0.82%

Note: Depreciation is excluded from calculation of operating expenses, Numbers for Svatantra are on standalone basis and excludes Chaitanya acquisition
Source: Company reports, CareEdge Research

Debt to Equity

Arohan's debt-to-equity ratio improved from 3.14x in Fiscal 2024 to 2.32x in Fiscal 2025 and stood at 2.50x in nine months ended December 31, 2025. Capital adequacy was 34.09% in Fiscal 2025 and 31.20% in nine months ended December 31, 2025 (2nd highest among peers NBFC – MFIs), with a Tier 1 ratio of 31.82% in Fiscal 2025 (2nd highest among peers NBFC – MFIs).

	Debt to equity ratio (x)			Capital adequacy ratio (%)			Tier 1 Ratio (%)		
Top 11 NBFC-MFIs	**Fiscal 2024**	**Fiscal 2025**	**nine months ended December 31, 2025**	**Fiscal 2024**	**Fiscal 2025**	**nine months ended December 31, 2025**	**Fiscal 2024**	**Fiscal 2025**	**nine months ended December 31, 2025**
CreditAccess Grameen Ltd	3.32	2.94	2.78	23.13 %	25.43 %	26.44%	22.24 %	24.47 %	25.80%
Muthoot Microfin Ltd	3.00	3.01	1.21	28.97 %	27.85 %	26.44%	28.97 %	27.39 %	NA
Satin Creditcare Network Ltd	2.70	2.74	2.94	27.70 %	25.85 %	24.60%	26.25 %	25.21 %	NA
Annapurna Finance Pvt Ltd	4.37	4.23	4.30	25.45 %	29.61 %	29.66%	21.78 %	19.67 %	NA
IIFL Samasta Finance Ltd	4.48	3.43	3.77	23.99 %	32.38 %	NA	17.67 %	26.00 %	NA
Svatantra Microfin Pvt Ltd	1.42	1.42	1.97	18.54 %	29.61 %	22.73%	13.87 %	26.00 %	NA
Chaitanya India Fin Credit Pvt. Ltd	4.81	4.07	3.44	22.27 %	23.55 %	24.56%	17.98 %	20.77 %	NA
Belstar Microfinance Ltd	4.21	3.17	3.77	20.64 %	24.97 %	21.99%	17.78 %	22.40 %	NA
Fusion Finance Ltd	3.03	3.90	2.22	27.53 %	22.42 %	38.80%	26.60 %	20.89 %	NA
Arohan Financial Services Ltd	3.14	2.32	2.50	29.01 %	34.09 %	31.20%	26.85 %	31.82 %	30.58%
Asirvad Microfinance Ltd	4.66	4.73	3.02	22.80 %	20.90 %	22.80%	18.40 %	15.83 %	NA
Spandana Sphoorty Financial Ltd	2.53	1.98	1.67	31.95 %	36.31 %	30.43%	32.00 %	36.30 %	NA
Banks and SFBs									
Bandhan Bank	0.76	0.46	0.41	14.69 %	18.70 %	17.80%	13.83 %	17.90 %	16.50%
Ujjivan SFB	0.39	0.47	0.37	24.69 %	23.10 %	21.62%	22.58 %	21.38 %	20.13%
Jana SFB	1.46	0.95	0.87	20.30 %	20.70 %	20.00%	19.00 %	19.80 %	NA
Utkarsh SFB	0.80	0.79	0.88	22.57 %	20.93 %	20.11%	20.95 %	17.88 %	17.10%
ESAF SFB	1.54	0.63	1.41	23.27 %	21.78 %	22.70%	19.70 %	17.60 %	16.00%
Suryoday SFB	1.35	1.41	0.83	28.40 %	25.80 %	21.90%	26.54 %	24.45 %	21.00%

Note: NBFC MFIs are arranged in ascending order of AUM as of Dec'25, Numbers for Svatantra are on standalone basis and excludes Chaitanya acquisition.
Source: Company reports, CareEdge Research

Asset Quality

Arohan's Gross NPAs stood at 2.85% in Fiscal 2025, 3rd best among the peers NBFC – MFIs. Chaitanya had the best Gross NPAs at 1.55% among all the peers NBFC – MFIs. Ujjivan SFB had the best Gross NPAs at 2.18% as of Fiscal 2025 among the Bank and SFBs.

NBFCs	Gross NPAs %		
	Fiscal 2023	Fiscal 2024	Fiscal 2025
CreditAccess Grameen Ltd	1.21%	1.18%	4.76%
Muthoot Microfin Ltd	2.97%	2.29%	4.84%
Satin Creditcare Network Ltd	3.30%	2.50%	3.70%
Annapurna Finance Pvt Ltd	3.84%	2.69%	2.74%
IIFL Samasta Finance Ltd	2.12%	1.91%	4.71%
Svatantra Microfin Pvt Ltd	5.00%	3.08%	2.97%
Chaitanya India Fin Credit Pvt. Ltd	0.28%	0.29%	1.55%
Belstar Microfinance Ltd	2.42%	1.82%	4.98%
Fusion Finance Ltd	3.46%	2.89%	7.92%
Arohan Financial Services Ltd	2.86%	1.67%	2.85%
Asirvad Microfinance Ltd	2.80%	3.70%	8.50%
Spandana Sphoorty Financial Ltd	10.46%	1.50%	5.63%
Banks and SFBs			
Bandhan Bank	4.90%	3.80%	4.70%
Ujjivan SFB	2.60%	2.20%	2.18%
Jana SFB	3.60%	2.00%	2.54%
Utkarsh SFB	3.23%	2.50%	9.40%
ESAF SFB	2.49%	4.76%	6.87%
Suryoday SFB	3.10%	2.80%	7.20%

Note: NBFC MFIs are arranged in ascending order of AUM as of Dec'25, Numbers for Svatantra are on standalone basis and excludes Chaitanya acquisition
Source: Company reports, CareEdge Research

Arohan's Net NPAs was 0.53% in Fiscal 2025, 4th best among peers NBFC – MFIs. Chaitanya had the best Net NPAs at 0.29% among all the peers NBFC – MFIs. Ujjivan had the best Net NPAs at 0.49% among Bank and SFB peers.

NBFCs	Net NPAs%		
	Fiscal 2023	Fiscal 2024	Fiscal 2025
CreditAccess Grameen Ltd	0.35%	0.35%	1.77%
Muthoot Microfin Ltd	1.22%	0.93%	1.33%
Satin Creditcare Network Ltd	1.49%	0.98%	1.42%
Annapurna Finance Pvt Ltd	1.40%	0.92%	0.99%
IIFL Samasta Finance Ltd	0.08%	0.34%	1.46%
Svatantra Microfin Pvt Ltd	1.94%	0.38%	0.58%
Chaitanya India Fin Credit Pvt. Ltd	0.05%	0.05%	0.29%
Belstar Microfinance Ltd	0.66%	0.17%	0.44%
Fusion Finance Ltd	0.88%	0.61%	0.31%
Arohan Financial Services Ltd	0.21%	0.00%	0.53%
Asirvad Microfinance Ltd	1.17%	1.75%	2.52%
Spandana Sphoorty Financial Ltd	0.63%	0.32%	1.16%
Banks and SFBs			
Bandhan Bank	1.20%	1.10%	1.30%
Ujjivan SFB	0.04%	0.28%	0.49%
Jana SFB	2.40%	0.50%	0.88%
Utkarsh SFB	0.40%	0.03%	4.84%
ESAF SFB	1.13%	2.26%	2.99%
Suryoday SFB	1.50%	0.80%	4.60%

Note: NBFC MFIs are arranged in ascending order of AUM as of Dec'25, Numbers for Svatantra are on standalone basis and excludes Chaitanya acquisition
Source: Company reports, CareEdge Research

Based on Gross NPAs and Net NPAs data available, Arohan has delivered one of the strongest asset quality performances among peers NBFC – MFIs, gross non-performing assets ("Gross NPAs") to loans to customers outstanding ("Gross NPA/Loans to Customers Outstanding") of 1.69%, being the second lowest among Peer NBFC-MFIs, while net non-performing assets ("Net NPA") to loans to customers outstanding ("Net NPA/Loans to Customers Outstanding") was 0.39%, the third lowest among Peer NBFC-MFIs, each as of December 31, 2025.

Players	Gross NPAs – As of Dec 2025	Net NPAs – As of Dec 2025
CreditAccess Grameen Ltd	4.04%	1.36%
Muthoot Microfin Ltd	4.40%	1.30%
Satin Creditcare Network Ltd	3.30%	1.10%
Annapurna Finance Pvt Ltd	3.70%^	1.16%^
IIFL Samasta Finance Ltd	4.80%^	NA
Svatantra Microfin Pvt Ltd	1.62%^	0.26%^
Chaitanya India Fin Credit Pvt. Ltd	1.90%*	0.33%*
Belstar Microfinance Ltd	4.90%	0.20%
Fusion Finance Ltd	4.40%^	0.63%^
Arohan Financial Services Ltd	1.69%	0.39%
Asirvad Microfinance Ltd	4.90%^	1.77%^
Spandana Sphoorty Financial Ltd	2.60%	0.50%
Banks and SFBs		
Bandhan Bank	3.30%	1.00%
Ujjivan SFB	2.40%	0.60%
Jana SFB	2.60%	0.90%
Utkarsh SFB	11.10%	4.50%
ESAF SFB	5.60%	2.70%
Suryoday SFB	6.70%	4.40%

Source: Company reports, CareEdge Research
Note: NBFC MFIs are arranged in ascending order of AUM as of Dec'25, Numbers for Svatantra are on standalone basis and excludes Chaitanya acquisition.
*Indicates data as on H1Fiscal 2026, (^) Indicates Gross NPAs and Net NPAs as Gross Stage III (%) and Net Stage III (%)

Stage 3 recovery as a % of opening stage 3 over past 3 years

Spandana reported the highest stage 3 recovery as percentage of opening stage 3 in Fiscal 2025 among NBFC-MFIs, followed by Chaitanya with 599.71% recovery during the same period. Arohan reported 391.85% recovery in Fiscal 2025.

Players	Fiscal 2023	Fiscal 2024	Fiscal 2025
CreditAccess Grameen Ltd	128.62%	144.26%	396.76%
Muthoot Microfin Ltd	49.05%	77.72%	371.41%
Satin Creditcare Network Ltd	153.49%	71.21%	248.19%
Annapurna Finance Pvt Ltd	NA	NA	NA
IIFL Samasta Finance Ltd	93.09%	95.68%	93.30%
Svatantra Microfin Pvt Ltd	94.03%	105.24%	185.76%
Chaitanya India Fin Credit Pvt. Ltd	104.07%	-191.34%	599.71%
Belstar Microfinance Ltd	221.53%	188.17%	570.58%
Fusion Finance Ltd	68.97%	110.34%	448.22%
Arohan Financial Services Ltd	290.03%	176.33%	391.85%
Asirvad Microfinance Ltd	528.03%	194.59%	377.70%
Spandana Sphoorty Financial Ltd	116.01%	73.67%	948.06%
Banks and SFBs			
Bandhan Bank	NA	NA	NA
Ujjivan SFB	76.98%	78.95%	170.68%
Jana SFB	179.53%	186.95%	324.45%
Utkarsh SFB	113.82%	111.96%	160.77%

Players	Fiscal 2023	Fiscal 2024	Fiscal 2025
ESAF SFB	138.69%	100.53%	145.84%
Suryoday SFB	152.52%	75.95%	104.08%

Note: NBFC MFIs are arranged in ascending order of AUM as of Dec'25, Numbers for Svatantra are on standalone basis and excludes Chaitanya acquisition
Source: Company reports, CareEdge Research

Digital collections and disbursements reported by NBFC-MFIs in Fiscal 2025

Arohan Financial Services is among the select few NBFC-MFIs that have adopted a full-scale Core Banking System ("CBS"), which supports scalability, operational standardization and improved governance (based on data available for peers NBFC – MFIs).

Belstar reported highest digital collections at 44% among peers NBFC – MFIs in Fiscal 2025 based on data available for peers NBFC – MFIs.

Players	CBS adoption	Digital collection (million)	Digital collection share (%)	Digital client acquisition (million)	Digital disbursement (%)
CreditAccess Grameen Ltd	Yes (Temenos)	24,064.98	10.6%	0.75	NA
Muthoot Microfin Ltd	NA	22,965.97	25%	0.65	NA
Satin Creditcare Network Ltd	NA	NA	9%	NA	100%
Annapurna Finance Pvt Ltd	NA	NA	NA	NA	NA
IIFL Samasta Finance Ltd	NA	NA	NA	NA	NA
Svatantra Microfin Pvt Ltd	Yes (OMNI)	NA	NA	NA	NA
Chaitanya India Fin Credit Pvt. Ltd	NA	NA	NA	NA	NA
Belstar Microfinance Ltd	NA	NA	44%	NA	NA
Fusion Finance Ltd	NA	NA	94.28%	NA	99.98%^
Arohan Financial Services Ltd	Yes (FIS)	8,481.62	12.37%	NA	100%
Asirvad Microfinance Ltd	Yes	NA	NA	NA	NA
Spandana Sphoorty Financial Ltd	NA	NA	NA	NA	NA

Note: All Data points not available for Banks and SFBs, hence is excluded from the table. NBFC MFIs are arranged in ascending order of AUM as of Dec'25, NA -Data not available Numbers for Svatantra are on standalone basis and excludes Chaitanya acquisition. ^Indicates data for Q4Fiscal 2025.
Source: Company reports, CareEdge Research

Asset liabilities Management of NBFC-MFI players in Fiscal 2025 (₹ Million)

Fiscal 2025 (₹ Mn)	Asset		Liability		Net	
	Within 12 months	After 12 months	Within 12 months	After 12 months	Within 12 months	After 12 months
CreditAccess Grameen Ltd	167,420.70	110,601.60	107,443.30	101,019.60	59,977.40	9,582.00
Muthoot Microfin Ltd	66,564.36	42,005.85	46,966.13	35,281.81	19,598.23	6,724.04
Satin Creditcare Network Ltd	64,658.70	44,204.30	43,335.00	37,095.20	21,323.70	7,109.10
Annapurna Finance Pvt Ltd	NA	NA	NA	NA	NA	NA
IIFL Samasta Finance Ltd	59,773.80	32,484.50	43,156.10	49,102.30	16,617.70	-16,617.80
Svatantra Microfin Pvt Ltd	45,161.60	37,930.40	32,173.30	17,422.20	12,988.30	20,508.20
Chaitanya India Fin Credit Pvt Ltd	45,438.11	24,178.12	31,505.77	22,833.99	13,932.33	1,344.13
Belstar Microfinance Ltd	56,260.17	19,623.63	41,443.86	16,728.26	14,816.31	2,895.37
Fusion Finance Ltd	60,634.00	22,292.70	49,386.30	17,107.10	11,247.70	5,185.60
Arohan Financial Services Ltd	49,841.97	19,015.90	25,697.68	22,908.93	24,144.32	-3,893.03
Asirvad Microfinance Ltd	51,584.91	69,073.40	44,008.47	64,981.22	7,576.43	4,092.18

Fiscal 2025 (₹ Mn)	Asset		Liability		Net	
	Within 12 months	After 12 months	Within 12 months	After 12 months	Within 12 months	After 12 months
Spandana Sphoorty Financial Ltd	61,676.30	18,403.50	40,114.70	13,737.40	21,561.60	4,666.10

Note: As nature of liabilities, ALM regulatory framework, asset profile and behavioural maturity, etc. are different and therefore not
comparable, data for Banks not included. Numbers for Svatantra are on standalone basis and excludes Chaitanya acquisition
Source: Company reports, CareEdge Research

Increase in cost of borrowing to increase in repo rates over the last 2 years

NBFCs	Increase in cost of fund from Fiscal 2023 to Fiscal 2025	Increase in repo rates from Fiscal 2023 to Fiscal 2025
CreditAccess Grameen Ltd	0.91%	-0.25%
Muthoot Microfin Ltd	0.91%	-0.25%
Satin Creditcare Network Ltd	2.11%	-0.25%
Annapurna Finance Pvt Ltd	1.98%	-0.25%
IIFL Samasta Finance Ltd	1.05%	-0.25%
Svatantra Microfin Pvt Ltd	0.11%	-0.25%
Chaitanya India Fin Credit Pvt Ltd	0.74%	-0.25%
Belstar Microfinance Ltd	2.01%	-0.25%
Fusion Finance Ltd	1.00%	-0.25%
Arohan Financial Services Ltd	0.97%	-0.25%
Asirvad Microfinance Ltd	3.04%	-0.25%
Spandana Sphoorty Financial Ltd	3.02%	-0.25%
Banks and SFBs		
Bandhan Bank	1.30%	-0.25%
Ujjivan SFB	0.60%	-0.25%
Jana SFB	-0.80%	-0.25%
Utkarsh SFB	-0.20%	-0.25%
ESAF SFB	0.20%	-0.25%
Suryoday SFB	1.10%	-0.25%

Note: NBFC MFIs are arranged in ascending order of AUM as of Dec'25, Numbers for Svatantra are on standalone basis and excludes Chaitanya acquisition
Source: Company reports, CareEdge Research

Adjustment factor to Net Worth - Net NPAs amount as a % of Net Worth (Fiscal 2025)

Arohan's Net NPAs as a percentage of Net Worth was 1.53%, one of the lowest among the peer NBFC – MFIs.

Net NPAs amount as a % of Net Worth (Fiscal 2025)	Ratio
NBFCs	
CreditAccess Grameen Ltd	6.16%
Muthoot Microfin Ltd	4.40%
Satin Creditcare Network Ltd	4.28%
Annapurna Finance Pvt Ltd	4.47%
IIFL Samasta Finance Ltd	4.91%

Svatantra Microfin Pvt Ltd	1.17%
Chaitanya India Fin Credit Pvt Ltd	1.19%
Belstar Microfinance Ltd	1.66%
Fusion Micro Finance Ltd	1.36%
Arohan Financial Services Ltd	1.53%
Asirvad Microfinance Ltd	11.66%
Spandana Sphoorty Financial Ltd	2.23%
Bank and SFBs	
Bandhan Bank	7.04%
Ujjivan SFB	2.57%
Jana SFB	5.84%
Utkarsh SFB	30.45%
ESAF SFB	27.71%
Suryoday SFB	23.81%

Note: NBFC MFIs are arranged in ascending order of AUM as of Dec'25, Numbers for Svatantra are on standalone basis and excludes Chaitanya acquisition
Source: Company reports, CareEdge Research

Approval from the Government to perform Aadhar authentication under the Aadhaar Act

The Ministry of Finance, under the Aadhaar Act, 2016 and the Prevention of Money-Laundering Act, 2002, has authorised select NBFC-MFIs to conduct Aadhaar authentication for customer identification. This approval enables faster digital onboarding, strengthens KYC compliance, reduces operational costs, and supports financial inclusion, particularly in rural and underserved segments. Several NBFC-MFIs have received such authorisation, reflecting the growing integration of digital identity systems within the microfinance ecosystem.

Among peers NBFC – MFIs, Arohan Financial Services is among the first NBFC-MFIs in India and the first among its peers NBFC MFIs to receive Aadhar enabled e-KYC approval from the Ministry of Finance, Government of India (as per the gazette notification) enabling a more efficient and compliant customer onboarding process.

NBFC-MFIs which received approval of Ministry of Finance to perform Aadhar authentication under the Aadhaar Act

Sr. No.	NBFC - MFI	Date of approval
1	Arohan Financial Services Ltd.	8th April 2022
2	CreditAccess Grameen Ltd	-
3	Muthoot Microfin Ltd	05th March 2025
4	Satin Creditcare Network Ltd	-
5	Annapurna Finance Pvt Ltd	12th December 2024
6	IIFL Samasta Finance Ltd	4th May 2023
7	Svatantra Microfin Pvt Ltd	4th May 2023
8	Chaitanya India Fin Credit Pvt Ltd	4th May 2023
9	Belstar Microfinance Ltd	4th May 2023
10	Fusion Finance Ltd	4th May 2023
11	Asirvad Microfinance Ltd	2nd June 2022
12	Spandana Sphoorty Financial Ltd	-

Source: The Gazette of India, Ministry of Finance, Department of Revenue, CareEdge Research

Product offerings

MFIs provide a wide range of products to address the financial and non-financial needs of their customers. Arohan offers a full range of products to meet both the credit and non-credit needs of its customers.

NBFC-MFI	MFI Loans	MSME Loans	Consumer Durable loans	Two-wheeler loans	Cross sell loans	Others
CreditAccess Grameen Ltd	✓	✓		✓		Individual loans, Secured business loans, Affordable housing, Emergency need loan
Muthoot Microfin Ltd	✓	✓	✓			Emergency need loans, Health & Hygiene loans, Life betterment solution, Livelihood solution
IIFL Samasta Finance Ltd	✓	✓	✓	✓	✓	Mortgage Loans
Satin Creditcare Network Ltd	✓	✓	✓			Long-term loans, social impact financing, Co-lending, Housing finance
Fusion Finance Ltd	✓	✓				Emergency need loans, Secured business loans, solar loans
Annapurna Finance Pvt Ltd	✓	✓	✓			Agri input, Samarth loans, Dairy development, Housing loans
Asirvad Microfinance Ltd	✓	✓				Gold loans
Spandana Sphoorty Financial Ltd	✓	✓	✓			LAP, Individual Loan
Belstar Microfinance Ltd	✓	✓				Gold loans, education loan, emergency need loans and other loans
Chaitanya India Fin Credit Pvt Ltd	✓					Group lending
Svatantra Microfin Pvt Ltd	✓	✓				Individual loans, insurance
Arohan Financial Services Ltd	✓	✓			✓	Insurance, loans to small MFIs
Bank and SFBs						
Bandhan Bank	✓	✓	✓	✓	✓	Being banks, these are offering many other products which are allowed as per the Regulator such as Gold loans, Housing loans, LAP, Auto loans, and Deposits.
Ujjivan SFB	✓	✓	✓	✓	✓	
Jana SFB	✓	✓	✓	✓	✓	
Utkarsh SFB	✓	✓	✓	✓	✓	
ESAF SFB	✓	✓	✓	✓	✓	
Suryoday SFB	✓	✓	✓	✓	✓	

Source: Company reports, CareEdge Research

Note: Information provided as per availability in the authentic public domain. Source: Company reports, CareEdge Research

ISO & Great place to work certifications as of December 2025

Players	ISO certification	Great place to work ranking
CreditAccess Grameen Ltd	ISO 27001:2013	As per Great Places to Work, among India's Top 25 Best Workspaces in BFSI 2024
Muthoot Microfin Ltd	ISO 22301:2012	As per Great Place to Work, secured a place in top 50 in Health and Wellness 2024.
	ISO 27002:2013	
	ISO 9001 and ISO 27001	
Satin Creditcare Network Ltd	ISO 27001:2022	As per Great Place to Work, ranked as 57th amongst India's great places to work in 2024. Secured a position in top 25 best workplaces in BFSI 2025.
Annapurna Finance Pvt Ltd	NA	NA

Players	ISO certification	Great place to work ranking
IIFL Samasta Finance Ltd	ISO 27001:2022	As per Great Place to Work (India), one of the Top 50 Best Workplaces in BFSI. In 2024
Svatantra Microfin Pvt Ltd	NA	NA
Chaitanya India Fin Credit Pvt Ltd	NA	NA
Belstar Microfinance Ltd	ISO 27001: 2022	NA
Fusion Finance Ltd	NA	NA
Arohan Financial Services Ltd	ISO/IEC 27001:2013	As per Great Place to Work, recognised among the top 50 India's best workplaces, Best Workplaces in BFSI 2024: Top 25, and the Best in the Microfinance Industry, by the Great Place To Work® Institute as of 2024.
	ISO 9001:2015	
Asirvad Microfinance Ltd	ISO 27001: 2013	NA
	ISO 2001 2013	
Spandana Sphoorty Financial Ltd	ISO 27001	NA
Banks and SFBs		
Bandhan Bank	ISO 27001:2013	NA
Ujjivan SFB	ISO 27001:2022	As per Great Place to Work, Ujjivan SFB has been recognised as one of India's top 25 best places to work in the BFSI sector for 2024
Jana SFB	ISO/IEC 27001:2013	NA
Utkarsh SFB	ISO 27001:2013	NA
	ISO 22301: 2019	
ESAF SFB	ISO 9001:2015	NA
	ISO 26000:2010	
	ISO/ IEC 27001:2022	
Suryoday SFB	NA	NA

Source: Company reports, CareEdge Research

Experience of leadership team

Arohan Financial Services ranks second highest in terms of total number of directors and third highest in terms of team size of key managerial personnel among the NBFC-MFIs as of December 2025.

Players	Date of incorporation	Total number of directors	Total number of independent directors	Key managerial personnel and (KMP) Senior Management (SM)	Average of total experience (KMP and SM) years
CreditAccess Grameen Ltd	1991	8	4	16	approximately 21
Muthoot Microfin Ltd	1992	10	5	7	approximately 21
Satin Creditcare Network Ltd	1990	7	5	10	approximately 25
Annapurna Finance Pvt Ltd	1986	12*	3	18	approximately 15
IIFL Samasta Finance Ltd	1995	7	4	10	approximately 18
Svatantra Microfin Pvt Ltd	2012	9	2	13	approximately 16
Chaitanya India Fin Credit Pvt Ltd	2009	5	2	NA	NA

Players	Date of incorporation	Total number of directors	Total number of independent directors	Key managerial personnel and (KMP) Senior Management (SM)	Average of total experience (KMP and SM) years
Belstar Microfinance Ltd	2003	12	5	7	approximately 23
Fusion Finance Ltd	1994	8	4	13	approximately 25
Arohan Financial Services Ltd	2009	14	4	16	approximately 23
Asirvad Microfinance Ltd	2007	10	7	12	approximately 19
Spandana Sphoorty Financial Ltd	2003	10*	5	10	approximately 24
Banks and SFBs					
Bandhan Bank	2014	13	8	24	approximately 31
Equitas Small Finance Bank Ltd	1993	11	9	14	approximately 22
Ujjivan Small Finance Bank Ltd	2016	8	6	15	approximately 25
Utkarsh SFB	2016	8	5	11	approximately 25
ESAF SFB	2016	14	8	10	approximately 21
Suryoday SFB	2008	12	6	24	approximately 24

Note: * indicates nominee directors, Numbers for Svatantra are on standalone basis and excludes Chaitanya acquisition
Source: Company reports, CareEdge Research

List of formulae

Parameters	Formula
Cost to Income Ratio	Operating expenses for the relevant fiscal year divided by total income minus interest expense
Operating Expense	Operating Expenditure (Employee Expenses + Depreciation and amortization expense + Fees and commission expense+ Other expenses)
Other income	Non-interest income
Opex to total average assets	Operating expenses divided by total average assets at the end of the financial year
RoA	Profit after tax / average of total assets on book
RoE	Profit after tax / Average Net Worth
NIMs	(Interest income on loans and advances – interest paid) / average of assets under management
Yield on advances	Interest earned on loans and advances / average of total advances on book
Cost of borrowings	Interest paid / (average of deposits and borrowings)
Credit cost	Provisions / average total assets under management
Debt to Equity Ratio	Total Borrowings / Total shareholder equity of the same fiscal
PPOP %	Pre provisioning operating profit (Total income – Interest expenses – Operating expenditure)/ Average total assets

KPIs

Arohan Financial Services Ltd

Key Performance Indicators (KPIs)	Units	Nine months ended December 31, 2025	FISCAL 2025	FISCAL 2024	FISCAL 2023
I. Financial Measures					
Total Assets	₹ million	74,618.38	68,857.87	81,154.41	60,181.68
Total Borrowings	₹ million	52,194.32	47,034.03	60,158.43	45,334.90
Total Income	₹ million	11,330.54	16,952.62	16,346.33	10,909.96
Net Interest Income	₹ million	6,071.99	8,590.85	7,606.33	4,419.49
Total Non-Interest Income	₹ million	953.96	1,140.84	2,169.47	1,419.47
Total Expenses	₹ million	10,538.43	15,571.76	12,222.01	10,010.42
Profit / (Loss) After Tax	₹ million	607.44	1,096.86	3,138.21	707.16
Debt to Equity Ratio	x times	2.50	2.32	3.14	3.39
Basic Earnings Per Equity Share	₹	3.98	7.20	26.62	6.05
Diluted Earnings Per Equity Share	₹	3.98	7.18	26.57	5.84
Provision Coverage Ratio (%)	%	77.05%	81.70%	100.00%	92.80%
Adjusted Pre Provision Operating Profit Before Tax	₹ million	3,483.23	5,355.99	5,911.93	2,831.19
Adjusted Pre Provision Operating Profit Before Tax Growth	%	NA	-9.40%	108.81%	29.51%
Net Worth	₹ million	20,918.07	20,251.28	19,147.56	13,380.25
Return on Average Net Worth	%	2.95%	5.57%	19.30%	5.99%
Return on Average Total Assets	%	0.85%	1.46%	4.44%	1.26%
Cost to Income Ratio	%	53.44%	49.63%	43.29%	54.51%
Net Interest Margin	%	9.86%	13.10%	12.20%	9.32%
Capital Adequacy Ratio CRAR	%	31.20%	34.09%	29.01%	28.74%
Tier I Capital	%	30.58%	31.82%	26.85%	25.46%
Tier II Capital	%	0.62%	2.27%	2.16%	3.28%
II. Operational Measures					
AUM	₹ million	63,084.14	60,025.77	71,120.41	53,573.71
AUM Growth	%	5.10%	-15.60%	32.75%	29.97%
AUM Share in Top 3 states	%	67.89%	69.38%	69.09%	64.64%
AUM Per Branch	₹ million	58.79	54.42	72.87	64.55
Gross Disbursement	₹ million	44,916.84	46,356.63	67,088.91	52,992.75
Gross Disbursement Growth	%	NA	-30.90%	26.60%	36.76%
Gross Disbursement Per Branch	₹ million	41.86	42.03	68.74	63.84
Average Ticket Size – Microfinance Loans	₹	55,551.67	52,028.15	45,092.85	39,524.71
Number of Active Borrowers	Million	1.95	2.14	2.41	2.01
Number of Active Borrowers Growth	%	-8.68%	-11.29%	19.80%	5.92%
Total Number of Branches	Units	1,073.0	1,103.0	976.0	830.0
Total % of Digital Collection	%	13.53%	12.37%	10.78%	6.89%
No. of States	Units	17	17	16	13
No. of Districts	Units	320	323	293	254
Average Cost of Borrowings	%	7.76%	11.79%	11.23%	10.82%

Key Performance Indicators (KPIs)	Units	Nine months ended December 31, 2025	FISCAL 2025	FISCAL 2024	FISCAL 2023
I. Financial Measures					
Operating Expenses / Average AUM	%	6.50%	8.05%	7.24%	7.16%
Credit Cost Ratio	%	4.37%	6.06%	2.87%	4.08%
Gross NPA Ratio	%	1.69%	2.85%	1.67%	2.86%
Net NPA Ratio	%	0.39%	0.53%	-	0.21%
Collection Efficiency	%	108.67%	103.92%	108.85%	112.42%
Credit Rating		Care A- Stable, ICRA A Stable			

Source: Company Reports, MFIN; Note: The credit rating mentioned represent the latest available rating for the Company.

CreditAccess Grameen Ltd

Key Performance Indicators (KPIs)	Units	Nine months ended December 31, 2025	FISCAL 2025	FISCAL 2024	FISCAL 2023
I. Financial Measures					
Total Assets	₹ million	285,935.00	278,022.30	288,706.80	218,580.60
Total Borrowings	₹ million	206,814.00	204,457.70	218,410.10	163,122.60
Total Income	₹ million	44,639.60	57,561.40	51,726.50	35,507.60
Net Interest Income	₹ million	27,636.70	34,815.50	30,656.00	20,645.30
Total Non-Interest Income	₹ million	2,267.20	2,093.75	2,725.40	2,236.27
Total Expenses	₹ million	38,757.60	50,472.70	32,334.70	24,453.70
Profit / (Loss) After Tax	₹ million	4,380.90	5,314.00	14,459.30	8,260.30
Debt to Equity Ratio	x times	2.78	2.94	3.32	3.19
Basic Earnings Per Equity Share	₹	27.41	33.32	90.88	52.04
Diluted Earnings Per Equity Share	₹	27.30	33.24	90.41	51.81
Provision Coverage Ratio (%)	%	67.20%	64.83%	70.75%	65.70%
Adjusted Pre Provision Operating Profit Before Tax	₹ million	20,303.60	26,394.80	23,948.50	15,082.10
Adjusted Pre Provision Operating Profit Before Tax Growth	%	NA	10.21%	58.79%	39.58%
Net Worth	₹ million	74,395.00	69,559.40	65,699.50	51,069.40
Return on Average Net Worth	%	6.09%	7.86%	24.77%	17.81%
Return on Average Total Assets	%	1.55%	1.88%	5.70%	4.20%
Cost to Income Ratio	%	33.28%	30.70%	30.39%	35.49%
Net Interest Margin	%	10.53%	13.22%	12.84%	10.97%
Capital Adequacy Ratio CRAR	%	26.44%	25.43%	23.13%	23.58%
Tier I Capital	%	25.80%	24.47%	22.24%	22.69%
Tier II Capital	%	0.64%	0.96%	0.89%	0.89%
II. Operational Measures					
AUM	₹ million	265,660	259,480	267,140	210,300
AUM Growth	%	2.38%	-2.87%	27.03%	26.69%
AUM Share in Top 3 states	%	70.20%	71.60%	72.50%	74.30%
AUM Per Branch	₹ million	119.56	125.78	135.81	117.75
Gross Disbursement	₹ million	165,470	200,370	231,300	185,400
Gross Disbursement Growth	%	NA	-13.37%	24.76%	44.51%
Gross Disbursement Per Branch	₹ million	74.47	97.13	117.59	103.81
Average Ticket Size – Microfinance Loans	₹	52,443	51,330	42,812	37,965

Key Performance Indicators (KPIs)	Units	Nine months ended December 31, 2025	FISCAL 2025	FISCAL 2024	FISCAL 2023
I. Financial Measures					
Number of Active Borrowers	Million	4.40	4.69	4.92	4.26
Number of Active Borrowers Growth	0.0	-6.24%	-4.55%	15.34%	11.51%
Total Number of Branches	Units	2,222	2,063	1,967	1,786
Total % of Digital Collection	%	NA	10.60%	4.00%	NA
No. of States	Units	17	17	17	15
No. of Districts	Units	450	423	383	352
Average Cost of Borrowings	%	6.91%	9.21%	9.08%	8.30%
Operating Expenses / Average AUM	%	3.86%	4.44%	4.38%	4.41%
Credit Cost Ratio	%	5.48%	7.33%	1.89%	2.13%
Gross NPA Ratio	%	4.04%	4.76%	1.18%	1.21%
Net NPA Ratio	%	1.36%	1.77%	0.35%	0.35%
Collection Efficiency*	%	94.40%	94.90%	98.50%	NA
Credit Rating		ICRA AA- stable, Crisil AA- stable			

Source: Company Reports, MFIN

Note: * indicates ratio excluding arrears; The credit rating mentioned represent the latest available rating for the company.

Muthoot Microfin Ltd

Key Performance Indicators (KPIs)	Units	Nine months ended December 31, 2025	FISCAL 2025	FISCAL 2024	FISCAL 2023
I. Financial Measures					
Total Assets	₹ million	120,806.80	108,570.21	115,902.26	85,291.99
Total Borrowings	₹ million	90,114.00	79,264.21	84,247.85	64,931.76
Total Income	₹ million	17,418.00	25,644.40	22,552.79	14,463.44
Net Interest Income	₹ million	9,275.16	14,010.18	10,763.77	7,237.84
Total Non-Interest Income	₹ million	1,713.97	1,949.61	2,817.01	1,556.99
Total Expenses	₹ million	16,298.24	28,533.44	16,734.37	12,334.74
Profit / (Loss) After Tax	₹ million	991.46	-2,225.23	4,495.83	1,638.89
Debt to Equity Ratio	x times	1.21	3.01	3.00	3.99
Basic Earnings Per Equity Share	₹	5.92	-13.29	30.92	14.19
Diluted Earnings Per Equity Share	₹	5.82	-13.07	30.25	11.98
Provision Coverage Ratio (%)	%	70.45%	73.32%	60.99%	80.32%
Adjusted Pre Provision Operating Profit Before Tax	₹ million	4,783.13	8,929.99	7,815.66	4,637.29
Adjusted Pre Provision Operating Profit Before Tax Growth	%	NA	14.26%	68.54%	139.38%
Net Worth	₹ million	74,395.00	26,322.27	28,043.52	16,258.49
Return on Average Net Worth	%	1.97%	-8.19%	20.30%	11.06%
Return on Average Total Assets	%	0.86%	-1.98%	4.47%	2.32%
Cost to Income Ratio	%	56.47%	45.36%	43.74%	48.32%
Net Interest Margin	%	7.29%	11.41%	10.06%	9.36%
Capital Adequacy Ratio CRAR	%	26.44%	27.85%	28.97%	21.87%
Tier I Capital	%	NA	27.39%	28.97%	21.87%

Key Performance Indicators (KPIs)	Units	Nine months ended December 31, 2025	FISCAL 2025	FISCAL 2024	FISCAL 2023
Tier II Capital	%	NA	0.46%	0.00%	0.00%
II. Operational Measures					
AUM	₹ million	130,786	123,567	121,935	92,083
AUM Growth	%	5.84%	1.34%	32.42%	47.22%
AUM Share in Top 3 states	%	NA	50.00%	NA	NA
AUM Per Branch	₹ million	77.34	72.73	80.86	78.57
Gross Disbursement	₹ million	65,418	88,725	106,616	81,045
Gross Disbursement Growth	%	NA	-16.78%	31.55%	74.40%
Gross Disbursement Per Branch	₹ million	38.69	52.22	70.70	69.15
Average Ticket Size – Microfinance Loans	₹	90,885	48,932	43,843	37,985
Number of Active Borrowers	Million	3.33	3.43	3.35	2.77
Number of Active Borrowers Growth	0.0	-0.03	0.02	0.21	0.35
Total Number of Branches	Units	1,691	1,699	1,508	1,172
Total % of Digital Collection	%	NA	25.00%	25.92%	20.34%
No. of States	Units	21	20	19	18
No. of Districts	Units	394	388	353	321
Average Cost of Borrowings	%	7.59%	11.38%	11.61%	10.47%
Operating Expenses / Average AUM	%	4.88%	6.04%	5.68%	5.61%
Credit Cost Ratio	%	2.70%	8.49%	1.61%	2.89%
Gross NPA Ratio	%	4.40%	4.84%	2.29%	2.97%
Net NPA Ratio	%	1.34%	1.33%	0.93%	1.22%
Collection Efficiency	%	NA	93.62%	98.41%	95.83%
Credit Rating		Crisil A+ (Positive)			

Source: Company Reports, MFIN; The credit rating mentioned represent the latest available rating for the company.

Satin Creditcare Network Ltd

Key Performance Indicators (KPIs)	Units	Nine months ended December 31, 2025	FISCAL 2025	FISCAL 2024	FISCAL 2023
I. Financial Measures					
Total Assets	₹ million	121,382.60	108,863.08	100,810.09	76,453.97
Total Borrowings	₹ million	NA	77,995.28	71,949.61	54,474.80
Total Income	₹ million	20,288.33	23,767.63	20,506.48	17,534.14
Net Interest Income	₹ million	13,994.42	9,309.87	7,995.04	2,807.25
Total Non-Interest Income	₹ million	3,583.91	2,703.91	3,018.86	5,933.30
Total Expenses	₹ million	18,160.58	21,437.83	14,847.99	14,124.14
Profit / (Loss) After Tax	₹ million	1,651.33	2,165.62	4,228.44	2,643.29
Debt to Equity Ratio	x times	2.94	2.74	2.70	2.85
Basic Earnings Per Equity Share	₹	15.01	19.69	13.01	33.79
Diluted Earnings Per Equity Share	₹	15.01	19.69	11.97	32.30
Provision Coverage Ratio (%)	%	67.00%	62.35%	60.45%	NA
Adjusted Pre Provision Operating Profit Before Tax	₹ million	9,988.04	7,361.74	7,103.30	7,351.65
Adjusted Pre Provision Operating Profit Before Tax Growth	%	NA	3.64%	-3.38%	213.12%

Key Performance Indicators (KPIs)	Units	Nine months ended December 31, 2025	FISCAL 2025	FISCAL 2024	FISCAL 2023
Net Worth	₹ million	29,726.35	28,432.78	26,673.43	19,137.17
Return on Average Net Worth	%	5.68%	7.86%	18.46%	15.02%
Return on Average Total Assets	%	1.43%	2.07%	4.77%	3.52%
Cost to Income Ratio	%	43.18%	48.41%	41.67%	37.56%
Net Interest Margin	%	12.28%	8.50%	8.63%	3.92%
Capital Adequacy Ratio CRAR	%	24.60%	25.85%	27.70%	26.60%
Tier I Capital	%	NA	25.21%	26.25%	25.33%
Tier II Capital	%	NA	0.64%	1.45%	1.27%
II. Operational Measures					
AUM	₹ million	114,820	113,160	105,930	79,290
AUM Growth	%	1.47%	6.83%	33.60%	23.72%
AUM Share in Top 3 states	%	51.00%	51.49%	49.40%	48.11%
AUM Per Branch	₹ million	57,785.61	72,168.37	76,044.51	61,656.30
Gross Disbursement	₹ million	73,820	98,370	96,910	73,900
Gross Disbursement Growth	%	NA	1.51%	31.14%	83.33%
Gross Disbursement Per Branch	₹ million	37.15	62.74	69.57	57.47
Average Ticket Size – Microfinance Loans	₹	63,160	53,690	47,833	42,276
Number of Active Borrowers	Million	3.18	3.29	3.34	2.56
Number of Active Borrowers Growth	0.0	-3.34%	-1.50%	30.47%	4.49%
Total Number of Branches	Units	1,987.0	1,568.0	1,393.0	1,286.0
Total % of Digital Collection	%	NA	9.00%	8.00%	NA
No. of States	Units	31	29	26	24
No. of Districts	Units	558	529	421	405
Average Cost of Borrowings	%	NA	12.67%	13.18%	10.56%
Operating Expenses / Average AUM	%	6.66%	6.31%	5.48%	6.17%
Credit Cost Ratio	%	3.49%	4.59%	1.56%	5.50%
Gross NPA Ratio	%	3.30%	3.70%	2.50%	3.30%
Net NPA Ratio	%	1.10%	1.42%	0.98%	1.49%
Collection Efficiency	%	NA	NA	98.50%	99.6%*
Credit Rating		ICRA A (Stable); Care BBB+, (Stable)			

Source: Company Reports, MFIN

Note:*indicates excluding restructured portfolio; The credit rating mentioned represent the latest available rating for the company.

Fusion Finance Ltd

Key Performance Indicators (KPIs)	Units	Nine months ended December 31, 2025	FISCAL 2025	FISCAL 2024	FISCAL 2023
I. Financial Measures					
Total Assets	₹ million	77,246.72	82,926.70	117,743.20	93,635.40
Total Borrowings	₹ million	51,762.30	64,020.20	86,159.00	67,784.00
Total Income	₹ million	13,023.60	23,688.90	24,124.20	17,999.70
Net Interest Income	₹ million	7,634.10	12,851.20	12,958.00	9,472.10
Total Non-Interest Income	₹ million	1,323.30	2,346.70	3,205.20	1,998.70
Total Expenses	₹ million	14,027.00	35,019.00	17,491.60	12,879.90
Profit / (Loss) After Tax	₹ million	-1,003.40	-12,245.40	5,052.90	3,871.50

Key Performance Indicators (KPIs)	Units	Nine months ended December 31, 2025	FISCAL 2025	FISCAL 2024	FISCAL 2023
Debt to Equity Ratio	x times	2.22	3.90	3.03	2.92
Basic Earnings Per Equity Share	₹	-7.73	-111.41	46.06	43.29
Diluted Earnings Per Equity Share	₹	-7.73	-111.41	45.89	43.13
Provision Coverage Ratio (%)	%	86.08%	NA	79.71%	75.50%
Adjusted Pre Provision Operating Profit Before Tax	₹ million	2,691.90	7,364.80	10,281.20	7,123.50
Adjusted Pre Provision Operating Profit Before Tax Growth	%	NA	-28.37%	44.33%	81.20%
Net Worth	₹ million	23,313.20	16,433.30	28,481.50	23,219.20
Return on Average Net Worth	%	-5.05%	-54.53%	19.55%	21.16%
Return on Average Total Assets	%	-1.25%	-12.20%	4.78%	4.65%
Cost to Income Ratio	%	69.12%	50.94%	36.04%	37.80%
Net Interest Margin	%	9.63%	12.56%	12.48%	11.78%
Capital Adequacy Ratio CRAR	%	38.80%	22.42%	27.53%	27.94%
Tier I Capital	%	NA	20.89%	26.60%	26.59%
Tier II Capital	%	NA	1.53%	0.93%	1.35%
II. Operational Measures					
AUM	₹ million	68,760	89,800	114,760	92,960
AUM Growth	%	-23.43%	-21.75%	23.45%	36.99%
AUM Share in Top 3 states	%	NA	NA	NA	NA
AUM Per Branch	₹ million	44.74	57.16	88.48	85.60
Gross Disbursement	₹ million	36,270	69,710	102,940	85,960
Gross Disbursement Growth	%	NA	-32.28%	19.75%	39.09%
Gross Disbursement Per Branch	₹ million	23.60	42.61	79.37	79.15
Average Ticket Size – Microfinance Loans	₹	59,584	46,797	43,351	37,922
Number of Active Borrowers	Million	2.32	3.19	3.84	3.52
Number of Active Borrowers Growth	0.0	-27.27%	-16.93%	9.09%	29.41%
Total Number of Branches	Units	1,537	1,571	1,297	1,086
Total % of Digital Collection	%	96.00%	94.28%	90.00%	NA
No. of States	Units	22	22	22	20
No. of Districts	Units	489	497	453	398
Average Cost of Borrowings	%	7.02%	11.24%	10.27%	10.24%
Operating Expenses / Average AUM	%	7.90%	7.71%	5.71%	5.53%
Credit Cost Ratio	%	4.66%	18.28%	3.51%	2.49%
Gross NPA Ratio	%	4.38%	7.92%	2.89%	3.46%
Net NPA Ratio	%	0.63%	0.31%	0.61%	0.88%
Collection Efficiency*	%	99.14%	98.44%	97.3%#	96.9%#
Credit Rating		Crisil A- stable, ICRA A- stable, Care A stable			

Source: Company Reports, MFIN
Note: * indicates the ratio for the fourth quarter of the respective years, # indicates including arrears; The credit rating mentioned represent the latest available rating for the company.

Spandana Sphoorty Financial Ltd

Key Performance Indicators (KPIs)	Units	Nine months ended December 31, 2025	FISCAL 2025	FISCAL 2024	FISCAL 2023
I. Financial Measures					
Total Assets	₹ million	60,234.90	80,079.80	128,695.80	91,856.40
Total Borrowings	₹ million	36,503.30	51,966.30	90,121.60	59,342.00
Total Income	₹ million	6,885.90	22,451.90	23,866.70	13,944.50
Net Interest Income	₹ million	2,848.40	11,013.20	11,743.60	7,227.30
Total Non-Interest Income	₹ million	492.40	2,237.60	2,696.20	1,888.80
Total Expenses	₹ million	15,222.50	35,190.40	17,606.50	13,762.00
Profit / (Loss) After Tax	₹ million	-6,295.20	-9,567.40	4,678.80	123.40
Debt to Equity Ratio	x times	1.67	1.98	2.53	1.95
Basic Earnings Per Equity Share	₹	-83.07	-134.18	65.81	1.74
Diluted Earnings Per Equity Share	₹	-83.07	-134.18	64.84	1.74
Provision Coverage Ratio (%)	%	80.71%	80.16%	80.00%	70.00%
Adjusted Pre Provision Operating Profit Before Tax	₹ million	-1,888.60	5,895.50	8,690.40	5,180.10
Adjusted Pre Provision Operating Profit Before Tax Growth	%	NA	-32.16%	67.77%	-2.34%
Net Worth	₹ million	21,848.90	26,227.70	35,559.90	30,431.70
Return on Average Net Worth	%	-26.19%	-30.97%	14.18%	0.41%
Return on Average Total Assets	%	-8.97%	-9.17%	4.24%	0.15%
Cost to Income Ratio	%	0.00%	56.96%	41.65%	45.44%
Net Interest Margin	%	6.11%	12.24%	11.77%	10.19%
Capital Adequacy Ratio CRAR	%	30.43%	36.31%	31.95%	36.87%
Tier I Capital	%	NA	36.30%	32.00%	36.87%
Tier II Capital	%	NA	0.01%	-0.05%	0.00%
II. Operational Measures					
AUM	₹ million	32,960	60,290	119,730	79,800
AUM Growth	%	-45.33%	-49.65%	50.04%	28.71%
AUM Share in Top 3 states	%	41.00%	38.00%	39.00%	40.00%
AUM Per Branch	₹ million	19.8	33.4	72.9	67.7
Gross Disbursement	₹ million	21,140	56,050	106,880	81,250
Gross Disbursement Growth	%	NA	-47.56%	31.54%	140.88%
Gross Disbursement Per Branch	₹ million	12.68	31.07	65.09	68.91
Average Ticket Size – Microfinance Loans	₹	62,845	45,400	41,921	46,256
Number of Active Borrowers	Million	1.15	2.49	3.32	2.26
Number of Active Borrowers Growth	0.0	-53.65%	-25.00%	46.90%	-3.83%
Total Number of Branches	Units	1,667.0	1,804.0	1,642.0	1,179.0
Total % of Digital Collection	%	NA	NA	NA	NA
No. of States	Units	17	20	20	18
No. of Districts	Units	403	414	408	314
Average Cost of Borrowings	%	8.01%	12.32%	12.01%	9.31%
Operating Expenses / Average AUM	%	11.22%	8.67%	6.22%	6.08%
Credit Cost Ratio	%	13.83%	20.70%	2.44%	7.05%
Gross NPA Ratio	%	2.60%	5.63%	1.50%	10.46%
Net NPA Ratio	%	0.50%	1.16%	0.32%	0.63%
Collection Efficiency	%	93.9%**	91.8%*	97.4%*	103%#
Credit Rating	Crisil BBB+ stable, Care BBB+ stable, ICRA BBB+ Negative				

Source: Company Reports, MFIN
Note: ** indicates net collection ratio and for Q3 FY26 quarter; * indicates net collection efficiency ratio; # indicates gross collection efficiency; The credit rating mentioned represent the latest available rating for the company.

Bandhan Bank

Key Performance Indicators (KPIs)	Units	Nine months ended December 31, 2025	FISCAL 2025	FISCAL 2024	FISCAL 2023
I. Financial Measures					
Total Assets	₹ million	1,961,310.16	1,914,762.88	1,778,416.59	1,560,370.92
Total Borrowings	₹ million	101,200.00	111,384.93	163,715.24	247,108.23
Total Income	₹ million	182,240.09	249,148.29	210,410.38	183,732.50
Net Interest Income	₹ million	80,340.98	89,098.19	79,554.28	92,596.18
Total Non-Interest Income	₹ million	19,633.28	55,473.65	45,348.34	24,685.51
Total Expenses	₹ million	138,002.49	175,261.40	188,114.75	161,786.12
Profit / (Loss) After Tax	₹ million	6,894.24	27,452.96	22,295.63	21,946.38
Debt to Equity Ratio	x times	0.41	0.46	0.76	1.26
Basic Earnings Per Equity Share	₹	4.28	17.04	13.84	13.62
Diluted Earnings Per Equity Share	₹	4.28	17.04	13.84	13.62
Provision Coverage Ratio (%)	%	70.80%	73.70%	71.84%	76.82%
Adjusted Pre Provision Operating Profit Before Tax	₹ million	44,237.60	73,886.89	66,394.84	70,913.50
Adjusted Pre Provision Operating Profit Before Tax Growth	%	NA	11.28%	-6.37%	-11.51%
Net Worth	₹ million	247,909.71	243,591.02	215,654.48	195,722.07
Return on Average Net Worth	%	2.81%	11.96%	10.84%	11.88%
Return on Average Total Assets	%	0.36%	1.49%	1.34%	1.49%
Cost to Income Ratio	%	55.75%	48.89%	46.84%	39.54%
Net Interest Margin	%	5.86%	6.81%	6.80%	8.88%
Capital Adequacy Ratio CRAR	%	17.80%	18.70%	14.69%	19.80%
Tier I Capital	%	16.50%	17.90%	13.83%	18.70%
Tier II Capital	%	1.30%	0.80%	0.86%	1.10%
II. Operational Measures					
AUM	₹ million	1,452,200	1,369,900	1,247,200	1,091,200
AUM Growth	%	6.01%	9.84%	14.30%	9.84%
AUM Share in Top 3 states	%	44.0%	44.0%	45.0%	45.0%
AUM Per Branch	₹ million	793.1	798.8	733.6	773.4
Gross Disbursement	₹ million	513,900.00	694,800.00	761,900.00	657,700.00
Gross Disbursement Growth	%	NA	-8.81%	15.84%	NA
Gross Disbursement Per Branch	₹ million	280.67	405.13	448.18	466.12
Average Ticket Size – Microfinance Loans	₹	NA	NA	NA	NA
Number of Active Borrowers	Million	32.50	31.60	33.60	30.00
Number of Active Borrowers Growth	%	2.8%	6.0%	12.0%	14.1%
Total Number of Branches	Units	1,831	1,715	1,700	1,411
Total % of Digital Collection	%	NA	NA	NA	NA
No. of States	Units	35	35	35	34
No. of Districts	Units	NA	NA	NA	NA
Average Cost of Borrowings	%	6.50%	6.44%	5.64%	5.00%
Operating Expenses / Average AUM	%	4.16%	5.40%	5.00%	4.45%
Credit Cost Ratio	%	2.52%	2.88%	3.16%	4.03%
Gross NPA Ratio	%	3.30%	4.70%	3.80%	4.90%
Net NPA Ratio	%	1.00%	1.30%	1.10%	1.20%
Collection Efficiency*	%	109.80%	109.50%	117.00%	124.10%
Credit Rating		Crisil AA- stable, ICRA AA- stable			

Source: Company Reports, MFIN

Note: * indicates ratio for the fourth quarter of the respective years and includes arrears; The credit rating mentioned represent the latest available rating for the company.

Ujjivan Small Finance Bank Ltd

Key Performance Indicators (KPIs)	Units	Nine months ended December 31, 2025	FISCAL 2025	FISCAL 2024	FISCAL 2023
I. Financial Measures					
Total Assets	₹ million	522,988.50	476,891.52	404,222.16	333,168.78
Total Borrowings	₹ million	23,830.00	28,453.63	21,708.15	26,414.64

Key Performance Indicators (KPIs)	Units	Nine months ended December 31, 2025	FISCAL 2025	FISCAL 2024	FISCAL 2023
Total Income	₹ million	58,539.10	72,005.87	64,639.06	47,541.86
Net Interest Income	₹ million	21,441.60	28,075.82	27,053.09	22,406.73
Total Non-Interest Income	₹ million	14,347.70	16,748.83	14,908.93	10,464.20
Total Expenses	₹ million	46,583.80	55,113.60	51,824.15	36,542.64
Profit / (Loss) After Tax	₹ million	4,106.60	7,261.03	12,814.91	10,999.22
Debt to Equity Ratio	x times	0.37	0.47	0.39	0.64
Basic Earnings Per Equity Share	₹	2.12	3.75	6.65	5.82
Diluted Earnings Per Equity Share	₹	2.09	3.71	6.54	5.81
Provision Coverage Ratio (%)	%	76.00%	78.00%	87.00%	98.00%
Adjusted Pre Provision Operating Profit Before Tax	₹ million	11,955.30	16,892.27	19,171.03	14,850.33
Adjusted Pre Provision Operating Profit Before Tax Growth	%	NA	-11.89%	29.09%	133.09%
Net Worth	₹ million	64,210.00	59,937.68	55,411.68	41,578.87
Return on Average Net Worth	%	6.62%	12.59%	26.43%	31.80%
Return on Average Total Assets	%	0.82%	1.65%	3.48%	3.86%
Cost to Income Ratio / Operating Expenses to Total Income Ratio	%	66.60%	62.31%	54.31%	54.82%
Net Interest Margin	%	6.20%	9.07%	10.04%	10.61%
Capital Adequacy Ratio CRAR	%	21.62%	23.10%	24.69%	25.81%
Tier I Capital	%	20.13%	21.38%	22.58%	22.69%
Tier II Capital	%	1.49%	1.72%	2.11%	3.12%
II. Operational Measures					
AUM	₹ million	370,570	321,220	297,800	240,850
AUM Growth	%	15.36%	7.86%	23.65%	32.61%
AUM Share in Top 3 states	%	37%	41%	39%	41%
AUM Per Branch	₹ million	492.1	426.6	396.0	382.9
Gross Disbursement	₹ million	227,640	234,640	233,890	200,370
Gross Disbursement Growth	%	NA	0.32%	16.73%	41.98%
Gross Disbursement Per Branch	₹ million	302.3	311.6	311.0	318.6
Average Ticket Size – Microfinance Loans	₹	NA	NA	NA	NA
Number of Active Borrowers	Million	9.96	9.18	8.24	7.33
Number of Active Borrowers Growth	0.0	8%	11%	12%	18%
Total Number of Branches	Units	753.0	753.0	752.0	629.0
Total % of Digital Collection	%	NA	NA	NA	NA
No. of States	Units	26	26	26	25
No. of Districts	Units	339	326	326	271
Average Cost of Borrowings	%	87.02%	13.43%	13.49%	10.41%
Operating Expenses / Average AUM	%	6.89%	9.02%	8.46%	8.53%
Credit Cost Ratio	%	0.18%	0.67%	2.51%	0.07%
Gross NPA Ratio	%	2.38%	2.18%	2.20%	2.60%
Net NPA Ratio	%	0.57%	0.49%	0.28%	0.04%
Collection Efficiency*	%	NA	96.60%	99.00%	101.00%
Credit Rating	Care AA- (stable)				

Source: Company Reports, MFIN
Note: *indicates for 1 EMI + Overdraft; The credit rating mentioned represent the latest available rating for the company.

Jana SFB

Key Performance Indicators (KPIs)	Units	Nine months ended December 31, 2025	FISCAL 2025	FISCAL 2024	FISCAL 2023
I. Financial Measures					
Total Assets	₹ million	433,222.73	384,636.17	327,097.83	256,436.90
Total Borrowings	₹ million	37,510.00	38,668.17	52,114.59	62,774.60
Total Income	₹ million	46,972.59	54,856.55	46,840.56	36,998.75
Net Interest Income	₹ million	14,773.86	19,517.50	17,301.28	13,066.17

Key Performance Indicators (KPIs)	Units	Nine months ended December 31, 2025	FISCAL 2025	FISCAL 2024	FISCAL 2023
Total Non-Interest Income	₹ million	12,172.49	12,172.49	10,680.23	9,782.68
Total Expenses	₹ million	38,336.26	42,592.84	40,145.16	34,439.04
Profit / (Loss) After Tax	₹ million	1,866.10	5,014.19	6,695.40	2,559.71
Debt to Equity Ratio	x times	0.87	0.95	1.46	3.53
Basic Earnings Per Equity Share	₹	17.74	47.89	90.85	47.47
Diluted Earnings Per Equity Share	₹	17.66	47.67	90.72	42.64
Provision Coverage Ratio (%)	%	64.44%	66.09%	73.70%	34.01%
Adjusted Pre Provision Operating Profit Before Tax	₹ million	8,636.32	12,263.71	11,933.12	10,003.75
Adjusted Pre Provision Operating Profit Before Tax Growth	%	NA	2.77%	19.29%	74.06%
Net Worth	₹ million	43,250.57	40,916.03	35,665.00	17,770.68
Return on Average Net Worth	%	4.43%	13.10%	25.06%	17.19%
Return on Average Total Assets	%	0.46%	1.41%	2.29%	1.12%
Cost to Income Ratio	%	67.37%	61.30%	57.35%	56.22%
Net Interest Margin	%	5.00%	7.19%	7.77%	7.46%
Capital Adequacy Ratio CRAR	%	20.00%	20.70%	20.30%	15.60%
Tier I Capital	%	NA	19.80%	19.00%	13.00%
Tier II Capital	%	NA	0.90%	1.30%	2.60%
II. Operational Measures					
AUM	₹ million	NA	295,450	247,460	198,080
AUM Growth	%	NA	19.39%	24.93%	29.97%
AUM Share in Top 3 states	%	38.0%	38.0%	38.0%	38.0%
AUM Per Branch	₹ million	NA	368.39	306.26	262.71
Gross Disbursement	₹ million	47,750	198,300	176,050	148,120
Gross Disbursement Growth	%	NA	12.64%	18.86%	0.00%
Gross Disbursement Per Branch	₹ million	58.52	247.26	217.88	196.45
Average Ticket Size – Microfinance Loans	₹	NA	NA	NA	NA
Number of Active Borrowers	Million	4.30	4.20	5.40	4.60
Number of Active Borrowers Growth	%	2.4%	-22.2%	17.4%	24.3%
Total Number of Branches	Units	816.0	802.0	808.0	754.0
Total % of Digital Collection	%	NA	NA	NA	NA
No. of States	Units	25	25	24	24
No. of Districts	Units	NA	NA	NA	NA
Average Cost of Borrowings	%	0.00%	14.05%	13.58%	12.52%
Operating Expenses / Average AUM	%	6.03%	7.16%	7.20%	7.33%
Credit Cost Ratio	%	NA	2.55%	2.74%	3.76%
Gross NPA Ratio	%	2.59%	2.54%	2.00%	3.60%
Net NPA Ratio	%	0.94%	0.88%	0.50%	2.40%
Collection Efficiency	%	NA	NA	NA	NA
Credit Rating		ICRA A (stable), Care A (stable)			

Source: Company Reports, MFIN

Note: Nine months ended December 31, 2025 gross disbursements are of Q3 FY26; The credit rating mentioned represent the latest available rating for the company.

Utkarsh SFB

Key Performance Indicators (KPIs)	Units	Nine months ended December 31, 2025	FISCAL 2025	FISCAL 2024	FISCAL 2023
I. Financial Measures					
Total Assets	₹ million	282,796.03	281,274.37	239,026.77	191,172.92
Total Borrowings	₹ million	26,240.00	23,547.66	19,950.81	23,494.75
Total Income	₹ million	28,576.77	43,647.60	35,787.55	28,042.86
Net Interest Income	₹ million	282,796.03	281,274.37	239,026.77	191,172.92
Total Non-Interest Income	₹ million	26,240.00	23,547.66	19,950.81	23,494.75

Key Performance Indicators (KPIs)	Units	Nine months ended December 31, 2025	FISCAL 2025	FISCAL 2024	FISCAL 2023
Total Expenses	₹ million	28,576.77	43,647.60	35,787.55	28,042.86
Profit / (Loss) After Tax	₹ million	7,091.85	15,948.99	15,874.47	13,021.72
Debt to Equity Ratio	x times	7,071.02	10,277.99	6,986.99	5,261.65
Basic Earnings Per Equity Share	₹	28,136.36	43,410.60	30,811.28	23,997.84
Diluted Earnings Per Equity Share	₹	-9,629.63	237.01	4,976.29	4,045.02
Provision Coverage Ratio (%)	%	0.88	0.79	0.80	1.32
Adjusted Pre Provision Operating Profit Before Tax	₹ million	-7.75	0.22	4.79	4.52
Adjusted Pre Provision Operating Profit Before Tax Growth	%	-7.75	NA	4.75	4.51
Net Worth	₹ million	45.00%	51.18%	98.92%	88.30%
Return on Average Net Worth	%	440.41	10,069.32	9,972.68	8,383.24
Return on Average Total Assets	%	NA	0.97%	18.96%	63.76%
Cost to Income Ratio	%	29,610.00	29,745.04	29,731.88	20,003.21
Net Interest Margin	%	-32.45%	0.80%	20.01%	22.64%
Capital Adequacy Ratio CRAR	%	-3.41%	0.09%	2.31%	2.37%
Tier I Capital	%	96.89%	61.61%	56.38%	54.15%
Tier II Capital	%	3.74%	8.40%	9.84%	10.59%
II. Operational Measures					
AUM	₹ million	183,060	196,660	182,990	139,570
AUM Growth	%	-6.92%	7.47%	31.11%	31.29%
AUM Share in Top 3 states	%	91.0%	0.0%	0.0%	0.0%
AUM Per Branch	₹ million	166	180	206	168
Gross Disbursement	₹ million	NA	NA	NA	NA
Gross Disbursement Growth	%	NA	NA	NA	NA
Gross Disbursement Per Branch	₹ million	NA	NA	NA	NA
Average Ticket Size – Microfinance Loans	₹	NA	NA	NA	NA
Number of Active Borrowers	Million	5	5	5	NA
Number of Active Borrowers Growth	%	3.01%	10.64%	NA	NA
Total Number of Branches	Units	1,105	1,092	888	830
Total % of Digital Collection	%	NA	NA	NA	NA
No. of States	Units	27	27	26	26
No. of Districts	Units	NA	NA	NA	NA
Average Cost of Borrowings	%	0.00%	14.57%	13.28%	12.15%
Operating Expenses / Average AUM	%	7.23%	8.51%	7.99%	8.05%
Credit Cost Ratio	%	6.94%	5.16%	2.09%	2.46%
Gross NPA Ratio	%	11.05%	9.40%	2.50%	3.23%
Net NPA Ratio	%	4.48%	4.84%	0.03%	0.40%
Collection Efficiency*	%	82.00%	86.00%	98.00%	NA
Credit Rating*		ICRA A (negative), Care A (negative)			

Source: Company Reports, MFIN

Note: * indicates the ratio is for the fourth quarter and excludes pre-payments; The credit rating mentioned represent the latest available rating for the company.

ESAF SFB

Key Performance Indicators (KPIs)		Nine months ended December 31, 2025	FISCAL 2025	FISCAL 2024	FISCAL 2023
I. Financial Measures					
Total Assets	₹ million	291,369.80	271,782.89	260,868.95	202,236.79
Total Borrowings	₹ million	26,154.30	14,057.30	32,225.30	33,541.96
Total Income	₹ million	26,030.69	43,293.08	42,602.52	31,415.72
Net Interest Income	₹ million	8,650.60	15,998.12	20,126.93	15,146.65
Total Non-Interest Income	₹ million	3,778.99	9,188.07	7,988.25	6,095.89
Total Expenses	₹ million	26,811.00	37,141.90	38,346.84	28,392.39
Profit / (Loss) After Tax	₹ million	-1,899.10	-5,213.90	4,255.68	3,023.33
Debt to Equity Ratio	x times	1.41	0.63	1.54	2.15
Basic Earnings Per Equity Share	₹	-3.68	-10.13	8.96	6.73
Diluted Earnings Per Equity Share	₹	-3.67	-10.12	8.94	6.71
Provision Coverage Ratio (%)	%	53.80%	80.53%	65.15%	56.67%
Adjusted Pre Provision Operating Profit Before Tax	₹ million	-780.41	5,571.11	11,626.88	8,937.10
Adjusted Pre Provision Operating Profit Before Tax Growth	%	NA	-52.08%	30.10%	81.70%
Net Worth	₹ million	17,559.80	19,450.12	24,861.14	17,091.28
Return on Average Net Worth	%	-10.26%	-23.53%	20.29%	19.41%
Return on Average Total Assets	%	-0.67%	-1.96%	1.84%	1.59%
Cost to Income Ratio	%	106.28%	77.88%	58.65%	57.93%
Net Interest Margin	%	4.29%	8.14%	11.18%	10.57%
Capital Adequacy Ratio CRAR	%	22.70%	21.78%	23.27%	19.83%
Tier I Capital	%	16.00%	17.60%	19.70%	18.12%
Tier II Capital	%	6.70%	4.18%	3.57%	1.71%
II. Operational Measures					
AUM	₹ million	206,790	196,428	196,590	163,312
AUM Growth	%	5.28%	-0.08%	20.38%	32.34%
AUM Share in Top 3 states	%	69.00%	69.00%	68.80%	NA
AUM Per Branch	₹ million	262.42	249.59	261.08	233.30
Gross Disbursement	₹ million	296,040.00	209,844.00	170,137.40	149,409.10
Gross Disbursement Growth	%	NA	23.34%	13.87%	NA
Gross Disbursement Per Branch	₹ million	375.69	266.64	225.95	213.44
Average Ticket Size – Microfinance Loans	₹	NA	NA	NA	NA
Number of Active Borrowers	Million	9.99	9.40	8.37	6.80
Number of Active Borrowers Growth	%	NA	-5.91%	-10.96%	-18.76%
Total Number of Branches	Units	788	787	753	700
Total % of Digital Collection	%	NA	NA	NA	NA
No. of States	Units	26	26	25	NA
No. of Districts	Units	NA	NA	NA	NA
Average Cost of Borrowings	%	0.00%	14.67%	12.55%	11.29%

Key Performance Indicators (KPIs)		Nine months ended December 31, 2025	FISCAL 2025	FISCAL 2024	FISCAL 2023
Operating Expenses / Average AUM	%	6.55%	9.98%	9.16%	8.58%
Credit Cost Ratio	%	3.60%	6.36%	3.29%	3.40%
Gross NPA Ratio	%	5.60%	6.87%	4.76%	2.49%
Net NPA Ratio	%	2.70%	2.99%	2.26%	1.13%
Collection Efficiency	%	NA	NA	NA	NA
Credit Rating		Care A (negative)			

Source: Company Reports, MFIN

Note: The credit rating mentioned represent the latest available rating for the company.

Table 1: Suryoday SFB

Key Performance Indicators (KPIs)	Units	Nine months ended December 31, 2025	FISCAL 2025	FISCAL 2024	FISCAL 2023
I. Financial Measures					
Total Assets	₹ million	170,392.00	156,143.86	123,776.85	98,612.21
Total Borrowings	₹ million	16,802.00	27,102.87	24,429.80	27,654.14
Total Income	₹ million	18,280.70	21,710.01	18,080.85	12,811.05
Net Interest Income	₹ million	5,898.60	8,832.15	7,681.15	5,878.18
Total Non-Interest Income	₹ million	4,616.70	4,401.74	4,135.02	2,561.79
Total Expenses	₹ million	15,509.90	20,560.36	17,818.00	12,034.14
Profit / (Loss) After Tax	₹ million	1,022.50	1,149.65	2,159.59	776.91
Debt to Equity Ratio	x times	0.83	1.41	1.35	1.75
Basic Earnings Per Equity Share	₹	9.62	10.82	20.34	7.32
Diluted Earnings Per Equity Share	₹	9.61	10.75	20.15	7.32
Provision Coverage Ratio (%)	%	36.60%	37.72%	71.17%	51.42%
Adjusted Pre Provision Operating Profit Before Tax	₹ million	2,770.80	3,892.02	4,536.66	3,374.58
Adjusted Pre Provision Operating Profit Before Tax Growth	%	NA	-14.21%	34.44%	27.39%
Net Worth	₹ million	20,292.00	19,270.91	18,049.58	15,847.28
Return on Average Net Worth	%	5.17%	6.16%	12.74%	5.03%
Return on Average Total Assets	%	60.40%	0.82%	1.94%	0.86%
Cost to Income Ratio	%	73.65%	70.59%	61.61%	60.02%
Net Interest Margin	%	5.33%	9.35%	10.41%	10.52%
Capital Adequacy Ratio CRAR	%	21.90%	25.80%	28.40%	33.70%
Tier I Capital	%	21.00%	24.45%	26.54%	30.84%
Tier II Capital	%	0.90%	1.35%	1.86%	2.86%
II. Operational Measures					
AUM	₹ million	206,790.00	196,427.82	196,590.00	163,312.00
AUM Growth	%	15.94%	18.51%	41.48%	20.73%
AUM Share in Top 3 states	%	72.00%	70.00%	NA	65.60%
AUM Per Branch	₹ million	167	144	124	106
Gross Disbursement	₹ million	73,890	69,890	69,190	50,830
Gross Disbursement Growth	%	NA	1.01%	36.12%	44.08%

Key Performance Indicators (KPIs)	Units	Nine months ended December 31, 2025	FISCAL 2025	FISCAL 2024	FISCAL 2023
Gross Disbursement Per Branch	₹ million	103.78	98.44	99.55	88.09
Average Ticket Size – Microfinance Loans	₹	NA	NA	NA	NA
Number of Active Borrowers	Million	3.80	3.40	2.80	2.30
Number of Active Borrowers Growth	%	11.76%	21.43%	21.74%	21.05%
Total Number of Branches	Units	712	710	695	577
Total % of Digital Collection	%	NA	NA	NA	NA
No. of States	Units	16	15	15	15
No. of Districts	Units	NA	NA	NA	NA
Average Cost of Borrowings	%	46.22%	12.76%	12.26%	11.02%
Operating Expenses / Average AUM	%	7.00%	9.89%	9.86%	9.06%
Credit Cost Ratio	%	1.29%	2.60%	2.25%	4.23%
Gross NPA Ratio	%	6.69%	7.20%	2.80%	3.10%
Net NPA Ratio	%	4.35%	4.60%	0.80%	1.50%
Collection Efficiency	%	88.7%#	87.70%	95.80%	89.90%
Credit Rating		ICRA A (stable)			

Source: Company Reports, MFIN

Note: * indicates the Collection efficiency is adjusted with 1 EMI; # indicates the ratio is for Q3 Fical 2026; The credit rating mentioned represent the latest available rating for the company.

Notes

i) Financial measures referred to parameters that are directly derived from the financial statements of the Companies prepared in accordance with Indian Accounting Standards (Ind AS) and applicable provisions of the Companies Act, 2013.

iii) Operational Measures refer to non-financial measures relating to the Companies' business operations, which are derived from internal records and available in the public domain and are used by the management for operational monitoring and decision-making.

Definitions

(1) Total Assets represents total assets as of the last day of the relevant period/year as per Financial Statements.

(2) Total Borrowings represents the aggregate of debt securities, subordinated liabilities, and borrowings (other than debt securities), as per Financial Statements for the relevant period/year.

(3) Total income represents the aggregate of total revenue from operations and other income.

(4) Net interest income represents interest on loan portfolio in the relevant year/period as reduced by finance costs in such year/period as per the Financial Information

(5) Total Non-interest income represents summation of dividend income, fees and commission income, net gain on fair value changes, net gain on derecognition of financial instruments under amortised cost category, other operating income and other income as per Financial Information for the relevant years/period.

(6) Total expenses represent the aggregate of finance costs, employee benefits expenses, depreciation and amortisation expense, impairment on financial instruments and other expenses as per the Financial Statement

(7) Profit After Tax represents profit for the year (after tax) as per Financial Statements for the relevant period/year.

(8) Debt to Equity Ratio represents total borrowings divided by total equity attributable to shareholders as of the last day of the relevant year/period.

(9) Basic Earnings Per Equity Share represent Basic Earnings per Equity share as per Financial Statements for the relevant year.

(10) Diluted Earnings Per Equity Share represent Diluted Earnings per Equity share as per Financial Statements for the relevant year.

(11) Provision coverage ratio (%) represents Total Loss Allowances (Provisions) as required under Ind AS 109 held on Gross NPAs as of the last day of the relevant period/years, as a percentage of Gross NPAs as of the last day of the relevant period/years as per the Financial Information.

(12) Adjusted Pre Provision Operating Profit Before Tax represents profit before tax after adding back impairment on financial instruments for the relevant year/period as per the Financial Statements.

(13) Adjusted Pre Provision Operating Profit Growth (%) represents percentage growth in adjusted pre provision operating profit before tax for the relevant year/period over the previous year/period.

(14) Net Worth as of the last day of the relevant year/period represents total equity which includes equity share capital and other equity as per the Financial Information

(15) Return on Average Net Worth (%) represents profit after tax for the relevant year/period as a percentage of Average Net Worth for such year/period.

(16) Return on Average Total Assets (%) represents profit after tax for the relevant year/period as a percentage of average total assets for such year/period.

(17) Cost to Income Ratio (%) represents operating expenses as a percentage of total income for the relevant year/period.

(18) Net Interest Margin (%) represents net interest income for the relevant year/period as a percentage of average assets under management.

(19) Capital Adequacy Ratio represents capital adequacy ratio maintained by the Company in accordance with applicable RBI regulatory requirements.

(20) Tier I Capital ratio maintained by the Company in accordance with applicable RBI regulatory requirements.

(21) Tier II Capital ratio maintained by the Company in accordance with applicable RBI regulatory requirements.

(22) AUM represents the aggregate of principal outstanding for all loans to customers and assets pertaining to securitization, assignment and business correspondent portfolio, as of the last day of the relevant period/year.

(23) AUM Growth (%) represents percentage growth in AUM as of the last day of the relevant year/period over the previous year/period.

(24) AUM Share in Top 3 states represents proportion of AUM concentrated in the top three states as of the last day of the relevant year/period.

(25) AUM per branch represents AUM as of the last day of the relevant year/period divided by number of branches as of the last day of the relevant year/period

(26) Gross Disbursements represent aggregate of all loan amounts extended to customers during the relevant year/period.

(27) Gross Disbursement Growth (%) represents percentage growth in disbursements for the relevant year/period over the previous year/period.

(28) Gross Disbursement per branch represents gross disbursements during the relevant year/period divided by number of branches as of the last day of such year/period.

(29) Average Ticket Size – Microfinance Loans represents aggregate of all microfinance loan disbursement amounts extended to customers divided by total number of microfinance loans disbursed during the relevant year/period.

(30) Number of Active Borrowers represents borrowers having at least one active loan account outstanding as of the last day of the relevant year/period, including loan accounts transferred by way of securitisation or assignment and outstanding as of such date

(31) Number of Active Borrowers Growth (%) is Percentage growth in number of active borrowers as of the last day of the relevant year/period over the previous year/period.

(32) Total Number of Branches is Total operational branches of the Company as of the last day of the relevant year/period.

(33) Total % of Digital Collection is Proportion of total collections received through digital channels during the relevant year/period.

(34) Number of states in which the Company operates as of the last day of the relevant year/period.

(35) Number of districts in which the Company operates as of the last day of the relevant year/period.

(36) Average Cost of Borrowings (%) represents interest cost and related borrowing costs for the relevant year/period as a percentage of average borrowings outstanding for such year/period.

(37) Operating Expenses / Average AUM (%) represents operating expenses excluding finance costs and impairment on financial instruments as a percentage of average AUM for the relevant year/period.

(38) Credit Cost Ratio (%) represents impairment on financial instruments for the relevant year/period as a percentage of average AUM for such year/period.

(39) Gross NPA Ratio (%) represents gross non-performing assets as a percentage of gross loan portfolio as of the last day of the relevant year/period.

(40) Net NPA Ratio (%) represents net non-performing assets as a percentage of net loan portfolio as of the last day of the relevant year/period.

(41) Collection Efficiency (%) represents ratio of total collections including overdue, advance and prepayment collections to total billings for the relevant year/period.

(42) Credit Rating represents external credit ratings assigned to the Company by recognised credit rating agencies.

OUR BUSINESS

Some of the information in this section, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read "Forward-Looking Statements" on page 20 for a discussion of the risks and uncertainties related to those statements and also the sections "Risk Factors", "Industry Overview", "Restated Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 21, 177, 435 and 537, respectively, as well as financial and other information contained in this Draft Red Herring Prospectus as a whole, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.

Unless otherwise indicated, the financial information herein is based on our Restated Financial Information included in this Draft Red Herring Prospectus. For further information, see "Restated Financial Information" on page 435. Unless the context otherwise requires, in this section, references to "we", "us", "our", "the Company" or "our Company" refers to Arohan Financial Services Limited.

*Unless otherwise indicated, industry and market data used in this section has been derived from the report titled, "Research Report on Micro Finance Industry", dated May 15, 2026 ("**CARE Report**") prepared and released by CARE Analytics and Advisory Private Limited ("**CARE**") and exclusively commissioned by and paid for by us pursuant to the appointment of CARE through letter dated January 19, 2026, in connection with the Offer. The data included herein includes excerpts from the CARE Report, which is available on the website of our Company at www.arohan.in/investor-relations/arohan-for-investors from the date of this Draft Red Herring Prospectus till the Bid/Offer Closing Date, and has also been included in "Material Contracts and Documents for Inspection – Material Documents" on page 693. The relevant industry sources are indicated at all relevant places within this section. For more information, see "Risk Factors –Certain sections of this Draft Red Herring Prospectus disclose information from the CARE Report which is a paid report and commissioned and paid for by us exclusively in connection with the Offer and any reliance on such information for making an investment decision in the Offer is subject to inherent risks." on page 62. Also see, "Certain Conventions, Presentation of Financial, Industrial and Market Data" on page 17.*

Our Company's financial year commences on April 1 and ends on March 31 of the immediately subsequent year, and references to a particular Fiscal are to the 12 months ended March 31 of that year. Further, financial and operational information for the nine months ended December 31, 2025 has not been annualised.

OVERVIEW

We are a technology-enabled non-banking financial company – microfinance institution ("**NBFC-MFI**") offering income-generating loans and a suite of financial and non-financial products to underserved and unserved customers primarily across rural and semi-urban states in India with limited or no access to formal financial services. We aim to support broader financial inclusion and facilitate economic participation of women borrowers through access to credit.

With assets under management ("**AUM**") of ₹ 63,084.14 million, we are the second largest NBFC-MFI in Eastern India (based on the presence of corporate office) in terms of AUM as of December 31, 2025. (*Source: CARE Report*) We are also the ninth largest NBFC-MFI in India in terms of AUM with a market share of 4.71%, placing us among the leading participants in the micro finance industry. (*Source: CARE Report*) Based on gross non-performing assets ("**Gross NPAs**") and net non-performing assets ("**Net NPAs**"), we have delivered one of the strongest asset-quality performances among Peer NBFC-MFIs[*], with our Gross NPAs to gross loans ("**Gross NPAs/ Gross Loans**") of 1.69%, being the second lowest among Peer NBFC-MFIs, while our Net NPAs to Gross Loans ("**Net NPAs/ Gross Loans**") was 0.39%, the third lowest among Peer NBFC-MFIs, each as of December 31, 2025. (*Source: CARE Report*)

[*]*Peer NBFC-MFIs comprise the top 12 NBFC-MFIs in India based on AUM for the relevant period, along with select small finance banks ("**SFBs**") and Bandhan Bank that have loan portfolios with a significant focus on the microfinance segment for whom data is available for the relevant benchmarks. Although regulatory requirements for qualifying assets differ between NBFC-MFIs, SFBs and Bandhan Bank, such entities have been included as peers due to the comparable nature of microfinance loans, which are uniformly defined as collateral-free loans to*

households with annual income of up to ₹ 300,000. (Source: CARE Report) For further information, see "Industry Overview" on page 177.

Product Offerings

Our operations are focused on customer centricity, supported by a range of income-generating and financially inclusive offerings aimed at meeting the diverse needs of financially underserved and unserved customers. Our product portfolio comprises core microfinance products, including the *Saral* loan and micro-enterprise loans ("**MEL**"), as well as certain secondary, cross-sell products offered exclusively to our core loan product customers to address their requirements for both financial and non-financial products. These products support livelihood enhancement, working-capital requirements and essential household needs.

Our financial offerings include credit offerings and insurance products, while our non-financial offerings include cross selling of products such as inverter bulbs, consumer durables, kitchen appliances, bicycles and other household items through partner agencies. These products can also be financed by us through secondary loans for eligible customers. Our credit offerings comprise income-generating loans and loans extended for essential household purposes. Our insurance offerings include life and health insurance products issued and underwritten by certain insurance companies in India, which are distributed by us pursuant to tie-up arrangements with such insurers. In addition to our core organic offerings, we also undertake sourcing and collection arrangements, provide term loans to NBFCs and engage in direct assignment transactions with NBFCs. For further information, see *"– Business operations – Inorganic Business*" on page 360.

Large Customer Base and Diversified Network

As of December 31, 2025, we have 1.95 million active customers ("**Active Customers**" are defined as borrowers who had an active loan account as of the last day of the relevant period/years) of which 76.82% are located in non-urban (rural and semi-urban) geographies across 17 states in India. Women constitute the primary customer base of our Company, representing more than 93.57% of our total customers as of December 31, 2025, and our lending activities are primarily directed towards supporting their household livelihood and income-generating activities. We also cater to traders and micro, small and medium enterprises ("**MSMEs**").

We commenced our microfinance business in 2006 with operations in a single location in Kolkata, West Bengal, and our operations were predominantly focused on the Eastern India. Over the years, we have prioritised geographic diversification across states in western and southern India and have gradually expanded our footprint into under-penetrated rural and semi-urban areas that present growth opportunities. As of December 31, 2025, we have a diversified presence across 320 districts, primarily located across rural and semi-urban areas and operate 1,073 branches, including our head office, across 17 states in India. Of these, 682 branches or 63.56% of our total branch network, are located across rural areas, while 170 branches, representing 15.84%, operate in semi-urban areas. The remaining 221 branches or 20.60% of the network, are located in urban areas.

Our geographically distributed branch network enables us to deliver financial products and related services directly to customers in underserved and unserved communities, thereby supporting our objective of expanding financial inclusion through last-mile delivery. Our branch-based distribution model is complemented by technology-enabled processes that strengthen loan origination, collections and customer service across regions, enabling us to effectively service our existing customer base and deepen our presence while expanding outreach to new customers.

Technology-Enabled Infrastructure

Technology is an integral part of our operations. We leverage Aadhaar-based electronic know-your-customer ("**e-KYC**") processes for customer onboarding on our core banking platform, supported by artificial intelligence ("**AI**")-based tools and technology-based capabilities. We were among the first NBFC-MFIs in India and the first among Peer NBFC MFIs to receive Aadhaar-enabled e-KYC approval from the Ministry of Finance, Government of India (as per the gazette notification) enabling a more efficient and compliant customer onboarding process. (*Source: CARE Report*)

We focus on automating and digitising the loan lifecycle and key processes across customer onboarding, credit scoring, customer service, disbursements, internal audit, risk management and collections. These integrations have improved process efficiency and enabled us to allocate more time and resources towards introducing and cross-selling select financial and non-financial products.

We are the amongst the select few NBFC-MFIs in India to have adopted a full-scale Core Banking System ("**CBS**"), which supports scalability, operational standardization and improved governance (based on data available for Peer NBFC – MFIs). (*Source: CARE Report*) Our proprietary digital applications are built in-house by accessing services of a third party developer and form an integral part of our technology-enabled operating model. Set out below are some of our key technology mobile applications:

- *'ApnaArohan'* application allows customers to access information relating to their existing loans and available cross-sell products, as well as to make online payments of equated monthly instalments ("**EMIs**") directly through the application and is equipped with regional language capabilities.

- *'ApnaBazaar'* application enables customers to access a range of financial and non-financial products through our association with third-party service providers.

- *'ArohanPrivilege'* is an advanced technology-based loan sourcing facility that integrates end-to-end customer journey and is designed to serve seasoned credit customers efficiently through a seamless process covering e-KYC for e-signing, cashless disbursals and repayments.

As of December 31, 2025, our applications have been downloaded over 0.67 million times from a mobile application distribution platform and have processed over 1.50 million transactions since inception, enhancing customer engagement and self-service capabilities.

Defined Risk Management Framework

Our well-defined risk management framework focuses on identifying, assessing and managing key risks, including credit risk, operational risk, asset-liability risk and financial risk. Over the past few years, we have been working on strengthening a microfinance-sector-specific enterprise risk management ("**ERM**") framework. These efforts gained further relevance in Fiscal 2025, when the RBI, through its supervisory interactions and risk-focused engagements with systemically important NBFCs, emphasised the adoption of structured risk management frameworks. In line with this approach, and as part of the mandate of our risk management function, we initiated the implementation of an in-house ERM framework based on the Committee of Sponsoring Organizations of the Treadway Commission ("**COSO**") framework. We have developed a suite of proprietary, in-house risk models, including '*NIRNAY*', a proprietary credit scoring model, along with '*BRISK'* an internal portfolio-level risk monitoring and early-warning framework and '*SANDESH'* a rules-based enterprise risk alert and communication system which collectively enhance the effectiveness of our structured risk management framework. Risk registers have been identified across functions, with designated risk owners responsible for defining, reviewing and approving associated controls, mitigation measures and thresholds. We believe that the implementation of this ERM framework strengthens our ability to identify, manage and monitor risks in a structured and forward-looking manner, enhances management oversight and supports informed decision-making across the organisation.

We have implemented an AI-driven voice bot, '*Arohi*', to support recovery processes for hard-bucket accounts. *Arohi* conducts multilingual recovery calls, and the information captured is used in subsequent follow-ups. In cases where customers are uncontactable, we undertake structured skip-tracing through our in-house team and where required, use external solutions to obtain and validate alternate contact information. We also use an AI-based field-force management system, '*Dista*', which assists Receivable Executives ("**REs**") through task allocation, visit updates, disposition code capture and supervisory monitoring, and we apply customer-level recovery scorecards developed through internal models to prioritise outreach. For further information, see "*—Advanced and Scalable AI-Enabled Technology Infrastructure*" on page 347.

We have established a dedicated debt receivable department to manage overdue accounts. Recovery initiatives such as the *Sandhi* Settlement Scheme and participation in National or local *Lok Adalats* have supported delinquency management. Our underwriting processes and risk management policies, including our extensive customer assessment methodologies and monitoring systems, have resulted in healthy portfolio quality indicators such as low rates of Gross NPAs and Net NPAs. Our Total Loss Allowances (Provisions) as required under Ind AS 109 was ₹ 783.70 million as of December 31, 2025. We have maintained a robust position with a 77.05% Provision

coverage ratio (%) as of December 31, 2025. Our total equity was ₹ 20,918.07 million as of December 31, 2025. Our Capital to risk weighted assets ratio (CRAR) (%) stood at 31.20% as of December 31, 2025, providing a strong capital buffer above regulatory requirements. For a reconciliation of non-GAAP measures, see "*Management's Discussion and Analysis of our Results of Operations – Non-GAAP Measures*" on page 554. Over the past three fiscals and nine months ended December 31, 2025, recoveries have consistently contributed to our operations. For further information, see "*– Business Operations – Debt Receivable Department*" on page 366.

Approach to Regulatory Compliance

Our operating philosophy is driven by transparency and efficient regulatory compliance. In October 2024, the RBI issued an order against four NBFCs, including our Company, and directed such NBFCs, to cease and desist from sanction or disbursal of loans with effect from close of business of October 21, 2024, until certain material supervisory concerns of the RBI were suitably remediated (the "**RBI Order**"). Following deliberations at various Board meetings held after the RBI Order, our Company undertook several remedial steps. The RBI lifted the restrictions from our Company on January 3, 2025, marking the second fastest industry exits from such an order, achieved within less than 75 days. (*Source: CARE Report*), reflecting our compliance and engagement framework. For further information in relation to the RBI Order and remedial steps undertaken by us, see "*Risk Factors — The Reserve Bank of India had directed our Company to cease and desist from sanction or disbursal of loans from October 21, 2024, until January 3, 2025. Any such directions in the future from the RBI or any other regulatory authority, including in relation to suspension of our business, could adversely affect our business, financial condition, results of operations and reputation.*" on page 21.

Further, the implementation of mandatory compliance guidelines for NBFC-MFIs during Fiscal 2025 formed part of a broader period of regulatory and sector-wide recalibration. This coincided with the introduction of enhanced underwriting norms and borrower indebtedness limits by the Microfinance Institutions Network ("**MFIN**") and Sa-dhan, the self-regulatory organisation for the microfinance sector. These measures contributed to strengthened underwriting practices and improved portfolio behaviour across the sector, while facilitating the extension of credit to customers with stronger credit profiles.

In the past, the microfinance industry in Assam was impacted by the Assam Microfinance Incentive and Relief Scheme, 2021 ("**AMFIRS**"). For our Company, these conditions resulted in elevated provisioning and write-offs in Assam; however, recovery initiatives subsequently undertaken led to recoveries from written-off accounts. For further information, see, "*—Proprietary Credit Scoring Model Driving Underwriting Discipline and Risk Based Pricing*" on page 349.

Impact Focused Institutional Investors and Experienced Management

Our Promoter, Aavishkaar Venture Management Services Private Limited **("AVMS")**, is part of the Aavishkaar Group, an institutional impact-investment platform with a multi-fund, multi-strategy franchise and an established operating track record in India and select international markets. The Aavishkaar Group has advised and supported the growth of several businesses focused on social impact in India and overseas and has also provided advisory services to numerous organisations on inclusive business strategies. It continues to make significant investments in social impact-oriented businesses. As of December 31, 2025, the Aavishkaar Group had AUM of approximately USD 1,300.00 million. We benefit from the Aavishkaar Group's experience in early-stage investing, incubation and capacity-building of microfinance institutions, which supports our strategic planning, business processes and management development. The Aavishkaar Group also includes Aavishkaar Capital, a participant in impact-led investing, having invested in the microfinance industry in 2007. (*Source: CARE Report*) It also undertakes initiatives to address climate change and support underserved communities.

In addition, our Board and senior management team bring extensive experience from leading financial institutions, banks and NBFCs, and play a key role in driving our growth, operational discipline and governance standards to address the strategic requirements across microfinance, credit, risk, compliance, technology, operations and customer engagement. Our institutional investors include Tano India Private Equity Fund II, Maj Invest Financial Inclusion Fund II K/S, Michael & Susan Dell Foundation, TR Capital III Mauritius, Teachers Insurance and Annuity Association, Danish Sustainable Development Goals Investment Fund, and Triodos Sicav II.

Sustainability and Industry Recognition

We are committed to sustainable business practices ensuring future-readiness through a well-knit environment, social and governance ("**ESG**") focussed business model. Our initiatives include safe drinking water and sanitation projects, water conservation efforts and disaster relief measures. Among our key ESG achievements was the implementation of integrated water and sanitation plants that provide portable drinking water through dispensers at different locations across four states in India. As of December 31, 2025, through these installations, approximately 872,823.00 litres of clean drinking water has been dispensed, benefiting around 23,239 people within the project areas.

We have received several industry recognitions and award. In Fiscal 2023, we were awarded the "best payment and collections solution, India" at the Asset Triple A Awards and we received certification of ISO 9001:2015 for conducting internal audit operations in 2023. In 2024, we were awarded 'GOLD level of achievement' in client protection by MFR certification committee. In 2025, we were honoured at the CRIF Data Excellence Awards for data-driven innovation. We have also retained top-tier gradings, including CARE MFI 1 (as of March 2026), reflecting our operational excellence.

Financial and Operational Performance Metrics

According to the CARE Report, the NBFC-MFI sector experienced a significant deterioration in profitability in Fiscal 2025 driven by rising credit costs and asset-quality stress. In contrast, we have maintained a track record of consistent profitability over the last three years, and the nine months ended December 31, 2025. Our profit after tax for the year increased from ₹ 707.16 million in Fiscal 2023 to ₹ 1,096.86 million in Fiscal 2025, at a CAGR of 24.54%, supported by our focused operating model, diversified customer base and portfolio quality. Our profit after tax for the period for the nine months ended December 31, 2025, was ₹ 607.44 million. Between Fiscal 2023 and Fiscal 2025, our net income grew at a CAGR of 40.57%, while our AUM increased at a CAGR of 5.85% over the same period. Our total income grew from ₹ 10,909.96 million in Fiscal 2023 to ₹ 16,952.62 million in Fiscal 2025. Our total income for the nine months ended December 31, 2025, was ₹ 11,330.54 million.

The following table sets forth certain key financial information for our Company for the financial period/years indicated:

Particulars	**As of / For the Nine Months ended December 31, 2025**	**As of / For the Financial Year Ended March 31,**		
		2025	**2024**	**2023**
Gross disbursements [(1)] (₹ million)	44,916.84	46,356.63	67,088.91	52,992.75
Total income (₹ million)	11,330.54	16,952.62	16,346.34	10,909.96
Net interest income ("**Net Interest Income**") [(2)] (₹ million)	6,071.99	8,590.85	7,606.32	4,419.49
Profit before tax (₹ million)	792.11	1,380.85	4,124.33	899.54
Adjusted pre-provision operating profit before tax [(3)] (₹ million)	3,483.23	5,355.99	5,911.93	2,831.19
Adjusted pre-provision operating profit before tax (%)[(4)]	30.74%	31.59%	36.17%	25.95%
Profit after tax for the period/ year (₹ million)	607.44	1,096.86	3,138.21	707.16
Total comprehensive income for the period/year (₹ million)	589.02	1,027.69	3,101.21	680.89
Interest Income (₹ million)	10,376.59	15,811.78	14,176.86	9,490.49
Net interest margin (%) [(5)] (%)	9.86%	13.10%	12.20%	9.32%
Operating expenses/ Average AUM [(6)] (%)	6.50%	8.05%	7.24%	7.16%
Total expenses	10,538.43	15,571.77	12,222.01	10,010.42
Adjusted expense to total income ratio (%) [(7)]	35.29%	31.13%	27.60%	31.09%
Return on average AUM (%) [(8)]	0.99%	1.67%	5.03%	1.49%
Return on Equity Ratio (%) [(9)]	2.95%	5.57%	19.30%	5.99%
Total equity	20,918.07	20,251.28	19,147.56	13,380.25

Particulars	As of / For the Nine Months ended December 31, 2025	As of / For the Financial Year Ended March 31,		
		2025	2024	2023
Impairment on financial instruments (₹ million) [10]	2,691.12	3,975.14	1,787.60	1,931.65
- Impairment on loans[11] (₹ million)	(372.13)	538.52	(1,190.81)	(1,457.77)
- Impairment loss allowances on security receipts[11] (₹ million)	(50.00)	234.40	411.81	-
- Impairment loss allowance on investments[11] (₹ million)	(0.50)	-	-	-
- Impairment loss allowance on trade receivables[11] (₹ million)	-	0.50	(14.74)	14.74
- Bad debt written off (net of recoveries) (₹ million)	3,113.75	3,201.72	2,581.34	3,374.68
Impairment on financial instruments / average gross loans (%) [12]	4.50%	6.25%	3.02%	4.19%
Gross loans (₹ million)	60,190.34	59,342.99	67,861.95	50,668.61
Gross NPAs/Gross Loans (%) [13]	1.69%	2.85%	1.67%	2.86%
Net NPAs/Gross Loans (%) [14]	0.39%	0.53%	-	0.21%
Disbursement yield [15]	22.56%	23.16%	24.49%	23.85%
AUM [16] (₹ million)	63,084.14	60,025.77	71,120.41	53,573.71
Total assets	74,618.38	68,857.87	81,154.41	60,181.71
Return on Average Total Assets (%) [17]	0.85%	1.46%	4.44%	1.26%
Fees and commission income	640.56	965.38	1,688.59	1,020.97
Total Loss Allowances (Provisions) as required under Ind AS 109	783.70	1,383.11	1,136.22	1,346.82
Provision coverage ratio (%) [18]	77.05%	81.70%	100.00%	92.80%

Notes:

(1) Gross disbursements represent the aggregate of all loan amounts extended to all our customers for the relevant period/years.

(2) Net Interest Income represents interest on loan portfolio in the relevant period/years as reduced by finance costs in such period/years as per the Restated Financial Information.

(3) Adjusted pre-provision operating profit before tax is calculated as profit before tax after adding back impairment on financial instruments as per the Restated Financial Information for the respective period/years. For a reconciliation of non-GAAP measures, see "Management's Discussion and Analysis of our Results of Operations – Non-GAAP Measures" on page 554.

(4) Adjusted pre-provision operating profit before tax (%) is calculated as profit before tax after adding back impairment on financial instruments as a percentage per the Restated Financial Information for the respective period/years. For a reconciliation of non-GAAP measures, see "Management's Discussion and Analysis of our Results of Operations – Non-GAAP Measures" on page 554.

(5) Net interest margin (%) represents net interest income loan portfolio for the relevant period/years as a percentage of average AUM for such period/years. For a reconciliation of non-GAAP measures, see "Management's Discussion and Analysis of our Results of Operations – Non-GAAP Measures" on page 554.

(6) Operating expenses/ Average AUM (%) represents operating expenses for the relevant period/years as a percentage of Average AUM for such period/years. Operating expenses represents total expenses as reduced by finance costs and impairment on financial instruments for the relevant period/years as per the Restated Financial Information.

(7) Adjusted expense to total income ratio (%) is calculated as Adjusted expense as a percentage of total income. Adjusted expense represents total expenses as reduced by finance costs and impairment on financial instruments for the relevant period / years as per the Restated Financial Information. Total income comprises revenue from operations and other income for the relevant period / years as per the Restated Financial Information. For a reconciliation of non-GAAP measures, see "Management's Discussion and Analysis of our Results of Operations – Non-GAAP Measures" on page 554.

(8) Return on average AUM (%) is calculated as profit after tax for the period/ years for the relevant period/years as a percentage of average AUM for such period/years.

(9) Return on Equity Ratio (%) is calculated as the profit after tax for the period/years as a percentage of Average Net Worth in such period/years (for calculation of average, refer to Note 18 below). For a reconciliation of non-GAAP measures, see "Management's Discussion and Analysis of our Results of Operations – Non-GAAP Measures" on page 554.

(10) Impairment on financial instruments for the relevant period/years represents such expenses as per Restated Financial Information.

(11) *Incremental impairment represents sum of impairment on loans, impairment loss allowances on security receipts, impairment loss allowances on investment and impairment loss allowance on trade receivables for the relevant period/years as per the Restated Financial Information.*

(12) *Impairment on financial instruments/ Average gross loans (%) represents impairment on financial instruments for the relevant period/years as a percentage of average gross loans for such period/years.*

(13) *Gross NPAs/Gross loans (%) represents Gross NPAs as of the last day of the relevant period/years as a percentage of gross loans as per Restated Financial Information for the relevant period/years. Gross NPAs as of the last day of the relevant period/years represents gross loans as per Restated Financial Information which are required to be classified as NPA as per the norms income recognition, asset classification and provisioning norm issued and modified by RBI from time to time.*

(14) *Net NPAs/Gross loans (%) represents Net NPAs as of the last day of the relevant period/years as a percentage of loans gross of impairment allowance reduced by the impairment allowance against the NPA assets as per Restated Financial Information for the relevant period/years. Net NPAs as of the last day of the relevant period/years represents Gross NPAs as reduced by the Impairment allowance against the NPA assets as per Restated Financial Information.*

(15) *Disbursement yield has been calculated as weighted average yield at the time of origination during the relevant period/years.*

(16) *AUM as of the last day of the relevant period/years represents aggregate of principal outstanding including principal overdue if any for all loans to customers held by our Company (i.e., on-balance-sheet loans) and assets transferred by way of securitisation, assignment of receivables and business correspondent receivables outstanding as of the last day of the relevant period/years.*

(17) *Return on Average Total Assets (%) is calculated as the profit after tax for the period/ years as a percentage of Average Total Assets (simple average of opening total assets and closing total assets) in such period/years. (for calculation of average, refer to Note 18 below). For a reconciliation of non-GAAP measures, see "Management's Discussion and Analysis of our Results of Operations – Non-GAAP Measures" on page 554.*

(18) *Provision coverage ratio (%) represents Total Loss Allowances (Provisions) as required under Ind AS 109 held on Gross NPAs as of the last day of the relevant period/years, as a percentage of Gross NPAs as of the last day of the relevant period/years as per the Restated Financial Information. For a reconciliation of non-GAAP measures, see "Management's Discussion and Analysis of our Results of Operations – Non-GAAP Measures" on page 554.*

(19) *Average, where applicable, has been arrived at by calculating the simple average of values as of the end of the period/years for the respective period/years and as of the end of the immediately preceding period/years. For example, for computing average for the twelve months ended March 31, 2025, the value has been calculated as the average of values as on March 31, 2025, and March 31, 2024.*

The following table sets forth certain key operational information as indicated below:

Particulars	As of / For the Nine Months ended December 31, 2025	As of / For the Year Ended March 31,		
		2025	2024	2023
Number of Active Customers (1)	1,952,912	2,138,608	2,410,896	2,012,504
Number of Active Customers added during the period	(185,696)	(272,288)	398,392	148,110
Active Customers with more than three lenders (%)	5.05%	15.01%	18.54%	12.26%
Number of branches	1,073	1,103	976	830
Number of employees	9,502	10,252	9,333	8,030
Number of loan officers	5,723	6,359	5,680	4,793
Active Customers per loan officers	341.24	336.31	424.47	419.88
Loan officers per branch	5	6	6	6
Number of active loan accounts (2)	1,989,999	2,199,801	2,437,082	2,026,206
Average ticket size (₹) (3)	55,551.67	52,028.15	45,092.85	39,524.71
Total Borrowings (4) (₹ million)	52,194.32	47,034.03	60,158.43	45,334.90
Monthly average cost of borrowings (%)	8.08%	11.52%	11.70%	11.62%
Total Stage 2 Gross Carrying Amount as per Ind AS (I)	678.76	1,124.40	410.15	2732.04
Total Stage 3 Gross Carrying Amount as per Ind AS (II)	978.99	1,641.29	1,115.79	1,372.13

Particulars	As of / For the Nine Months ended December 31, 2025	As of / For the Year Ended March 31,		
		2025	2024	2023
Par>30 (III=I+II)	1,657.75	2,765.69	1,525.94	4,104.17
Gross loans (IV) (₹ million)	60,190.34	59,342.99	67,861.95	50,668.61
PAR>30 [5] (%) (V=III/IV)	2.75%	4.66%	2.25%	8.10%
PAR>90 [6] (%) (VI=II/IV)	1.63%	2.77%	1.64%	2.71%
Total equity	20,918.07	20,251.28	19,147.56	13,380.25
Net Worth [7] (₹ million)	20,918.07	20,251.28	19,147.56	13,380.25
Net debt to equity ratio [8]	2.50	2.32	3.14	3.39
Average Net Worth/Average AUM (%) [9]	33.44%	30.04%	26.09%	24.91%
AUM per branch (₹ million)	58.79	54.42	72.87	64.55
AUM per employee (₹ million)	6.64	5.86	7.62	6.67
Disbursement per branch (₹ million)	41.86	42.03	68.74	63.85
Disbursement per employee (₹ million)	4.73	4.52	7.19	6.60
Collection efficiency [10]	108.67%	103.92%	108.85%	112.42%
CRAR-Tier I Capital (%)	30.58%	31.82%	26.85%	25.46%
CRAR-Tier II Capital (%)	0.62%	2.27%	2.16%	3.28%
Capital to risk weighted assets ratio (CRAR) (%)	31.20%	34.09%	29.01%	28.74%

Notes:

[1] Number of Active Customers are defined as the aggregate of borrowers who had an active loan account as of the last day of the relevant period/years.

[2] Number of active loan accounts represents the aggregate number of loan accounts of our Company, as of the last day of the relevant period/years, in respect of which loans sanctioned prior to or during the relevant period/years remain outstanding.

[3] Average ticket size represents Gross MFI disbursement divided by number of MFI loan accounts disbursed during the relevant period/years.

[4] 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/ years as per the Restated Financial Information.

[5] PAR>30 (%) represents PAR>30 as of the last day of the relevant period/years as a percentage of loans gross of impairment allowance as per Restated Financial Information for the relevant period/years. PAR>30 represents the summation of stage 2 and stage 3 assets. 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. Stage 3 (more than 90 days) includes loan assets that have objective evidence of impairment at the reporting date.

[6] PAR>90 (%) represents PAR>90 as of the last day of the relevant period/years as a percentage of loans gross of impairment allowance as per Restated Financial Information for the relevant period/years. PAR>90 represents the stage 3 assets as of the last day of the relevant period/years.

[7] Net Worth represents the aggregate value of the paid-up share capital and all reserves created out of the profits and 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. Here, Net Worth is sum of Equity share capital and Other equity. RoNW (%) is calculated as the profit after tax for the period/ years as a percentage of Net Worth in such period/years. For a reconciliation of non-GAAP measures, see "Management's Discussion and Analysis of our Results of Operations – Non-GAAP Measures" on page 554.

[8] Net debt to equity ratio represents the Total Borrowings divided by total equity attributable to shareholders as of the last day of the relevant period/years as per the Restated Financial Information.

[9] Average Net Worth/ Average AUM (%) is calculated as the Average Net Worth for the relevant period/years as a percentage of Average AUM for such period/years.

[10] Collection efficiency is calculated as a ratio of total collections (including overdue, advance and prepayment collections) to billings for the relevant period/years.

For a reconciliation of non-GAAP measures, see "*Management's Discussion and Analysis of our Results of Operations – Non-GAAP Measures*" on page 554.

BUSINESS STRENGTHS

We consider the following to be our business strengths:

Second Largest NBFC-MFI in Eastern India (based on the presence of corporate offices) among Peer NBFC-MFIs in terms of AUM with a Focus on Under-Penetrated Rural and Semi-Urban Areas

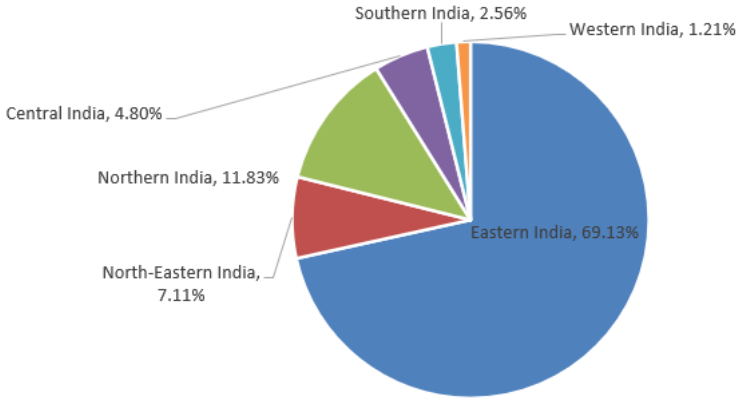
With AUM of ₹ 63,084.14 million, we are the second largest NBFC-MFI in Eastern India (based on the presence of corporate office) in terms of AUM, as of December 31, 2025 (*Source: CARE Report*). According to the CARE Report, the Peer NBFC-MFIs in India accounted for 70.00% of the NBFC-MFI portfolio in Fiscal 2025. As of December 31, 2025, we were ranked as the ninth largest NBFC-MFI in India in terms of AUM with a market share of 4.71%, placing us among the leading participants in the micro finance industry. (*Source: CARE Report*) While the NBFC-MFIs represent a significant component of credit delivery to underserved areas, a substantial portion of the market continues to be serviced by other lenders, suggesting scope for incremental growth for NBFC-MFIs. (*Source: CARE Report*)

We are present in 320 districts across India through our network of 1,073 branches including our head office, as of December 31, 2025. While our operations have historically been concentrated in Eastern and North-Eastern India, we have expanded our presence into select states in western and southern India. *For further information on definition of regions see, "Definitions and abbreviations—Industry/Business related terms" on page 11.* As part of this approach, we have pursued a calibrated regional growth in our AUM to reduce geographic concentration and progressively expand our portfolio, while maintaining a focus on asset quality and operational stability through diversification of credit risk across regions. Set forth below are details of our region-wise AUM distribution as of December 31, 2025, in our top 10 states in terms of AUM:

Region	States Included	AUM (As of December 31, 2025) (₹ million)	Percentage of Total AUM (%)
Eastern India	West Bengal, Bihar, Odisha, Jharkhand	43,611.01	69.13%
North-Eastern India	Assam	4,483.69	7.11%
Northern India	Uttar Pradesh	7,460.10	11.83%
Central India	Madhya Pradesh and Chhattisgarh	3,026.85	4.80%
Southern India	Karnataka	1,611.95	2.56%
Western India	Gujarat	762.33	1.21%
Total AUM across top 10 states		**60,955.92**	**96.63%**

For further information on definition of regions see, "Definitions and abbreviations—Industry/Business related terms" on page 11.

Region-wise distribution of our AUM (%) across top ten states as of December 31, 2025



For further information in relation to state-wise spread of our AUM, see "*Selected Statistical Information*" on page 585. Our geographic spread across multiple states and districts supports business continuity and reflects our efforts towards mitigating the impact of region-specific economic or operational disruptions, although our portfolio remains subject to concentration in certain core markets.

We focus on providing our offerings to underserved and unserved customers across rural and semi-urban areas with our rural portfolio accounting for a majority of our AUM. Northern and western regions are the most underpenetrated regions in India in terms of the microfinance industry as of December 31, 2025, and hence, provide ample market opportunities for the MFI lenders in fulfilling financial needs of underserved populations and fostering economic development in these regions. (*Source: CARE Report*) The table below sets forth our geographical spread of AUM by region type for the dates indicated:

Region	As of December 31, 2025		As of March 31,					
			2025		2024		2023	
	AUM (₹ million)	Percentage of Total AUM (%)	AUM (₹ million)	Percentage of Total AUM (%)	AUM (₹ million)	Percentage of Total AUM (%)	AUM (₹ million)	Percentage of Total AUM (%)
	(₹ million, except percentages)							
Urban	16,392.31	25.98%	14,433.34	24.05%	14,907.71	20.96%	8,860.15	16.54%
Semi-Urban	6,039.35	9.57%	5,752.09	9.58%	6,799.94	9.56%	3,457.47	6.45%
Rural	40,652.48	64.44%	39,840.34	66.37%	49,412.75	69.48%	41,256.09	77.01%
Total	**63,084.14**	**100.00%**	**60,025.77**	**100.00%**	**71,120.41**	**100.00%**	**53,573.71**	**100.00%**

Our scale of operations, regional leadership in Eastern India, and presence across multiple states primarily across rural and semi-urban markets, position us as a significant NBFC-MFI. Our approach to geographic expansion and predominantly rural-focused portfolio aligns with industry trends and support diversification of credit risk, while enabling balanced growth alongside asset quality and operational stability.

Customer Centric Approach with Diverse Product Offerings

We have designed our lending products to meet our customers' needs based on loan size and repayment abilities. In our primary lending segment, our lending portfolio spans a wide range of ticket sizes, comprising entry-level business loans starting at ₹ 10,000.00 and extending to term loans of up to ₹ 1,000.00 million provided to NBFCs.

Our '*Saral*' loan has an average ticket size of ₹ 49,924.73 and is offered to women from low-income backgrounds, primarily to groups consisting of three to five women under the joint liability group ("**JLG**") model. Our MEL loan product addresses working capital needs of small businesses situated in the same marketplace and has an average ticket size of ₹ 98,308.07. For further information, see "– *Product Portfolio – Core Loan Products*" on page 357.

In addition to our core loan products, to build customer relationships, we also cross-sell secondary products to our existing customers, directly or through our '*ApnaBazaar*' application. We cater to our customers' requirements for both financial products like insurances, as well as, non-financial products, for various household purposes including by offering loans for the purchase of inverter bulbs, home and kitchen appliances, and consumer durables in association with various third-party vendors. For further information, see "– *Secondary Products – Non-Financial Products*" on page 359. For our insurance offerings, we distribute these pursuant to arrangements with Bajaj Life Insurance Company Limited, HDFC Life Insurance Company Limited and Kotak Mahindra Life Insurance Company Limited for them to underwrite group term life insurance policies. We also partner with Generali Central Insurance Company Limited, erstwhile Future Generali India Insurance Company Limited for them to provide health insurance and hospital cash benefits to our customers, and with CARE Health Insurance Limited to offer hospital cash benefits to our customers for additional financial support during hospitalization. For further information, see "– *Secondary Products – Financial Safety Net Products*" on page 359.

The following table sets forth details of AUM for our loan products as of the dates indicated:

Particulars	As of December 31, 2025		As of March 31,					
			2025		2024		2023	
	AUM (₹ million)	Percentage of Total AUM (%)	AUM (₹ million)	Percentage of Total AUM (%)	AUM (₹ million)	Percentage of Total AUM (%)	AUM (₹ million)	Percentage of Total AUM (%)
AUM of core loan products [(1)]	53,970.80	85.55%	52,780.91	87.93%	65,019.89	91.42%	52,195.01	97.43%
AUM of secondary loan products [(2)]	139.35	0.22%	231.58	0.39%	237.90	0.33%	109.12	0.20%
AUM of other loan products [(3)]	8,973.99	14.23%	7,013.28	11.68%	5,862.62	8.24%	1,269.58	2.37%
Total AUM [(3)]	**63,084.14**	**100.00%**	**60,025.77**	**100.00%**	**71,120.41**	**100.00%**	**53,573.71**	**100.00%**

Notes:

(1) AUM of core loan products as of the last day of the relevant period/years represents aggregate of principal outstanding including principal overdue if any for core loans to customers held by our Company (i.e., on-balance-sheet loans) and assets transferred by way of securitisation, assignment of receivables and business correspondent receivables outstanding as of the last day of the relevant period/years.

(2) AUM of secondary loan products as of the last day of the relevant period/years represents aggregate of principal outstanding including principal overdue if any for secondary loans to customers held by our Company (i.e., on-balance-sheet loans) and assets transferred by way of securitisation, assignment of receivables and business correspondent receivables outstanding as of the last day of the relevant period/years.

*(3) AUM of other loan products as of the last day of the relevant period/years represents aggregate of principal outstanding including principal overdue if any for other loans including term loans to NBFCs, sourcing and collections activities undertaken through partnered MFIs, and direct assignment ("**DA**") transactions from other NBFCs to customers held by our Company (i.e., on-balance-sheet loans) and assets transferred by way of securitisation, assignment of receivables and business correspondent receivables outstanding as of the last day of the relevant period/years.*

(4) AUM as of the last day of the relevant period/years represents aggregate of principal outstanding including principal overdue if any for all loans to customers held by our Company on its balance sheet and assets transferred by way of securitisation, assignment of receivables and business correspondent receivables outstanding as of the last day of the relevant period/years.

The following table sets forth details of our fees and commission income for the period/years indicated:

Particulars	Nine months ended December 31, 2025	Fiscal		
		2025	2024	2023
	(₹ million, except percentages)			
Income from cross sell business **(A)**	23.89	135.45	1,591.22	1,020.97
Income from insurance commission **(B)**	422.13	457.35	97.37	-
Other insurance related income **(C)**	194.54	372.58	-	-
Total fees and commission income (D = A + B + C)	**640.56**	**965.38**	**1,688.59**	**1,020.97**

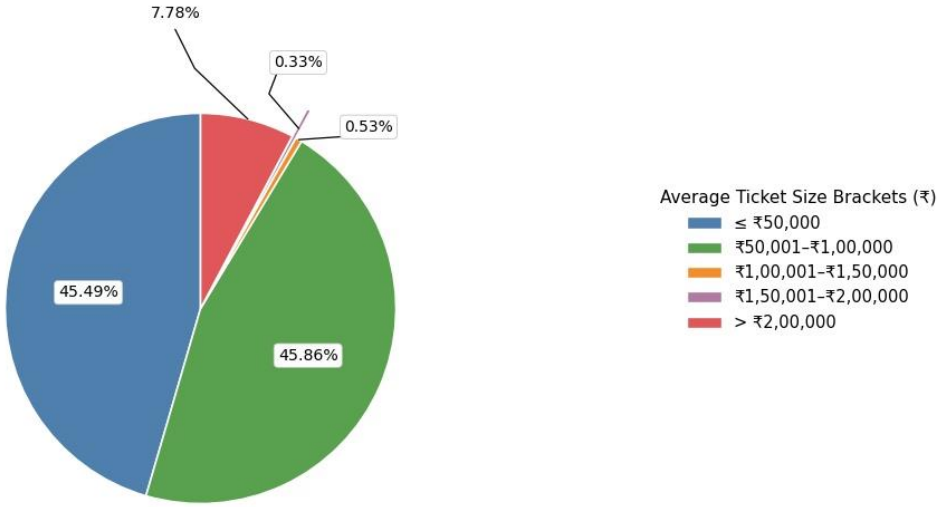
Total revenue from operations (E)	11,281.34	16,917.48	16,286.93	10,875.34
Total fees and commission income as a percentage of total revenue from operations (F = D/E)	**5.68%**	**5.71%**	**10.37%**	**9.39%**

The table below sets forth details of our non-interest income for the period/years indicated:

Particulars	**Nine months ended December 31, 2025**	**Fiscal**		
		2025	**2024**	**2023**
Dividend income (I)	0.44	1.25	-	-
Fees and commission income (II)	640.56	965.38	1,688.59	1,020.97
Net gain on fair value changes (III)	29.03	-	-	-
Net gain on derecognition of financial instruments under amortised cost category (IV)	232.24	116.79	413.26	358.65
Other operating income (V)	2.48	22.28	8.22	5.23
Other income (VI)	49.20	35.14	59.41	34.62
Non-interest income (₹ million) (VII = I + II + III+ IV + V + VI)	953.95	1,140.84	2,169.48	1,419.47
Total revenue from operations (VIII)	11,281.34	16,917.48	16,286.93	10,875.34
Non-interest income as a percentage of total revenue from operations (IX = VII/VIII)	**8.46%**	**6.74%**	**13.32%**	**13.05%**
Total income (X)	11,330.54	16,952.62	16,346.34	10,909.96
Non-interest income as a percentage of total income (XI = VII/ X)	**8.42%**	**6.73%**	**13.27%**	**13.01%**

Note: Non-interest income represents summation of dividend income, fees and commission income, net gain on fair value changes, net gain on derecognition of financial instruments under amortised cost category, other operating income and other income as per Restated Financial Information for the relevant period/years.

Set forth below is AUM distribution of our borrowers based on their average ticket size with us, as of December 31, 2025:



Set forth below is our geographical spread of Active Customers by region type as of the dates indicated:

Region	As of December 31, 2025		As of March 31,					
			2025		2024		2023	
	Number of Active Customers [1]	Percentage of Active Customers (%)	Number of Active Customers [1]	Percentage of Active Customers (%)	Number of Active Customers [1]	Percentage of Active Customers (%)	Number of Active Customers [1]	Percentage of Active Customers (%)
Urban	4,52,619	23.18%	4,46,430	20.87%	4,62,410	19.18%	3,21,603	15.98%
Semi-Urban	2,01,173	10.30%	2,29,974	10.76%	2,27,479	9.44%	1,31,117	6.52%
Rural	12,99,120	66.52%	14,62,204	68.37%	17,21,007	71.38%	15,59,784	77.50%
Total	**19,52,912**	**100.00%**	**21,38,608**	**100.00%**	**24,10,896**	**100.00%**	**20,12,504**	**100.00%**

Note: Number of Active Customers are defined as the aggregate of borrowers who had an active loan account as of the last day of the relevant period/years.

Additionally, by utilising our inorganic partnerships with other NBFCs, we have leveraged their established operational infrastructure and local customer relationships in remote and underserved areas to expand our product offerings. For further information on our inorganic business, see "– *Inorganic Business*" on page 360. These partnerships contributed ₹ 7,504.91 million, representing approximately 11.90% of our total AUM, as of December 31, 2025 and have enabled us to source new customers, facilitate collections, and support both deeper penetration within our existing geographies and selective expansion into newer states. We also maintain sourcing and collection partnerships with local MFIs who have existing, strong connections with customers in remote areas. For further information, see "–*Product Portfolio*" on page 356.

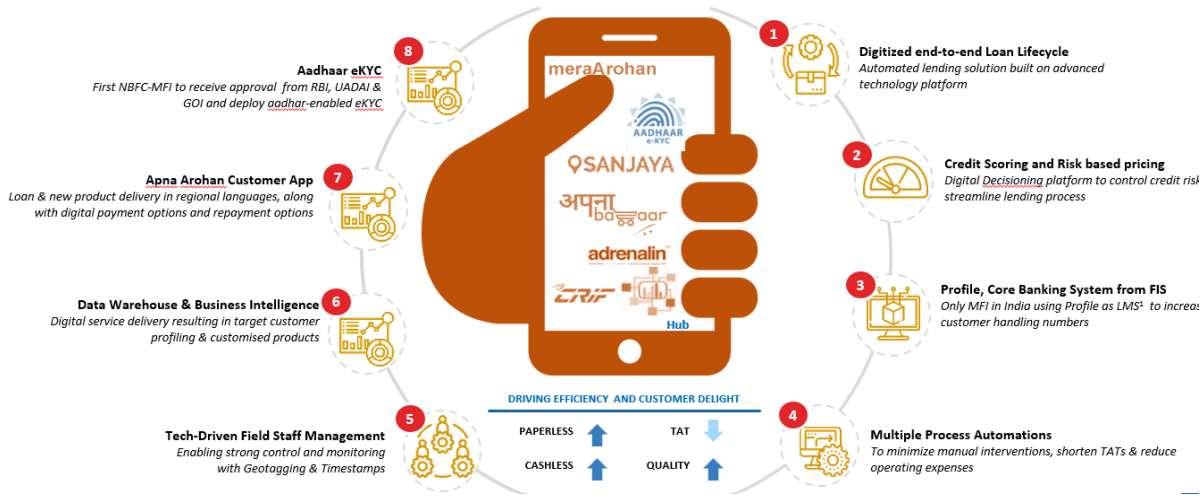
Our customer-centric approach, supported by a diversified portfolio of core and secondary products, enables us to address the evolving needs of our predominantly rural and semi-urban customer base while maintaining disciplined credit deployment. A stable borrower base, growing contribution from non-interest income, and technology-enabled delivery, complemented by strategic inorganic partnerships with other NBFCs and local MFIs, support deeper market penetration and selective geographic expansion. Together, these factors position us to pursue calibrated growth while maintaining a focus on asset quality and long-term sustainability.

Advanced and Scalable AI-Enabled Technology Infrastructure

As part of our business, we are required to serve our wide network of customers through millions of transactions every day. We leverage technology to advance and scale our infrastructure, strengthen our financing initiatives, and derive greater operational, cost and management efficiencies across our business functions. We have implemented various innovative technology measures as part of our operations. For instance, at the core of our IT

platform is '*Profile*', a CBS which we implemented in 2017, to manage our lending business, increase customer handling numbers and strengthen our back-end systems. We have deployed '*Profile*' as a loan management solution in our operations. During the COVID-19 pandemic, '*Profile*' helped us in managing various government responses including the payment moratorium, interest subvention and compound interest relief.

In addition, we have various technology-driven tools and platforms to automate aspects of customer experience, as well as our support functions, including human resource ("**HR**") management, field tracking, compliance and audit.



Note: We have received permission from RBI to do eKYC authentication using Aadhaar biometric as per the Aadhaar (Targeted Delivery of Financial and Other Subsidies, Benefits and Services) Act, 2016 on April 8, 2022.

Our technology-based tools and platforms enable us to process over 2.50 million transactions monthly as of December 31, 2025. We collect and maintain over 400 data points in respect of each of our onboarded customers and maintain a data stack of over 700.00 million data points across all our onboarded customers as of December 31, 2025. Our technology infrastructure is designed to be scalable and modular, enabling us to support increasing transaction volumes, customer base expansion and geographic growth without a commensurate increase in operating complexity. We also run data analytics on internal customer data and external data provided to us by Credit Information Services Private Limited ("**CRIF High Mark**") an RBI approved Credit Bureau in India, for our operations. We use CRIF High Mark's '*Prismatic platform*' data analytics for our area selection process when expanding into new geographies. '*Adrenalin*', our HR management system allows us to effectively manage various HR related processes, functions, and capabilities for our workforce of 9,502 employees, as of December 31, 2025.

Our in-house app for field staff tracking, '*Sanjaya*', helps us to monitor our field staff activities with geotagging and time stamps. In 2019, we implemented a comprehensive corporate governance software which manages our board related activities in a paperless, transparent and timely manner. This has led to reduced usage of and dependence on physical documents, ultimately increasing the security and reducing turn-around-time as well as costs.

In addition, we have developed an in-house loan origination application, '*MeraArohan*', which enables the recording of operational transactions conducted by field personnel on a real-time basis. We reduced our loan disbursal turn-around-time to less than seven days in Fiscal 2022 (after implementing '*Mera Arohan*' and our 100% cashless disbursement system, among other initiatives). In Fiscal 2023, we introduced '*ArohanPrivilege*', an advanced technology-based digital loan sourcing facility that integrates end-to-end customer journeys. This initiative is specific to eligible customers where they are offered the facility of receiving and serving their loans through 100% digital and cashless means through the '*ApnaArohan*' application. For a select group of credit tested customers, the application also provides the facility to avail a loan within ten minutes following a successful loan application. As of December 31, 2025, more than ₹ 3,300.00 million has been disbursed through this channel and we have 38,184 '*ArohanPrivilege*' customers.

We have implemented an innovative AI-driven voice bot named '*Arohi*' to enhance our recovery processes dedicated to managing hard bucket recoveries. This generative AI-driven bot, with its vernacular capabilities,

efficiently handles customer interactions by capturing their intent to repay or settle overdue accounts. *Arohi*'s ability to cover our entire customer pool in a single day significantly boosts our operational efficiency. This technological advancement underscores our commitment to leveraging AI to streamline operations and improve financial outcomes. For further information on our information technology, see "– *Information Technology*" on page 371.

Set forth below are details relating to the adoption of digital methods by our Company:

Particulars	Nine Months ended December 31, 2025	Fiscal		
		2025	2024	2023
	(₹ million, except percentages)			
Cashless disbursement	44,916.84	46,356.63	67,088.91	52,992.75
Cashless disbursement, as a percentage of total disbursement (%)	100.00%	100.00%	100.00%	100.00%
Digital collection [(1)]	6,478.11	8,481.62	6,513.97	2,929.34
Digital collection, as a percentage of total collection (%)	13.53%	12.37%	10.78%	6.89%

Note:

(1) Digital collection for the financial period/years represents the amount collected through various digital channels during the relevant financial period/years.

Our core systems, including our CBS, loan origination platforms, analytics stack, and AI-enabled tools, are capable of handling higher volumes of data and transactions through configurable workflows and automation, supporting business growth while maintaining operational efficiency, turnaround times, and control frameworks. Consequently, our digitisation and IT measures have received several accolades. In Fiscal 2023, we were awarded the "best payment and collections solution, India" at the Asset Triple A Awards. In Fiscal 2024, we received the SKOCH Order-of-Merit Awards for implementation of our credit scoring model. Our information security management systems were certified with ISO/IEC 27001:2013. We were recertified with ISO 9001:2015 for internal audit.

Proprietary Credit Scoring Model Driving Underwriting Discipline and Risk Based Pricing

We have a seasoned business model incorporating our well-developed approval processes and controls and the implementation of our well-established risk management frameworks. Our credit underwriting capabilities are supported by a separate and independent credit function. We also utilise '*NIRNAY*', our proprietary credit scorecard introduced in April 2022, to assist in customer selection and risk-based pricing, which is being upgraded with post-COVID data based model. Our underwriting framework enables risk-based pricing by aligning loan terms with borrower-specific risk profiles assessed through our proprietary scorecards and credit appraisal processes. Pricing decisions are informed by parameters including customer cash flows, repayment history, indebtedness levels, geographic risk factors and internal risk thresholds, and are applied through standardised governance-approved pricing policies to ensure consistency and discipline across the portfolio. In addition, our field teams undertake qualitative assessments of customer cash flows and credibility, and borrowers are required to undergo training to ensure understanding of loan terms and repayment obligations. For further details, see "– *Joint Liability Group ("**JLG**") Lending Business Processes – Customer Due Diligence, Credit Appraisal, Loan Origination, Evaluation and Sanction Processing*" and "– *Business Units – Credit*" on pages 357 and 364, respectively.

In addition to our credit capabilities, risk management is integral to our business, and we believe we have established an effective risk management framework. Our framework is designed to identify, monitor and manage risks inherent in our operations, including credit, liquidity, operational and other emerging risks. We have implemented risk tools, techniques and data analytics to define risk thresholds and benchmarks, which are applied across field-level reviews, business expansion planning and overall strategy formulation. Over the years, we have deployed analytical tools such as static pool analysis, roll-rate analysis, geo-risk mapping and risk models to enable timely identification of risk trends and facilitate preventive and corrective actions at the branch level based on defined variables and parameters. Our risk management function operates independently and reports directly to the Risk Management Committee of the Board, providing oversight and supporting disciplined decision-making across the organisation. For further information, see "– *Business Units – Risk Management*" on page 338. Given the unsecured nature of our lending business and the potential impact of external disruptions, we registered under the Credit Guarantee Fund for Micro Units ("**CGFMU**") scheme in June 2025 and have sought credit-guarantee cover for eligible microfinance loans disbursed by us. As of December 31, 2025, ₹ 27,037.96 million is covered under the CGFMU scheme, representing approximately 42.86% of our AUM, and incremental eligible loans are being

booked with CGFMU cover, strengthening loss-absorption, stabilising credit costs, and supporting risk-based pricing discipline.

We have implemented Aadhaar e-KYC for customer identification. This ensures that the individual receiving the loan is the same person whose KYC details have been collected by us. We are among the first NBFC-MFIs in India and first among our Peer NBFC-MFIs to receive Aadhar enabled e-KYC approval from the Ministry of Finance, Government of India (as per the gazette notification). (*Source: CARE Report*) By utilising biometric devices, customers authenticate themselves through thumb-impression verification, which fetches KYC identifier and facilitates accurate and secure authentication, thereby reducing reliance on manual verification processes.

We maintain a well-established internal control framework and an independent internal audit function, which reports directly to the Audit Committee of the Board. Our internal audit department is a concurrent check and balance mechanism and monitors our adherence to internal controls and regulatory requirements and provides input and recommendations to strengthen our governance, control and risk management frameworks. It also undertakes an independent review to establish whether the business is operating in accordance with our internal policies and standards for managing operational risk, as well as statutory requirements. As of December 31, 2025, our internal audit team comprised 224 individuals. For further information, see "*– Business Units – Internal Audit*" on page 369.

Our business model is designed with adaptability to navigate macro and sector-specific shocks. Some instances in this regard are set forth below.

- *Cease* and Desist Order. In October 2024, the RBI issued an order (the "**RBI Order**"), against four NBFCs, including our Company, and directed such NBFCs, including our Company, to cease and desist from sanction or disbursal of loans with effect from close of business of October 21, 2024 until certain material supervisory concerns of the RBI were suitably remediated. Following deliberations at various Board meetings held after the RBI Order, our Company undertook remedial steps. The RBI lifted the restrictions on January 3, 2025, marking the second fastest industry exits from such an order, achieved within less than 75 days. (Source: CARE Report), reflecting our compliance and engagement framework. For further information in relation to the RBI Order, see "*Risk Factors— The Reserve Bank of India had directed our Company to cease and desist from sanction or disbursal of loans from October 21, 2024, until January 3, 2025. Any such directions in the future from the RBI or any other regulatory authority, including in relation to suspension of our business, could adversely affect our business, financial condition, results of operations and reputation.*" on page 21.

- *Recent Sector-Wide Asset Quality Developments.* During Fiscal 2024 and Fiscal 2025, the microfinance industry experienced elevated asset quality pressures arising from a combination of borrower over-indebtedness in certain pockets, uneven cash-flow recovery among low-income households and regulatory recalibration, including the introduction of enhanced underwriting norms and borrower indebtedness limits. (*Source: CARE Report*) These developments resulted in moderation in sector-wide disbursements and heightened focus on portfolio quality across NBFC-MFIs. (*Source: CARE Report*)

  In this context, and consistent with our risk-aware operating philosophy, our response included moderating disbursement volumes in select geographies, enhancing underwriting standards, increasing use of the CGFMU cover for eligible loans, and focusing on collections and borrower engagement. These measures were aimed at safeguarding portfolio performance, reducing downside credit risk and maintaining resilience during a period of sector-wide adjustment.

- *Assam MFI incentive and Relief Scheme.* Assam experienced a period of sector-wide stress between Fiscal 2020 and Fiscal 2022 due to factors including rising credit penetration, socio-political developments and the economic impact of the COVID-19 pandemic, which led to elevated delinquencies across the microfinance sector. (*Source: CARE Report*) During this period, the Government of Assam introduced regulatory measures, including the Assam Microfinance Incentive and Relief Scheme, 2021

("**AMFIRS 2021**"), to moderate borrower indebtedness and support portfolio stabilisation. (*Source: CARE Report*)

These developments resulted in a contraction of our Assam portfolio and higher impairment and write-offs during the stress period. Following the resolution of legacy issues, regulatory clarity and implementation of recovery measures, portfolio performance in Assam improved steadily, with recovery in the period/years as indicated below.

Particulars	As of / For the Nine Months ended December 31, 2025	As of / For the Year Ended March 31,		
		2025	2024	2023
Portfolio outstanding (₹ million)	4,483.69	2,679.39	1,253.24	3,974.61
Write-offs (₹ million)	0.66	6.72	3,067.37	666.30
Write-off recovery (₹ million)	13.53	366.28	1,379.69	212.43

Note: Portfolio Outstanding represents the outstanding principal amount of loans in the portfolio as of a given date. It includes principal not yet repaid, and principal overdue, if any.

- *Impact of the Covid-19 Pandemic.* During 2020 to 2021, the prolonged nationwide lockdown significantly affected the income and savings of MFI borrowers, who typically have weaker credit profiles. (*Source: CARE Report*) By August 2020, nearly 50.00% of microloans were under moratorium. (*Source: CARE Report*) Lockdowns disrupted core MFI operations - loan origination and collections, particularly in the initial months, given the sector's field-intensive and cash-based nature. (*Source: CARE Report*) Lockdowns and movement restrictions disrupted field operations and adversely affected collection efficiencies, leading to an increase in overdue accounts. (*Source: CARE Report*)

  In response, our Company undertook a range of measures, including conducting stress tests and adapting our operating model to changes in borrower behaviour. In line with regulatory guidance, we implemented the Reserve Bank of India's guidelines and introduced "*Samunnati*", a loan restructuring programme, while also strengthening a dedicated channel and scaling up collection efforts to stabilise portfolio performance. To rebuild customer engagement, we introduced the "*Sahbhaagi*" initiative, a centre-based incentive programme aimed at improving attendance and repayment discipline, alongside accelerating the adoption of digital payments and reducing cash-based transactions. Additional measures, including vaccination coverage for employees, online training programmes and the introduction of COVID-19 insurance cover for customers, were implemented during this period. Our Company recorded a recovery in performance in the following years, reporting a Profit After Tax for the year of ₹ 707.16 million in Fiscal 2023 increasing to ₹ 3,138.21 million in Fiscal 2024. Subsequently, decreasing to ₹ 1,096.86 million in Fiscal 2025 and, stood at ₹ 607.44 million for the nine months ended December 31, 2025.

- *Demonetization.* On November 8, 2016, the Government of India announced the demonetization of ₹ 500.00 and ₹ 1,000.00 bank notes, resulting in the withdrawal of approximately 86.00% of the currency in circulation by value. (*Source: CARE Report*) The gradual replacement of currency, particularly across rural and semi-urban areas, led to liquidity constraints and had an immediate adverse impact on the microfinance sector, which is largely cash-based. (*Source: CARE Report*) Collection efficiencies declined and delinquencies increased across the industry (*Source: CARE Report*) These developments adversely affected our operations, resulting in lower collection efficiencies and elevated impairment charges. We implemented focused operational measures, including strengthening direct customer engagement and deploying additional personnel to support collection activities. Our field teams focused on borrower outreach, educating customers on the demonetization process and assisting them in exchanging demonetised notes for valid currency through banking channels. These initiatives contributed to the gradual restoration of borrower confidence, normalisation of repayment behaviour and improvement in collection efficiencies. As a result, portfolio performance improved in subsequent periods.

We have received several awards and certifications affirming our market strength. In Fiscal 2025, we received the ISMS ee-certification with ISO/IEC 27001:2022 an international standard for information security management. In 2024, we were awarded an Alpha grading along with a positive rating outlook under the SPI 4 methodology by MRCIL, reflecting strong alignment with social objectives, client protection practices, and sustained commitment to responsible microfinance. We also received CARE MFI 1 grading, the highest grading assigned by CARE Ratings for microfinance institutions, along with a COCA assessment score of C1 in 2024, reflecting strong capitalisation, sound credit assessment practices, and stable asset quality. Additionally, we were acknowledged as the best in microfinance by the Great Place to Work® Institute in 2024.

Diversified Borrowing Relationships and Access to Multiple Sources of Capital

We have secured funding from a variety of sources including term loans, working capital facilities, revolving facilities, proceeds from loans assigned or the securitisation of loans, external commercial borrowings, issuance of non-convertible debentures, and subordinated debt borrowings from banks and other domestic and foreign financial institutions to meet our funding requirements. We also have relationships with various Development Financial Institutions ("**DFIs"**) and have a lender nominee director from SIDBI as a part of our board of directors. As of December 31, 2025, our liability base is diversified across 41 lender relationships, which include banks, financial institutions, and other funding partners such as Axis Bank, IDFC First Bank Limited, HSBC Bank Limited, Small Industries Development Bank of India, FMO, DBS Bank Limited, and Standard Chartered Bank. As of December 31, 2025, our borrowing profile comprised borrowings from banks, which accounted for 80.85% of our Total Borrowings, and borrowings from financial institutions, which accounted for 19.15% of our Total Borrowings.

We continue to augment our efforts to diversify our sources of capital as it provides us with access to a wider set of investors and ability to scale our business. We have increasingly focused on our exposure towards low-cost borrowing sources. Among the Peer NBFC-MFIs we have charged one of the lowest weighted average interest rates among NBFC-MFIs based in Eastern and North-Eastern states in India for the three months ended December 31, 2025 at 23.60%. (*Source: CARE Report*)

We also benefit from the RBI's priority sector lending ("**PSL**") policy in India under which commercial banks need to ring-fence 40.00% of the bank's adjusted net bank credit or equivalent off-balance-sheet exposure (whichever is higher) for priority sector lending. The RBI's PSL policy ensures credit flow to underserved segments of the population through banks. PSL also encourages bridging the gap between rural and urban credit and hence lower regional imbalances (*Source: CARE Report*).

In addition, we have asset liability mismatch strategies in place. We primarily borrow on a longer-term basis than the average tenure of our assets. In terms of our assets and liabilities, as of December 31, 2025, and as of March 31, 2025, 2024 and 2023, our assets had an average tenor of 1.94 years, 2.01 years, 1.98 years and 1.82 years, respectively, while our liabilities had an average tenor of 2.51 years, 2.82 years, 2.78 years, and 2.93 years, respectively. Our average asset tenure is 21 months while the average term of any borrowing agreement is 30 months, such that our cumulative asset liability position is positive. Further, we have not taken any recourse against short term instruments such as commercial papers. This strategy is designed to strengthen our cash flow position, mitigate liquidity risk, and avoid negative asset liability mismatch in our books. For further information, see "*– Business Units – Treasury and Accounts*" on page 370.

As of December 31, 2025, 80.85% of our Total Borrowings were from banks and 19.15% from other financial institutions. Our proceeds from borrowings (other than debt securities) was ₹ 34,342.43 million, ₹ 27,396.49 million, ₹ 45,110.16 million, and ₹ 35,351.09 million in the nine months ended December 31, 2025, and in Fiscal 2025, 2024 and 2023, respectively, of which the balance outstanding as of December 31, 2025, was ₹ 50,370.51 million. Our proceeds from debt securities was nil for the nine months ended December 31, 2025 and in Fiscal 2025. Whereas, our proceeds from debt securities was ₹ 2,080.00 million, and ₹ 1,150.00 million in Fiscal 2024 and Fiscal 2023, respectively. We did not raise any subordinated liabilities during the nine months ended December 31, 2025, or in Fiscal 2025, Fiscal 2024 and Fiscal 2023. Further, we raised no proceeds from debt securities in the nine months ended December 31, 2025 and in Fiscal 2025. Proceeds from debt securities amounted to ₹ 2,080.00 million and ₹ 1,150.00 million in Fiscal 2024 and Fiscal 2023, respectively, from both listed and unlisted secured and unsecured non-convertible debenture issuances. For further information, see "*Financial Information*" on page 435.

Our credit rating for long term bank facilities/non-convertible debentures is rated CARE A- by CARE Ratings Limited. Further, our credit ratings by ICRA for bank facilities programme, non-convertible debentures and subordinated debt are rated A(Stable). Also see, *"Risk Factors—We have experienced downgrade in our credit ratings in the past. Any downgrade in the future could increase our finance costs and adversely affect our business, results of operations, cash flows and financial condition."* on page 48. We believe that our relationships with our lenders along with our credit ratings have led to lowering of our monthly average cost of borrowing from 11.62% in Fiscal 2023 to 11.52% in Fiscal 2025. For further information of grading and credit ratings received by us, see "*History and Certain Corporate Matters – Major Events*" on page 394.

Institutional Promoter Ownership and Experienced Board and Senior Management Team

Our Promoter, AVMS, holds 3.82% and I-Cap holds 10.33%, respectively, of the issued, subscribed and paid-up share capital of our Company as of December 31, 2025. Our Promoter, AVMS is part of the Aavishkaar Group, the entities of which collectively have over 18 years of experience in advising and nurturing businesses with social impact in India and abroad. The entities forming part of the Aavishkaar Group have advised a large number of organisations on inclusive business strategies and have provided a significant amount of venture capital funding to social impact businesses. The Aavishkaar Group is focused on developing the impact ecosystem in Asia and Africa and manages assets in excess of US$ 1.00 billion across both equity and credit businesses as of December 31, 2025. It employs over 10,000 personnel across India, Bangladesh and Kenya as of December 31, 2025. We are part of the Aavishkaar Group, which also includes Aavishkaar Capital, a participant in impact-led investing, having invested in the microfinance industry in 2007. (*Source: CARE Report*)

Our operations are led by Manojkumar N Nambiar, Managing Director, with an experience of over 16 years in microfinance industry in India. He is an active director on the board of the MFIN, which is the sector-level self-regulatory organisation for microfinance institutions, and also serves on the board of the Association of Microfinance Institutions, West Bengal ("**AMFI-WB**"), a state-level microfinance association. Our Board of Directors comprises 13 directors, including one Managing Director, seven Non-Executive Nominee Directors and five Non-Executive Independent Directors. Our senior management team includes Milind Ramchandra Nare, Deputy Chief Executive Officer and Chief Financial Officer, with over 33 years of experience in the banking industry; Ranjan Das, Chief Risk Officer, with over 29 years of experience in the financial sector; Anirudh Singh Thakur, Company Secretary and Chief Compliance Officer, with over 26 years of experience in corporate law, regulatory compliance and governance; Shailesh Kumar, Chief Business Officer, with over 25 years of experience in banking; Arvind Murarka, Chief Information Officer, with over 27 years of experience in multiple industries including information technology consulting, healthcare, infrastructure, food processing, and retail; Abin Mukhopadhyay, Head of Internal Audit and Vigilance, with over 24 years of experience in audit, accounting and management; Sharoni Pal, Head of Credit, with over 28 years of experience in banking and financial services; Deblina Bhattacharjee, Head of Human Resources; Vinod Kumar Pandey, Head of Central Operations, with over 22 years of experience in microfinance industry, livelihood development, rural marketing and life insurance; and Ketan Agrawal, Deputy Chief Financial Officer, with over 24 years of experience in corporate finance and accounting.

We also have the support of our institutional investors including Tano India Private Equity Fund II, Maj Invest Financial Inclusion Fund II K/S, Michael & Susan Dell Foundation, TR Capital III Mauritius, Teachers Insurance and Annuity Association, Danish Sustainable Development Goals Investment Fund, and Triodos Sicav II.

We strive to adhere to high standards of corporate governance and have put in place policies and procedures to support transparency, strong business ethics and a well-established compliance framework. Our management structure comprises an Executive Committee reporting to the Managing Director, a senior management team and functional committees that oversee areas such as portfolio quality review, credit, assets and liabilities, banking and debt finance, human resources, diversity and staff governance, ensuring that management processes are institutionalised across the organisation. Members of our management team are also beneficiaries of our ESOP schemes. Our team includes professionals with experience in microfinance, consumer finance, investment banking, retail banking, consulting and insurance, and we believe this collective expertise has supported our understanding of the microfinance sector and guided us through past industry challenges.

STRATEGIES

Our business strategies include the following:

Diversify Portfolio Through Geographical Coverage, Strengthened Customer Engagement Initiatives, Cross-Sell-Led Offerings and Selective Secured Lending

We are present in 17 states across India through a network of 1,073 branches, including our head office, as of December 31, 2025, covering Eastern, North-Eastern, Central, Northern, Western and Southern regions. *For further information on definition of regions see, "Definitions and abbreviations – Industry/Business Related Terms"* on page 11. The states and branches with longer operating histories account for a relatively higher portfolio outstanding and borrower base, while certain branches opened during the last three years are yet to achieve optimal utilisation. With a focused business approach in these branches and a diversified product offering, we believe that our existing distribution infrastructure provides capacity for incremental portfolio growth, which is expected to support improved operating efficiency and profitability over time. Set forth below are details of our branch productivity, based on the number of years since the respective branch commenced operations:

Branch Vintage	As of December 31, 2025		As of March 31,					
			2025		2024		2023	
	Number of Branches	Active Customers per Branch	Number of Branches	Active Customers per Branch	Number of Branches	Active Customers per Branch	Number of Branches	Active Customers per Branch
Less than 1 year	2.00	411.00	139.00	656.45	138.00	1,006.58	110.00	647.92
1 – 3 years	324.00	1,022.42	260.00	1,354.59	152.00	1,930.33	54.00	2,710.07
More than 3 years	747.00	2,169.78	704.00	2,407.91	686.00	2,884.22	666.00	2,695.03
Total	**1,073.00**	**1,820.05**	**1,103.00**	**1,938.90**	**976.00**	**2,470.18**	**830.00**	**2,424.70**

Note: Number of Active Customers are defined as the aggregate of borrowers who had an active loan account as of the last day of the relevant period/years.

We are focused on driving innovation and differentiation across our products and processes to enhance customer value, deepen engagement and support sustainable growth. Leveraging our ability to raise debt and gain market share, we intend to introduce differentiated offerings such as '*Sarathi*', our balance transfer product, which enables eligible customers to benefit from consolidating lenders, an improved pricing and a monthly repayment structure. Following the COVID-19 pandemic and the payment moratorium, we prioritised re-establishing borrower engagement at centres. In this context, we launched '*Sahbhaagi*', a centre-based reward and loyalty programme designed to recognise regular centre attendance and timely repayment. Under this programme, centre members accrue reward points that may be redeemed against future loans. We believe this initiative supports improved portfolio quality while reinforcing centre-based engagement. We also believe that the microfinance model benefits from differentiated treatment of borrowers based on credit behaviour. Accordingly, we distinguish between "new-to-credit" and "used-to-credit" customers using objective parameters such as length of lending relationship, centre attendance and repayment history. To address the needs of seasoned borrowers, we have introduced '*ArohanPrivilege*', a differentiated model for "used-to-credit" customers, which features an advanced technology-based lending solution with cashless repayments and tailored benefits. The objective of this model is to reward positive borrower behaviour while offering a more streamlined loan experience. Leveraging this relationship, we have introduced the '*Khaas*' product, which provides fully digitalised loan process including renewal, cashless repayments and special benefits such as low interest rates, with the objective of strengthening customer retention.

We aim to build a broader and more balanced portfolio by leveraging our existing distribution network to selectively scale secured lending offerings in markets with demonstrated demand and lower credit volatility. These offerings include products such as gold loans, home loans and home-improvement loans, which we believe can diversify risk, extend tenor options and improve balance-sheet stability through lower loss-given-default profiles. In addition, within the regulatory framework permitting a 60:40 mix between qualifying and non-qualifying assets, we intend to utilise the non-qualifying component across products, micro-enterprise loans and our inorganic lending activities. We also intend to continue evaluating the purchase of loan portfolios originated by NBFCs through direct assignment and securitisation transactions. Such transactions enable us to selectively acquire portfolios aligned with our underwriting standards. We seek to grow non-interest and fee-based income by expanding cross-sell initiatives across insurance, consumer-durable financing, productivity-enhancing products and other partner-led offerings. These products and services are distributed through our technology-based platforms, including

ApnaBazaar, ApnaArohan and *ArohanPrivilege*, supported by curated product suites and transparent benefit structures.

In addition, we intend to use scheduled centre and field interactions to showcase curated product offerings, such as household appliances, agricultural inputs and solar products, while embedding pre-approved credit lines within our digital applications to enable frictionless purchases and repayments. We plan to continuously innovate our cross-sell approach and introduce new or improved product variants in response to evolving customer preferences and market conditions. We are also focused on maintaining a geographically diversified portfolio across India. As of December 31, 2025, we operate in 17 states across covering Eastern, North Eastern, Central, Northern, Western and Southern regions of India, and we maintain defined limits on state- and district-level concentration. *For further information on definition of regions see, "Definitions and abbreviations – Business/Industry Related Terms"* on page 11. We have experience executing merger and acquisition transactions and will continue to evaluate selective acquisition opportunities, including slump-sale transactions, in existing or new operating geographies, with the objective of strengthening our portfolio and expanding our product offerings in a disciplined manner.

Strengthen Core Operating Fundamentals Across the Customer and Credit Lifecycle

We seek to capitalise on microfinance opportunities within our operating geographies through a disciplined and calibrated sourcing approach. Our sourcing strategy is designed to maintain a balanced mix of new and existing borrowers, while differentiating between new-to-credit and used-to-credit segments with a focused geographic approach. In parallel, we have entered into partnerships with NBFCs to build customer relationships and access new customer segments in a prudent and scalable manner. Our people practices are designed to attract, induct and retain talent to achieve optimal productivity across the organisation. We focus on structured induction, continuous capability building and internal job progression to support long-term employee engagement and performance. These practices are supported by an independent credit function, a strong risk management culture and an on-ground internal audit framework, which together enable timely monitoring, effective supervision and course correction across operations. We intend to maintain conservative credit policies and efficient underwriting standards, supported by '*NIRNAY*', our proprietary credit scoring model, to strengthen credit assessment and portfolio quality. We place significant emphasis on centre discipline, with centres serving as the primary interaction point with borrowers, which we believe supports improved collection efficiency and reduces reliance on door-to-door follow-ups. Our recovery function, first established post-demonetisation and subsequently scaled during the COVID-19 pandemic, plays a critical role in managing delinquencies and containing credit costs. This is complemented by coverage under the CGFMU, which we believe supports greater predictability of credit costs across the portfolio. Together, these measures are intended to strengthen customer management across the entire lifecycle, from acquisition and servicing to collections and recovery, while supporting disciplined growth, portfolio resilience and scalable operations.

Strengthen our Balance Sheet and Improve Operating Leverage

We aim to drive higher productivity across our branch network and field teams through process simplification, improved digital workflows and increased use of centralised credit processes. By leveraging straight-through digital journeys and targeted cross-sell initiatives, we seek to enhance per-branch throughput and improve operating efficiency. We intend to achieve scale efficiencies by leveraging shared infrastructure across both unsecured and secured lending verticals, thereby reducing the marginal cost of origination and enabling efficient scalability. In parallel, we aim to enhance underwriting accuracy by scaling Aadhaar-based e-KYC authentication and embedding data-driven credit scoring models within our credit assessment framework, which is expected to support more informed pricing and risk selection. Complementing this, our strategy prioritises operating leverage through improved utilisation of existing branch infrastructure, with a focus on driving higher productivity from branches established in recent years and adopting a calibrated approach to incremental branch expansion, based on portfolio density, maturity and return thresholds. We also seek to optimise collections efficiency and cost structures by strengthening centralised and field-level collections teams, increasing the use of digital payment channels and analytics-based follow-ups, and reducing manual processes. Further, we plan to leverage our technology platform to automate origination, servicing and monitoring functions, thereby lowering per-unit operating costs and limiting incremental headcount requirements as the portfolio scales. These initiatives, together with strengthened credit policies, recovery mechanisms and internal controls, are expected to support operating efficiency, lower operating expense ratios and improved profitability over time. We seek to drive disciplined operations through continuous monitoring and improvement of branch-level quality metrics.

In addition, we aim to build a more efficient liability franchise by leveraging our Net Worth and accessing a wider mix of on- and off-balance sheet funding sources, including domestic and foreign borrowings. We believe this will support funding diversification and improve cost competitiveness. We also intend to optimise our cost-to-income ratio through higher operating leverage, increased process digitalisation and tighter cost controls.

Further, we plan to increase non-fund-based income by enhancing cross-sell initiatives, strengthening fee-based product offerings and expanding partnerships that generate ancillary revenues, thereby improving the diversity and sustainability of our income profile.

Continue to Improve Customer Experience by Developing Technology Infrastructure

We are committed to continuously investing in our information technology platform to ensure scalability and effective internal controls. We believe these initiatives enable improved operational quality, enhanced management oversight, better cost efficiencies and stronger control mechanisms across our operations. By leveraging technology, we aim to streamline processes, reduce manual interventions and improve overall efficiency.

Over the past few years, we have invested significantly in our IT systems to introduce a range of automated and digitised technology platforms and tools, with the objective of strengthening our customer-centric approach and driving operational and cost efficiencies. In 2017, we migrated to '*Profile*', a CBS. In 2020, we introduced '*MeraArohan*', an automated lending solution built on an advanced technology platform, designed to digitise the loan lifecycle end-to-end, from loan initiation and credit processing to disbursement. We aim to further enhance and automate collections tracking through this solution. We intend to continue leveraging our Aadhaar e-KYC approval to enable end-to-end borrower authentication at both the application stage and the disbursement stage. We also plan to enhance straight-through processing across key workflows to minimise manual interventions, reduce errors and improve turnaround times.

As part of our mobility strategy, most of our applications are mobile-friendly for customers as well as field staff. We plan to further scale our digital customer platforms, including '*ApnaArohan*' and '*ArohanPrivilege*', which enable customers to apply for loans, receive disbursements and make repayments digitally, thereby improving accessibility and convenience. We aim to continue enhancing customer touchpoints through faster loan decisioning, simplified documentation processes and strengthened digital repayment channels.

We have entered into, and intend to continue to enter into, partnerships with specialised third-party vendors to support technology-based lending loan documentation, electronic signing and workflow automation. We believe these initiatives will further streamline loan document execution, support faster disbursements, reduce turnaround times and enhance overall customer convenience.

In addition, we plan to further digitalise and automate back-office and support functions, including human resources, compliance, audit and other operational workflows, with the objective of reducing operating costs and improving efficiency. We intend to continue introducing and integrating new information technology systems across our Company to ensure that our technology infrastructure remains scalable, operationally efficient and supported by effective internal control measures as our business grows.

For further information, see "– *Business Units – Information Technology*" on page 371.

BUSINESS OPERATIONS

Our operations are focused on low-income households that have limited or no access to formal financial institutions or services. Our goal is to provide these households with income generating loans and other financial inclusion related products to customers primarily in financially under-penetrated rural and semi-urban regions of India. While our target customers are women with an annual household income of ₹ 0.30 million or less, we also cater to traders, as well as MSMEs.

Product Portfolio

Our range of products is designed to cater to the diverse needs of our customers. As of December 31, 2025, our products and their terms are as shown below:

Product Category	Name of Loan / Product	Maximum Amount of Loan / Credit Limit / Insurance Coverage	Interest Rate (%)	Term (Months)
Core	*Saral*	₹ 125,000.00	23.87 to 24.24	24 to 30 months
	Micro enterprise loans	₹ 500,000.00	24.24 to 26.00	24 to 36 months
Secondary	Cross-sell products (offered through direct purchase or credit)	Up to value of active primary loan disbursement amount associated with customer, in any given cycle	23.73	3 to 24 months
Differentiator Service (an advanced technology-based lending solution)	*ArohanPrivilege*	₹ 100,000.00	24.24	5 to 30 months
Insurance (offered through tie-ups with certain Indian insurance companies)	Term Life Insurance	Coverage is equal to loan amount disbursed to customer and co-borrower	NA	Loan term of more than 2 months
	Hospicash	Cash Benefit of ₹ 1,000.00 per day for non-intensive care unit ("**ICU**") hospitalisation up to 30 days and ₹ 2,000.00 per day for ICU hospitalisation up to 20 days in a year. Riders include Personal Accident benefit of up to ₹ 200,000.00 against Permanent disability and Permanent Partial Disablement. Convalescence Benefit of ₹ 2,000.00 is also present. Critical illness of ₹ 60,000.00 and doctor on call for up to six family members.	NA	24 months
Loans to NBFCs	Term Loans	Upto ₹ 1000.00 million	Variable	12 to 36 months

Joint Liability Group Model ("JLG model")

We offer collateral free loans to customers who are willing to borrow in a group and agree to accept joint liability for the group's loans, which we refer to as the JLG model. Under our JLG model, loans are provided to individual customers, but the group guarantees the repayment of loans. This means that if a customer is unable to repay the loan, other members of the same JLG are responsible for making such repayment on the customer's behalf, which reduces our credit risk. Our JLG model enables our customers, who typically do not have sufficient collateral, to gain access to formal credit. Our JLG model also provides a community support system for our customers, regardless of their financial circumstances. We predominantly provide our core financial loans to groups consisting of three to five women, which are organised into centres. A centre typically has up to 30 members. Our JLG model allows us to have better operational control and efficiency, reduces our credit risk, and lowers our transaction costs as we are essentially transacting with a group, rather than each individual customer.

Core Loan Products

We have designed our lending products to meet our customers' needs based on loan size and repayment abilities. Our core loan products include the '*Saral*' loan and MEL. These are offered to customers who intend to establish a new source of income generation or expand an existing source.

The following table sets forth details of our AUM and gross disbursements for our core loan products, for the period/years indicated:

Particulars	As of / For the Nine Months ended December 31, 2025	As of / For the Year ended March 31,		
		2025	2024	2023
	(₹ million)			
AUM of core loan products [1]	53,970.80	52,780.91	65,019.89	52,195.01
Gross disbursements of core loan products [2]	37,053.88	39,888.28	60,852.92	51,648.28

Notes:

[1] AUM of core loan products as of the last day of the relevant period/years represents aggregate of principal outstanding including principal overdue if any for core loans to customers held by our Company (i.e., on-balance-sheet loans) and assets transferred by way of securitisation, assignment of receivables and business correspondent receivables outstanding as of the last day of the relevant period/years.

[2] Gross Disbursements of core loan products represent the aggregate of Saral and MEL loan amounts extended to all our customers for the relevant period/years.

Saral loan

The *Saral* loan, our principal core loan product, caters to women who are residing in low-income areas and are generally involved in trade and services. For *Saral* loans, we predominantly provide loans to groups consisting of two/three to five women, and centres typically consisting of up to 30 members. The group's loans are disbursed using our JLG model. Groups are formed by identifying customers who are residing in close proximity, have similar socio-economic backgrounds, not blood relatives, and are between the ages of 18 and 55 years. Only one loan is permitted per family, and a member must have been residing in the same location for at least two years. The *Saral* loan amounts range from ₹ 25,000.00 to ₹ 125,000.00 (including *Saral* New to-Credit, *Saral* Used-to-Credit, *Saral Khaas* and *Saral* Repeat) and have a term of 24 to 30 months. Set forth below are certain details on our products *Saral* New to-Credit, *Saral* Used-to-Credit, and *Saral* Repeat as of December 31, 2025:

Product	Ticket size range	Average Rate of Interest	Loan processing fee
Saral New to-Credit [1]	₹ 25,000.00 to ₹ 42,500.00	25.25%	1.50%
Saral Used-to-Credit [2]	₹ 25,000.00 to ₹ 75,000.00	24.75%	1.50%
Saral Repeat [3]	₹ 25,000.00 to ₹ 77,500.00	24.25%	1.50%
Saral Repeat Special [4]	₹ 80,000.00 to ₹ 100,000.00	24.25%	1.50%
Saral Khaas [5]	₹ 25,000.00 to ₹ 125,000.00	23.87%	1.50%

Notes:

(1) Saral New-to-Credit refers to loans offered to borrowers with limited or no prior formal credit history, assessed using alternative credit evaluation parameters.

(2) Saral Used-to-Credit refers to loans offered to borrowers with limited credit history who have demonstrated initial credit usage or repayment behaviour with our Company.

(3) Saral Repeat refers to loans offered to existing borrowers of our Company who have successfully repaid one or more prior loan cycles.

(4) Saral Repeat Special refers to loans offered to select repeat borrowers with a satisfactory repayment track record, enabling higher ticket sizes based on internal credit assessment criteria.

(5) Saral Khaas refers to loans offered to borrowers meeting enhanced eligibility criteria, including stronger credit profiles and repayment history, as determined by our Company's internal risk assessment framework.

Micro enterprise loan

Our MELs are collateral-free individual loan products designed to meet the working capital requirements of small businesses operating from established business premises. Borrowers under this product segment are predominantly individuals engaged in small trading activities and micro-enterprise operations. Loan amounts typically range from ₹50,000.00 to ₹5,00,000.00, with tenors spanning 24 to 36 months. The loan appraisal process includes an assessment of the borrower's credit history, existing fixed obligations, and household income, supplemented by validation of business ownership or operational proof along with standard KYC documentation. The appraisal further incorporates a business premises assessment to verify the nature and continuity of the business. Final loan

sanction is contingent upon a real-time video-based personal discussion ("**Video PD**") with the borrower and compliance with established credit underwriting norms.

The credit evaluation approach varies based on the loan ticket size and the borrower's credit requirements, utilizing either assessed income methodologies or banking turnover analysis to determine repayment capacity. Repayments are structured as monthly EMIs, which can be auto-debited from the borrower's bank account through a UPI mandate, ensuring ease and timeliness of repayment.

Secondary Products

In addition to the above-mentioned core loan products, we offer a range of secondary products for other daily purposes to our core lending product customers. We cater to our customers' requirements for both financial products like life and health insurance, as well as non-financial products for sanitation needs and for utility products through loans. Enabling an increase in customers' access to a range of financial inclusion products that helps their overall credit relationship with our Company. Our secondary products can be classified as follows:

Financial Safety Net Products: We partner with select insurance companies to offer life and health insurance policy products.

Non-Financial products: We offer a range of utility products to our customers at affordable costs. These products can also be financed by us through secondary loans for eligible customers. Current products available under non-financial products include but are not limited to inverter bulbs, agricultural products, home and kitchen appliances, and consumer durables, made available in association with various third parties.

Our cross-sell business model aims to enhance customer touchpoints while improving their standard of living. This model allows us to diversify operational risks and create new revenue streams, contributing to our sustainability and growth. By utilizing the '*ApnaBazaar*' platform, we integrate cross-selling into our customer interactions. Through scheduled meetings with customer service representatives, we present innovative products to both new and existing customers. Over time, we have established multiple connections with customers and their families to meet their evolving needs for financial inclusion and non-financial products.

The following table sets forth details of our AUM and gross disbursements for our secondary loan products, for the period/years indicated:

Particulars	As of / For the Nine Months ended December 31, 2025	As of / For the Year ended March 31,		
		2025	2024	2023
	(₹ million)			
AUM of secondary loan products [(1)]	139.35	231.58	237.90	109.12
Gross disbursements of secondary loan products [(2)]	82.36	231.45	259.63	143.51

Notes:

(1) AUM of secondary loan products as of the last day of the relevant period/years represents aggregate of principal outstanding including principal overdue if any for secondary loans to customers held by our Company (i.e., on-balance-sheet loans) and assets transferred by way of securitisation, assignment of receivables and business correspondent receivables outstanding as of the last day of the relevant period/years.

(2) Gross Disbursements of secondary loan products represent the aggregate of financial and non-financial loan amounts extended to all our customers for the relevant period/years.

Financial Safety Net Products

As a registered Corporate Agent (Composite) under the regulations of the Insurance Regulatory and Development Authority of India ("**IRDAI**"), we are authorized to distribute life and health insurance products to our customers. We have established formal tie-ups with licensed Indian insurance companies that issue and underwrite these insurance products. Our role is limited to the solicitation and servicing of policies in accordance with the applicable IRDAI guidelines, while underwriting and risk assessment remain the responsibility of the respective insurance partners.

Group Term Life Insurance

We have been offering our customers group term life insurance policies issued and underwritten by HDFC Life Insurance Company Limited since 2019 and by Kotak Mahindra Life Insurance Company Limited since 2020. In the event of death of the policy holder, the nominee obtains a sum insured under the policy minus any amount outstanding under the loan agreement. Our customers and their co-borrowers have the option to enrol for an insurance coverage for the loan amount.

Health Insurance

We provide two health insurance options for our customers, namely, Hospicash (underwritten by Generali Central Insurance Company Limited, erstwhile Future Generali India Insurance Company Limited and Care Health Insurance Limited). With the Hospicash product, we offer a cash benefit for wage loss incurred due to hospitalization, compensating up to ₹ 1,000.00 for each completed 24-hour period spent in a registered hospital, allowing coverage for up to 30 days for non-ICU and 20 days for ICU hospitalization in a year. The cover doubles for ICU hospitalization and in the event of accidental death, a nominee may receive an additional amount of ₹ 200,000.00. We also provide 24x7 tele-consultation coverage with doctors for up to six members of a family.

Non-financial products

We have extended our offerings beyond financial solutions by providing customers with access to a diverse selection of utility products from reputable brands. These products, available through both cash transactions and flexible financing options, are thoughtfully chosen to enhance the lives and livelihoods of customers and their families, thereby improving their overall quality of life. Our range of non-financial products includes home and kitchen appliances, electronics, and consumer durables, all selected to deliver tangible benefits. To ensure efficient procurement and seamless delivery, we have established multiple sourcing models in collaboration with third-party vendors. These models include the '*stockist model*', where agents deliver products at the point of demand; the '*last-mile delivery model*', which provides free direct delivery of large and small appliances to customers' doorsteps.

Inorganic Business

Our inorganic business generally refers to a partnership-driven lending model where we collaborate with NBFCs to originate and service loans. Our inorganic business comprises (i) the provision of term loans to NBFCs, (ii) sourcing and collections activities undertaken through partnered MFIs, and (iii) direct assignment ("**DA**") transactions from other NBFCs. These partnerships enable us to expand our business reach through asset-light, scalable models while maintaining prudent credit and operational controls.

Term Loans to NBFCs

We extend term loans ranging from ₹ 5.00 million to ₹ 1,000.00 million to NBFCs that borrow from Arohan to create financial assets (loan portfolio). These loans are provided for the purpose of onward lending. Prospective NBFC partners are identified through a structured evaluation process. This includes comprehensive financial and operational due diligence, KYC, following which proposals are presented to our credit committee for approval. Loan disbursements are executed in accordance with the sanction terms and internal credit guidelines, ensuring adherence to our underwriting standards and risk management framework.

Sourcing and Collection Arrangements

Under these arrangements, select small MFIs act as our Business Correspondents ("**BCs**"), for which they receive a service fee. As BCs, they are responsible for sourcing new customers on our behalf in accordance with our approved KYC and credit policy/process guidelines, and within the framework of Reserve Bank of India (Regulatory Framework for Microfinance Loans) Directions, 2022, as amended. These sourcing and collection partners also support us in repayment monitoring and collection activities. Amounts collected from borrowers are subsequently deposited into our designated bank accounts, in line with the operational protocols and controls established under the partnership.

Direct Assignment

DA transactions enable microfinance lenders to enhance liquidity by transferring eligible loan pools to other regulated financial institutions. In such transactions, the partner NBFCs acts as the originator and assignor of the underlying loan receivables to our Company, which acts as the assignee. Under a DA arrangement, a qualifying pool of assets is identified following comprehensive due diligence and scrutiny in accordance with the RBI's guidelines on DA.

The transaction is executed through a formal assignment agreement and a servicing arrangement, typically facilitated by a trustee structure, under which the originating NBFCs (the assignor) continues to act as the servicer. As servicer, the assignor remains responsible for collection activities and subsequently remits collected amounts to us through the appointed trustee, adhering to the agreed pay-in and pay-out timelines. We ensure full compliance with all applicable RBI regulations governing direct assignment structures, including eligibility criteria, minimum holding period ("**MHP**"), minimum retention requirement ("**MRR**"), and reporting obligations.

As of December 31, 2025, we had entered into contractual arrangements with 40 NBFCs for our inorganic portfolio, which contributed to 7.39% of our AUM, as compared with eight contractual arrangements with NBFCs which contributed to 0.30% of our AUM as of March 31, 2023.

The following table sets forth PAR>30 for our inorganic portfolio as of the dates indicated:

Particulars	As of December 31, 2025	As of March 31,		
		2025	2024	2023
Term loans to NBFCs (%)	4.67%	0.60%	1.07%	13.76%
Sourcing and collections portfolio (%)	2.59%	2.34%	0.50%	0.33%
Direct assignment (%)	1.08%	1.75%	0.00%	0.00%

In exchange for access to our inorganic partners' local operational strength and deeper customer relationships, we provide them with access to our capital to strengthen their operations so that they can in turn better serve their customers.

Differentiator service

ArohanPrivilege is our Company's technology-based lending offering that enables eligible microfinance customers to apply for and receive loans through a fully digital and cashless process through the *ApnaArohan* mobile application. Customers can access loan amounts ranging from ₹ 20,000.00 to ₹ 100,000.00 and complete end-to-end transactions from their homes, with the flexibility to choose the loan amount and tenure. The facility is currently available across multiple states where our Company operates. This offering serves as a differentiator service for our Company, as it provides customers with a digital, convenience-led borrowing experience that is distinct from traditional microfinance delivery models and enhances our value proposition.

Branch Network

As of December 31, 2025, we served approximately two million borrowers in 17 states. As of December 31, 2025, our microfinance business' branch network consisted of 1,073 branches, including our head office, across 17 states in India.

The following table sets forth the number of our branches in each state/ territory as of the dates indicated:

State	As of			
	December 31, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Assam	71	77	83	86
Bihar	173	179	163	144
Chhattisgarh	23	23	24	23
Gujarat	31	33	29	-
Haryana	3	4	4	1
Jharkhand	58	58	56	43

State	As of			
	December 31, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Karnataka	70	70	3	-
Madhya Pradesh	76	76	78	58
Maharashtra	26	26	25	-
Meghalaya	1	1	1	1
Odisha	104	109	106	102
Rajasthan	32	34	37	31
Tamil Nadu	24	24	-	-
Tripura	9	9	10	10
Uttar Pradesh	173	177	170	150
Uttarakhand	7	7	7	7
West Bengal	192	196	180	174
Total	**1,073**	**1,103**	**976**	**830**

The following table sets forth the number of districts we covered in each state, as of December 31, 2025:

State	Number of districts covered
Assam	25
Bihar	36
Chhattisgarh	14
Gujarat	11
Haryana	3
Jharkhand	17
Karnataka	24
Madhya Pradesh	39
Maharashtra	9
Meghalaya	1
Odisha	28
Rajasthan	14
Tamil Nadu	10
Tripura	7
Uttar Pradesh	57
Uttarakhand	3
West Bengal	22
Total	**320**

The following table sets forth the state-wise breakdown of our Active Customers in each state as of the dates indicated:

State	As of			
	December 31, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Assam	1,53,923	94,428	47,936	1,64,262
Bihar	3,60,469	4,44,330	5,40,770	4,64,133
Chhattisgarh	22,091	25,747	40,497	40,495
Gujarat	30,075	36,005	23,067	-
Haryana	2,091	2,428	1,695	-
Jharkhand	1,16,037	1,35,015	1,69,901	1,42,258
Karnataka	42,552	18,163	53	-
Madhya Pradesh	77,391	98,575	1,31,050	95,363
Maharashtra	24,041	31,485	20,293	-
Meghalaya	9	9	9	640
Odisha	1,49,939	2,02,571	2,80,299	2,39,809
Rajasthan	17,355	27,953	45,057	21,948
Tamil Nadu	16,232	5,229	686	-
Tripura	9,136	10,454	8,028	7,030
Uttar Pradesh	2,44,103	3,35,728	4,46,227	3,16,949
Uttarakhand	5,954	8,586	11,278	3,773
West Bengal	6,81,514	6,61,902	6,44,050	5,15,844
Total	**19,52,912**	**21,38,608**	**24,10,896**	**20,12,504**

Note: Number of Active Customers are defined as the aggregate of borrowers who had an active loan account as of the last day of the relevant period/years.

The following table sets forth our state-wise portfolio distribution (i.e. the ratio of our AUM from the respective state to our AUM, expressed as a percentage) as of the dates indicated:

State	As of			
	December 31, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Assam	7.11%	4.46%	1.76%	7.42%
Bihar	18.33%	20.92%	22.78%	23.93%
Chhattisgarh	1.08%	1.08%	1.35%	1.86%
Gujarat	1.20%	1.54%	1.21%	-
Haryana	0.09%	0.12%	0.09%	-
Jharkhand	5.70%	5.92%	6.65%	7.17%
Karnataka	2.56%	1.33%	0.00%	-
Madhya Pradesh	3.72%	3.93%	5.10%	4.50%
Maharashtra	0.78%	1.27%	1.03%	-
Meghalaya	0.00%	0.00%	0.00%	0.02%
Odisha	7.37%	8.95%	11.30%	12.42%
Rajasthan	0.81%	0.95%	1.64%	1.45%
Tamil Nadu	1.08%	0.36%	0.04%	-
Tripura	0.34%	0.44%	0.31%	0.27%
Uttar Pradesh	11.83%	13.31%	17.77%	16.07%
Uttarakhand	0.27%	0.27%	0.43%	0.25%
West Bengal^	37.73%	35.15%	28.54%	24.64%
Total	**100.00%**	**100.00%**	**100.00%**	**100.00%**

^ *Includes organic business portfolio in West Bengal and inorganic business portfolio across India*.

Joint Liability Group ("JLG") Lending Business Processes

Customer Due Diligence, Credit Appraisal, Loan Origination, Evaluation and Sanction Processing

Our branches enrol individual customers having household income within ₹ 0.30 million per annum, who satisfy the target criteria, to form JLGs. The typical size of a JLG is a group of three to five people. Once a potential JLG is identified, we provide the particular group with a brief introduction to our Company and the group's responsibilities if a JLG were to be formally formed. Our field staff will also conduct a pre-training meeting with the group to reduce the possibility of a member being rejected at the time of customer verification and group training.

After completing a pre-training meeting, our customer service representative identifies a convenient time to conduct the verification process. The first objective of the verification process is to assess the customer's ability to repay a loan by analysing the customer's household income, expenses and current indebtedness. The second objective of the verification process is to ensure that the customer understands our products and the loan terms and conditions so that the customer can identify a suitable product based on his/her particular financial needs.

Once a product has been selected, the customer service representative will commence the loan application process. Our field staff are equipped with a biometric device to run *eKYC* of the applicant and smart phones for real-time authentication of a customer's KYC documents, mobile number and Credit Bureau reports. We have implemented a comprehensive approach to credit checks in order to determine the indebtedness of the customer. This involves us checking each customer's indebtedness levels pertaining to customer's existing or past microfinance loans or any other retail loans. Once all the relevant customer information has been entered into our online platform, a loan application is created in "*MeraArohan*", our loan origination system. Field staff also assess a customer's reputation and credibility before disbursement of the loan amount.

Upon successful completion of the field staff's verification process, the field staff will conduct compulsory group training ("**CGT**") for the JLG. We believe that this training is instrumental in developing group solidarity and enhancing credit discipline. After completing the CGT process, the branch head then undertakes a cross-verification process of customers, including a visit to the customer's business premises or house, as applicable. Thereafter, the group is recommended for a group recognition test by the relevant branch head to assess the suitability of a JLG to borrow from us. At the group recognition test, the branch head asks potential customers

questions about our lending policies, about other members of their group, and the JLG's responsibilities and duties. These questions are designed to test the customer's knowledge and understanding of their individual and group responsibilities. Based on the results of the group recognition test, the branch head decides whether to approve the JLG or not.

After evaluation, the associate branch head uploads the loan application from the loan origination system to the "Central Hub", which creates the loan application in the loan management system post-quality check.

Disbursement Processes

The members of JLG/Centre have to visit the branch to execute the loan disbursement process together. The branch head will then complete and initiate the e-sign process for disbursement of the loans to the customers. All the members of a JLG receive disbursements by way of electronic fund transfers. As of December 31, 2025, all our disbursements have been cashless and paid directly into customers' bank accounts. Following the e-sign–based disbursement process, a copy of the loan card and the loan agreement is provided to each customer, in line with applicable regulatory requirements and our customer transparency standards. To mitigate the risk of disbursing funds to an incorrect or potentially fraudulent bank account, we have integrated a "penny-less" verification process into our disbursement workflow. The full loan amount is disbursed only upon successful confirmation of the account through this verification step, thereby strengthening customer due diligence and ensuring secure fund transfer.

Centre Meetings and Repayment Process

The main purpose of centre meetings is to collect and record repayments from customers. At the centre meetings we also interact with customers and enquire about their financial condition, learn about local developments in the area, re-enforce joint liability, educate our customers about our other products and services, and, in case of non-repayment, highlight to our customers the negative impact of overdue accounts on the JLG.

For "*Saral*" loans, we conduct centre meetings as set out in our operational guidelines on a monthly basis. A centre meeting is generally scheduled on a fixed day of a month, so that all customers within a particular centre are able to meet at a pre-determined place at a given time to repay their loan. The dates of each centre meeting are specified on each customer's loan card, which is handed to the customer after disbursement of the loan.

We have also enabled digital repayment facilities for our customers, whereby our customers can repay their loans using any UPI application. We make use of the Bharat Bill Payment System through tie-ups with PayU Bank, and of Aadhaar Enabled Payment System ("**AEPS**") through PayU Payments Private Limited. Customers can also make repayments using their debit cards through a digital payment system. Customers who are not comfortable with digital payment can pay cash to our CSR alternatively they can also walk down to their nearest Arohan's partner cash drop points like Airtel Payments Bank Limited, FINO Payments Bank LTD, Spice Money Limited and Nearby Technologies Private Limited's PayNearby.

Business Units

Business Operations

Our operations team is led by our Chief Business Officer, who is supported by three deputy business heads handling multiple zones, each zone which consist of one or two contiguous states is managed by zonal business head. Each zonal business head has three to six regional head reports, and each regional head has four to seven area manager reports. Each area manager is responsible for four to six branches led by branch heads. A branch head manages a team of 4 to 6 customer service representatives and an assistant branch head. Our field staff, consisting of area managers and branch employees, best represent our brand to our customers.

Credit

Our Credit function has two sub-verticals, organic credit and inorganic credit. These credit verticals manage the credit quality of our diversified business model.

Organic Credit

Our organic credit function focuses on minimizing the probability of default through well-structured credit underwriting policies, processes, and strategic interventions, which are categorized into three main components, namely, credit policy formulation, credit administration and credit underwriting.

- *Credit Policy Formulation*: We create guiding principles that balance our business growth aspirations with our risk appetite. Policies operate on three levels: Customer, Market or Branch, and Product. At the customer level, we assess borrowers' repayment capacity by examining household income, expenses, existing obligations, credit history, and past behaviour, adhering to RBI guidelines and our internal benchmarks. Our strategic decisions for expansion or consolidation at the Market or Branch Level are based on comprehensive secondary data analysis, monitoring performance indicators like early PAR of six months and 12 months to identify geographic challenges. At the product level, we customize financial products for diverse client profiles, such as *Saral* loans for low-income female borrowers, *ArohanPrivilege* loans for customers with credit history and MELs for small entrepreneurs, each with specific eligibility criteria. Our Credit Committee oversees the credit policies, ensuring they are formulated through extensive deliberation among key stakeholders.

- *Credit Administration*: We apply credit policies through a dual approach that includes a technology-enabled rule engine and field-level physical processes. Each product is governed by specific credit policies integrated into our loan origination system, allowing field officers to make real-time decisions. To gather essential information about applicants' financial situations, we employ rigorous verification methods, including site visits and personal discussions. To mitigate risk arising from expansion and portfolio concentration, we follow a standard operating procedure called '*Vistaar'*, ensuring a structured approach to geographical growth, along with quarterly reviews of portfolio concentration against board-approved limits.

- *Credit Underwriting:* All loan applications sourced by the field team are reviewed by a central hub team for quality of documents uploaded. The team verifies and matches the documents submitted for the borrower and co-borrower with the details in the loan application form. The details in the voter's ID card are validated from the EPIC portal, and the bank account details are validated by a penny less. Our Company also uses AI-enabled applications to identify potential manipulation or tampering in documents submitted by customers The central hub team also checks the live image of the customer uploaded with the ID documents and image of the customer with Branch Head during cross verification as a part of the underwriting checks.

Inorganic Credit

Our inorganic business was established with the objective of pursuing a low operating-expense and low credit-cost model, focused on deploying debt capital to small and medium-sized non-banking financial companies. Our target borrowers primarily comprise NBFC-MFIs that are members of recognised self-regulatory organisations and other registered NBFCs. Our corporate exposures are structured through term loans, direct assignments, and sourcing and collection arrangements. The inorganic credit function operates under a structured credit appraisal framework approved by the Inorganic Credit Committee, which sets out appraisal standards for both quantitative and qualitative assessment parameters.

In evaluating corporate borrowers, we assess the overall risk profile by considering factors such as industry-specific risks and prospects, the borrower's financial position through analysis of audited financial statements, historical performance, capital-raising capability, cash flows and capital adequacy, geographic concentration, portfolio-at-risk ("**PAR**") trends, collection efficiencies validated through banking records, the borrower's competitive position, operational efficiency and quality of management. As part of our due-diligence process, on-site visits are conducted for new corporate borrowers by members of the credit team and/or business team.

For unsecured micro-enterprise loans, the Inorganic Credit Committee oversees credit policies, ensuring that they are formulated following detailed deliberation among key stakeholders. Credit appraisal in the MEL segment involves a structured evaluation of the borrower's credit history, fixed obligations, business stability and cash flows, household income and bank-statement analysis, including assessment under a fixed-obligations-to-income ratio ("**FOIR**") framework. All KYC requirements are verified in compliance with applicable regulatory guidelines. This appraisal is further strengthened through a two-level physical verification of the borrower's business premises, initially by the field officer and subsequently cross-verified by the respective branch head. Final loan sanction is subject to a real-time video personal discussion conducted by our centralised credit underwriting team, providing an additional layer of validation prior to approval or rejection. Given that this segment operates within the MFI-plus category, we adopt a balanced approach combining objective metrics and qualitative judgement to assess borrower creditworthiness and business viability.

In addition, our team continuously monitors portfolio performance and provides periodic updates to management and the Board on key credit developments, supporting strong governance, ongoing oversight and adherence to our risk-management standards.

Debt Receivable Department

In Fiscal 2023, we established our debt receivable department to take a measured approach to curing overdue accounts, with the aim of maintaining our strong origination and underwriting standards while ensuring optimization and productivity, thereby minimising credit costs.

REs are responsible for our recovery efforts and the management of NPA customers. Their role and responsibilities including follow-ups, activations, and recoveries from PAR90 customers, along with the NPA and write-off pools. The department was formally established as debt receivable department with a supervisory structure formed at cluster level leading up to divisional levels, to drive on-field teams, along with a central strategy team to support our REs and enable efficient and effective NPA management.

Our recovery framework is focussed in compliant with the regulations, policies and processes, building upon best practices and promoting new innovations. We seek to continuously refine our recovery processes by identifying operational bottlenecks, evaluating potential solutions and implementing process enhancements within defined timelines, with the objective of supporting recovery-related activities within the debt receivable department and across our operations.

The table below sets forth certain information about our recoveries for the period/years indicated:

Particulars	Nine months ended December 31, 2025	Fiscal		
		2025	2024	2023
	(₹ million)			
Total Recoveries*	540.10	1,024.53	2,142.47	1,277.35

**Recoveries include collection from written off accounts.*

As part of our overall recovery framework, we undertake a combination of settlement-based and legal initiatives to address long overdue and written-off accounts. These initiatives are implemented in accordance with our internal policies and applicable regulatory requirements and are intended to provide structured mechanisms for engagement and resolution with eligible customers.

These settlement-based and legal initiatives are supported by dedicated internal information technology systems and portals, which are used to automate workflows, monitor and manage records, track documentation and facilitate coordination between field teams, supervisors and central functions.

Our key on-field initiatives to aid recoveries are as follows:

- *Sandhi Settlement Scheme*: The Sandhi Settlement Scheme was introduced in February 2021 as a one-time settlement ("**OTS**") initiative for written-off accounts, based on a pre-defined settlement matrix. The scheme facilitates settlement of eligible accounts in accordance with internal policies and applicable regulations.

Over time, the settlement matrix has been reviewed, updated, and additional customer pools have been included, based on operational requirements. The scheme is supported by a dedicated module within our internal portals, which incorporates a pre-defined settlement matrix, identification of eligible customer pools and validation checks. The module is used by our teams to record customer interactions, where applicable, and to track settlements on an ongoing basis. Initiatives such as branch-level settlements, door-step settlements and dormant centre activation, have also aided in recoveries and closures of NPA accounts

- *National Lok Adalat:* Lok Adalat is a statutory dispute resolution mechanism, and we participate in local and national Lok Adalat proceedings organized by district courts across India to facilitate settlements of eligible cases. As part of this process, we issue notices to certain identified customers in accordance with applicable legal procedures. We gradually increased the scale of our participation in Lok Adalat proceedings, which aided in more settlements and recoveries over a period of time. These initiatives form part of our legal and recovery framework and are undertaken usually as a last resort where all strategies have been utilized, and due notice has already given to such borrowers via soft reminder letters and/or legal demand notices. Our participation in Lok Adalat proceedings is supported by a dedicated module within our internal portals used to track cases, notices issued, documentation, orders by the Lok Adalat and case status, and to facilitate coordination across field teams, supervisors and central functions.

We have also implemented various technology-enabled tools to support our recovery-related processes and field operations. These are intended to facilitate structured engagement with customers, support process oversight and recovery-related workflows, in accordance with our internal policies and applicable regulations.

Dista - AI-based Field-Force Management Software:

In Fiscal 2024, we implemented an AI-based field force management application to support the daily activities of our receivable executives. The application provides dashboards on task allocation, updates on each customer visit including the capture of promise to pay ("**PTPs**") and other disposition codes. Supervisory functionalities, including geo-tracking, are used to support monitoring of field activities.

In Fiscal 2025, further upgrades were implemented to support field operations and to facilitate central strategy execution through in-app notifications. These enhancements are intended to support coverage of the identified customer pool and capture more insightful inputs in accordance with internal processes. Disposition codes captured through the application are reviewed and acted upon in accordance with our internal processes and form part of our overall recovery operational strategies.

Recovery Scorecards based on predictive recovery model validation:

We utilize customer-level recovery scorecards as part of our internal prioritization framework for recovery-related calls and field visits. These scorecards are developed using internal models that consider factors such as historical collection trends, payment behaviour and delinquency status. Customers are categorized into internal segments based on these parameters to support prioritization of engagement efforts. The scorecards are used as one of several inputs in planning recovery activities.

Conversational AI-driven Voice Bots:

In Fiscal 2024, we launched a conversational AI-driven voice bot, named "*Arohi*", as part of our technology initiatives for recovery-related communications. The voice bot was developed with the assistance of an external service provider, Gnani Innovations Private Limited, and is used to engage with identified customers with overdue accounts to capture responses relating to repayment (through PTP bot calls) or settlement intent (through settlement bot calls), in accordance with applicable policies and regulations.

The voice bot supports multiple regional languages and places calls across identified customer pools in accordance with internally defined campaigns, rules and timelines. Audio clips and information captured through these calls, including proposed payment timelines, are reviewed and used as part of subsequent follow-up processes. Additionally, we employ voice blasts to communicate information to customers, including notifications regarding upcoming Lok Adalat proceedings or any settlement offers, in accordance with applicable policies and regulations.

Risk Management

Risk management plays a key role in integrating improved and effective practices and frameworks into our business operations. We were awarded the CRIF Data Excellence Award 2025 in recognition of our data quality. In Fiscal 2023, we received certificate of registration from BSI or operating quality management system complying with the requirements of ISO 9001:2015 for conducting internal audit for operation and all other support functions.

Our risk management framework is designed to identify, assess, manage, and monitor the diverse risks inherent in our business operations, including credit risk, liquidity risk, operational risk, cybersecurity risk and other emerging risk exposures. The risk management team is responsible for formulating and maintaining risk policies, and, in coordination with relevant stakeholders, establishing risk thresholds and control parameters. These thresholds are subsequently implemented by the business units and other functional departments.

The risk management team continually monitors adherence to the approved risk framework and flags any deviations from internal policies, procedures, or defined risk limits. In cases where an operational unit does not comply with the established risk management standards, the team escalates such deviations to the appropriate oversight and governance bodies to ensure timely corrective action and enhanced risk discipline across the organization.

The risk management function is led by the Chief Risk Officer and has independent reporting to the Risk Management Committee of the Board of Directors, headed by an eminent Independent Director, with regular administrative guidance from the Managing Director. Our board of directors oversee the Risk Management Committee. Our non-executive independent director chairs the Risk Management Committee of the Board. Our Risk Management Committee convenes on a quarterly basis, to enable regular risk assessment and optimisation of risk-based decision-making.

Over the years, we have strengthened our risk management framework by deploying a range of advanced analytical tools and techniques, including static pool analysis, roll rate assessments, geo-risk mapping, and various risk scoring and predictive models. These tools enable us to establish risk thresholds, early-warning indicators, and performance benchmarks, which in turn inform field-level monitoring, guide business expansion decisions, and support the formulation of our overall business strategy.

We have developed a suite of proprietary, in-house risk models, *NIRNAY*, *BRISK*, and *SANDESH* which collectively enhance the effectiveness of our structured risk management framework. These models and algorithms monitor and assess performance at multiple stages of the loan lifecycle, including customer onboarding, branch-level operations, and other critical process checkpoints. At an enterprise level, our ERM framework provides a holistic view of operational risks by identifying and highlighting key risk indicators. This enables the organization to undertake timely preventive and corrective actions at different operational levels, informed by model-driven insights and grounded in data-based triggers and locational or operational risk factors.

Credit Risk Management

The '*NIRNAY 1.0*' credit acquisition scorecard was introduced in April 2022. Its successful implementation led to positive outcomes in risk pricing audits conducted by the RBI, resulting in zero comments or observations. We have now upgraded to "*NIRNAY 2.0*", which is developed in consultation with a consultancy firm, using an AI/ML-based model-builder platform, to support credit decision-making. This new version is designed to enhance our customer selection procedures, risk-based pricing strategies and improve provision planning moving forward.

Operational Risk Management

The proprietary Branch Risk ("***BRISK***") assessment algorithm has been refreshed in Fiscal 2025 to enhance visibility of operational risks within the organization. This algorithm enables the business team to effectively evaluate operational risks at the branch level. The BRISK grading system offers an unbiased assessment of the operational health of all active branches, highlighting potential emerging risks. Looking ahead, operational risk management is anticipated to receive increased attention in the RBI's regulations and guidelines for Fiscal 2025, as reflected during the discussions and workshops held throughout the year.

Enterprise Risk Management

We have been actively developing a microfinance sector-specific ERM structure, and our efforts have begun to yield results since Fiscal 2024. The RBI has been advocating for systemically important NBFCs to adopt ERM systems during their audits and specialized workshops. Our ERM framework designed to optimize risk in relation to returns while providing comprehensive visibility of all inherent risks within an organization. To align with this mandate, we initiated the implementation of our ERM project, ***'SANDESH',*** using the COSO framework. Risk owners are actively involved in developing, updating and monitoring the risk registers, controls, and thresholds.

Cyber Risk Management

We have appointed a Chief Information Security Officer ("**CISO**") who reports independently to the Chief Risk Officer ("**CRO**"). To strengthen cybersecurity risk management, we engaged a CERT-In-empanelled security firm under a virtual CISO ("**vCISO**") arrangement to work closely with the designated CISO and the internal IT team. This engagement supports IT security incident management and contributes to the systematic identification, assessment, and mitigation of cyber threats. The AI/ML features of the Security Information and Event Management ("**SIEM**") solution enhance the Security Operations Centre ("**SOC**") by analysing machine and human behaviour in addition to traditional threat-detection methods. The risk based vulnerability scanning capabilities of cybersecurity tools, such as the Web Application Firewall ("**WAF**"), further improve the protection of customer data and information. Real-time monitoring tools that assess and flag deviations in the internal and external security posture enable proactive issue resolution and help reduce the organisation's exposure to potential cyber risks.

Internal Audit

We maintain a well-established internal control framework. To ensure independence from our operations, our internal audit function reports directly to the Audit Committee of the Board. The Board reviews the adequacy and effectiveness of our internal audit team, including its structure, annual audit plan, and resourcing to ensure audit reviews remain effective and independent. For further details, see "*Our Management – Committees of the Board*" on page 412.

Our internal audit department monitors our adherence to internal controls and provides input and recommendations to strengthen our risk management framework. It also undertakes an independent review to establish whether the business is operating in accordance with our internal policies and standards for managing operational risk, as well as statutory requirements. As an independent function under the supervision of the Audit Committee of the Board, our internal audit department adopts a risk-based supervision approach according to the recommended guidelines of RBI. The internal audit function is guided by a comprehensive audit charter and policy, which is reviewed and approved by the Audit Committee of the Board, led by our non-executive independent director.

Our internal audit team monitors and reports on our operational processes and systems. We seek to mitigate operational risks by conducting regular checks at our branches, and regional, zonal and head offices. We have established internal financial controls to assess the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

Our internal audit team consisted of 224 members as of December 31, 2025. The team includes qualified individuals who are members of the Institute of Chartered Accountants of India, hold Master of Business Administration degrees, or have Certified Information Systems Auditor certifications. We ensure that our internal audit team members have adequate audit and management reporting training. Our internal audit department was awarded the ISO 9001:2015 certification in Fiscal 2020 by the British Standards Institution, for operating a quality management system which complies with the requirements of the certification for conducting Internal Audit for Operations and all other support functions**.**

Our internal audit function is structured to combine field expertise with auditing proficiency, consisting of approximately 170 auditors selected through a rigorous process. Throughout the nine months ended December 31, 2025, the team successfully conducted audits of over 1,000 active branches quarterly, maintaining a 100% coverage rate for microfinance and sourcing and collection branches. Utilizing a real-time Audit Management System ("**AMS**") and a newly implemented Fraud Management System ("**FMS**"), the team tracks audit progress and enhances visibility on fraud cases. The audit methodology follows a three-pronged approach, comprising, field processes, back-end activity, and customer contact, ensuring comprehensive assessments and dynamic audit scores for each branch.

Established in Fiscal 2021, our vigilance department, led by an experienced ex-serviceman, focuses on investigating significant fraud cases and coordinating with local government agencies for necessary support. Regular audits are conducted not only for branches but also for support functions, reinforcing compliance with regulatory requirements for NBFC-MFIs.

Central Operations and Customer Insights

Our central operations team oversees a wide range of enterprise-level functions, including product management and diversification, process management, cashless collections, central processing operations, policy formulation, customer service, and customer experience management. Our product management team is responsible for designing, refining, and managing products in alignment with customer needs and market expectations. In addition, the central operations function leads the execution of various strategic initiatives aimed at enhancing operational efficiency, strengthening controls, and improving customer engagement. Key initiatives include:

- Cashless repayment project, to drive digital payment adoption and reduce cash-handling risks;
- End-to-end paperless disbursement process through e-sign, ensuring faster and more secure disbursal workflows;
- Customer on-boarding through e-KYC, which enhances compliance and mitigates fraud risks;
- Loan officer live tracking project, designed to improve field productivity and monitoring;
- Welcome calls through multilingual voice bot, enhancing early-stage customer engagement;
- Customer loyalty programs, implemented to strengthen customer retention and improve center meeting attendance; and
- Process control which encompasses fraud and audit action closure, and branch cash management process.

The department also undertakes the periodic review and refinement of field staff incentive frameworks and scorecards, ensuring alignment with business goals, regulatory expectations, and performance standards.

The customer insights team also forms a part of the central operations department. The customer insights team is the custodian of customer grievance redressal mechanisms to ensure compliance with MFIN and RBI guidelines for the same. When a customer has a complaint or query, the same is addressed by the relevant customer service representative or the branch head. If the complaint cannot be resolved, the customer has the option of escalating the same by contacting our toll-free number, WhatsApp or E-mail to our customer care helpdesk. To avoid any language barrier issues, each customer's call is redirected based on location. If the complaint remains unresolved, our customer may further escalate the matter to the grievance redressal officer. Workflow-based routing of cases has been integrated so that all customer queries and concerns are linked to an appropriate workflow, enabling prompt follow-up action. The customer care team also conducts outbound calls to assess customer satisfaction levels and also to get an insight into their needs from a credit and cross-sell perspective. In Fiscal 2026, we introduced chat-bot–enabled customer communication, including automated welcome calls and repayment-related reminders, to enhance customer engagement, improve operational efficiency, and ensure timely and consistent outreach.

Treasury and Accounts

Our treasury department is responsible for managing our Company's capital requirements with the objective of maintaining a healthy capital adequacy ratio and ensuring that financial leverage remains within prudent and acceptable levels. The department also oversees the management of our liabilities to support projected business growth while maintaining a positive asset–liability gap, adhering to the Liquidity Coverage Ratio ("**LCR**") and any other regulatory ratios or metrics mandated from time to time. In doing so, the treasury function aims to diversify funding sources, optimize the cost of borrowings, and manage interest rate risk effectively.

To support these objectives, our Asset Liability Management Committee ("**ALCO**") meets periodically to review our asset–liability profile, evaluate the resource pipeline, and assess our Company's overall liquidity position. A

summary of ALCO's deliberations and decisions is submitted to our Board for oversight and guidance. In addition, the treasury department is responsible for the deployment of surplus funds, ensuring that investments are made in accordance with the parameters and risk limits defined in our Investment Policy, as amended from time to time and duly approved by our Board with a view to optimizing returns while maintaining appropriate risk controls.

Our accounts department is responsible for the financial control function ensuring transactions within the prescribed limits and in compliance with the approvals. It prepares financial statements to report the true and fair view of the financial position of our Company, ensures timely and accurate management of statutory financial reporting and provides key information to the management along with furnishing required data to regulators.

Legal, Compliance and Secretarial

Our legal and compliance department plays a critical role in ensuring that our Company operates within the framework of applicable laws and adheres to all regulatory and statutory requirements. The compliance team oversees our Company's broader corporate governance and compliance functions, which include convening and conducting meetings of our Board, its committees, and Shareholders, undertaking statutory and regulatory filings with relevant authorities and stock exchanges, and managing compliance obligations relating to capital raising and funding activities. The team also acts as a key facilitator between the Board, management, and investors, ensuring that the interests of all stakeholders are protected through legal and statutory compliance.

The legal team is responsible for managing our Company's corporate legal affairs, including contract management, litigation and dispute resolution, and the recovery of legal dues from customers. Together, the legal and compliance functions work to protect our Company from legal risks, regulatory breaches, penalties, and fines, while fostering a culture of ethical conduct, strong corporate governance, and accountability across the organization.

Strategic Initiatives

Our strategic initiatives team plays a pivotal role in shaping and executing key strategic priorities for our Company. The team manages a broad portfolio of strategic programs and projects, including initiatives related to capital raising, investor relations, inorganic growth opportunities, and enterprise-wide performance management with a focus on critical business metrics.

In addition, the team conducts ongoing industry and competitive analyses, monitoring peer activities, market developments, and emerging opportunities to identify potential avenues for growth and strategic expansion. By remaining closely aligned with industry trends and benchmarks, the strategic initiatives team continuously evaluates our performance and operational practices against leading standards. This systematic assessment supports continuous improvement, strengthens strategic decision-making, and ensures that our Company remains competitive, agile, and well-positioned within the evolving marketplace.

Corporate Communications

The corporate communications team is responsible for planning and executing all internal and external communication strategies of our Company, ensuring consistent and timely messaging across key stakeholder groups, including employees, customers, investors, regulators, media, and the public. Internally, the team supports employee engagement and alignment through leadership communications, internal announcements, campaigns, and change-management initiatives. Externally, it oversees brand positioning and reputation management through media engagement, press releases, and public relations efforts. The team also manages our Company's digital and social media presence, advertising, branding, and marketing communications to ensure alignment with business objectives, brand values, and regulatory requirements.

Information Technology

With the assistance of selected technology vendors, we have built our technology platform into a business tool that helps us to maintain consistent levels of customer service, enhance our operational efficiency and create sustainable advantages for our organisation. We have adopted technology-based lending platform for microfinance customers, enabling eligible existing and new customers to undertake loan application, approval and repayment processes through our proprietary mobile application, '*ApnaArohan*'. In Fiscal 2024, we were awarded the SKOCH Order-of-Merit Awards for innovation in lending (*ArohanPrivilege*), solution in lending (*NIRNAY*), and solution in financial inclusion programme (*ApnaArohan*).

Streamlining operational excellence is fundamental to our mission of serving approximately 2.00 million customers' credit needs as of December 31, 2025. Our IT infrastructure captures over 400 data points per customer and facilitates an average of more than 150,000 transactions daily through our reliable loan management system as of December 31, 2025. To empower data-driven decision-making, we have developed a comprehensive data warehouse designed for business intelligence and analytics. This initiative provides dynamic dashboards and insightful reports that are accessible to both field personnel and management, thereby enhancing operational efficiency and supporting informed strategies.

Central to our mobile-first approach is equipping all field employees with reimbursement for purchase of mobile or tablet devices, ensuring seamless virtual connectivity with customers. Additionally, we have adopted a 'Bring Your Own Device' policy, allowing employees to use their personal devices for work purposes. Our investments in information technology have led to the development of automated and digitalized platforms that improve operational efficiency through enhanced controls and regulatory framework. We extensively utilize cloud technologies to maintain strong customer engagement and enhance employee productivity. Key tools and platforms we currently deploy include:

- '*Profile'*, an automated CBS that manages our lending operations;
- '*MeraArohan'*, an all-in-one mobile application suite for essential business functions, such as (a) group recognition tests with customers held by branch head, (b) real time Credit Bureau checks for customer indebtedness, automatic maximum loan size advice, upload of KYC documents by scanning the physical document, (c) loan utilisation check by a customer service representative, (d) records of repayments and customer attendance at centre meetings, and (e) cross verification of a customer's application by branch head;
- '*ApnaArohan'*, a customer-facing mobile app facilitating rapid loan applications;
- Quality checks of customer documentation through our '*Central Hub*';
- '*Penny less'* test to verify the active status of a bank account and authentication of the same;
- *eKYC* to ensure that the real identity of the customers is verified at the time of onboarding;
- '*e-signature facility*', which allows customers to initiate the KYC authentication process, e-sign loan documents, along with geo-tagging of customer locations and liveliness image checks;
- Digital repayment using facilities from PayU Payments Private Limited, Axis Bank Limited and through POS machines. We have also partnered with Airtel Payments Bank Limited and Spice Money Limited so that our customers can repay their loans in cash at such merchant outlets; and
- Cashless transfer of the loan amount into a customer's bank account. As of December 31, 2025, all disbursements have been cashless.

Other technology platforms and applications which support our business operations and functions are:

- '*Sanjaya'* to monitor the field staff activities with geotagging and time stamps.
- '*Audit Management System'* inhouse application that is used by Internal Audit team for audit management.
- '*Adrenalin Max 2.0'* for different HR functions such as attendance, payroll, performance management, recruitment and hiring.
- '*Trackwizz'* for AML related activities.
- '*ApnaBazaar'* for cross-selling products.

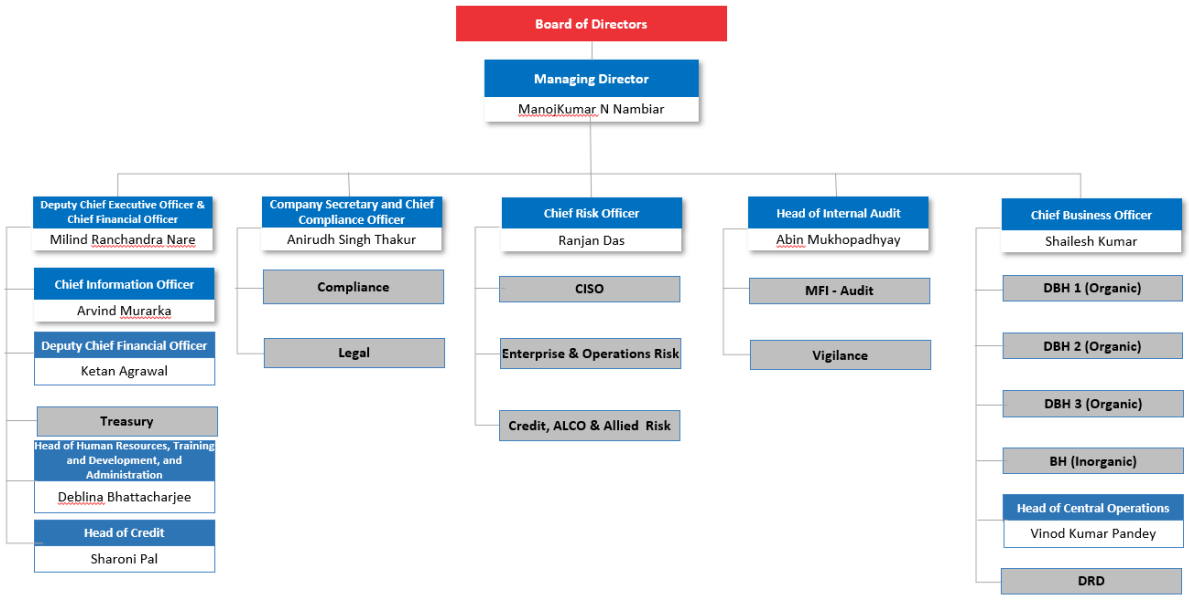
- *'Disha'* A search bot enabled for text and voice has been introduced in our dashboard landing page.
- *'Arohan Social'* we launched the application to promote employer-employee collaboration to increase connect, productivity and retention.

Our commitment to digital service delivery mechanisms enhances operational efficiency and facilitates data analytics, which drive targeted customer profiling and personalized product offerings with risk-based pricing. This integration of technology spans the entire loan lifecycle, from branch area selection to loan origination, data validation, quality assurance, and repayment monitoring. For instance, we utilize analytics from CRIF High Mark to evaluate portfolio quality and market competition when expanding into new territories. The loan origination process is streamlined through *MeraArohan*, which enables real-time credit bureau checks and provides automatic guidance on loan amounts while conducting essential group recognition tests prior to onboarding.

The entire loan cycle is managed through our CBS, *Profile*, which ensures real-time repayment and delinquency monitoring. We offer various digital payment options, including QR codes, AEPS, and digital wallets, allowing for convenient repayment methods without reliance on cash. Moreover, we have implemented a cloud-based customer relationship management system to maintain seamless operations during disruptions, enhancing our responsiveness to customer queries. We advocate for safe and ethical technology use, alongside environmentally friendly recycling practices for end-of-life digital products. Moving forward, we plan to invest in AI tools to further enhance customer experiences and optimize operational efficiency.

Human Resources

Our people are central to our efforts to advance financial inclusion and deliver long-term value to our stakeholders. We have built a purpose-driven, performance-oriented and customer-centric organisation, supported by a human resources framework that facilitates scale, operational resilience and consistent service delivery across our geographic footprint in India. As of December 31, 2025, our Company employed 9,502 individuals.



Note: Head of Internal Audit & Chief Risk Officer report directly to the Independent Chair of the Audit & Risk Management Committees, with administrative reporting to the MD.

Diversity, Equity and Inclusion

We are committed to fostering a diverse, equitable and inclusive workplace aligned with our business model and customer profile. Our focus areas include increasing women participation across managerial and leadership roles; ensuring equal opportunity employment practices across hiring, development and advancement; and maintaining a safe and respectful workplace supported by policies and governance mechanisms. We were recognized as a Great Place to Work for the fourth time, ranked among top 25 of India's best workplaces in BFSI 2024, and placed 35th

among India's top 50 best places to work, 2024 and India’s top 50 (Large) Best workplace for Women, 2024 by the Great Place to Work Institute, India.

Given that a significant majority of our customers are women, particularly under group-based microfinance models, women employees play a critical role in our business operations. We believe that female employees enhance customer engagement, trust and communication, support effective group formation and repayment discipline, and strengthen community connect, thereby contributing to portfolio quality and customer retention.

Workforce and Talent Profile

We primarily recruit non-field employees at the graduate level and place strong emphasis on structured onboarding and training to build functional and behavioural capabilities. Employees are encouraged to grow within our organization through merit-based progression, with internal promotions forming a key component of our talent development and succession planning framework. Set forth below is a summary of our employees, classified by department, as of December 31, 2025:

Department	No. of Employees
Business	7,517
Debt Receivable	1,039
Micro Enterprise Loan	228
Internal Audit	224
Information Technology	107
Administration	79
Human Resource	74
Training and Development	50
Central Operations	40
Accounts	30
Credit	26
Arohan Privilege	21
Cross Sell	14
Operations	12
Funding	11
Inorganic	7
Legal And Compliance	7
Risk	7
Corporate	4
Corporate Communication	2
Strategic Initiatives	2
Corporate Social Responsibility	1
Grand Total	**9,502**

Learning and Capability Development

We have established a comprehensive training ecosystem to build functional, behavioural and leadership capabilities, which includes:

- Structured onboarding programmes for new hires;
- Role-based functional training covering credit appraisal, collections and customer engagement;
- Leadership development initiatives for high-potential employees; and
- Regulatory and compliance training aligned with applicable RBI guidelines.

Training is delivered through a blended approach comprising classroom sessions, digital learning platforms and field-based coaching.

Learning programmes are designed around a competency framework covering both field and non-field roles, including multilingual induction focused on functional and behavioural readiness. Continuous learning is enabled through refresher trainings, assessments, weekly field sessions and e-learning modules, with centrally curated content aligned to business and regulatory requirements. Training needs are identified through performance data and feedback, and effectiveness is assessed using audit, productivity and quality indicators.

Organizational Culture and Core Values

We foster an organizational culture anchored in our core values of '*ETHICS*' through employee engagement, transparency, honesty and integrity, innovation, customer centricity, and shareholder value focus, which guide employee behaviour and decision-making across all levels.

Our culture is characterized by a customer-first mindset, high accountability, execution excellence, inclusive growth, and zero tolerance for unethical conduct. These values are embedded across the employee lifecycle, from recruitment and onboarding to performance management and leadership development.

Compensation, Incentives and Employee Benefits

Annual compensation reviews consider internal equity and external benchmarking, supported by participation in industry compensation surveys. We have established a job evaluation committee to align organisational roles with business requirements through a grading and banding framework based on a point-factor methodology.

We offer structured reward programmes to incentivise performance and support long-term value creation, including:

Field Incentive Programme: Performance-linked incentives for field staff aligned with disbursements, collections efficiency and portfolio quality.

Employee Performance Pay: Performance pay for enabling functions and senior management linked to our bottom-line performance and individual achievement.

*Employee Stock Option Plan ("**ESOP**")*: ESOPs granted to employees at managerial and above levels, subject to individual performance, to enhance leadership retention and align long-term employee interests.

In addition, we offer a comprehensive suite of employee benefits designed to support financial well-being, health and overall stability.

HR Systems, Automation and Governance

We invest in HR automation to improve efficiency, accuracy and employee experience, while fostering a learning culture that supports employee engagement, capability development and long-term career growth. Our leadership and capability development initiatives include '*RiseNXT*' for next-role readiness, the '*Hi-Pot*' Development Programme for high-potential employees, and the Leadership Development Programme conducted with external assessment partners. Additional programmes such as skill up, corporate training, customer service training, and statutory compliance modules including Prevention of Sexual Harassment ("**POSH**"), the Arohan Code of Conduct ("**ACoC**"), Anti-Money Laundering ("**AML**"), Client Protection Principles ("**CPP**"), and Grievance Redressal ("**GR**") support skill enhancement and reinforce a safe, ethical, and compliant work environment across the organisation.

Competition

We face our most prominent competition from other MFIs, banks (including SFBs) and state-sponsored programs in India. Our competitors may acquire or merge with each other, as has been the case in the recent past. When two established microfinance entities merge, the resultant entity is likely to have larger economies of scale, better synergies and reach to a greater number of customers. This would increase competition for us in our areas of operations.

In addition, many of our potential customers in the underpenetrated rural and semi-urban areas do not have access to any form of formal institutional lending. (*Source: CARE Report*) Therefore, they rely on loans from informal

sources, such as moneylenders, landlords, local shopkeepers or local traders who may offer loans at much higher interest rates. (*Source: CARE Report*) While India has made significant progress in expanding access to formal financial services, the depth and effective usage of banking products remain relatively limited, indicating under-penetration of the banking sector. (*Source: CARE Report*) Having a huge gap in credit demand and supply and provide relatively greater scope for the growth of microfinance businesses. Unregulated market participants present another source of competition as they target the same areas and customer base as we do. (*Source: CARE Report*)

For further details, see "*Industry Overview*" on page 177 and "*Risk Factors – The financing industry is becoming increasingly competitive with significant presence of NBFCs, public and private sector banks that have extensive branch networks, and other financial services companies. Increasing competition may have an adverse effect on our Net interest margin (%) and other income, and, if we are unable to compete successfully, our market share may decline.*" on page 51.

Capital Adequacy Ratios

The RBI currently requires NBFCs to comply with a Capital to risk weighted assets ratio (CRAR) (%), consisting of Tier I Capital and Tier II Capital. Under these requirements, Tier I Capital and Tier II Capital should not be less than 15.00% of the sum of the NBFC's risk-weighted assets on balance sheet and the risk adjusted value of off-balance sheet items, as applicable. The table below sets forth certain details of our Capital to risk weighted assets ratio (CRAR) (%) and other key metrics as of the period/years indicated:

Particulars	As of December 31, 2025	As of March 31, 2025	As of March 31, 2024	As of March 31, 2023
	(₹ million, except percentages)			
Total assets (₹ million)	74,618.38	68,857.87	81,154.41	60,181.71
Tier I Capital (I)	18,747.99	18,921.42	17,355.88	10,523.68
Tier II Capital (II)	382.43	1,341.44	1,391.29	1,353.64
Total capital (III = I + II)	**19,130.42**	**20,262.86**	**18,747.17**	**11,877.32**
Total risk weighted assets	**61,306.20**	**59,438.26**	**64,632.57**	**41,320.82**
Total equity	20,918.07	20,251.28	19,147.56	13,380.25
Capital to risk weighted assets ratio (CRAR) (%)	**31.20%**	**34.09%**	**29.01%**	**28.74%**
CRAR-Tier I Capital (%)	30.58%	31.82%	26.85%	25.46%
CRAR-Tier II Capital (%)	0.62%	2.27%	2.16%	3.28%

Further for a reconciliation of non-GAAP measures, see "*Management's Discussion and Analysis of our Results of Operations – Non-GAAP Measures*" on page 554.

Credit Ratings and Grading

For further information in relation to credit ratings and grading received by us, see "*Business Strengths – Diversified Borrowing Relationships and Access to Multiple Sources of Capital*" and "*History and Certain Corporate Matters – Major Events*" on pages 352 and 394, respectively.

Intellectual Property

For a list of intellectual property owned and registered by us, see "*Government and Other Approvals – Intellectual Property*" on page 618.

Insurance

We maintain insurance policies that we believe are customary for companies operating in our industry. Our principal types of coverage include insurance for fire, fidelity, group personal accident, group medical coverage, group term life insurance, burglary and money. We also have a directors' and officers' liability policy. Our insurance policies may not be sufficient to cover our economic loss. For further information, see "*Risk Factors – We may not have adequate credit insurance and may be unable to secure additional insurance to cover all losses we may incur in our business operations or otherwise.*" on page 60.

Awards and Accreditations

For a list of awards and accreditations that we have received in recent years, see "*History and Other Corporate Matters – Key awards, accreditations and recognition*" on page 395.

Corporate Social Responsibility and Environmental, Social and Governance

One of our key missions is to advance financial inclusion for underserved and low-income communities. While our core business focuses on providing micro-loans to empower women, promote entrepreneurship, and enhance livelihoods, our Corporate Social Responsibility ("**CSR**") initiatives extend this social mission by working to create measurable and sustainable impact in the communities we serve.

Our CSR philosophy is aligned with our mission of fostering inclusive growth and addressing key social, environmental, and economic challenges faced by vulnerable communities. Our initiatives are designed in alignment with the United Nations Sustainable Development Goals ("**SDGs**") and aim to complement our social business model by addressing structural barriers in areas such as financial literacy, healthcare, education, environmental sustainability, and community resilience. In compliance with the requirements of Section 135 of the Companies Act read with the Companies (Corporate Social Responsibility) Rules, 2014, our Board have constituted a Corporate Social Responsibility ("**CSR**") Committee pursuant to which we carry out various CSR activities. In the nine months ended December 31, 2025, Fiscals 2025, 2024 and 2023, our corporate social responsibility expenses were ₹ 21.16 million, ₹ 39.02 million, nil, and ₹ 2.18 million, representing 0.19%, 0.23%, nil, and 0.02% of our total revenue from operations, respectively.

Key Focus Areas

- *Financial Literacy and Inclusion*

Recognising that financial awareness is critical to empowerment, we undertake structured programmes to educate women, micro-entrepreneurs, and rural households on topics such as financial planning, savings, budgeting, and responsible borrowing. These initiatives aim to strengthen financial resilience and enable informed decision-making among underserved populations.

- *Youth Entrepreneurship and Entrepreneur Investing Program*

We support local entrepreneur and students at government school to support entrepreneurship among school and college students by introducing them to innovation. Designed to help regional entrepreneurs scale their ventures through structured mentorship and guidance.

- *Education and Skill Development*

We support educational advancement and employability through scholarships, remedial learning programmes, and vocational skill development for youth and women. These interventions aim to reduce dropout rates, improve learning outcomes, and equip individuals with practical skills for sustainable livelihoods.

- *Environmental Sustainability*

Our environmental initiatives aim to promote ecological responsibility and reduce environmental impact. Activities undertaken include tree plantation drives, awareness programmes on conservation, renewable-energy promotion, and waste-management initiatives. We strive to integrate environmentally responsible practices into both our CSR and business operations.

- *Disaster Relief*

We are committed to providing timely assistance during natural disasters such as floods, cyclones, and droughts. Our disaster relief measures include distribution of essential supplies food, water, medicine, and hygiene materials to affected households, helping communities recover and rebuild.

- *Community Development*

We undertake a range of community development projects to enhance quality of life in rural and semi-urban areas. These include construction of sanitation facilities, provision of clean drinking water, development of community infrastructure such as schools and community centres, and targeted support for marginalised groups including women, children, and persons with disabilities.

Impact

Since the inception of our CSR journey in 2016, We have positively impacted approximately 800,000 beneficiaries. Through sustained focus on financial literacy, healthcare, education, environmental sustainability, and community development, our CSR initiatives continue to strengthen community resilience and promote inclusive, long-term socio-economic progress.

Properties

Our registered and corporate office is located at PTI Building, 4th Floor, DP 9, Sector 5, Salt Lake, Kolkata 700 091, West Bengal, India, which is a leased premise. The lease was entered into on January 29, 2024 (with retrospective effect from December 5, 2023).

As of December 31, 2025, all of the properties used for our operations throughout India were held on a leave-and-license or leasehold basis. As of that date, we served approximately two million borrowers in 17 states, and our microfinance business' branch network consisted of 1,073 branches, including our head office, with branches spread across 17 states in India.

The table below sets forth details of our key property:

Particulars	Address	Arrangement (Owned/ Leased)	Owner / Lessor	Lessee	Valid Up to	Related Party (Yes/ No)
Registered and Corporate Office	PTI Building, 4th Floor, DP 9, Sector 5, Salt Lake, Kolkata 700 091, West Bengal, India	Leased	Press Trust of India Limited	Arohan Financial Services Limited	Three years from December 5, 2023 (renewable for six years, in two terms of three years)	No

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KEY REGULATIONS AND POLICIES

The following description is a summary of certain key regulations and policies in India which are applicable to the operations of our Company. The information detailed in this section has been obtained from publications available in the public domain. The description of the regulations disclosed 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 information in this section is based on the current provisions of applicable laws in India that are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

Our Company is registered as an NBFC-MFI with the RBI. Our Company is an NBFC-ND-SI, in terms of the guidelines issued by the RBI. We offer various products to suit the specific financial requirements of our customers. See "*Our Business*" on page 335.

For details of material regulatory approvals obtained by us, see "*Government and Other Approvals*" on page 616.

1. Key Regulations applicable to our Company

The Reserve Bank of India Act, 1934 as amended (the "RBI Act")

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.

In accordance with the Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025, an NBFC-MFI is required to have a net owned fund of ₹70 million (₹50 million in north-east region) beginning from March 31, 2025 and ₹100 million beginning from March 31, 2027, or such other amount, 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 an NBFC.

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.

Prudential Norms - Reserve Bank of India (Non-Banking Financial Companies – Microfinance Institution) Directions, 2025 (The "MFI Directions")

An NBFC-MFI means a non-deposit taking NBFC which has a minimum of 60% of its total assets (netted off by intangible assets) deployed towards "microfinance loans" on an ongoing basis. All NBFC-MFIs are required to maintain capital adequacy ratio consisting of Tier 1 and Tier 2 capital which shall not be less than 15% of its aggregate risk weighted assets on balance sheet and of risk adjusted value of off-balance sheet items. The total of Tier 2 capital at any point of time, shall not exceed 100% of Tier 1 capital.

Prudential floor for expected credit loss

In accordance with the MFI Directions and Reserve Bank of India (Non-Banking Financial Companies – Income Recognition, Asset Classification and Provisioning) Directions, 2025, NBFCs are required to hold impairment allowances as required under Ind AS. In parallel, NBFCs are required to maintain the asset classification and compute provisions in accordance with the Reserve Bank of India (Non-Banking Financial Companies – Income Recognition, Asset Classification and Provisioning) Directions, 2025 including borrower / beneficiary wise classification, provisioning for standard as well as restructured assets and non-performing assets ageing among others.

Asset Classification and Provisioning Norms

All NBFC-MFIs are required to adopt the following asset classification norms for their microfinance loans:

(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; and

(ii) a "non-performing asset" means an asset for which interest or principal payment has remained overdue for a period of more than 90 days.

For non-performing assets related to microfinance loans of NBFC-MFIs, provisioning norms are as set forth below:

(i) the aggregate loan provision to be maintained by NBFC-MFIs at any point of time shall not be less than the higher of (a) 1% of the outstanding loan portfolio; or (b) 50% of the aggregate loan instalments which are overdue for more than 90 days and less than 180 days and 100% of the aggregate loan instalments overdue for 180 days or more;

(ii) for applicable NBFC-MFIs, if the advance covered by the Credit Risk Guarantee Fund Trust for Low Income Housing guarantee becomes non-performing, no provision is required to made towards the guaranteed portion.The amount outstanding in excess of the guaranteed portion shall be provided for as per provisioning norms as mentioned in Reserve Bank of India (Non-Banking Financial Companies – Income Recognition, Asset Classification and Provisioning) Directions, 2025; and

(iii) Standard assets provisioning of microfinance loans of an NBFC-MFI lying in a particular layer of the scale based regulatory framework shall be in accordance with instructions contained in Reserve Bank of India (Non-Banking Financial Companies – Income Recognition, Asset Classification and Provisioning) Directions, 2025 for the respective layer.

NBFC-MFIs are also required to comply with other asset classification and provisioning norms governing other applicable NBFCs to the extent such norms are not contradictory to the norms disclosed above.

Balance Sheet Disclosures

(i) NBFC-MFIs are required to separately disclose in their balance sheets the provisions made, as prescribed under the Master Directions, without netting them from income or against the value of assets.
(ii) The provisions are to be distinctly indicated under separate heads of account as:
  (a) Provisions for bad and doubtful debts; and
  (b) Provisions for depreciation in investments.
(iii) Such provisions shall not be appropriated from the general provisions and loss reserves held, if any, by the NBFC-MFIs.
(iv) Such provisions for each year are required to be debited to the profit and loss account. The excess of provisions, if any, held under the heads general provisions and loss reserves are required to be written back without making adjustment against them.
(v) Additionally, NBFC-MFIs are required to disclose: (a) Capital to risk assets ratio; (b) exposure to real estate sector, both direct and indirect; and (c) maturity pattern of assets and liabilities.

Ensuring Compliance with Conditionalities

The responsibility for compliance with applicable regulations lies primarily with the NBFC-MFIs themselves.

In accordance with the RBI (Non-Banking Financial Companies – Credit Information Reporting) Directions, 2025, every NBFC-MFI is required to be a member of all credit information companies ("**CICs**") established under the Credit Information Companies (Regulation) Act, 2005, as amended, provide timely and accurate data to CICs.

All NBFC-MFIs are required to become member of at least one self-regulatory organization recognized by the RBI ("**SROs**") and are also required to comply with the code of conduct prescribed by such SRO.

Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025 (the "SBR Directions")

The SBR Directions divide the 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 (a) non-deposit taking NBFCs with assets worth less than ₹10,000 million, and (b) NBFCs undertaking the following activities – (i) NBFC-Peer to Peer Lending Platform, (ii) NBFC-Account Aggregator, (iii) Non-Operative Financial Holding Company and (iv) NBFC 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 ₹10,000 million or more, as well as NBFCs undertaking activities such as housing finance companies, standalone primary dealers, infrastructure debt fund – non-banking financial companies, core investment companies and non-banking financial companies – infrastructure finance companies.

Upper Layer – The upper layer comprises the top 10 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 SBR Directions.

Top Layer – The SBR 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.

Existing MFIs holding a certificate of registration as on October 1, 2022 issued by the RBI and having net owned fund of less than ₹100 million are required to achieve the net owned fund of ₹100 million by March 31, 2027 in accordance with the following glide path :

NBFCs	Requirement (by March 31, 2025)	Requirement (by March 31, 2027)
NBFC-MFI	₹70 million (₹50 in NE Region)	₹100 million

The SBR Directions came into effect on October 1, 2022, and were amended on November 10, 2023, pursuant to which references to NBFC-ND shall mean NBFC-BL and all references to NBFC-D and NBFC-ND-SI shall mean NBFC-ML or NBFC-UL, as the case may be. Accordingly, our Company is classified as NBFC-ML.

Corporate Governance - Reserve Bank of India (Non-Banking Financial Companies - Governance) Directions, 2025 (the "Governance Directions")

Constitution of Committees

As per the Governance Directions, NBFCs are required to constitute the committees disclosed below:

(i) Audit Committee: NBFCs are 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-ML 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 as per the periodicity prescribed in Reserve Bank of India (Non-Banking Financial Companies – Managing Risks in Outsourcing) Directions, 2025, as amended from time to time, to assess operational risks faced by the NBFC. For further details, see *"— Reserve Bank of India (Non-Banking Financial Companies – Managing Risks in Outsourcing) Directions, 2025 (the "Outsourcing Directions")*" on page 387.

(ii) Nomination Committee: A nomination committee has to be constituted, 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. The nomination and remuneration committee constituted by an NBFC in accordance with Section 178 of the Companies Act, 2013 shall be the nomination committee for the purposes of the Governance Directions as well.

(iii) Risk Management Committee: NBFCs are required to constitute a risk management committee that is required to be responsible for evaluating the overall risks faced by the NBFC including liquidity risk and shall report to the board of directors.

Certain additional corporate governance requirements applicable to all NBFCs pursuant to the Governance Directions, include:

- Key managerial personnel of such NBFCs are prohibited from holding office in any other NBFC-ML or NBFC-UL. However, such key managerial personal can continue as a director on the board of directors of a subsidiary of such NBFC.
- 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.
- Such NBFCs are required to adopt a board approved compensation policy which is required to provide for, at minimum, principles for fixed and variable pay structures and malus / claw back provisions.

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 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, further, an NBFC shall institute an internal process to conduct due diligence of directors on a continuing basis; (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 deed of covenant signed by directors, in the format prescribed under the Governance Directions; 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 statement must be submitted to the Regional Office of the Department of Supervision of the RBI where the NBFC-ML is registered, within 15 days of the close of the respective quarter. The statement submitted for the quarter ending March 31, is required to be certified by the auditors. The RBI reserves the right to examine the 'fit and proper' criteria of directors of any NBFC-ML irrespective of asset size of such NBFCs.

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 INR 1,000 million 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 ₹50,000 million 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.

Disclosures and Transparency - Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025

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.

Reserve Bank of India (Non-Banking Financial Companies – Acquisition of Shareholding or Control) Directions, 2025

NBFCs are required to obtain prior written permission of 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% (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 but must be reported to the RBI within one month of the occurrence).

Regulation of Excessive Interest Charged by NBFCs- Reserve Bank of India (Non-Banking Financial Companies – Responsible Business Conduct) Directions, 2025 (the "Responsible Business Conduct Directions")

The Responsible Business Conduct Directions provides for Key Facts Statement ("**KFS**") which is a statement of key facts of a loan agreement in a simple and easier to understand language, provided to the borrower in a standardised format. It requires regulated entities to issue the KFS, in the prescribed format to all prospective borrowers to help them take an informed view before executing a loan contract. The key facts statement is required to be written in a language that is understood by the borrowers and the content of such statement is required to be explained to the borrower. Further, the Responsible Business Conduct Directions provide for the following:

(i) The board of directors of each 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, the approach for gradations of risk and rationale for charging different rate of interest to different categories of borrowers are required to be disclosed to the borrower or customer in the application form and communicated explicitly in the sanction letter.

(ii) The rates of interest and the approach for gradation of risks are also required to be made available on the website of the NBFCs or published in the relevant newspapers. The information published on the website or otherwise published is required to be updated whenever there is a change in the rates of interest.

(iii) 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.

Although rates of interest charged by NBFCs are not regulated by the RBI, rates of interest beyond a certain level may be seen to be excessive. The board of directors of NBFCs are required to layout appropriate internal principles and procedures in determining interest rates and processing and other charges.

Accounting Standard

NBFCs are required to implement Ind AS in accordance with the Ind AS rules and are required to prepare financial statements in accordance with the Ind AS and comply with the regulatory guidance specified in the Master Directions.

Fair Practices Code

NBFCs having customer interface are required to adopt a fair practices code in line with the guidelines prescribed under the Responsible Business Conduct Directions. The Responsible Business Conduct Directions stipulate that such fair practices code should cover, *inter alia*, standard form of loan agreement for microfinance loans in a language understood by the borrower; provision of loan cards to the borrowers, which shall have certain features such as information adequately identifying the borrower, simplified factsheet on pricing and all other terms and conditions attached to the loan, among others; issuance of non-credit products to be with full consent of the borrowers and fee structure for such products to be explicitly communicated to the borrower in the loan card itself; prepayment charges, displaying minimum, maximum and average interest rates charged on microfinance loans in all its offices, in the literature (information booklets/ pamphlets) issued by it and details on its website, etc. It is also required to contain provisions in relation to training of staff, guidelines related to recovery of loans, engagement of recovery agents and responsibilities of direct sales agents/ direct marketing agents/ recovery agents of the NBFC.

The Responsible Business Conduct Directions also prescribe general conditions to be observed by NBFCs in respect of loans, and requires the board of directors of NBFCs to lay down a grievance redressal mechanism. Such fair practices code should preferably be in vernacular language or language understood by borrowers of the NBFCs.

Further, all NBFCs are required to frame internal guidelines on corporate governance, enhancing the scope of the guidelines without sacrificing the underlying spirit of the guidelines stipulated in the Responsible Business Conduct Directions. The guidelines framed are required to be published by the NBFC in all its offices and its website for the information and in a language understood by ovarious stakeholders.

Reserve Bank of India (Non-Banking Financial Companies - Concentration Risk Management) Directions, 2025

NBFC-MLs shall not have exposure (credit/investment taken together) exceeding: (i) 25% of its Tier 1 capital to a single party; and (ii) 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 ₹10 million per borrower for financing subscription to initial public offers.

Geographical Diversification

NBFC-MFIs are required to approach their board of directors for fixing internal exposure limits to avoid any undesirable concentration in specific geographical locations.

Reserve Bank of India (Non-Banking Financial Companies – Prudential Norms on Declaration of Dividends) Directions, 2025 (Dividend Directions)

The board of directors of an NBFC shall, unless otherwise specified, while considering the proposals for dividend, take into account the following aspects: (a) supervisory findings of the RBI on divergence in classification and provisioning for NPAs, (b) qualifications in the auditors' report to the financial statements; and (c) long term growth plans of the NBFC. The board is required to ensure that the total dividend proposed for the financial year does not exceed the ceilings specified in Dividend Directions.

The Dividend Directions provide that NBFCs must comply with certain minimum criteria to be eligible to declare dividend. The minimum criteria is based on the three following parameters:

(i) Capital Adequacy: NBFCs shall have met the minimum capital requirements (including leverage ratio wherever applicable) in each of the last three financial years including the financial year for which the dividend is proposed.

(ii) Net NPA: The net NPA ratio shall be less than 6% in each of the last three years, including as at the close of the financial year for which dividend is proposed to be declared.

(iii) Other criteria: NBFCs shall comply with the provisions of Section 45 IC of the RBI Act. NBFCs shall also be compliant with the prevailing regulations/guidelines issued by the RBI. The RBI shall not have placed any explicit restrictions on declaration of dividend.

NBFCs that are eligible to declare dividend may pay dividend on the basis of the Dividend Payout Ratio which is defined as the ratio between the amount of the dividend payable in a year and the net profit as per the audited financial statements for the financial year for which the dividend is proposed.

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, among others, casts certain obligations on reporting entities (as defined under the PMLA) in relation to preservation of records and reporting of transactions.

Reserve Bank of India (Non-Banking Financial Companies – Know Your Customer) Directions, 2025 (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.

Master Directions on Fraud Risk Management in Non-Banking Financial Companies (NBFCs) (including Housing Finance Companies) (the "Directions on Fraud Risk Management")

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 (Filing of Supervisory Returns) Directions – 2024 (the "Directions on Filing of Supervisory Returns")

The Directions on Filing of Supervisory Returns sets out the timelines and frequency for the filing of weekly, fortnightly, monthly, quarterly, half-yearly and yearly returns. The Directions on Filing of Supervisory Returns also prescribe the responsibilities of the board of directors and senior management, including identification, assessment, and management of data quality risks as part of its overall risk management framework and documentation of risk data aggregation capabilities and risk reporting practices.

Reserve Bank of India (Information Technology Governance, Risk, Controls and Assurance Practices) Directions (the "IT Directions")

The IT Directions require all regulated entities to establish an IT governance framework that inter alia (i) specifies the governance structure and processes necessary to meet its business/ strategic objectives; (ii) specifies the roles (including authority) and responsibilities of the board of directors, board level committee and senior management; and (iii) includes adequate oversight mechanisms to ensure accountability and mitigation of IT and cyber / information security risks. Further, the IT Directions require all regulated entities to establish a board level IT Strategy Committee to ensure that the regulated entities have an effective IT strategic planning process and that the budgetary allocations for the IT functions (including for IT security), cyber security are commensurate with the regulated entities' IT maturity, digital depth, threat environment and industry standards and are utilized in a manner intended for meeting the stated objectives.

Master Direction – Non- Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 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: (i) 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 (ii) compliance with net owned fund requirements as laid down in the Master Directions.

Guidelines on Risk-based Internal Audit ("RBIA") System for Select NBFCs and Urban Co-operative Banks (the "RBIA Guidelines")

The RBIA for non-deposit taking NBFCs with an asset size of INR 50,000 million 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.

Reserve Bank of India (Non-Banking Financial Companies– Credit Facilities) Directions, 2025

The Credit Facilities Directions, *inter alia*, set out requirements in relation to loan disbursal, servicing and repayment, disclosures to borrowers and redressal of investor grievances.

The Credit Facilities Directions require NBFCs and lending service providers engaged by them to comply with technology standards and cyber security requirements prescribed by the RBI. NBFCs are also required to ensure that lending service providers and digital lending applications/platforms engaged by them do not store any personal information of borrowers except basic information required to carry out their operations, such as the name, address and contact details of borrowers. Further, NBFCs are required to ensure that lending service providers and digital lending applications/platforms engaged by them have a comprehensive privacy policy that is compliant with applicable law and is publicly available.

The Credit Facilities Directions, further, set out requirements in relation to default loss guarantee ("**DLG**") arrangements including the structure of DLG arrangements, eligibility of the DLG provider, tenor of the DLG, disclosure requirements and also sets out an upper limit on the DLG provided.

It also prescribe due diligence requirements of NBFCs prior to entering into or renewal of a DLG arrangement. NBFCs are required to obtain sufficient information to satisfy themselves that the entity extending the DLG would be able to honour it.

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 (i) deposit-taking NBFCs having 10 or more branches; and (ii) non-deposit taking NBFCs with asset size of Rs. 50,000 million 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.

Reserve Bank of India (Non-Banking Financial Companies – Treatment of Wilful Defaulters and Large Defaulters) Directions, 2025 (the "Directions on Wilful Defaulters and Large Defaulters")

The Directions on Wilful Defaulters and Large Defaulters specify, *inter alia*, the mechanism for identification and classification of wilful defaulters, review of accounts for identification of wilful defaulters, role of internal auditors and the liability of a guarantor. The Directions on Wilful Defaulters and Large Defaulters also prescribe the manner of reporting and dissemination of credit information on large defaulters, reporting and dissemination of credit information on wilful defaulters and the role of statutory auditors and other third parties.

Reserve Bank of India (Non-Banking Financial Companies – Managing Risks in Outsourcing) Directions, 2025 (the "Outsourcing Directions")

The Outsourcing Directions specify the activities that cannot be outsourced and provide the basis for deciding materiality of outsourcing. It mandates the regulatory and supervisory requirements and risk management practices to be complied with by every NBFC before outsourcing its activities.

The Outsourcing Directions also govern IT outsourcing, applicable to NBFCs. They require NBFCs to take steps to ensure that service providers to which certain activities are outsourced to employ the same standards of care in performing services as would have been employed by the NBFC itself, had such activity not been outsourced.

Further, Regulated Entities are required to ensure that their service providers develop and establish a robust framework for documenting, maintaining, and testing their business continuity plans and disaster recovery plans.

NBFCs are permitted to outsource any information technology activity/information technology enabled service within its business group/conglomerate, subject to conditions specified in the Outsourcing Directions on IT Outsourcing. Any NBFC intending to outsource any of its information technology activities is required to put in place a comprehensive board approved IT outsourcing policy which is required to incorporate, inter alia, the roles and responsibilities of the board of directors, committees of the board of directors and senior management, information technology function, business function and oversight and assurance functions in respect of outsourcing of information technology services. The Outsourcing Directions also require Regulated Entities to immediately notify the RBI in the event of breach of security and leakage of confidential customer related information.

Prompt Corrective Action (PCA) Framework for Non-Banking Financial Companies (NBFCs) (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:

a. All deposit taking NBFCs (excluding government companies) (NBFCs-D)
b. 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%

Insurance Regulatory and Development Authority of India (Registration of Corporate Agents) Regulations, 2015 (the "Corporate Agent Regulations")

The Corporate Agent Regulations, *inter alia*, set out the eligibility criteria for registration as a corporate agent which include infrastructure, trained manpower, qualifications of the principal officer of the corporate agent and compliance with the code of conduct prescribed under the Corporate Agent Regulations.

Corporate agents are required to have a policy, approved by the board of directors, that sets out the manner of soliciting and servicing insurance products. If the principal business of a corporate agent is other than insurance, the entity is required to maintain an arm's length relationship in financial matters between its activities as a corporate agent and its other activities. Further, where insurance is sold as an ancillary product along with its principal business products, the corporate agent, its shareholders and associates, cannot compel the buyer of its

principal business product to also buy insurance products. The Corporate Agent Regulations also set out requirements in relation to arrangements with insurers, servicing of policy holders and maintenance of records.

Insurance Regulatory and Development Authority of India (Registration of Corporate Agents) Regulations, 2015 ("IRDAI Registration of Corporate Agents Regulations")

Corporate agents are required to obtain a certificate of registration from the Insurance Regulatory and Development Authority of India in accordance with the IRDAI Registration of Corporate Agents Regulations for solicitation and servicing of insurance business for any of the specified categories of life, general and health.

2. Other Regulations

Occupational Safety, Health and Working Conditions Code, 2020[(i)] ("OSHWC Code")

The OSHWC Code received the assent of the President of India on September 28, 2020, and came into effect on November 21, 2025. It subsumes certain existing legislations, 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 provides for, among other things, standards for health, safety and working conditions for employees of establishments.

The OSHWC Code specifically prohibits engagement of contract labour in core activities except in three situations: the activity is usually done through a contractor as part of normal functioning, the activities do not require full-time workers for the majority of the workday or for long periods, or there is a sudden increase in the volume of work that must be completed within a specified time. The OSHWC Code also stipulates a maximum of eight hours per day in any establishment, with notice of work periods displayed and any proposed change intimated to the Inspector-cum-Facilitator before the change is made. Overtime must be paid at double the wage rate with prior employee consent required. No worker can work more than six consecutive days, and if exempted by government, compensatory holidays must be provided within the same month or next two months.

In relation to the OSHWC Code, the Government of India has also issued the draft Occupational Safety, Health and Working Conditions (Central) Rules, 2025 through a notification dated December 30, 2025 and will come into effect on a date to be notified by the Central Government.

In addition to the above, the various labour and employment-related legislation 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, among others, the following:

- Code on Social Security 2020;[(ii)]
- The Industrial Relations Code, 2020;[(iii)]
- The Code on Wages, 2019;[(iv)]
- Apprentices Act, 1961;
- Relevant state-specific shops and commercial establishment legislations; and
- Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

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i. *The Occupational Safety, Health and Working Conditions Code, 2020 (enacted by the Parliament of India and assented to by the President of India) came into force on November 21, 2025. It subsumes, inter alia, the Factories Act, 1948, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979, the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 and the Contract Labour (Regulation & Abolition) Act, 1970.*

ii. *The Government of India enacted 'The Code on Social Security, 2020' which received the assent of the President of India. Some provisions of this code came into force on November 21, 2025 (in addition to certain of the provisions thereunder notified already) and other remaining provisions will come into force on such date as may be notified in the official gazette by the Central Government and different dates may be appointed for different provisions of this code. The code subsumes, inter alia, the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961 and the Payment of Gratuity Act, 1972. The Ministry of Labour and Employment, Government of India has also notified the draft rules relating to Employee's Compensation under the Code on Social Security, 2020 on June 3, 2021. Further, draft rules under the Code on Social Security, 2020 were also notified on November 13, 2020. These draft rules propose to subsume, inter alia, the Employees' State Insurance (Central) Rules, 1950 and the Payment of Gratuity (Central) Rules, 1972.*

iii. *The Industrial Relations Code, 2020 received the assent of the President of India on September 28, 2020 and came into force on November 21, 2025. It subsumes three existing legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946.*

iv. *The Government of India enacted 'The Code on Wages, 2019' which received the assent of the President of India. Some provisions of this code came into force on November 21, 2025 (in addition to certain of the provisions thereunder notified already) and other remaining provisions will come into force on such date as may be notified in the official gazette by the Central Government and different dates may be appointed for different provisions of this code. The code subsumes the Equal Remuneration Act, 1976, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Payment of Wages Act, 1936. In pursuance of the code, the Code on Wages (Central Advisory Board) Rules, 2021 have been notified, which prescribe, inter alia, the constitution and functions of the Central Advisory Board set up under the Code on Wages, 2019.*

The Information Technology Act, 2000 and the rules made thereunder (the "IT Act")

The IT Act has been enacted with the intention of providing legal recognition to transactions that are undertaken electronically. The IT Act facilitates electronic commerce by recognizing contracts concluded through electronic means, protects intermediaries in respect of third party information made available to or hosted by them and creates liability for failure to protect sensitive personal data. The IT Act has created a mechanism for authenticating electronic documentation by means of digital signatures, and provides for civil and criminal liability including fines and imprisonment for various offences. By means of an amendment in 2008, the IT Act legalized the validity of contracts formed through electronic means. The IT Act prescribes various offences, including those offences relating to unauthorized access of computer systems, unauthorized disclosure of confidential information and frauds emanating from computer applications.

The Digital Personal Data Protection Act, 2023 ("Data Protection Act")

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.

**The provisions of the DPDP Act and the rules therein will come into force in three phases:*

1. Phase 1: Provisions that are effective from November 13, 2025 (i.e., the date of the gazette notification). The Phase 1 provisions are all procedural in nature (e.g., effective dates, definitions, conflicts with other laws, bar of jurisdiction of civil courts, power to amend the schedules etc.). Phase 1 also includes the establishment of the DPB, including appointment of a chairperson, terms and conditions of service of members and procedures for meetings. However, the powers and functions of the DPB (except those relating to monitoring of consent managers – see Phase 2 below) are Phase 3 provisions;
2. Phase 2: Provisions that will become effective from November 12, 2026 (i.e., 1 year from the gazette notification). The Phase 2 provisions relate to consent managers, i.e., registration of consent managers with the DPB, obligations of consent managers and the powers of the DPB to inquire into breaches and impose penalties for breach of registration conditions.; and
*3. Phase 3: Provisions that will become effective from May 12, 2027 (i.e., 18 months from the gazette notification). Phase 3 covers all the remaining (substantive) provisions of the Data Protection Act and rules therein, including grounds for processing of personal data, notice to be given by data fiduciaries to data principals, all consent-related provisions, legitimate uses, general obligations of data fiduciaries and reasonable security safeguards to be implemented by them, additional obligations of significant data fiduciaries, rights of data principals, processing of personal data of children, processing of personal data outside India (the "**data localization**" requirement), intimation of personal data breaches and exemptions from the applicability of the Data Protection Act and the rules therein for specific purposes.*

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 (Non-debt 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 (the "**Consolidated FDI Policy")**. Under the current Consolidated FDI Policy, foreign investment in private banking sector in India is under automatic route.

Trade Marks Act, 1999 (the "Trade Mark Act")

The Trademark Act provides for the application and registration of trade marks in India. The Trademarks Act prohibits the registration of any trade marks which are, among others, (a) devoid of any distinctive character, (b) consist exclusively of marks or indications which may serve in trade to designate the kind, quality, quantity, intended purpose, values, geographic origin or the time of production of the goods or rendering of the service or other characteristic of the goods or service or (c) consist exclusively of marks or indications which have become customary in the current language or in the *bona fide* and established practices of the trade. A trademark registration under the Trademarks Act is valid for a term of 10 years, subject to renewal or removal from the register of trade marks.

Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations")

SEBI Listing Regulations provide for ongoing compliance obligations and disclosure requirements for companies with listed securities. It establishes requirements for financial disclosures, corporate governance standards, investor grievance mechanisms, and timely reporting of material events. The SEBI Listing Regulations mandates specific committee compositions, independent director requirements, and related party transaction approvals. It prescribes formats and timelines for periodic submissions to exchanges and requires the appointment of qualified compliance officers to ensure adherence to regulatory requirements.

Laws relating to Taxation

In addition to the aforementioned material legislations which are applicable to our Company, some of the tax legislations that may be applicable to the operations of our Company including Central Goods and Service Tax Act, 2017, Central Goods and Service Tax Rules, 2017, and various state-wise legislations made thereunder; Integrated Goods and Services Tax Act, 2017; Central Sales Tax Act, 1956 and various state-wise legislations made thereunder; Income Tax Act, 2025 and the rules to be framed under it; Customs Act, 1962; Importer exporter code; Indian Stamp Act, 1899 and various state-wise legislations made thereunder; and State-wise legislations in relation to professional tax.

In addition to the above, our Company is required to comply with the provisions of the Companies Act, and other applicable statutes imposed by the Centre or the State for its day-to-day operations.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief History of our Company

Our Company was incorporated on September 27, 1991 at Kolkata, West Bengal, India as 'ANG Resources Private Limited', a private limited company under the Companies Act, 1956. Our Company was then converted into a public limited company under the Companies Act, 1956, and consequently, the name of our Company was changed to 'ANG Resources Limited' and a fresh certificate of incorporation dated October 20, 1995 was issued by the Registrar of Companies. Subsequently, due to business and commercial reasons, the name of our Company was changed to 'Arohan Financial Services Limited' and a fresh certificate of incorporation dated March 25, 2008 was issued by the Registrar of Companies. Thereafter, our Company was converted into a private limited company under the Companies Act, 1956 and the name of our Company was changed to 'Arohan Financial Services Private Limited' and a fresh certificate of incorporation dated September 28, 2010 was issued by the Registrar of Companies. Our Company was then converted into a public limited company under the Companies Act, and the name of our Company was changed to 'Arohan Financial Services Limited'. A fresh certificate of incorporation dated May 25, 2018 was issued by the Registrar of Companies.

For details on our Company's registration with the RBI as an NBFC-MFI, see "*Government and Other Approvals*" on page 616.

Our Company has 388* Shareholders as on the date of filing of this Draft Red Herring Prospectus. See "*Capital Structure*" on page 101.
**The total number of Shareholders has been computed based on the beneficiary position statement dated May 14, 2026.*

Changes in Registered Office

The Registered and Corporate Office of our Company is currently situated at PTI Building, 4th Floor, DP 9, Sector 5, Salt Lake, Parganas North, Kolkata 700 091, West Bengal, India.

There has been no change in the registered office of our Company since its incorporation other than as set out below.

Date of change of registered office	Address of registered office	Reasons for change
April 1, 2006	Changed from 8, Lyons Range, 5th Floor, Kolkata 700 001, West Bengal, India to 716, Jogendra Gardens, Kasba, Kolkata 700 078, West Bengal, India	Administrative convenience and efficiency.
May 25, 2009	Changed from 716, Jogendra Gardens, Kasba, Kolkata 700 078, West Bengal, India to 195/1, Rajdanga, Chakrabortypara, Kasba, Kolkata 700 107, West Bengal, India	Administrative convenience and efficiency.
February 2, 2015	Changed from 195/1, Rajdanga, Chakrabortypara, Kasba, Kolkata 700 107, West Bengal, India to PTI Building, 4th Floor, DP 9, Sector 5, Salt Lake, Parganas North, Kolkata 700 091, West Bengal, India	Administrative convenience and efficiency.

Main Objects of Our Company

The main objects of our Company contained in the Memorandum of Association are as disclosed below.

1. "*To carry on the business of providing a full range of financial services as may develop from time to time to low income or economically disadvantaged clients, organized in the form of individuals, groups of individuals including self-help groups, societies, merchants, traders, industries, commercial establishments, financial institutions, co-operative societies, non-governmental organizations, private, charitable and related entities. These services include all types of loans, hire purchase, leasing, discounting, mortgages, deposits, saving, investments, mutual funds, insurance, money transfer, venture capital remittances, credit facilities, and any other services, which may arise in the future, subject to the approval of the Reserve Bank of India and all other appropriate authorities.*

2. *To carry on the business of a Finance Company (not being a banking Company within the meaning of the Banking Regulations Act, 1949) and to provide or assist in providing financial assistance to all sections of society.*

3. *To carry on and undertake the business of insurance, including life insurance and general insurance as intermediary or agent of other insurance companies, subject to the rules and regulations prescribed by the Insurance Regulatory and Development Authority and the Reserve Bank of India, Non-Banking Finance Companies Rules, as applicable to insurance business.*

4. *To carry on and undertake the business of research, consultancy, advisory services, technical assistance and training in the fields of: livelihood promotion, development finance, financial services, inter alia, loans, investments, leasing, hire purchase, housing finance, asset management, project finance, venture capital, mutual funds, insurance, money transfer, commodity futures and derivatives; social venture and investment funds; directly, or as intermediary for other companies or organizations.*

5. *To act as an issue house Registrars and Share Transfer Agents, promoters, financiers, underwriters, managers to issue, broker, agent for private sector and public sector shares, securities, bonds, debentures, units etc and to act as financial advisors, consultant, technical consultants or management consultants in various fields. To manage investment portfolio, mutual funds, syndicates in shares, stocks, securities, finance and real estates and to finance consumer loans and advance and to carry on every type of leasing business including property, equipment leasing, hire purchase financing and any other connected activities which may appear necessary or convenient for leasing business of the Company.*"

The objects clause as contained in the Memorandum of Association enables our Company to carry on the business presently being carried out and proposed to be carried on by our Company.

Amendments to the Memorandum of Association

The amendments to the Memorandum of Association of our Company in the 10 years immediately preceding the date of this Draft Red Herring Prospectus are as detailed below.

Date of Shareholders' Resolution	Nature of Amendment
December 15, 2016	Clause V of the Memorandum of Association was amended to reflect an increase in the authorized share capital of our Company to ₹903,533,200 divided into 72,000,000 Equity Shares and 9,176,660 CCPS.
March 8, 2017	Clause V of the Memorandum of Association was amended to reflect reclassification of the authorized share capital of our Company to ₹903,533,200 divided into 90,353,320 Equity Shares.
March 28, 2018	Clause V of the Memorandum of Association was amended to reflect an increase in the authorized share capital of our Company to ₹1,124,533,200 divided into 112,453,320 Equity Shares pursuant to the Scheme.
May 15, 2018	Our Company was converted from a private limited company to a public limited company and consequently, the name of our Company was changed to 'Arohan Financial Services Limited' and Clause I of the Memorandum of Association was amended to reflect the change in name.
January 22, 2021	Clause V of the Memorandum of Association was amended to reflect an increase in the authorized share capital of our Company to ₹1,600,000,000 divided into 160,000,000 Equity Shares.
March 28, 2022	Clause V of the Memorandum of Association was amended to reflect reclassification of the authorized share capital of our Company to ₹1,600,000,000 divided into 135,000,000 Equity Shares and 25,000,000 CCPS.
November 18, 2022	Clause V of the Memorandum of Association was amended to reflect an increase in the authorized share capital of our Company to ₹2,250,000,000 divided into 180,000,000 Equity Shares and 45,000,000 CCPS.
March 29, 2023	Clause V of the Memorandum of Association was amended to reflect reclassification of the authorized share capital of our Company to ₹2,250,000,000 divided into 145,000,000 Equity Shares and 80,000,000 CCPS.
March 19, 2024	Clause V of the Memorandum of Association was amended to reflect an increase in the authorized share capital of our Company to ₹2,750,000,000 divided into 195,000,000 Equity Shares and 80,000,000 CCPS.

Date of Shareholders' Resolution	Nature of Amendment
August 6, 2024	Clause V of the Memorandum of Association was amended to reflect reclassification of the authorized share capital of our Company to ₹2,750,000,000 divided into 275,000,000 Equity Shares.

Major Events

The table below sets forth some of the major events in the history of our Company:

Calendar Year	Event
2006	• Commenced microfinance operations and disbursed its first microfinance loan in Kolkata
2007	• Number of customers reached 10,000
2008	• Launch of 'Bazaar' loan product
2010	• Number of customers crossed 100,000 • Commenced operations in Assam
2011	• Number of customers crossed 200,000
2012	• Acquisition of controlling interest in our Company by Intellecash and AVMS • Acquisition of Intellecash's microfinance portfolio
2014	• Endorsement of status as an NBFC-MFI by the RBI • Commenced operations in Jharkhand
2015	• Commenced operations in Odisha • Achieved AUM of over ₹5,000 million
2016	• Launched mobility solution which captures operational transactions on a real time basis through a mobile application • Commenced operations in Meghalaya and Chhattisgarh • Undertook first cashless disbursement
2017	• Launch of "*Arohan e-Bazaar*" mobile application • Gross loan portfolio reached ₹10,000 million • Commenced operations in Tripura and Uttar Pradesh
2018	• Inorganic business portfolio reached ₹1,000 million • Number of customers reached 1,000,000 • Intellecash merged with and into our Company pursuant to the Scheme • Commenced operations in Madhya Pradesh • Raised ₹990 million of external commercial borrowing from IFC • Received Code of Conduct Assessment (COCA) score of C1 (top grade) indicating "Excellent Performance on COCA Dimensions" issued by ICRA Limited
2019	• Number of customers reached 2,000,000 • Launched the ApnaBazaar application for cross-selling of products • Commenced operations in Manipur IVR Automation for enquiry calls went live
2020	• Enabled digital repayment using digital wallets such as PayU which make use of Aadhaar Pay Enabled Software platform, Bharat Bill Payment System platform, UPI and debit card
2022	• Launched the "ArohanPrivilege", an advanced tech—based lending solution • Featured in the list of NBFCs released by Ministry of Finance (Department of Revenue) which permitted the featured entities to perform authentication under the Aadhaar Act, 2016 • Introduced an e-learning module on credit underwriting guidelines • Received Alpha Grading and Rating Outlook as positive in social rating under the CERISE SPI4 tool methodology by Micro-Credit Ratings International Limited
2023	• Outstanding portfolio for "ArohanPrivilege" reached ₹1,000 million • Received code of conduct assessment score of C1 (the highest grade) indicating "Excellent Performance on Code of Conduct Dimensions" • Implemented Aadhaar-enabled e-KYC driven underwriting
2024	• Granted IRDAI license to act as a 'Corporate Agent' • Received MFI 1 Grading by CARE Edge Analytics & Advisory Ratings • Received code of conduct assessment score of C1 (the highest grade) indicating "Excellent Performance on Code of Conduct Dimensions"
2025	• Registered with the National Credit Guarantee Trustee Company to avail credit guarantee coverage under Credit Guarantee Fund for Micro Units

Calendar Year	Event
	• Received Code of Conduct Assessment (COCA) score of C1 grading from CARE Edge Analytics and Advisory • Received MFI 1 grade from CARE Edge Analytics & Advisory Ratings
2026	• Arohan website was made available in 12 Indian languages • Onboarded Dista, an AI-based location intelligence platform • Started operations in Tamil Nadu with the opening of a regional office in Tiruchirappalli

Key awards, accreditations, certifications and recognitions received by our Company

The table below sets forth certain key awards, accreditations, certifications and recognitions received by our Company:

Calendar Year	Event
2010	• 'Microfinance Organisation of the Year (Small & Medium)' award at Inclusive Finance India Awards 2010 • 'Certificate of Recognition' for being a global pioneer in the microfinance industry by participating in the India Transparent Pricing Initiative implemented by MicroFinance Transparency • Winner of 'Srijan MFI Transparency Award 2010' for excellence in practices and initiatives that enable and ensure greater transparency in operations at Srijan Financial Inclusion Forum 2010 organized by Intellecap Advisory Services Private Limited • 'Microfinance India Institution of the Year 2010 (Small and Medium MFI)' awarded by Access Development Services and HSBC India
2015	• 'Client Protection Certification' from the Smart Campaign for taking adequate care to implement client protection principles as promoted by the Smart Campaign
2017	• 'CSR Practice of the Year' award at the CSR Excellence Awards 2017
2018	• 'CSR Project of the Year in Water' award at the India International CSR Conclave 2018 • Recognition for Implementing Outstanding Initiatives in the category of 'Risk and Resilience Framework' at the MFIN Microfinance Awards 2018 by Microfinance Institutions Network • –'Microfinance Organisation of the Year' at Inclusive Finance India Awards 2018 by Access Development Services and HSBC India at Inclusive Finance India Summit 2018 • Winner in the categories of "Coverage in East India", "Credit plus activities" and "Client centric initiatives across products, distribution, service delivery, customer relationship management, customer experience, marketing etc." among the segment: NBFC-MFI at the 4th Eastern India Microfinance Summit 2018 • "Excellence in Clean Energy Finance" certificate by MicroEnergy Credits as a project participant in the United Nations Framework Convention on Climate Change Program of Activities 9181 for "MicroEnergy Credits – Microfinance for Clean Energy Product Lines – India"
2019	• IFC Strategy Award by Times Network for finance, banking and insurance • Special Jury Recognition in large enterprise category by Indian Chamber of Commerce • Certified as Great Place to Work by the Great Place to Work® Institute, India • 'Client Protection Certification' from the Smart Campaign for taking adequate care to implement client protection principles as promoted by the Smart Campaign
2020	• 'Best Governed Company' in unlisted segment and emerging category' award at the 20th ICSI National Awards for Excellence in Corporate Governance, 2020 • Recognized as 'responsible lender' for adopting and adhering to the Code for Responsible Lending (CRL) in micro-credit by FIDC, MFIN and SA-DHAN • Ranked among India's 25 Best Workplaces in BFSI – 2020 by the Great Place to Work® Institute India • Ranked 86th among 'India's Best Companies to Work for 2020' by the Great Place to Work® Institute India and The Economic Times
2021	• Ranked among India's 30 Best Workplaces in BFSI 2021 and among the Best Workplaces in Microfinance India 2021 by the Great Place to Work® Institute India • 'New Code of Work Awards 2021' for scripting the new code of work as a large enterprise • Winner in the organizational category of 'Excellence in Digitalization of HR' from the National HRD Network, Delhi & NCR Chapter and New Delhi Institute of Management
2022	• Awarded 'Top 25 safest workplaces in India' by KelpHR • Awarded 'Microfinance Company of the Year' at the 3rd annual BFSI Technology Excellence Awards 2022, hosted by Quantic

Calendar Year	Event
2023	• Winner in the category of 'Technology innovations to drive financial inclusion' at the 7th Eastern India Microfinance Summit, 2023 • Awarded 'Best Payment and Collections Solution, India' at The Asset Triple A Awards • Certificate of registration from BSI for operating quality management system complying with the requirements of ISO 9001:2015 for conducting internal audit for operation and all other support functions
2024	• Certified as 'GOLD level of achievement' in client protection by MFR Certification Committee • Certified as a great workplace by the Great Place to Work®, India • Recognised among Top 25 India's Best Workplaces™ in BFSI 2024 by the Great Place to Work® India • Ranked 35th amongst 'India's Best Companies to Work For' by the Great Place to Work® India and The Economic Times • Recognised among India's Best Workplaces™ in Microfinance by the Great Place To Work® Institute, India • Recognised among India's Best Workplaces™ for Millennials 2024: Top 50 (Large) by the Great Place to Work® Institute, India • Recognised among India's Best Workplaces™ for Women 2024: Top 50 (Large) by the Great Place to Work® Institute India • Qualified as Semi-finalist at the SKOCH Order of Merit Awards, 2024 for implementation of our credit scoring module
2025	• Recognised at The Eastern India Leadership Awards, 2025 as "Organisation with Innovative CSR Practices" • Recognised for our contribution to the National Apprenticeship Training Scheme (NATS) by the Board of Practical Training (Eastern Region) • Recognised at the CRIF Data Excellence Awards as 'Promising – Data Quality Improvement (MFI)' • Qualified as Semi-finalist at the SKOCH Order of Merit Awards, 2025 for high potential development and leadership development programme

Other Details regarding our Company

Significant Financial and Strategic Partners

Our Company does not have any significant financial and strategic partners as on the date of this Draft Red Herring Prospectus.

Defaults or Rescheduling or Restructuring of Borrowings from Financial Institutions/Banks

No payment defaults or rescheduling / restructuring have occurred in relation to any borrowings availed by our Company from any financial institutions or banks, nor have any such borrowings or loans been converted into Equity Shares.

Time and Cost Overruns

Our Company has not implemented any projects since its incorporation and has accordingly not experienced any time or cost overrun in relation thereto.

Launch of key products or services, entry into new geographies or exit from existing markets, capacity/ facility creation or location of branches

For the details of key products or services launched by our Company, entry into new geographies or exit from existing markets, capacity/facility creation and location of our branches, to the extent applicable, see "*Our Business*" on page 335.

Holding Company

As on the date of this Draft Red Herring Prospectus, our Company does not have any holding company.

Subsidiaries, Associates and Joint Ventures

As on the date of this Draft Red Herring Prospectus, our Company does not have any subsidiaries, associates or joint ventures.

Details regarding Material Acquisitions or Divestments of Business/Undertakings, Mergers, Amalgamations and Revaluation of Assets in the last 10 years

Except as disclosed below, our Company has not made any material acquisition or divestment of any business or undertaking, and has not undertaken any merger, amalgamation or revaluation of assets in the 10 years immediately preceding the date of this Draft Red Herring Prospectus.

Scheme of arrangement with Intellecash

The National Company Law Tribunal, Mumbai by its order dated March 9, 2018 and the National Company Law Tribunal, Kolkata by its order dated March 26, 2018 approved the Scheme, with effect from the appointed date of April 1, 2017.

The rationale of the Scheme was to achieve certain benefits for our Company, including, *inter alia*: (a) economies of scale; (b) retention of clients; (c) diversification of product offerings; (d) financial strength; and (e) optimization of non-qualifying asset space.

Pursuant to the Scheme, the entire business and undertaking of Intellecash, including, *inter alia,* all its properties, assets, rights, liabilities, licenses, investments, interests, incentives, contracts, intellectual property, proceedings, employees and obligations, as on April 1, 2017, were transferred to and vested in our Company as a going concern and Intellecash was dissolved without the process of winding up. Accordingly, the following steps were undertaken: (i) 18,067,494 Equity Shares held by Intellecash in our Company were cancelled and extinguished; (ii) 11,230,546 equity shares of face value ₹10 each of Intellecash (constituting the entire equity share capital of Intellecash) were cancelled and extinguished; and (iii) the authorized share capital of Intellecash was combined with and added to the authorized share capital of our Company, pursuant to which, the authorized share capital of our Company was increased to ₹1,124,533,200 divided into 112,453,320 Equity Shares.

As consideration for the transfer of the entire business and undertaking of Intellecash to our Company, based on the valuation report dated July 25, 2017 issued by KGRS & Co, Chartered Accountants ("**Intellecash Valuation Report**"), 23,970,479 Equity Shares were allotted to the erstwhile equity shareholders of Intellecash, in the ratio of 213.44 Equity Shares for every 100 equity shares of face value ₹10 each held by such shareholders in Intellecash (equivalent to 2.1344 Equity shares for every one equity share of Intellecash), based on the fair market value of each equity share of our Company and Intellecash valued at ₹84.69 and ₹180.78, respectively. For further details of allotment of Equity Shares pursuant to the Scheme, see "*Capital Structure—Share Capital History of our Company*" on page 103.

The Scheme became effective on March 28, 2018, being the date on which the certified copy of the order of the National Company Law Tribunal at Kolkata and the National Company Law Tribunal at Mumbai were filed with the Registrar of Companies and the Registrar of Companies, Mumbai at Maharashtra respectively, in terms of Section 232(5) of the Companies Act. For further details, including the accounting treatment of the Scheme in our Restated Financial Information, see "*Financial Information*" on page 435.

The details of the transactions are as follows:

Particulars	Details
Name of transferor/transferee	Transferor: Intellecash Transferee: Our Company
Relationship of the promoter or directors of our Company with the entities/person from whom our Company has acquired	Our Corporate Promoters, I-Cap and AVMS held 51.54% and 1.78% shareholding in the Transferor, respectively.
Summarized Information about the valuation	Based on the Intellecash Valuation Report, our Company was required to issue 23,970,479 Equity Shares to the erstwhile equity shareholders of Intellecash, in the ratio of 213.44 Equity Shares for every 100 equity shares of face value ₹10 each held by such shareholders in Intellecash.
Effective date of transaction	March 28, 2018

The Scheme and the Intellecash Valuation Report have been included in the section "*Material Contracts and Documents for Inspection*" on page 693.

Slump sale of our MSME Lending Business to Ashv

Pursuant to a business transfer agreement dated February 10, 2021 ("**BTA**") with Ashv, our Company transferred its business of providing finance to MSMEs ("**MSME Lending Business**") as a going concern by way of slump sale to Ashv, as on the effective date, *i.e.*, February 10, 2021. The total consideration received by our Company was ₹580.88 million.

The details of the transactions are as follows:

Particulars	Details
Name of transferor/transferee	Transferor: Our Company Transferee: Ashv
Relationship of the promoter or directors of our Company with the entities/person from whom our Company has acquired	Not applicable
Summarized Information about the valuation	Based on the valuation report dated February 8, 2021 issued by BDO Valuation Advisory LLP, the fair equity value of MSME Lending Business as at December 31, 2020 ("**Ashv Valuation Report**") was arrived in the range of ₹530.50 million and ₹706.30 million with the average being ₹618.40 million.
Effective date of transaction	February 10, 2021

The BTA and the Ashv Valuation Report have been included in the section "*Material Contracts and Documents for Inspection*" on page 693.

Details of guarantees by promoter selling shareholders offering Equity Shares in the Offer for Sale

None of our Promoters are offering Equity Shares in the Offer for Sale.

Shareholders' Agreements and Other Agreements

As on the date of this Draft Red Herring Prospectus, other than as disclosed below, there are no inter-se agreements/ arrangements to which our Company, Promoters and Shareholders are a party and there are no clauses/ covenants which are material and which need to be disclosed, and that there are no other clauses/ covenants which are adverse/ pre-judicial to the interest of the minority/ public shareholders or which may have bearing on the investment decision. Further, there are no other agreements, deed of assignments, acquisition agreements, shareholders' agreement, or agreements of like nature.

Shareholders' Agreements

*Amended and restated shareholders agreement dated May 2, 2023 (the "**2023 SHA**") by and amongst our Company, AVMS, I-Cap, Vineet Chandra Rai, Manojkumar N Nambiar, Tano, AG II, MSDF, Maj Invest, TR Capital, TIAA, FMO, DSDG and Arohan ESOP Trust read with the deed of adherence dated June 28, 2024 entered into by TMF and TFSF (the "**DOA**", together with the 2023 SHA, the "**SHA**"), as amended by the amendment and termination agreement to the SHA dated May 15, 2026 (the "**Amendment and Termination Agreement**"),*

Our Company entered into the 2023 SHA, which sets out the terms and conditions governing the inter-se relationship among AVMS, I-Cap, Vineet Chandra Rai, Manojkumar N Nambiar, Tano, AG II, MSDF, Maj Invest, TR Capital, TIAA, FMO, DSDG and Arohan ESOP Trust in relation to the management and governance of our Company. Pursuant to the DOA, TMF and TFSF assumed all the shareholder rights (including but not limited to reserved matters, exit rights and transfer rights) and obligations which were available to TIAA and FMO under the 2023 SHA.

The SHA provides for certain special rights to be vested with AVMS and I-Cap as promoters of our Company and with Tano, AG II, MSDF, Maj Invest, TR Capital, TIAA, FMO, DSDG, TMF and TFSF as investors in our Company, including the right to appoint directors on the Board subject to certain conditions, pre-emptive right of certain shareholders to subscribe to any new securities issued by our Company proportionate to their shareholding in our Company in terms of the SHA, certain restrictions on transfer of securities of our Company, including tag-along rights of certain shareholders and anti-dilution rights of certain shareholders. Our Company has also entered into other arrangements, which include certain information and related rights.

Pursuant to the Amendment and Termination Agreement, the parties to the SHA have waived certain special rights including information sharing arrangement, that may be triggered under the SHA as a result of the Company undertaking the Offer. The parties to the SHA have also agreed that the SHA shall stand terminated with effect from the date of listing of the Equity Shares on the Stock Exchanges pursuant to the Offer.

In order to facilitate the Offer in accordance with applicable laws, the Parties have entered into the Amendment and Termination Agreement to: (i) amend certain terms of the SHA; (ii) waive certain special rights (and corresponding obligations of the other parties, as applicable); and (iii) consent to certain matters under the SHA. Accordingly, the Parties have provided waivers on certain provisions of the SHA to the extent it applies to the Offer, from the effective date of the Amendment and Termination Agreement.

Further, under the Amendment and Termination Agreement, after the date of commencement of listing of Equity Shares on the Stock Exchanges ("**Listing Date**"), our Company has agreed to take necessary steps under applicable laws to include in the agenda of the first shareholders' meeting (or postal ballot, as applicable) convened immediately after the Listing Date, and in any case within timelines prescribed under applicable law, the following director nomination rights on the Board:

(i) AG II, Tano, Maj Invest and TR Capital, shall be entitled to nominate one (1) Director each on the Board who shall always be a non-executive director, liable to retire by rotation, provided that, each holds, directly or indirectly, at least 10% of the paid-up equity share capital of our Company on a fully diluted basis.

(ii) TIAA, FMO, DSDG, TMF and TFSF, shall be entitled to nominate one (1) Director each on the Board who shall always be a non-executive director, liable to retire by rotation, provided that, each holds, directly or indirectly, at least 7% of the paid-up equity share capital of our Company on a fully diluted basis (the "**Nomination Threshold**"). Notwithstanding the foregoing, in the event it transfers or sells any Equity Shares held by it to any person (other than to its affiliate), the Nomination Threshold applicable to it shall, with effect from the date of such transfer or sale, increase to 10% of the paid-up equity share capital of our Company on a fully diluted basis.

(iii) AVMS and I-Cap, shall be entitled to nominate two (2) Directors on the Board who shall always be non-executive directors, liable to retire by rotation.

Further, upon occurrence of the long-stop date, *i.e.*, earlier of (a) the consummation of the Offer; or (b) the Amendment and Termination Agreement being terminated by the mutual written agreement of all parties, subject to the withdrawal of the offer document by the Board; or (c) failure to complete the consummation of the Offer on

or before the later of 48 months from February 21, 2023, or 12 months from the date of receipt of final observations from the SEBI, which date may be further extended based on mutual agreement amongst the parties; or (d) the date on which the Board decides not to undertake the Offer or to withdraw this Draft Red Herring Prospectus filed with the SEBI or the Stock Exchange; or (e) the inability of our Company to receive final observations from the SEBI within a period of nine months from the date of filing of this Draft Red Herring Prospectus with the SEBI or the Stock Exchange; or (f) failure to file this Draft Red Herring Prospectus with the SEBI by May 22, 2026; or (g) any other date as mutually agreed between the parties in writing, the Amendment and Termination Agreement shall terminate, without any further acts of the parties and without any liabilities or obligations whatsoever. In case of the termination of the Amendment and Termination Agreement, except in case of consummation of the Offer, the Parties agree that the provisions of the SHA, shall be reinstated in accordance with the Amendment and Termination Agreement.

Part A and Part B of the Articles of Association of our Company shall co-exist with each other until the Listing Date. In the event of any inconsistency between Part A and Part B, the provisions of Part B shall prevail over Part A. However, all provisions of Part B including the special rights available to any Shareholders of our Company as per the SHA and as amended by the Amendment and Termination Agreement, shall automatically terminate and will cease to have any force and effect on and from the Listing Date and the provisions of Part A of the Articles shall continue to be in effect and be in force, without any further action by any party.

Agreements required under Clause 5A of paragraph A of part A of Schedule III of the SEBI Listing Regulations

As on the date of this Draft Red Herring Prospectus, except as disclosed under "*—Shareholders' Agreements and Other Agreements*" on page 398, there are no other agreements required to be disclosed in respect of the requirement under Clause 5A of paragraph A of part A of Schedule III of the SEBI Listing Regulations.

Agreements with Key Managerial Personnel, Senior Management, Directors, Promoters, or any other employee

Our Company has not entered into any agreements with Key Managerial Personnel, Senior Management, Directors, Promoters, or any other employee, either by themselves or on behalf of any other person, with any Shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

OUR MANAGEMENT

Board of Directors

In accordance with 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 Red Herring Prospectus, our Board comprises 13 Directors of which one is a Managing Director, seven are Non-Executive Nominee Directors and five are Non-Executive Independent Directors. Two of our Non-Executive Nominee Directors are women Directors.

The following table sets forth details regarding our Board as on the date of this Draft Red Herring Prospectus.

S. No.	Name, DIN, Designation, Address, Occupation, Term, Period of Directorship and Date of Birth	Age (Years)	Other Directorships
1.	**Dinesh Kumar Mittal** ***DIN*:** 00040000 ***Designation*:** Chairman and Non-Executive Independent Director ***Address*:** B-71, Sector 44, Noida, Gautam Buddha Nagar 201 301, Uttar Pradesh, India ***Occupation*:** Retired IAS ***Term*:** Five years with effect from May 15, 2023 ***Period of Directorship:*** Director since May 15, 2018 ***Date of birth:*** January 25, 1953	73	*Indian Companies*: 1. Business Strategy Advisory Services Private Limited 2. Lohia Corp Limited 3. Shivalik Small Finance Bank Limited 4. Max Estates Limited 5. Las Ventures Private Limited 6. New Delhi Television Limited 7. Indus Towers Limited 8. Bharti Life Insurance Company Limited 9. APL Apollo Tubes Limited *Foreign Companies:* Nil
2.	**Manojkumar N Nambiar** ***DIN*:** 03172919 ***Designation*:** Managing Director ***Address*:** 8, Godavari, Sector-3, Vashi, Navi Mumbai, Vashi, Thane 400 703, Maharashtra, India ***Occupation*:** Service ***Term*:** Five years with effect from March 1, 2026 ***Period of Directorship:*** Director since October 3, 2012 ***Date of birth:*** April 18, 1965	60	*Indian Companies:* 1. Aavishkaar Venture Management Services Private Limited 2. Intellecap Advisory Services Private Limited *Foreign Companies:* Nil
3.	**Vineet Chandra Rai** ***DIN*:** 00606290 ***Designation*:** Vice Chairman and Promoter Nominee Director (Nominee of AVMS) ***Address*:** 1001, 10th Floor, Quantum Park, A Wing, Union Park, Khar West Mumbai 400052, Maharashtra, India ***Occupation*:** Business	54	*Indian Companies:* 1. Ashv Finance Limited 2. Aavishkaar Venture Management Services Private Limited 3. Aavishkaar Foundation 4. Aavishkaar Advisors Private Limited 5. Intellecap Advisory Services Private Limited 6. Aavishkaar Carbon Platform Private Limited *Foreign Companies:*

S. No.	Name, DIN, Designation, Address, Occupation, Term, Period of Directorship and Date of Birth	Age (Years)	Other Directorships
	Term**:** Nominee Director with effect from October 24, 2013, liable to retire by rotation ***Period of Directorship:*** Director since October 24, 2013 ***Date of birth:*** June 17, 1971		Nil
4.	**Ulhas S Deshpande** ***DIN*****:** 00017235 ***Designation*****:** Non-Executive Independent Director ***Address*****:** B-306, Oberoi Splendor, Jogeshwari Vikhroli Link Road, Opp Majas Bus Depot, Jogeshwari East, Mumbai 400 060, Maharashtra, India ***Occupation*****:** Professional ***Term*****:** Five years with effect from January 15, 2024, not liable to retire by rotation ***Period of Directorship:*** Director since January 15, 2024 ***Date of birth:*** November 18, 1959	66	*Indian Companies:* Nil *Foreign Companies:* Nil
5.	**John Arunkumar Diaz** ***DIN*****:** 00493304 ***Designation*****:** Non-Executive Independent Director ***Address*****:** 8A, Saahil, 14 Altamount Road, Cumballa Hill, Mumbai 400 026, Maharashtra, India ***Occupation*****:** Business ***Term*****:** Five years with effect from January 3, 2024, not liable to retire by rotation ***Period of Directorship:*** Director since January 3, 2024 ***Date of birth:*** August 9, 1951	74	*Indian Companies:* 1. Old Bridge Mutual Fund Trustee Private Limited 2. Suryoday Small Finance Bank Limited 3. Synergy Health and Medical Private Limited 4. Synergy Relationship Management Services Private Limited 5. Aavishkaar Venture Trustees Private Limited 6. Access Trusteeship Company Private Limited 7. Shunya Fodder and Forage Agritech Private Limited *Foreign Companies:* Microfinance Singapore Pte. Ltd, Singapore
6.	**Jose J Kattoor** ***DIN*****:** 09213852 ***Designation*****:** Non-Executive Independent Director ***Address*****:** Flat No. 1703, Crescent Bay Tower No 05, Jerbai Wadia Road, Bhoiwada Parel, Mumbai, Mumbai City 400 012, Maharashtra, India	62	*Indian Companies* 1. Receivables Exchange of India Limited 2. The South Indian Bank Limited *Foreign Companies:* Nil

S. No.	Name, DIN, Designation, Address, Occupation, Term, Period of Directorship and Date of Birth	Age (Years)	Other Directorships
	Occupation**:** Service ***Term*****:** Five years with effect from September 28, 2024, not liable to retire by rotation ***Period of Directorship:*** Director since September 28, 2024 ***Date of birth:*** June 28, 1963		
7.	**Kummamuri Narasimha Murthy** ***DIN*****:** 00023046 ***Designation*****:** Non-Executive Independent Director ***Address*****:** 1-2-593/29, Gagan Mahal Colony, Behind AV College, Domalaguda, Himayathnagar, Hyderabad 500 029, Andhra Pradesh, India ***Occupation*****:** Professional ***Term*****:** Five years with effect from February 12, 2025, not liable to retire by rotation ***Period of Directorship:*** Director since February 12, 2025 ***Date of birth:*** August 13, 1957	68	*Indian Companies:* 1. Raymond Limited 2. Raymond Lifestyle Limited 3. Axis Finance Limited 4. Srikari Management Consultants Private Limited 5. Raymond Realty Limited 6. JK Maini Precision Technology Limited *Foreign Companies:* Nil
8.	**Anurag Agrawal** ***DIN***: 02385780 ***Designation***: Promoter Nominee Director (Nominee of I-Cap) ***Address***: 184 A Tower, Kalpataru Radiance, Shree Devi Hudkar (Jai Matadi Marg), Goregaon West, Siddharth Nagar, Mumbai, Motilal Nagar, Mumbai Suburban, Maharashtra 400 104, India ***Occupation*****:** Service ***Term*****:** Director with effect from October 3, 2012, liable to retire by rotation ***Period of Directorship:*** Director since October 3, 2012 ***Date of birth:*** February 12, 1978	48	*Indian Companies*: 1. Ashv Finance Limited 2. Nepra Resource Management Private Limited 3. Electronic Payment and Services Private Limited 4. Aavishkaar Venture Management Services Private Limited 5. Aavishkaar Advisors Private Limited 6. Altum Credo Home Finance Private Limited 7. Electronica Finance Limited *Foreign Companies:* Nil
9.	**Sri Radha Ramana Saripalli** ***DIN*****:** 07165124 ***Designation*****:** Non-Executive Nominee Director (Nominee of SIDBI) ***Address*****:** Flat 801, Raheja Majestic, Plot No. 161, TPS III, Manmala Tank Road,	55	*Indian Companies:* Bandhan Financial Services Limited *Foreign Companies:* Nil

S. No.	Name, DIN, Designation, Address, Occupation, Term, Period of Directorship and Date of Birth	Age (Years)	Other Directorships
	Near Star Cinema, Mahim (West), Mumbai 400 016, Maharashtra, India ***Occupation*:** Banker ***Term*:** Nominee Director with effect from May 23, 2025, not liable to retire by rotation ***Period of Directorship:*** Director since May 23, 2025 ***Date of birth:*** December 25, 1970		
10.	**Karina Isabel Alva Alfaro** ***DIN*:** 10377372 ***Designation*:** Non-Executive Nominee Director (Nominee of Maj Invest) ***Address*:** A.C. Meyers Vaenge 1 04 2450 Copenhagen SV, Denmark ***Occupation*:** Investment Manager ***Term*:** Nominee Director with effect from November 10, 2023, liable to retire by rotation ***Period of Directorship:*** Director since November 10, 2023 ***Date of birth:*** May 20, 1988	37	*Indian Companies:* 1. SUB-K IMPACT Solutions Limited 2. MJIC Consultancy Private Limited *Foreign Companies:* 1. Maj Invest Financial Inclusion Fund III 2. Globokas Peru 3. GTV Globokasnet LLC
11.	**Wilhelmus Marthinus Maria Van Der Beek** ***DIN*:** 02142559 ***Designation*:** Non-Executive Nominee Director (Nominee of AG II) ***Address*:** Vogelenzangseweg 18, 2111 Aerdenhout, Bloemendaal, Netherlands ***Occupation*:** Service ***Term*:** Director with effect from December 5, 2016, liable to retire by rotation ***Period of Directorship:*** Director since December 5, 2016 ***Date of birth:*** November 24, 1960	65	*Indian Companies:* Nil *Foreign Companies:* 1. Aavishkaar Goodwell India Microfinance Development Company 2. AGI Services Ltd. 3. AGI Services II Ltd. 4. Goodwell Investments B.V. 5. Goodwell Holdings B.V. 6. Goodwell uMunthu Investment Services 7. Goodwell West Africa Microfinance Development Company 8. Wilhelminalaan Holdings B.V. 9. uMunthu Investment Company 10. uMunthu Investment Company II 11. Goodwell Impact – Private Privak under Belgian law in the form of a limited partnership 12. Aavishkaar Goodwell India Microfinance Development Company II Limited 13. Wilhelminalaan Advies B.V 14. Goodwell Investment Partners B.V 15. Goodwell uMunthu Investment Services II
12.	**Rupa Rajul Vora** ***DIN*:** 01831916	64	*Indian Companies:* 1. JM Financial Asset Reconstruction Company Limited 2. Incred Financial Services Limited (erstwhile known

S. No.	Name, DIN, Designation, Address, Occupation, Term, Period of Directorship and Date of Birth	Age (Years)	Other Directorships
	Designation**:** Non-Executive Nominee Director (Nominee of FMO) ***Address*****:** 8 Hyde Park, 227, Sher-E-Punjab Society, Mahakali Caves Road, Andheri (East), Chakala Midc, Mumbai 400 093, Maharashtra, India ***Occupation*****:** Chartered Accountant ***Term*****:** Nominee Director with effect from August 8, 2023, liable to retire by rotation ***Period of Directorship:*** Director since August 8, 2023 ***Date of birth:*** July 21, 1961		as KKR India Financial Services Limited) 3. Incred Holdings Limited (erstwhile known as KKR Capital Markets India Limited) 4. Omniactive Health Technologies Limited 5. India Alternatives Investment Advisors Private Limited 6. Saarathi Finance and Credit Private Limited *Foreign Companies:* Nil
13.	**Nitish Chawla** ***DIN*****:** 07676758 ***Designation*****:** Non-Executive Nominee Director (Nominee of DSDG) ***Address*****:** A-32 Saraswati Vihar, Pitampura, North West Delhi, Delhi 110 034, India ***Occupation*****:** Private sector ***Term*****:** Nominee Director with effect from May 31, 2023, liable to retire by rotation ***Period of Directorship:*** Director since May 31, 2023 ***Date of birth:*** May 25, 1989	36	*Indian Companies:* Nil *Foreign Companies:* Alliance for Microfinance in Myanmar Limited

Brief Biographies of our Directors

Dinesh Kumar Mittal is the Chairman and Non-Executive Independent Director of our Board. He has been a Director of our Company since May 15, 2018. He holds a master of science (physics) degree from University of Allahabad, Uttar Pradesh. He joined the Indian Administrative Services in July 1977. Previously, he has served with the Government of India as Secretary – Ministry of Finance, Secretary – Department of Financial Services and the Ministry of Corporate Affairs and as Additional Secretary and Joint Secretary – Department of Commerce. He has also served as the chief executive officer of IL&FS and with the Government of Uttar Pradesh in various capacities including as secretary to the Chief Minister, managing director – Uttar Pradesh Land Development Corporation, vice chairman of the Ghaziabad Development Authority and Special Secretary and Additional Director – Industries. He has over 44 years of professional experience.

Manojkumar N Nambiar is the Managing Director of our Company. He has been a Director since October 2012, when he was appointed as the Managing Director of our Company with effect from October 3, 2012. He holds a bachelors of engineering (mechanical branch) degree from VJ Technical Institute, University of Bombay, Maharashtra and a masters of management studies degree from Jamnalal Bajaj Institute of Management Studies, University of Bombay, Maharashtra and has completed pre-recruitment examinations for general insurance agents from the Insurance Institute of India, Maharashtra. He has completed "HDFC Life Strategy in the Age of Artificial Intelligence Programme" held at INSEAD, Fontainebleau, France. He has also completed the 'Strategic Leadership for Microfinance' course from Harvard Business School, U.S.A., "Strategem - Strategy meets Leadership" course from INSEAD, Fontainebleau, France, "HDFC Life Leadership Program 'Leading for Impact' from IMD", and

"Enabling Strategic Impact in the Boardroom" at London Business School, London, United Kingdom. He has been working with various companies in the fields of business development, consumer banking and finance and microfinance across India and the Middle East. Previously, he was associated with Modi Xerox India Limited (formerly, Modi Xerox Limited), Countrywide Consumer Financial Services Limited, ANZ Grindlays Bank, ABN Amro Bank N.V., National Bank of Oman, Alhamrani Company for Investment in Trade and Ahli Bank. He is the director of the governing body of Microfinance Institutions Network (MFIN), Chairperson of the Governing Board of Trustees at Association of Microfinance Institutions, West Bengal and is also the lead of the steering committee, AMFIRS'21, Assam. He is also on the Board of Aavishkaar Venture Management Services Private Limited and Intellecap Advisory Services Private Limited. He has over 33 years of experience in the banking industry.

Vineet Chandra Rai is the Vice-Chairman and Promoter Nominee Director on our Board. He was nominated by AVMS and has been associated with the Company as a Director since October 24, 2013. He holds a Post-Graduate Diploma in Forestry Management from the Indian Institute of Forest Management, Madhya Pradesh. In addition, Vineet has received numerous awards including the 2021 Access-HSBC Inclusive Finance India Award for personal contribution to Financial Inclusion in India, TIE Hall of Fame 2018, Porter Prize for Strategic Leadership in Social Space, 2016, CNBC TV 18 Award for being the Catalyst Fund for India, G 20 – SME Innovation in Finance Award 2010 in Seoul South Korea. In 2021 Vineet Chandra Rai was awarded the Faces of Vibrant Bharat 2021 by Grant Thorton Bharat. In 2023, Vineet Chandra Rai was honored with a Lifetime Achievement Award for Excellence in Impact Investment by India Start Foundation. In 2024, he was named as one of Equalifi's 'Indian Alternative Investments Thought Leaders and won the "Change maker of the Year -Venture Capital' at the WinPe Awards. He is an Ashoka Fellow and Honorary Member of XLRI Alumni Association and distinguished alumni of Indian Institute of Forest Management. Vineet is a serving member of the Alternative Investment Policy Advisory committee and Advisory Committee of Social Stock Exchange of Securities and Exchange Board of India. In 2022, Vineet was appointed on the G20 Start up 20 Engagement Group Task Force on Sustainability. Vineet was also invited by the Prime Minister Shri Narendra Modi for his "Roundtable interaction with Venture Capital and Private Equity Funds". In 2021, Vineet was also invited by the Prime Minister Shri Narendra Modi for consultations on doubling the income of the farmers in September 2017 as part of his champions of change program. Vineet has also served as Commissioner at the Business Commission for Sustainable Development and as an advisor to United Nations Economic and Social Commission for Asia and the Pacific Science Technology and Innovation Advisory Board. In 2024 and 2025, Vineet Chandra Rai has been a part of the Organizing Committee at the Startup Mahakumbh. In 2025, Vineet also joined the CM of Uttar Pradesh's 'Economic Advisory Group'.

Ulhas S Deshpande is the Non-Executive Independent Director of our Company. He has been a Director of our Company since January 15, 2024. He holds a bachelor of science degree from Wilson College, University of Bombay, Maharashtra and a masters of arts (personnel management and industrial relations) degree from Tata Institute of Social Sciences, Maharashtra. Previously, he was associated with Origa Markets Private Limited, Suryoday Trust (a school empowering and educating children with special needs), RPG Enterprises, Bharti AXA Limited and IDBI Bank.

John Arunkumar Diaz is the Non-Executive Independent Director of our Company. He has been a Director since January 3, 2024. He holds a bachelor of science degree from the University of Madras, Tamil Nadu and has completed post graduate diploma in business management from Xavier Labour Relations Institute, Jamshedpur, Jharkhand. Previously, he was associated with Standard Chartered Bank in India, UAE and Singapore and Jain Sons Finlease Limited. In addition, he has undertaken various and consulting assignments with banks in Mauritius, Indonesia, among others. He is currently on the board of Suryoday Small Finance Bank Limited and Old Bridge Mutual Fund Trustee Private Limited, among others. He is also an active member of TiE-Mumbai (The Indus Entrepreneurs, Mumbai Chapter). He has over 36 years of experience in banking industry.

Jose J Kattoor is the Non-Executive Independent Director of our Company. He has been a Director of our Company since January 3, 2024. He holds a degree of bachelor of science from University of Kerala, Kerala, degree of bachelor of laws (special) from Gujarat University, Gujarat and a post graduate diploma in rural management from Institute of Rural Management Anand, Gujarat. He has also completed the Wharton Advanced Management Program from Aresty Institute of Executive Education, Wharton School, University of Pennsylvania, U.S.A. He has passed the SME Finance for Bankers examination by the Indian Institute of Banking and Finance. He is a certified associate of the Indian Institute of Bankers. He is a former executive director of RBI and was associated with RBI from 1991 to 2023. He served in various departments of RBI including its financial inclusion, non-banking companies, currency and communications departments. As an executive director, he supervised the enforcement, corporate strategy and currency departments of RBI. He has over 32 years of experience of being associated with the RBI.

Kummamuri Narasimha Murthy is the Non-Executive Independent Director of our Company. He has been an Independent Director since February 12, 2025. He was admitted to the Institute of Chartered Accountants of India in 1983 and the Institute of Cost and Works Accountants of India. He has received a citation by the Institute of Cost Accountants of India in October 2007 and was also awarded the CMA Achievers Meet: Vision 2030 award in December, 2024 by the Institute of Cost Accountants of India.

Anurag Agrawal is the Promoter Nominee Director of our Company. He was nominated to our Board of Directors by I-Cap. He has been a Director of our Company since October 3, 2012. He holds a bachelor of business administration degree and a master of commerce degree from the University of Madras, Tamil Nadu and a post graduate diploma in management from T.A. Pai Management Institute, Manipal, Karnataka. Previously, he was associated with ICICI Bank Limited. He has over 23 years of experience in finance industry.

Sri Radha Ramana Saripalli is the Non-Executive Nominee Director of our Company. He has been a Director of our Company since May 23, 2025. He was nominated to our Board of Directors by Small Industries Development Bank of India ("**SIDBI**"). He holds a degree of bachelor of arts from Andhra University, Andhra Pradesh and has completed degree of master of arts (sociology), from Andhra University, Andhra Pradesh. He has completed the CAIIB Rural Banking examination of Indian Institute of Banking and Finance, and has passed the Certified Associate of Indian Institute of Bankers Rural Banking examination held by Indian Institute of Banking and Finance. He is general manager at SIDBI and has been associated with SIDBI since 1996 and focuses in the areas of among others, credit, financial inclusion relating to MSMEs, microfinance, MFIs, clusters, livelihood enterprises and development initiatives. He has over 30 years of experience in banking industry.

Karina Isabel Alva Alfaro is a Non-Executive Nominee Director of our Company. She has been a Director of our Company since November 10, 2023. She was nominated to our Board of Directors by Maj Invest. She holds a degree in economics and international business from School of Economics and Administrative Sciences, Universidad ESAN, Peru. She was a member of Macroeconomic Observatory in Universidad ESAN, Peru. She has completed the HBS - Accion Program on Strategic Leadership in Inclusive Finance from Harvard Business School, Boston, Massachusetts, U.S.A. She is an investment director at Maj Invest and has been associated with them since 2022. Previously, she was associated with a Latin-American credit rating firm in the area of analysis, research and development (risks). She has over 10 years of experience in banking industry.

Wilhelmus Marthinus Maria Van Der Beek is the Non-Executive Nominee Director of our Company. He was nominated to our Board of Directors by AG II. He has been a Director of our Company since December 5, 2016. He holds a doctoral degree in economics and business economics from Erasmus University, Rotterdam and has completed the European Leadership Course 6 from Comenius Leergangen. He is the founder of Goodwell Investments BV, a Netherlands-based investment firm focused on financial inclusion and also manages the Aavishkaar Goodwell India Microfinance Development Company I Ltd. and AG II.

Rupa Rajul Vora is the Non-Executive Nominee Director of our Company. She was nominated to our Board of Directors by FMO. She has been a Director of our Company since August 8, 2023. She holds a bachelors degree in commerce from University of Bombay, Maharashtra. She was admitted to the Institute of Chartered Accountants of India, New Delhi in 1984. She received the India's Top Women in Finance 2023 award from Equalifi, presented by Valuefy, and was recognised amongst India's 10 most influential women in finance by Rediff.com in 2012. She has been a member of the Jury for the CFO 100 Programme, 2022 by the CFO Institute, and has been conferred with the "Women Leadership Excellence Award" at the IPE – BFSI Awards 2013 by the Institute of Public Enterprise. She was previously associated with Oman International, KBC Bank N.V., IDFC Alternatives Limited, Antwerp Diamond Bank N.V. and IDFC Asset Management Company Limited. She has been a member of Confederation of Indian Industry's National Committee on Financial Reporting for the years 2020 - 2021 to 2023-2024. She has over 30 years of experience in finance industry.

Nitish Chawla is the Non-Executive Nominee Director of our Company. He was nominated to our Board of Directors by DSDG. He has been a Director of our Company since May 31, 2023. He holds a bachelor of engineering (computer engineering) degree from Thapar University, Patiala, Punjab and a post graduate diploma in management from Indian Institute of Management, Indore, Madhya Pradesh. He has also cleared the third level of the CFA examination. He is an investment director at Impact Fund for Denmark. Previously, he was associated with Banyan Capital Advisors Private Limited and DOIT Urban Ventures (India) Private Limited. He has over 13 years of experience in finance industry.

Terms of Appointment of the Directors

1. ***Compensation to our Managing Director***

Manojkumar N Nambiar was appointed as the Managing Director of our Company pursuant to a Board resolution dated February 13, 2026 and Shareholders' resolution dated March 25, 2026. He has been a Director since October 3, 2012. He was paid a remuneration of ₹39.56 million during Fiscal 2026 (including deferred compensation paid for Fiscals 2024 and 2025).

Set out below are the principal terms of remuneration of Manojkumar N Nambiar as Managing Director of our Company, as set out in the employment agreement dated February 13, 2026 ("**Employment Agreement**"), for a period of five years with effect from March 1, 2026.

Component	Remuneration Details
Fixed cost to Company* **(A)**	₹29.53 million
Performance pay (variable)^ **(B)**	₹21.62 million
Annual total cost to Company **(A+B)**	₹51.15 million

**Fixed cost to Company includes (i) basic pay; (ii) house rent allowance; (iii) leave travel allowance; (iv) conveyance facility; (v) food coupon; and (vi) special allowance.*
^Performance pay is up to 75% of Annual Fixed CTC (excluding gratuity) paid annually, in accordance with the approval of Nomination and Remuneration Committee and Board, from time to time, in terms of his Employment Agreement.

In addition, Manojkumar N Nambiar is entitled to (i) participation in the employee benefits program of our Company; (ii) reimbursement for all reasonable business expenses incurred by him in the course of his employment consistent with our Company's policies from time to time; (iii) health insurance; and (iv) directors' and officers' insurance. In the event of termination of employment by our Company without cause, Manojkumar N Nambiar shall be entitled to severance pay of an amount equivalent to six months' last cost to Company.

Further, Manojkumar N Nambiar is identified as 'Material Risk Taker' in terms with the Arohan Compensation Policy. Arohan Compensation Policy is formulated in accordance with the 'Guidelines on Compensation of Key Managerial Personnel (KMP) and Senior Management in NBFCs' issued by the Reserve Bank of India dated April 29, 2022. Arohan Compensation Policy requires that, among other things, performance linked incentive to material risk takers shall be deferred for over a period of three years, of which 50% of the total eligible amount shall be considered for pay out at the end of the respective financial year, after completion of the annual performance management exercise, and the remaining shall be paid in two equal tranches in next two financial years.

2. Compensation to our Non-Executive Directors

Pursuant to a resolution dated May 24, 2024 adopted by our Board, each Director except the Managing Director is entitled to receive sitting fees of ₹50,000 for attending each meeting of our Board and sitting fees of ₹25,000 for attending each meeting of any duly constituted committee of our Board. Further, certain of our Non-Executive Directors also receive commission, as approved by the Board from time to time.

The details of the sitting fees and commission paid to the Non-Executive Independent Directors during Fiscal 2026 are as disclosed below:

S. No.	Name of Non-Executive Director	Sitting Fees	Commission	Total Payments
		(₹ million)		
Non-Executive Independent Directors				
1.	Dinesh Kumar Mittal	0.50	5.00	5.50
2.	Kummamuri Narasimha Murthy	0.65	-	0.65
3.	Ulhas S Deshpande	0.55	2.50	3.05
4.	John Arunkumar Diaz	0.85	3.00	3.85
5.	Jose J Kattoor	0.53	1.50	2.03
Non-Executive Nominee Directors*				

S. No.	Name of Non-Executive Director	Sitting Fees	Commission	Total Payments
		(₹ million)		
6.	Vineet Chandra Rai	0.35	13.99	14.34
7.	Anurag Agrawal	0.38	4.77	5.15
8.	Rupa Rajul Vora	0.32	2.00	2.32
9.	Sri Radha Ramana Saripalli^	0.20	-	0.20

**Karina Isabel Alva Alfaro, Wilhelmus Marthinus Maria Van Der Beek and Nitish Chawla have opted to not receive any sitting fee from the Company, and accordingly, did not receive any sitting fees during Fiscal 2026.*
^ The sitting fees was paid to SIDBI on behalf of Sri Radha Ramana Saripalli, nominee of SIDBI.

Relationship between our Directors and Key Managerial Personnel and Senior Management

None of our Directors are related to each other or to any of our Key Managerial Personnel or Senior Management.

Shareholding of our Directors in our Company

In accordance with our Articles of Association, none of our directors hold or are required to hold any qualification shares. For details of the shareholding of our Directors, see "*Capital Structure—Details of the Shareholding of our Directors, Key Managerial Personnel, Senior Management, Promoter Group and directors of our Promoter"* on page 125.

For details of employee stock options held by our Directors, see "*Capital Structure—Employee Stock Option Schemes*" on page 127.

Arrangement or understanding with major shareholders, customers, suppliers or others

Except Vineet Chandra Rai, Sri Radha Ramana Saripalli, Karina Isabel Alva Alfaro, Wilhelmus Marthinus Maria Van Der Beek, Anurag Agrawal, Rupa Rajul Vora and Nitish Chawla, who are Non-Executive Nominee Directors, none of our Directors have been appointed pursuant to any arrangement or understanding with major Shareholders, customers, suppliers or others. For details of the shareholders' agreements pursuant to which our Non-Executive Nominee Directors, other than Sri Radha Ramana Saripalli who was appointed by SIDBI, were appointed, see "*History and Certain Corporate Matters*" on page 392.

There are no contracts appointing or fixing the remuneration of the Directors of our Company entered into within, or prior to the two years immediately preceding the date of this Draft Red Herring Prospectus other than as disclosed in "*—Terms of Appointment of the Directors*" on page 408.

Interest of Directors

1. All Directors may be deemed to be interested to the extent of (i) sitting fees, if any, payable to them for attending meetings of our Board and other remuneration or commission, if any, payable or reimbursement of expenses to them, (ii) Equity Shares and stock options, if any, already held by them or their relatives or any firms, companies and trusts in which our Directors are interested as a director, member, partner or trustee, in our Company, or that may be Allotted to them in the Offer in terms of this Draft Red Herring Prospectus and any dividend payable to them and other benefits arising out of such shareholding, (iii) transactions entered into in the ordinary course of business with companies in which our Directors hold directorship, and (iv) their directorship on the board of directors of, and/or their shareholding in our Company, our Promoters, members of our Promoter Group and our Group Companies, as applicable.

2. Except for any dividend that may be payable to our Director, John Arunkumar Diaz, in his capacity as a Shareholder of our Company, and except as stated in "*Summary of the Related Party Transactions*" on page 85, no amount or benefit has been paid or given within the two preceding years or is intended to be paid or given to any of our Directors except the normal remuneration for services rendered as Directors.

3. Our Company has not entered into any service contracts with our Directors providing for benefits upon termination of their employment other than as disclosed in "*—Terms of Appointment of the Directors*" on page

408.

4. None of our Directors is a party to any performance linked bonus or profit-sharing plan by our Company other than as disclosed in "*—Terms of Appointment of the Directors*" on page 408.

5. Except (i) Vineet Chandra Rai, one of our Promoters and Vice-Chairman and Promoter Nominee Director; and (ii) Anurag Agrawal, our Promoter Nominee Director who have been appointed on our Board by AVMS and I-Cap, respectively, and our Promoters, none of our Directors have any interest in the promotion or formation of our Company other than as disclosed in "*Our Promoters and Promoter Group*" on page 426.

6. Our Directors have no interest in any property acquired by our Company preceding the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company or of our Company, as on the date of this Draft Red Herring Prospectus.

7. Our Directors are not interested as a member of a firm or company, and no sum has been paid or agreed to be paid to our Directors or to such firm or company in cash or shares or otherwise by any person either to induce him to become, or to help him qualify as a Director, or otherwise for services rendered by him or by the firm or company in which he is interested, in connection with the promotion or formation of our Company other than as disclosed in "*Our Promoters and Promoter Group*" on page 426.

8. None of our Directors have any interest in our business other than as disclosed in this section and in "*Our Promoters and Promoter Group*", "*Our Group Companies*" and "*Financial Information*", on pages 426, 619 and 435, respectively.

9. None of our Directors have any interest in any property acquired in the three years immediately preceding the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company or in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

Contingent and deferred compensation payable to our Directors

Except as disclosed below and in "*—Terms of Appointment of the Directors*" on page 408, there is no contingent or deferred compensation payable by our Company to our Directors.

Confirmations

None of our Directors have been identified as a Wilful Defaulter or Fraudulent Borrower.

None of our Directors has been declared a Fugitive Economic Offender in accordance with the Fugitive Economic Offenders Act, 2018.

None of our Directors are prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

None of our Directors is, or was a director of any listed company during the five years immediately preceding the date of this Draft Red Herring Prospectus, whose shares have been, or were suspended from being traded on any of the stock exchanges during the term of their directorship in such company.

None of our Directors is, or was a director of any listed company which has been, or was delisted from any stock exchange during the term of their directorship in such company.

Changes in the Board during the last three years

S. No.	Name	Date of Appointment/Cessation	Reason
1.	Dinesh Kumar Mittal	May 15, 2023	Re-appointment as Chairman, Independent and Non-Executive Director
2.	Nitish Chawla	May 31, 2023	Appointment as Nominee Director
3.	Aditya Mohan	August 8, 2023	Resignation as Nominee Director
4.	Rupa Rajul Vora	August 8, 2023	Appointment as Nominee Director
5.	David Arturo Paradiso	November 10, 2023	Cessation from the position of Nominee Director
6.	Karina Isabel Alva Alfaro	November 10, 2023	Appointment as Nominee Director
7.	John Arunkumar Diaz	January 3, 2024	Appointment as Independent Director
8.	Ulhas S Deshpande	January 15, 2024	Appointment as Independent Director
9.	Matangi Gowrishankar	January 14, 2024	Resignation as Independent Director
10.	Sumantra Banerjee	April 29, 2024	Retired due to end of second consecutive term as an Independent Director
11.	Jose J Kattoor	September 28, 2024	Appointment as Non-Executive Independent Director
12.	Rajat Mohan Nag	January 31, 2025	Retired due to end of second consecutive term as an Independent Director
13.	Kummamuri Narasimha Murthy	February 12, 2025	Appointment as Independent Director
14.	Piyush Goenka	May 9, 2025	Resignation as Non-Executive Nominee Director
15.	Chandramouli Vemuru	May 23, 2025	Cessation as Nominee Director
16.	Sri Radha Ramana Saripalli	May 23, 2025	Appointment as Non-Executive Nominee Director
17.	Stephen Dongwon Lee^	May 8, 2026	Cessation as Non-Executive Nominee Director

Note: This table does not include regularization of appointments.
^Our Company is in the process of making the necessary form filings for cessation of Stephen Dongwon Lee as a Non-Executive Nominee Director.

Borrowing Powers of our Board of Directors

In accordance with our Articles of Association and the applicable provisions of the Companies Act, and pursuant to a resolution of the Shareholders dated August 12, 2025, the Board of Directors has been authorized to borrow any sum or sums of money from time to time, notwithstanding that the money or moneys to be borrowed, together with the money already borrowed by the Company, may exceed aggregate of its paid-up capital and free reserves, apart from temporary loans obtained from the Company's bankers in the ordinary course of business, provided however, the total amount so borrowed shall not exceed ₹100,000.00 million.

Corporate Governance

Our Company is in compliance with the requirements of the applicable regulations, including the SEBI Listing Regulations, the Companies Act and the SEBI ICDR Regulations, as well as the applicable requirements prescribed by the RBI, in respect of corporate governance, including in relation to the constitution of our Board and committees thereof.

Our corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of committees of our Board, as required under applicable law. Our Board functions either as a full Board or through various committees constituted to oversee specific operational areas. Our Company's executive management provides our Board with detailed reports on its performance periodically.

As on the date of this Draft Red Herring Prospectus, our Board comprises 13 Directors of which one is a Managing Director, seven are Non-Executive Nominee Directors and five are Non-Executive Independent Directors. Two of our Non-Executive Nominee Directors are women Directors.

Committees of the Board

In addition to the committees of our Board described below, our Board may constitute committees for various functions from time to time.

Audit Committee

The members of our Audit Committee are:

1. Kummamuri Narasimha Murthy (Non-Executive Independent Director) - Chairperson;
2. Dinesh Kumar Mittal (Chairman and Non-Executive Independent Director) - Member;
3. John Arunkumar Diaz (Non-Executive Independent Director) - Member; and
4. Ulhas S Deshpande (Non-Executive Independent Director) – Member.

Our Audit Committee was constituted by our Board pursuant to a resolution dated November 17, 2009 and was last reconstituted by our Board pursuant to a resolution dated May 23, 2025 The terms of reference of the Audit Committee were last revised by our Board pursuant to a resolution dated May 13, 2026.

The scope and functions of the Audit Committee are in accordance with Section 177 of the Companies Act and Regulation 18 of the SEBI Listing Regulations, as well as the applicable requirements prescribed by the RBI, and its terms of reference are as disclosed below:

- overseeing the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- recommending to the Board, the appointment, re-appointment, removal and replacement, remuneration and the terms of appointment of the auditors of the Company, including fixing the audit fees;
- reviewing and monitoring the statutory auditors' independence and performance and the effectiveness of audit process;
- approving payments to the statutory auditors for any other services rendered by statutory auditors;
- reviewing with the management, the annual financial statements and the auditors' report thereon before submission to the Board for approval, with particular reference to:
    i) matters required to be stated in the Directors' responsibility statement to be included in the Board's report in terms of Section 134(3)(c) of the Companies Act;
    ii) changes, if any, in accounting policies and practices and reasons for the same;
    iii) major accounting entries involving estimates based on the exercise of judgment by management;
    iv) significant adjustments made in the financial statements arising out of audit findings;
    v) compliance with listing and other legal requirements relating to financial statements;
    vi) disclosure of any related party transactions; and
    vii) modified opinion(s) in the draft audit report
- reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- scrutinizing inter-corporate loans and investments;
- undertaking or supervising valuation of undertakings or assets of the Company, wherever it is necessary;
- evaluation of internal financial controls and risk management systems;
- formulating a policy on related party transactions, which shall include materiality of related party transactions;
- approving transactions of the Company with related parties, or any subsequent modification thereof and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;
- reviewing, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;
- laying down the criteria for granting omnibus approval in line with the Company's policy on related party transactions;
- approve the disclosure of the key performance indicators to be disclosed in the documents in relation

to the initial public offering of the equity shares of the Company;

- reviewing, along with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization 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;
- establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;
- reviewing, with the management, the performance of statutory and internal auditors and adequacy of the internal control systems;
- 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;
- discussing with internal auditors any significant findings and follow up thereon;
- 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;
- discussing with the 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;
- looking 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;
- approving the appointment of the chief financial officer, or any other person heading the finance function or discharging that function, after assessing the qualifications, experience and background, etc. of the candidate;
- reviewing the functioning of the whistle blower mechanism;
- to provide for adequate safeguards against victimisation of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee or the director nominated to play the role of Audit Committee, as the case may be, in exceptional cases.
- to take suitable action against the concerned director or employee including reprimand, in case of repeated frivolous complaints being filed by a director or an employee.
- ensuring that an information system audit of the internal systems and process is conducted as per the periodicity prescribed in Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices dated November 07, 2023, as amended from time to time, to assess operational risks faced by the Company
- formulating, reviewing and making recommendations to the Board to amend the Audit Committee charter from time to time;
- considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.
- investigating any activity within its terms of reference, seeking information from any employee, obtaining outside legal or other professional advice and securing attendance of outsiders with relevant expertise, if it considers necessary;
- reviewing compliance with the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as may be amended from time to time at least once in a financial year and verify that systems for internal control are adequate and are operating effectively;
- reviewing:
    i. any show cause, demand, prosecution and penalty notices against the Company or its Directors which are materially important including any correspondence with regulators or government agencies and any published reports which raise material issues regarding the Company's financial statements or accounting policies;
    ii. any material default in financial obligations by the Company;
    iii. any significant or important matters affecting the business of the Company.
    iv. performing such other functions as may be delegated by the Board and/or prescribed under the SEBI Listing Regulations, the Companies Act or other applicable law.
- To proactively refer the rejected complaints to the Internal Ombudsman for a second look;

- To review the cases of the wilful default and recommend steps to be taken to prevent occurrence. The review shall focus on identifying root causes of wilful default and addressing deficiencies, if any, in the wilful defaulter classification process adopted by the company;
- To review and approve any adjustments in the management overlay;
- To review the policies as per the relevant acts, rules, regulations, guidelines and directions;
- To review risk-based audit plan;
- To periodically evaluate the change in nature of classification in portfolio as well as investment and accordingly factors the same in financial;
- To review the technical write-off cases;
- The Audit Committee of the Company shall review the pending tax litigation matters;
- A robust system of internal audit of all outsourced activities shall also be put in place and monitored by the committee; and
- To review any change in the rationale and justification for any change in the Expected Credit Loss (ECL).

The power of the Audit Committee includes the following:

- To investigate activity within its terms of reference;
- To seek information from any employees;
- To obtain outside legal or other professional advice;
- To secure attendance of outsiders with relevant expertise, if it considers necessary; and
- To have such powers as may be prescribed under the Companies Act and the SEBI Listing Regulations.

The Audit Committee is required to mandatorily review the following information:

- management's discussion and analysis of financial condition and result of operations;
- management letters/letters of internal control weaknesses issued by the statutory auditors;
- internal audit reports relating to internal control weaknesses;
- the appointment, removal and terms of remuneration of the chief internal auditor;
- statement of deviations, including:
  i. quarterly statement of deviation(s), including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations; and
  ii. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI Listing Regulations.

The Audit Committee is required to meet at least four times in a year with a maximum interval of 120 days between two meetings in accordance with the SEBI Listing Regulations. The Audit Committee has the authority to investigate into any matter in relation to the items specified under the terms of reference or such other matter as may be referred to it by the Board for such purpose. The quorum shall be either two members or one third of the members of the Audit Committee whichever is greater, but there should be a minimum of two Independent Directors present.

Nomination and Remuneration Committee

The members of the Nomination and Remuneration Committee are:

1. Ulhas S Deshpande - (Non-Executive Independent Director) - Chairperson;
2. Jose J Kattoor – (Non-Executive Independent Director) - Member;
3. Dinesh Kumar Mittal – (Chairman and Non-Executive Independent Director) – Member ;
4. Kummamuri Narasimha Murthy – (Non-Executive Independent Director) – Member;
5. Vineet Chandra Rai – (Promoter Nominee Director) - Member; and
6. John Arunkumar Diaz- (Non-Executive Independent Director) - Member.

The Nomination and Remuneration Committee was constituted by our Board pursuant to a resolution dated April

29, 2014 as the Nomination Committee and was last reconstituted by our Board as the Nomination and Remuneration Committee pursuant to a resolution dated May 23, 2025. The Remuneration Committee was constituted by our Board pursuant to a resolution dated April 13, 2006 and was dissolved and reconstituted by our Board as the HR and Compensation Committee by our Board pursuant to a resolution dated November 17, 2009. The HR and Compensation Committee has been combined by our Board into the Nomination and Remuneration Committee pursuant to a resolution dated August 3, 2018.

The terms of reference of the Nomination and Remuneration Committee were last revised by our Board pursuant to a resolution dated May 13, 2026.

The scope and functions of the Nomination and Remuneration Committee are in accordance with Section 178 of the Companies Act, Regulation 19 of the SEBI Listing Regulations and Regulation 5 of the SEBI SBEB Regulations as well as the applicable requirements prescribed by the RBI, and its terms of reference are as disclosed below:

- identifying and nominating, for the approval of the Board and ultimately the shareholders, as applicable, candidates to fill Board vacancies as and when they arise as well as putting in place plans for succession, in particular with respect to the Chairperson of the Board and the Chief Executive Officer;
- formulating the criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board, a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- while formulating the above policy, ensuring that:
  (i) the level and composition of remuneration shall be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
  (ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  (iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short term and long term performance objectives appropriate to the working of the Company and its goals;

- formulating criteria for evaluation of independent directors and the Board;
- 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, for every appointment of an independent director. Ensuring that the person recommended to the Board for appointment as an independent director has the capabilities identified in such description. Further, for the purpose of identifying suitable candidates, the Nomination and Remuneration Committee may:
  (i) use the services of an external agencies, if required;
  (ii) consider candidates from a wide range of backgrounds, having due regard to diversity; and
  (iii) consider the time commitments of the candidates.

- devising a policy on diversity of the Board;
- identifying persons, who are qualified to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal and carrying out evaluation of every director's performance and specifying the manner for effective evaluation of performance of Board, its committees and individual directors, to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and reviewing its implementation and compliance. The Company shall disclose the remuneration policy and the evaluation criteria in its Board's report;
- determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- recommending remuneration of executive directors and any increase therein from time to time within the limit approved by the members of the Company;
- recommending remuneration to non-executive directors in the form of sitting fees for attending meetings of the Board and its committees, remuneration for other services, commission on profits;
- recommending to the Board, all remuneration, in whatever form, payable to senior management;
- administering the employee stock option scheme/plan approved by the Board and shareholders of the Company in accordance with the terms of such scheme/plan ("**ESOP Scheme**") including the following:
  (i) determining the eligibility criteria and selection of employees to participate under the ESOP

Scheme;

(ii) determining the quantum of option to be granted under the ESOP Scheme per employee and in aggregate;

(iii) date of grant;

(iv) determining the exercise price of the option under the ESOP Scheme;

(v) the conditions under which option may vest in employee and may lapse in case of termination of employment for misconduct;

(vi) the exercise period within which the employee should exercise the option and that option would lapse on failure to exercise the option within the exercise period;

(vii) the specified time period within which the employee shall exercise the vested option in the event of termination or resignation of an employee;

(viii) the right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period;

(ix) re-pricing of the options which are not exercised, whether or not they have been vested if stock option are rendered unattractive due to fall in the market price of the equity shares;

(x) the grant, vesting and exercise of option in case of employees who are on long leave;

(xi) the vesting and exercise of option in case of grantee who has been transferred or whose services have been seconded to any other entity within the group at the instance of the Company;

(xii) allowing exercise of unvested options on such terms and conditions as it may deem fit;

(xiii) the procedure for cashless exercise of options;

(xiv) forfeiture/ cancellation of options granted;

(xv) arranging to get the shares issued under the ESOP Scheme listed on the stock exchanges on which the equity shares of the Company are listed or maybe listed in future.

(xvi) formulating and implementing the procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others. In this regard following shall be taken into consideration:

1. the number and the price of the option shall be adjusted in a manner such that total value of the option to the employee remains the same after the corporate action;
2. for this purpose, global best practices in this area including the procedures followed by the derivative markets in India and abroad may be considered; and
3. the vesting period and the life of the option shall be left unaltered as far as possible to protect the rights of the employee who is granted such option.

- construing and interpreting the ESOP Scheme and any agreements defining the rights and obligations of the Company and eligible employees under the ESOP Scheme, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the ESOP Scheme;
- performing such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended;
- engaging the services of any consultant/professional or other agency for the purpose of recommending compensation structure/policy;
- analyzing, monitoring and reviewing various human resource and compensation matters;
- reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
- framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
  (i) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; or
  (ii) Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended; and
  (iii) performing such other functions as may be delegated by the Board and/or prescribed under the SEBI Listing Regulations, the Companies Act, or other applicable law.
- To ensure 'fit and proper' status of proposed and existing directors in terms of the RBI Master Directions and that there is no conflict of interest in appointment of directors on Board of the Company, KMPs and senior management.
- To oversee the framing, review and implementation of compensation policy of the Company.

- To closely work and coordinate with the Risk Management Committee (RMC) of the Company to achieve effective alignment between compensation and risks and to ensure that compensation levels are supported by the need to retain earnings of the Company and the need to maintain adequate capital based on internal capital adequacy assessment process (ICAAP)

The Nomination and Remuneration Committee is required to meet at least once in a financial year in accordance with the SEBI Listing Regulations. The quorum for a meeting of the Nomination and Remuneration Committee shall be either two members or one third of the members of the committee whichever is greater, but there should be a minimum of one Independent Director present.

Stakeholders' Relationship Committee

The members of the Stakeholders' Relationship Committee are:

1. John Arunkumar Diaz - (Non-Executive Independent Director) - Chairperson;
2. Anurag Agrawal – (Promoter Nominee Director) - Member; and
3. Manojkumar N Nambiar – (Managing Director) - Member.

The Stakeholders' Relationship Committee was constituted by our Board pursuant to a resolution dated April 27, 2018, and was last reconstituted by our Board pursuant to a resolution dated January 3, 2024. The terms of reference of the Stakeholders' Relationship Committee were framed by our Board pursuant to a resolution dated April 27, 2018. The terms of reference of the Stakeholders' Relationship Committee were last revised by our Board pursuant to a resolution dated May 13, 2026.

The scope and functions of the Stakeholders' Relationship Committee are in accordance with Section 178 of the Companies Act and Regulation 20 of the SEBI Listing Regulations, as well as the applicable requirements prescribed by the RBI, and its terms of reference are as disclosed below.

- redressal of grievances of the shareholders, debenture holders and other security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc. and assisting with quarterly reporting of such complaints;
- reviewing measures taken for effective exercise of voting rights by the shareholders;
- reviewing adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar to an Issue and Share Transfer Agent;
- investigating complaints relating to allotment of shares, approving transfer or transmission of shares, debentures or any other securities; reviewing adherence to the service standards adopted by the Company in respect of various services being rendered by the registrar and share transfer agent and recommending measures for overall improvement in the quality of investor services;
- reviewing the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
- formulating procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;
- approving, registering, refusing to register transfer or transmission of shares and other securities;
- giving effect to dematerialisation of shares and re-materialisation of shares, sub-dividing, consolidating and/or replacing any share or other securities certificate(s) of the Company, compliance with all the requirements related to shares, debentures and other securities from time to time;
- issuing duplicate share or other security(ies) certificate(s) *in lieu* of the original share/security(ies) certificate(s) of the Company;
- resolving grievances of debenture holders related to creation of charge, payment of interest/principal, maintenance of security cover and other covenants;
- to review, assess and approve Environment, Social and Governance (ESG) projects, initiatives and related matters;
- to review and approve ESG Impact Report;
- To review, approve and recommend to the Board, ESG Policy and Governance Framework; and

- performing such other functions as may be delegated by the Board and/or prescribed under the SEBI Listing Regulations and the Companies Act or other applicable law.

The Stakeholders' Relationship Committee is required to meet at least once in a financial year or at such higher frequency as may be required under applicable law. The quorum for the Stakeholders' Relationship Committee will be two members.

Risk Management Committee

The members of the Risk Management Committee are:

1. Jose J Kattoor - (Non-Executive Independent Director) - Chairperson;
2. Kummamuri Narasimha Murthy – (Non-Executive Independent Director) - Member;
3. John Arunkumar Diaz – (Non-Executive Independent Director) - Member;
4. Ulhas S Deshpande – (Non-Executive Independent Director) - Member;
5. Wilhelmus Marthinus Maria Van Der Beek – (Non-Executive Nominee Director) - Member

The Risk Management Committee was constituted by our Board pursuant to a resolution dated April 28, 2014. The terms of reference of the Risk Management Committee were framed by our Board pursuant to a resolution dated April 28, 2014. The terms of reference of the Risk Management Committee were last revised by our Board pursuant to a resolution dated May 13, 2026

The scope and functions of the Risk Management Committee are in accordance with Regulation 21 of the SEBI Listing Regulations, as well as the applicable requirements prescribed by the RBI, and its terms of reference are as disclosed below.

- To formulate a detailed risk management policy which shall include:
  (i) A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the risk management committee;
  (ii) Measures for risk mitigation including systems and processes for internal control of identified risks; and
  (iii) Business continuity plan.
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To monitor and oversee implementation of the risk management policy of the Company, including evaluating the adequacy of risk management systems;
- To periodically review the risk management policy of the Company, at least once in two years, including by considering the changing industry dynamics and evolving complexity and evaluating the adequacy of risk management systems;
- To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- To set out risk assessment and minimization procedures and the procedures to inform the Board of the same;
- To frame, implement, review and monitor the risk management policy for the Company and such other functions, including cyber security;
- To review the status of the compliance, regulatory reviews and business practice reviews;
- To review and recommend the Company's potential risk involved in any new business plans and processes;
- To review the appointment, removal and terms of remuneration of the chief risk officer, if any;
- To perform such other activities as may be delegated by the Board and/or prescribed under any law to be attended to by the Risk Management Committee;
- to review and approve the sanctioning of loan(s) to related parties in pursuance of the RBI Master Directions and as required by the Credit Policy of the Company;

- The Committee shall be responsible for evaluating the overall risks faced by the NBFC including liquidity risk and shall report to the Board;
- To ensure that an Enterprise-wide Business Continuity Management System (BCMS) is established to minimize the impact on the organization and recover from loss of information assets to an acceptable level through a combination of preventive and recovery controls, which defines the Company's business continuity strategy;
- The Board delegates the Power and shall vest authority in the Risk Management Committee and Business Continuity Management Committee (BCMC) to decide and modify the composition of each of the Business Continuity Plan (BCP) support teams and define their individual roles and responsibilities;
- The Committee shall review the test results on a yearly basis;
- The committee shall review credit performances in terms of the exposure limits/ parameters approved by the Board;
- The Committee to define the list of policies that are adequate for the Company;
- To review the rest risk policies and ensure that the overall control and procedures are in place at least on an annual basis;
- To provide the update & review the tools, models and technology that Company applies to measure and manage risk;
- To be responsible and accountable for oversight of Operational Risk Management;
- To prepare and present the status of review of cyber security risks/ arrangements/ preparedness before the Board and other Committees;
- To review the Credit Risk policy of the Company;
- To review the Liquidity and Funding Risk policy of the Company; and
- The key findings related to the management of the operation risk shall be shared with the Committee.

The Risk Management Committee is required to meet at least twice in a financial year and the gap between two consecutive meetings shall not be more than 210 days and the quorum for a meeting of the Risk Management Committee shall be either two members or one-third of the members of the committee whichever is greater, but there should be a minimum of one member of the Board in attendance.

In addition to the above, our Company has also constituted committees such as the Asset and Liability Committee as required under the Master Directions. Our Company also has constituted a Corporate Social Responsibility Committee, Share Transfer Committee, Review Committee and an IT Strategy Committee.

Management Organisation Structure

Organization Structure

AROHAN
AAVISHKAAR GROUP



Key Managerial Personnel of our Company

The Key Managerial Personnel of our Company as on the date of this Draft Red Herring Prospectus are as disclosed below.

In addition to our Managing Director, Manojkumar N Nambiar, whose details are provided in "*—Brief Biographies of our Directors*" on page 405, the details of our other Key Managerial Personnel as on the date of this Draft Red Herring Prospectus are set out below:

Milind Ramchandra Nare is the Deputy Chief Executive Officer and Chief Financial Officer of our Company and has been associated with our Company since April 28, 2016. He was appointed as the Chief Financial Officer of the Company with effect from May 9, 2016 and as the Deputy Chief Executive Officer on August 14, 2025. He holds a bachelor of commerce degree from University of Bombay, Maharashtra and a master of financial management degree from Pondicherry University, Union Territory of Puducherry. He has also completed the certification program on "Strategic Leadership in Inclusive Finance" from Harvard Business School, Boston. He is a finance professional with over 30 years of experience in finance. He is responsible for overseeing our Company's key functions including finance, treasury, credit, technology, human resources, training, and administration, and is also responsible for engagement with investors, lenders, regulators, rating agencies, and other external stakeholders. Prior to joining our Company, he was the chief finance officer of India Factoring and Finance Solutions Private Limited. He has also worked at Global Trade Finance Limited, The Bombay Dyeing & Manufacturing Company Limited, Pam Pharmaceutical & Allied Machinery Company Private Limited and L&T Finance Limited. He was conferred the 'Best CFO – BFSI (Large sized enterprises)' award for 2020 at the 8th CFO Summit Awards, 2021 by the All India Association of Industries. During Fiscal 2026, he was paid a compensation of ₹22.80 million by our Company (including deferred compensation paid for Fiscals 2024 and 2025).

Anirudh Singh Thakur is the Company Secretary and Chief Compliance Officer of our Company and has been associated with our Company with effect from October 1, 2017. He holds a bachelor of science degree from Nagpur University, Maharashtra and a bachelor of law degree from Nagpur University, Maharashtra. He is an associate member of the Institute of Company Secretaries of India, New Delhi. He passed the Limited Insolvency Examination conducted by the Insolvency and Bankruptcy Board of India, New Delhi. He is responsible for our Company's legal and regulatory standing, overseeing the integrity of our governance protocols while spearheading the risk management strategies that protect our corporate reputation. He has over 26 years of experience in corporate law, commercial law, compliance, corporate legal and litigation. Prior to joining our Company, he worked as a legal consultant, and has also worked with India Factoring and Finance Solutions Private Limited, Global Trade Finance Limited, Intelenet Global Services Limited, Premier Auto Electric Limited and Pix Transmissions Limited, in their respective legal and secretarial departments. He received the 'Governance Professional of the Year' award at the 20th ICSI National Awards for Excellence in Corporate Governance, 2020. In 2022, he was named as a recipient of the Diligent Modern Governance 100 in the 'Boards and Governance Innovator' category. During Fiscal 2026, he was paid a compensation of ₹18.26 million by our Company (including deferred compensation paid for Fiscals 2024 and 2025).

Senior Management of our Company

In addition to Milind Ramchandra Nare, the Chief Financial Officer of our Company and Anirudh Singh Thakur, the Company Secretary and Chief Compliance Officer of our Company, whose details are provided in "*—Key Managerial Personnel of our Company*" on page 421, the details of other members of our Senior Management, as on the date of this Draft Red Herring Prospectus are set out below:

Shailesh Kumar is the Chief Business Officer of our Company and has been associated with our Company since April 1, 2018. He is responsible for leading all aspects of our Company's business, encompassing organic, inorganic and MFI alliances from both, strategic and tactical perspectives, including central operations across all products, as well as the debt recovery function of the Company. He holds a bachelor of arts (English) degree from Babasaheb Bhimrao Ambedkar Bihar University, Bihar. He has over 25 years of experience in banking. Prior to joining our Company, he was associated with ICICI Bank Limited and the State Bank of India**.** During Fiscal 2026, he was paid a compensation of ₹15.58 million by our Company (including deferred compensation paid for Fiscals 2024 and 2025).

Ranjan Das is the Chief Risk Officer of our Company and has been associated with our Company since July 1, 2017. He is responsible for the overall risk management and control, portfolio risk analytics, credit and product policy approvals, large ticket credit risk underwriting enterprise risk management, risk modelling and information security risk management of our Company. He holds a bachelor's degree in science from University of Calcutta and master's degree in business management from the University of Calcutta. He has over 29 years of experience in the financial sector. Prior to joining our Company, he was associated with Nicco Uco Financial Services Ltd, Indian Container Leasing Company Limited, Citicorp Finance (India) Limited and Magma Fincorp Limited. During Fiscal 2026, he was paid a compensation of ₹15.33 million by our Company (including deferred compensation paid for Fiscals 2024 and 2025).

Abin Kumar Mukhopadhyay is the Head of Internal Audit and Vigilance of our Company and has been associated with our Company since July 1, 2015. He is responsible for giving assurance on the internal control arrangements and promoting good corporate governance in our Company. He is a qualified chartered accountant and a member of the Institute of Chartered Accountants of India. He is also a chartered management accountant (admitted as an associate of the Chartered Institute of Management Accountants), a certified information systems auditor (as certified by the Information Systems Audit and Control Association), a certified fraud examiner (as certified by the Association of Certified Fraud Examiners) and an associate of the Insurance Institute of India. He is the President of the Institute of Internal Auditors of India, Calcutta chapter for the Fiscal 2026. He has over 24 years of experience in audit, accounting and management. Prior to joining our Company, he has worked with Eveready Industries India Limited, ITC Limited, Colgate-Palmolive (India) Limited, Hindustan Motors Limited and Gumasol Rubber-Tec GmbH. During Fiscal 2026, he was paid a compensation of ₹12.89 million by our Company .

Arvind Murarka is the Chief Information Officer of the Company. He was associated with our Company from August 2015 until February 2025, and re-joined our Company from February 13, 2026. He is responsible for overseeing the infrastructure of technical operations, tracking the technology and the information technology team to achieve goals, meet quotas, eliminate security risks, increase user satisfaction and maintain information technology infrastructure, operations and systems/ application. He holds a bachelor's degree in commerce from Calcutta University. He holds a master's degree in business administration from the Institute of Chartered Financial Analysts of India University, Sikkim and has completed the course titled 'data analytics essentials' from the National Institute of Information Technology, New Delhi. He has also completed advanced leadership and technology certifications from Indian Institute of Management Lucknow, IBM, and NIIT, New Delhi. He has experience of over 27 years across multiple industries including information technology consulting, healthcare, infrastructure, food processing, and retail. Prior to joining our Company, he has worked with GPT Infraprojects Limited, Medica Pharmacy Private Limited, IntraSoft Technologies Private Limited, iNavigators Private Limited, Softweb Technologies Private Limited, Amrit Feeds Limited and Kris Systems Private Limited. During Fiscal 2026, he was paid a compensation of ₹4.36 million by our Company.

Sharoni Pal is the Head of Credit of the Company and has been associated with our Company since November 11, 2023. She is responsible for credit policy, credit administration and underwriting for the organic and inorganic business. She holds a bachelor's degree engineering (mech.) from Manipal Institute of Technology, Manipal, Karnataka and a post graduate diploma in management from S. P. Jain Institute of Management and Research, Mumbai, Maharashtra. She has over 27 years of experience in banking and financial services. Prior to joining our Company, she was associated with ITC Classic Finance Limited, Citibank, ABN AMRO Bank, Royal Bank of Scotland. During Fiscal 2026, she was paid a compensation of ₹7.69 million by our Company.

Deblina Bhattacharjee is the Head of Human Resources, Training and Development, and Administration of the Company and has been associated with our Company since February 12, 2025. She is responsible for employee experience, capacitization and capability building of our Company. She has completed bachelor of science (computer science) programme from PES, Degree College, Bengaluru, Karnataka and holds a master of business administration degree from ICFAI University, Hyderabad. She has participated in the 'Stride @ ISB - Enhancing Leadership Effectiveness' programme conducted by the Indian School of Business, Hyderabad and the programme on 'Design Thinking for Strategic Excellence' from Indian Institute of Management, Kolkata. Prior to joining the Company, she was associated with Kotak Life Insurance, Reliance Securities and HDFC Standard Life Insurance. During Fiscal 2026, she was paid a compensation of ₹6.59 million by our Company.

Ketan Agrawal is the Deputy Chief Financial Officer and has been associated with the Company since June 1, 2018. He is responsible for the finance functions of the Company, including determining financial objectives, designing and implementing systems, formulating policies and procedures to facilitate internal financial and process controls. He has completed the final examination of chartered accountancy held by the Institute of Chartered Accountants of India and has also passed information systems audit assessment test conducted by Institute of Chartered Accountants of India. He has 24 years of experience in the field of corporate accounting. Prior to joining the Company, he was associated with Poonawalla Fincorp Limited *(formerly Magma Fincorp Limited)*, Birla Corporation Limited and Ashok Leyland Finance Limited. During Fiscal 2026, he was paid a compensation of ₹8.44 million by our Company.

Vinod Kumar Pandey is the Head of Central Operations and has been associated with the Company since August 28, 2015. He holds a post graduate diploma in rural management from Xavier Institute of Social Service, Jharkhand, and a diploma in business management from ICFAI, Tripura. He is responsible for central operations and process control of our Company. He has over 22 years of experience in microfinance industry, livelihood development, rural marketing and life insurance. Prior to joining the Company, he was associated with International Development Enterprise (India), Max New York Life, Kotak Life, and L&T Finance. During Fiscal 2026, he was paid a compensation of ₹6.68 million by our Company.

Status of Key Managerial Personnel and Senior Management

All our Key Managerial Personnel and Senior Management are permanent employees of our Company.

Relationship among Key Managerial Personnel and Senior Management

Except as disclosed in "*—Relationship between our Directors and Key Managerial Personnel and Senior Management*" on page 423, none of our Key Managerial Personnel and Senior Management are related to each other.

Shareholding of Key Managerial Personnel and Senior Management in our Company

For details of the shareholding of our Key Managerial Personnel and Senior Management, see "*Capital Structure—Details of the Shareholding of our Directors, Key Managerial Personnel, Senior Management, Promoter Group and directors of our Promoter"* on page 125.

For details of employee stock options held by our Key Managerial Personnel and Senior Management, see "*Capital Structure—Employee Stock Option Schemes*" on page 127.

Bonus or Profit Sharing Plan of our Key Managerial Personnel and Senior Management

Except for Manojkumar N Nambiar as disclosed in "*—Terms of Appointment of the Directors*" on page 408 and performance-related bonus payment offered to our Key Managerial Personnel or Senior Management as per their respective terms of employment, none of our Key Managerial Personnel or Senior Management is a party to any bonus or profit sharing plan by our Company.

Arrangement or understanding with major shareholders, customers, suppliers or others pursuant to which our Key Managerial Personnel and Senior Management have been appointed as a Key Managerial Personnel and Senior Management, respectively

There are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which any of our Key Managerial Personnel or Senior Management were selected as members of our management.

Interest of Key Managerial Personnel and Senior Management

Our Key Managerial Personnel and Senior Management do not have any interest in our Company, other than to the extent of (i) the remuneration or benefits to which they are entitled in accordance with the terms of their appointment or reimbursement of expenses incurred by them during the ordinary course of business, (ii) the Equity Shares and any stock options held by them, if any, and any dividend payable to them and other benefits arising out of such shareholding. For details see "*—Interest of our Directors*" on page 409 and "*—Shareholding of Key Managerial*

Personnel and Senior Management in our Company" on page 423.

Further, Milind Ramchandra Nare, our Deputy Chief Executive Officer and Chief Financial Officer, holds (i) 101 equity shares; and (ii) 746 outstanding options pursuant to an employee stock option scheme in in AVMS, one of our Promoters, which holds 75.86% shareholding, in TribeTech Private Limited, a member of our Promoter Group. In addition, Ranjan Das, one of the member of our Senior Management, is a director on the board of directors of I-Cap, one of our Promoters.

None of our Key Managerial Personnel or Senior Management have been paid any consideration of any nature by our Company other than remuneration in the ordinary course of their employment. There is no deferred or contingent compensation payable to any of our Key Managerial Personnel or Senior Management.

Changes in Key Managerial Personnel and Senior Management

For details on changes in our Key Managerial Personnel who are also Directors, see "*—Changes in the Board Directors during last three years*" on page 411. The changes in other Key Managerial Personnel and Senior Management in the preceding three years are as follows:

Name	Designation	Date of Change	Reason
Indrani Banerjee	Head of Head of Human Resources, Training and Development, and Administration	August 31, 2023	Resignation
Sumit Mukherjee	Chief Business Officer	September 18, 2023	Appointment
Vishal Wadhwa	Head of Business	May 27, 2023	Resignation
Kanchan Banerjee	Head of Head of Human Resources, Training and Development, and Administration	January 9, 2024	Appointment
Kanchan Banerjee	Head of Head of Human Resources, Training and Development, and Administration	December 31, 2024	Resignation
Deblina Bhattacharjee	Head of Head of Human Resources, Training and Development, and Administration	February 12, 2025	Appointment
Sharoni Pal	Head of Credit	February 12, 2025	Appointment
Arvind Murarka	Chief Information Officer	February 28, 2025	Resignation
Sumit Mukherjee	Chief Business Officer	March 12, 2025	Resignation
Shailesh Kumar	Chief Business Officer	May 23, 2025	Appointment
Arvind Murarka	Chief Information Officer	February 13, 2026	Appointment

Note: This table does not include changes in designations.

Payment or benefit to Key Managerial Personnel and Senior Management

Except as disclosed in this section under "*—Terms of appointment of the Directors*" on page 408, no non-salary amount or benefit has been paid or given to any officer of our Company including Key Managerial Personnel or Senior Management, within the two years preceding the date of this Draft Red Herring Prospectus or is intended to be paid or given, other than in the ordinary course of their employment or any employee stock options, for services rendered as officers of our Company, dividend that may be payable in their capacity as Shareholders.

Other than statutory benefits upon termination of their employment in our Company on retirement, none of our Key Managerial Personnel or Senior Management has entered into a service contract with our Company pursuant to which they are entitled to any benefits upon termination of employment.

Employee Stock Option Scheme

For details on the ESOP Schemes, see "*Capital Structure—Employee Stock Option Schemes"* on page 127.

Service contracts with Key Managerial Personnel and Senior Management

Except for statutory benefits upon termination of their employment in our Company or retirement, no Key Managerial Personnel and Senior Management has entered into a service contract with our Company pursuant to which they are entitled to any benefits upon termination of employment.

Contingent and deferred compensation payable to our Key Managerial Personnel and Senior Management

Except our disclosed below and in *"—Contingent and deferred compensation payable to our Directors"* on page 410, no other Key Managerial Personnel or Senior Management is paid any contingent or deferred compensation:

Our Employees, namely (i) Shailesh Kumar, our Chief Business Officer; (ii) Milind Ramchandra Nare, our Deputy Chief Executive Officer and Chief Financial Officer; (iii) Arvind Murarka, our Chief Information Officer; (v) Sharoni Pal, our Head of Credit, are identified as 'Material Risk Takers' in terms with the Arohan Compensation Policy. Arohan Compensation Policy is formulated in accordance with the 'Guidelines on Compensation of Key Managerial Personnel (KMP) and Senior Management in NBFCs' issued by the Reserve Bank of India dated April 29, 2022. Arohan Compensation Policy requires that, among other things, performance linked incentive to Material Risk Takers shall be deferred for over a period of three years, of which 50% of the total eligible amount shall be considered for pay out at the end of the first financial year, post the completion of the annual performance management exercise, and the remaining shall be paid in two equal tranches in next two years.

OUR PROMOTERS AND PROMOTER GROUP

Promoters

Aavishkaar Venture Management Services Private Limited, Intellectual Capital Advisory Services Private Limited, Vineet Chandra Rai and Swati Rai, are the Promoters of our Company.

As on the date of this Draft Red Herring Prospectus, our Promoters' shareholding in our Company is as follows*:

S. No.	Name of the Promoter	Number of Equity Shares of face value of ₹10 each	Percentage of the pre-Offer issued, subscribed and paid-up Equity Share capital^ (%)
1.	AVMS	6,094,083	3.82
2.	I-Cap	16,472,146	10.33
	Total	**22,566,229**	**14.16**

**As on the date of this Draft Red Herring Prospectus, Vineet Chandra Rai and Swati Rai do not hold any Equity Shares in our Company.*

^The percentage of the Equity Share capital on a fully diluted basis has been calculated on the basis of total Equity Shares held and such number of Equity Shares which will result upon conversion of vested options under the ESOP Schemes.

For further details in relation to the build-up of the shareholding of our Promoters in our Company, see "*Capital Structure—Details of build-up, secondary transactions of Equity Shares, contribution and Lock-in of Promoters' shareholding and Lock-in of other Equity Shares*" on page 112.

Details of our Individual Promoters



Vineet Chandra Rai, aged 54 years, is the Vice Chairman and Promoter Nominee Director and one of the Promoters of our Company.

Date of Birth: June 17, 1971

Address: 1001, 10th Floor, Quantum Park, A Wing, Union Park, Khar West Mumbai 400052, Maharashtra, India

Vineet Chandra Rai's PAN is ABUPR9400L

For the complete profile of Vineet Chandra Rai, along with details of his educational qualifications, professional experience, position/posts held in the past, directorships held, special achievements and business and financial activities, see "*Our Management—Board of Directors*" and "*Our Management—Brief Biographies of our Directors*" on pages 401 and 405, respectively.

Other than as disclosed in "*—Promoter Group*" and "*Our Management*" on pages 426 and 401, respectively, Vineet Chandra Rai, is not involved in any other venture.

	**Swati Rai**, aged 54 years is one of the promoters of our Company. **Date of Birth**: September 11, 1971 **Address**: 1001, 10th Floor, Quantum Park, A Wing, Union Park, Khar West, Mumbai 400052, Maharashtra, India Swati Rai's PAN is AEYPR3654R **Educational qualifications**: She holds a bachelor of arts (honours course) degree in Mathematics from Delhi University, Delhi and a post graduate diploma in Forestry Management from Indian Institute of Forest Management, Bhopal. **Other directorships**: Aavishkaar Foundation and Aavishkaar Venture Management Services Private Limited **Experience**: In the past, she has worked in Gujarat Ecology Commission. **Positions held in Company**: As on the date of this Draft Red Herring Prospectus, she does not hold any position in our Company. **Other ventures**: Other than the entities forming part of her Promoter Group, she does not have majority holding in any other venture.

Our Company confirms that the PAN, bank account numbers, Aadhaar card numbers, passport numbers and driving license numbers of our Individual Promoters will be submitted to the Stock Exchanges at the time of filing of this Draft Red Herring Prospectus.

Details of our Corporate Promoters

Aavishkaar Venture Management Services Private Limited ("AVMS")

AVMS was incorporated on March 17, 2006, as a private limited company under the Companies Act, 1956 and registered with the Registrar of Companies, Maharashtra at Mumbai. Its registered office is located at Unit No. 202, 203 and 204, 2nd floor, Naman Centre, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051, Maharashtra, India.

AVMS is authorized to provide management services and other such allied professional services to venture capital funds and other entities including corporates and non-corporates. There has been no change in activities carried out by AVMS.

As on the date of this Draft Red Herring Prospectus, AVMS holds 6,094,083 Equity Shares of face value of ₹10 each, representing 3.82% of the issued, subscribed and paid-up share capital of our Company.

The equity shareholding pattern of AVMS as on March 31, 2026 is as disclosed below.

S. No.	Name of Shareholders	No. of equity shares of ₹10 each	Percentage of equity shareholding (%)
1.	Vineet Chandra Rai	509,040	36.77

S. No.	Name of Shareholders	No. of equity shares of ₹10 each	Percentage of equity shareholding (%)
2.	Swati Vineet Rai	392,637	28.36
3.	P. Pradeep	57,000	4.12
4.	E. N. Venkat	8,696	0.63
5.	Ajay Maniar	6,656	0.48
6.	Sanchayan Chakraborty	8,697	0.63
7.	Sushma Kaushik	2,082	0.15
8.	Anurag Agrawal	43,616	3.15
9.	Systrama Consultants Pvt Ltd	13,600	0.98
10.	Manojkumar N Nambiar	41,487	3.00
11.	Atreya Rayaprolu	26,964	1.95
12.	Vikas Bali	4,348	0.31
13.	Shyamkant Joshi	86	0.01
14.	Shashvat Rai	894	0.06
15.	Subit Saurav	674	0.05
16.	Neha Saraf	737	0.05
17.	Disha Gandhi	800	0.06
18.	Himanchal Rai	290	0.02
19.	Stefanie Bauer	2,899	0.21
20.	Gagandeep Bakshi	2,899	0.21
21.	Nisha Dutt	34,384	2.48
22.	Aditi Shrivastava	2,581	0.19
23.	Amol Ganu	157	0.01
24.	Ekta Shah	157	0.01
25.	Divya Gupta	126	0.01
26.	Janavi Papriwal	63	0.00
27.	Darren Lobo	63	0.00
28.	Abhishek	471	0.03
29.	Milind Nare	101	0.01
30.	Tarun Mehta	9,078	0.66
31.	Kiran Agrawal Todi	1,008	0.07
32.	Ashish Patel	10,086	0.73
33.	Aavishkaar Group Employees' Benefit Trust	81,496	5.89
34.	Shell Foundation	92,144	6.66
35.	Rajesh Sachdeva	27,614	1.99
36.	Shilpa Maheshwari	750	0.05
	Total	**1,384,381**	**100.00**

As on the date of this Draft Red Herring Prospectus, the Equity Shares of AVMS are not listed on any stock exchange.

Vineet Chandra Rai and Swati Rai are the promoters of AVMS.

The composition of the board of directors of AVMS as on the date of this Draft Red Herring Prospectus is as disclosed below.

S. No.	Name	Designation
1.	Vineet Chandra Rai	Promoter director
2.	Swati Rai	Promoter director
3.	Manojkumar N Nambiar	Director (promoter nominee)
4.	Anurag Agrawal	Director (promoter nominee)
5.	Upendra Kumar Sinha	Independent director

There has been no change in the control of AVMS in the three years preceding the date of filing of this Draft Red Herring Prospectus, other than as disclosed below.

As on June 28, 2024, four foreign body corporates, as mentioned below, collectively held 1,118,184 equity shares, representing 44.68% of the total shareholding of AVMS on a fully diluted basis:

S No.	Name of the Body Corporate	Number of shares	% of Shareholding
1.	Triodos Sicav-II – Triodos Microfinance Fund	188,255	7.52
2.	Legal owner Triodos funds B.V. in its capacity as legal owner of Triodos Fair Share Fund represented by Triodos Investment Management B.V.	188,256	7.52
3.	Teachers Insurance and Annuity Association of America	477,768	19.09
4.	Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden N.V.	263,905	10.55
Total		1,118,184	44.68

AVMS had filed a company petition under Section 66 read with Section 52 of the Companies Act, 2013 and Rule 2 of National Company Law Tribunal (Procedure for Reduction of Share Capital) Rules, 2016 for the reduction of share capital of AVMS with NCLT on June 23, 2023, which was approved by NCLT vide its order dated February 15, 2024. AVMS had filed an application with NCLT to allow to give effect to the capital reduction by filing the certified copy of the order and form of minutes with registrar of companies post receipt of approval form RBI. NCLT had approved the extension application vide order dated April 8, 2024. Pursuant to the approvals dated February 15, 2024 and June 21, 2024 granted by the NCLT and the RBI, respectively, in relation to the capital reduction undertaken by AVMS, the entire aforesaid 44.68% shareholding held by the foreign body corporates was cancelled on June 28, 2024. This has resulted in a change in control of AVMS.

Our Company confirms that the PAN, bank account number and company registration number of AVMS, and the address of the registrar of companies where AVMS is registered, were submitted to the Stock Exchanges at the time of filing the Draft Red Herring Prospectus with them.

Intellectual Capital Advisory Services Private Limited ("I-Cap")

I-Cap was incorporated on March 5, 2002 as a private company, under the Companies Act, 1956 and registered with the Registrar of Companies, Maharashtra at Mumbai. The registered office is located at Unit No. 202, 203, 204, 2nd floor, Naman Centre, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051, Maharashtra, India.

I-Cap is primarily authorized to engage in the business advisory services to enterprises and to identify, carry out research, analyse the various business sectors with high growth potential and give recommendations for increase in profitability to enterprises. There has been no change in activities carried out by I-Cap.

As on the date of this Draft Red Herring Prospectus, I-Cap holds 16,472,146 Equity Shares of face value of ₹10 each, representing 10.33% of the issued, subscribed and paid-up share capital of our Company.

The equity shareholding pattern of I-Cap as on March 31, 2026 is as disclosed below.

Name of Shareholders	Country of Incorporation / Residence	Type of Instrument	No. of Shares (Non Diluted)	% Holding (Non Diluted)	No. of Shares (Fully Diluted)	% Holding (Fully Diluted)
Aavishkaar Venture Management Services Private Limited	India	Equity	9,177,587	98.37%	9,177,587	70.38
Intellectual Capital Advisory Services Private Limited Employees Trust	India	Equity	142,707	1.53%	142,707	1.09
Pramod Majety	India	Equity	4,400	0.05%	4,400	0.03
Sarvesh Kapoor	India	Equity	1,760	0.02%	1,760	0.01
Srikanth Pulavarthy	India	Equity	1,650	0.02%	1,650	0.01
Noella Correia	India	Equity	1,210	0.01%	1,210	0.01
Vineet Chandra Rai	India	Equity	1	0.00%	1	0.00
Swati Rai	India	Equity	1	0.00%	1	0.00

Atreya Rayaprolu	India	Equity	1	0.00%	1	0.00
Nisha Dutt	India	Equity	1	0.00%	1	0.00
Manojkumar N Nambiar	India	Equity	1	0.00%	1	0.00
Anurag Agrawal	India	Equity	1	0.00%	1	0.00
Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden N.V. (FMO)	Netherlands	Equity	100	0.00%	3,710,701	28.46
Total			**9,329,420**	**100.00%**	**1,304,0021**	**100.00**
Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden N.V. (FMO)	Netherlands	FMO CCDs	**1,199,967**	**100.00%**		
Total			**1,199,967**	**100.00%**	**1,304,0021**	**100.00**

As on the date of this Draft Red Herring Prospectus, the equity shares of I-Cap are not listed on any stock exchange.

As on the date of this Draft Red Herring Prospectus, I-Cap is promoted by AVMS. For details of the shareholding and the board of directors of AVMS, see "*Our Promoters and Promoter Group—AVMS*" on page 427.

The composition of the board of directors of I-Cap as on the date of this Draft Red Herring Prospectus is as disclosed below.

S. No.	Name	Designation
1.	Shilpa Maheshwari	Non-executive and non-independent director
2.	Ranjan Das	Non-executive and non-independent director
3.	Aditya Mohan	Non-executive and nominee director
4.	Shamkant Joshi	Non-executive and non-independent director

There has been no change in the control of I-Cap in the three years preceding the date of filing of this Draft Red Herring Prospectus.

Our Company confirms that the PAN, bank account number and company registration number of I-Cap, and the address of the registrar of companies where I-Cap is registered, were submitted to the Stock Exchanges at the time of filing the Draft Red Herring Prospectus with them.

Change in control of our Company

There has not been any change in control of our Company in the five years immediately preceding the date of this Draft Red Herring Prospectus. However, pursuant to a resolution dated February 13, 2026 adopted by the Board of Directors, AVMS, I-Cap, Vineet Chandra Rai and Swati Rai, have been identified as the Promoters of our Company.

Interests of our Promoters

The Promoters are interested in our Company to the extent (i) that they have promoted our Company, (ii) of the Equity Shares held by the Promoters in our Company and dividend payable, if any, and other distributions in respect of the Equity Shares held by the Promoters (iii) that they are appointed as Directors on the Board of the Company and the remuneration, sitting fees or reimbursement of expenses payable by our Company to them (iv) of any transactions or business arrangements undertaken by our Company with the Promoters, or their relatives or entities in which the Promoters hold shares or entities in which the Promoters are members of the board of directors or firms in which relatives of the Promoters hold interest. For details regarding the shareholding of the Promoters and the Promoter Group in our Company, see "*Capital Structure—Details of build-up, secondary transactions of Equity Shares, contribution and Lock-in of Promoters' shareholding and Lock-in of other Equity Shares"* on page 112. For details of remuneration payable to the Promoters and Promoter Group, see "*Our Management—Terms of Appointment of Directors*" on page 408.

Our Promoters are not interested as a member of a firm or a company, and no sum has been paid or agreed to be paid to our Promoters or to such firm or company in which our Promoters is interested as a member, in cash or shares or otherwise by any person either to induce any such person to become, or qualify him as a director, or otherwise for

services rendered by such person or by such firm or company in connection with the promotion or formation of our Company.

Further, our Promoters are also directors on the boards, or shareholders, members or partners of certain entities forming part of the Promoter Group and may be deemed to be interested to the extent of the payments made by our Company, if any, to such entities forming part of the Promoter Group.

Interest in property, land, construction of building and supply of machinery

Other than as disclosed in "*Our Management—Interest of our Directors*" and in "*Summary of Related Party Transactions"* on pages 409 and 85 respectively, our Promoters do not have any interest in any property acquired by our Company in the three years preceding the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company or in any transaction by our Company with respect to the acquisition of land, construction of building or supply of machinery.

Companies with which our Promoters have disassociated in the last three years

Our Promoters have not disassociated themselves from any company in the three years immediately preceding the date of this Draft Red Herring Prospectus other than as disclosed below.

S. No.	Name of Entity	Reasons for Disassociation	Date of Disassociation
AVMS			
1.	Nepra Resource Management Private Limited	Ceased to be a member of Nepra Resource Management Private Limited	January 18, 2024
2.	Vana Vidyut Private Limited	Ceased to be a member of Vana Vidyut Private Limited	January 19, 2024
3.	Vortex Engineering Private Limited	Ceased to be a member of Vortex Engineering Private Limited	May 24, 2024
4.	Milk Mantra Dairy Private Limited	Ceased to be a member of Milk Mantra Dairy Private Limited	January 20, 2025
5.	Nalanda Learning Systems Private Limited	Ceased to be a member of Nalanda Learning Systems Private Limited	March 19, 2025
6.	Mhealth Ventures India Private Limited	Ceased to be a member of Mhealth Ventures India Private Limited	March 31, 2025
7.	HR food Processing Private Limited	Ceased to be a member of HR food Processing Private Limited	July 16, 2025
8.	Karadi Path Education Company Private Limited	Ceased to be a member of Karadi Path Education Company Private Limited	October 09, 2025
Vineet Chandra Rai			
1.	Nalanda Learning Systems Private Limited	Sale of Shares. Ceased to be a member of Nalanda Learning Systems Private Limited	March 21, 2025
2.	Innovation and Entrepreneurship federation of CCS NIAM	Ceased to be a director of Innovation and Entrepreneurship federation of CCS NIAM	September 29, 2025
3.	Ulink Agritech Private Limited	Ceased to be a nominee director of Ulink Agritech Private Limited	July 25, 2025
4.	Aavishkaar Venture Trustees Private Limited	Ceased to be director, but continue as member of Aavishkaar Venture Trustees Private Limited	January 1, 2025
5.	Intellectual Capital Advisory Services Private limited	Ceased to be director, but continue as member of Intellectual Capital Advisory Services Private limited	August 13, 2024
6.	Milk Mantra dairy Private limited	Ceased to be a nominee director of Milk Mantra dairy Private limited	October 18, 2023
7.	TribeTech Private limited	Ceased to be a director of TribeTech Private limited	April 30, 2023

Payment or benefits to Promoters or Promoter Group

Except as stated in "*Our Management—Terms of Appointment of the Directors*", "*Our Management—Interest of our Directors*" and "*Summary of Related Party Transactions*" on pages 408 and 85, respectively, there has been no

payment or benefit by our Company to our Promoters or any of the members of the Promoter Group during the two years preceding the date of this Draft Red Herring Prospectus nor is there any intention to pay or give any benefit to our Promoters or Promoter Group as on the date of this Draft Red Herring Prospectus.

Material guarantees given by our Promoters with respect to the Equity Shares

As on the date of this Draft Red Herring Prospectus, our Promoters have not given any material guarantee to any third party with respect to the Equity Shares.

Promoter Group

In addition to the Promoters named above, the natural persons who form part of the Promoter Group are set out below:

S. No.	Name of the individual	Relationship with Promoter
1.	Prakash Chandra Rai	Father of Vineet Chandra Rai and father-in-law of Swati Rai
2.	Vanita Rai	Sister of Vineet Chandra Rai and sister-in-law of Swati Rai
3.	Yash Rai	Son of Vineet Chandra Rai and Swati Rai
4.	Ananya Vineet Rai	Daughter of Vineet Chandra Rai and Swati Rai
5.	Saroj Pant	Mother of Swati Rai and mother-in-law of Vineet Chandra Rai
6.	Ashutosh Pant	Brother of Swati Rai and brother-in-law of Vineet Chandra Rai
7.	Paritosh Pant	Brother of Swati Rai and brother-in-law of Vineet Chandra Rai

In addition to the Corporate Promoters named above, the entities forming part of the Promoter Group are set out below:

S. No.	Name of entities
Bodies corporates	
1.	Aavishkaar Advisors Private Limited
2.	Aavishkaar Investment Advisers (IFSC) Private Limited*
3.	Intellecap Advisory Services Private Limited
4.	Ashv Finance Limited
5.	TribeTech Private Limited
6.	Aavishkaar Venture Trustees Private Limited
7.	Aavishkaar Carbon Platform Private Limited
8.	Jamwant Advisors Private Limited *(Formerly Indradhanush Advisors Private Limited)*
9.	Intellecap GmbH
10.	Intellecap Inc.
11.	Intellecap Africa Private Limited
Trusts	
1.	Aavishkaar Foundation

** Aavishkaar Investment Advisers (IFSC) Private Limited has filed an application to exit from the Special Economic Zone Scheme, for which the final approval is awaited. Subsequent to the approval, Aavishkaar Investment Advisers (IFSC) Private Limited will initiate the process of dissolution.*

Change in the Management and Control of our Company

There has been no change in control of our Company in the last five years preceding the date of this Draft Red Herring Prospectus.

DIVIDEND POLICY

The dividend policy of our Company was adopted and approved by our Board in their meeting held on May 13, 2026 ("**Dividend Policy**"). The declaration and payment of dividends on the Equity Shares will be recommended by our Board and approved by our Shareholders at their discretion, subject to the provisions of our Articles of Association and the Companies Act.

The dividends declared and paid by the Company on the Equity Shares of our Company in the last three Fiscals and until the date of this Draft Red Herring Prospectus in accordance with the Restated Financial Information are set forth below:

Particulars	Details of the dividend for the period from January 1, 2026 to the date of this DRHP	Nine-month period ended December 31, 2025	Details of the dividend for the financial year ended		
			March 31, 2025	March 31, 2024	March 31, 2023
Face value of Equity Shares *(₹)*	Nil	Nil	Nil	Nil	Nil
Number of Equity Shares	Nil	Nil	Nil	Nil	Nil
Dividend amount *(₹ million)*	Nil	Nil	Nil	Nil	Nil
Dividend per Equity Shares *(₹)*	Nil	Nil	Nil	Nil	Nil
Rate of dividend on Equity Shares (%)	Nil	Nil	Nil	Nil	Nil
Dividend distribution tax *(₹ million)*	Nil	Nil	Nil	Nil	Nil
Mode of payment	Nil	Nil	Nil	Nil	Nil

As certified by KGRS & Co, Chartered Accountants, bearing firm registration number 310014E, pursuant to their certificate dated May 15, 2026.

The dividends declared and paid by the Company on the CCPS of our Company in the last three Fiscals and until the date of this Draft Red Herring Prospectus in accordance with the Restated Financial Information are set forth below:

Particulars	Details of the dividend for the period from April 1, 2025 to the date of this DRHP	Nine-month period ended December 31, 2025	Details of the dividend for the financial year ended		
			March 31, 2025	March 31, 2024	March 31, 2023
Face value of CCPS *(₹)*	Nil	Nil	Nil	10	Nil
Number of CCPS	Nil	Nil	Nil	60,530,236	Nil
Dividend amount *(₹ million)*	Nil	Nil	Nil	0.01	Nil
Dividend per CCPS *(₹)*	Nil	Nil	Nil	0.00*	Nil
Rate of dividend on CCPS (%)	Nil	Nil	Nil	0.00^	Nil
Dividend distribution tax *(₹ million)*	Nil	Nil	Nil	Nil	Nil
Mode of payment	Nil	Nil	Nil	Bank account	Nil

As certified by KGRS & Co, Chartered Accountants, bearing firm registration number 310014E, pursuant to their certificate dated May 15, 2026.
** The dividend per CCPS for Fiscal 2024 is ₹ 0.0001 which has been rounded off.*
^The declared rate of dividend for Fiscal 2024 is 0.001% which has been rounded off.

The quantum of dividend, if any, and our ability to pay dividends in the future will depend on a number of factors, including but not limited to, our Company's profits, expected future capital / expenditure requirements of the Company, organic growth plans, liquidity, our earnings outlook, general financial conditions, general economic

conditions, any statutory or contractual obligations and restrictions.

The amount of dividend paid in the past is not necessarily indicative of the dividend policy of our Company or dividend amounts, if any, in the future. There is no guarantee that any dividends will be declared or paid in the future on the Equity Shares. For details of risks in relation to our capability to pay dividend, see "*Risk Factors—Our Company may not be able to pay dividends in the future. Our ability to pay dividends in the future will depend upon our future earnings, financial condition, profit after tax available for distribution, cash flows, working capital requirements and capital expenditure and the terms of our financing arrangements*." on page 64.

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SECTION V: FINANCIAL INFORMATION

RESTATED FINANCIAL INFORMATION

B S R & Co. LLP
Chartered Accountants

14th Floor, Central B Wing and North C Wing
Nesco IT Park 4, Nesco Center
Western Express Highway
Goregaon (East), Mumbai – 400 063, India
Telephone: +91 (22) 6257 1000
Fax: +91 (22) 6257 1010

INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED FINANCIAL INFORMATION

The Board of Directors
Arohan Financial Services Limited
PTI Building, 4th Floor
DP-9, Sector-5, Salt Lake,
Kolkata, West Bengal – 700091, India

Dear Sirs,

1. We, B S R & Co. LLP, Chartered Accountants have examined the attached restated financial information of Arohan Financial Services Limited (the "Company") and ESOP Trust ("Trust"), comprising the restated statement of assets and liabilities as at December 31, 2025, March 31, 2025, March 31, 2024 and March 31, 2023, the restated statements of profit and loss (including other comprehensive income), the restated statement of changes in equity, the restated statement of cash flows for the nine months period ended December 31, 2025 and for the years ended March 31, 2025, March 31, 2024 and March 31, 2023, the material accounting policies, and other explanatory information (collectively, the "Restated Financial Information"), as approved by the Board of Directors of the Company at their meeting held on 13 May 2026 for the purpose of inclusion in the Draft Red Herring Prospectus ("DRHP") prepared by the Company in connection with its proposed initial public offer of equity shares ("IPO") prepared in terms of the requirements of:

   a) Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended (the "Act");

   b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and

   c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI") (the "Guidance Note").

2. The Company's Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the DRHP to be filed with Securities and Exchange Board of India ("SEBI") and BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE", together with BSE referred to "Stock Exchanges") in connection with the proposed IPO. The Restated Financial Information have been prepared by the management of the Company on the basis of preparation stated in note 2 to the Restated Financial Information. The responsibility of Board of Directors of the Company includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.

3. We have examined such Restated Financial Information taking into consideration:

   a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated February 24, 2026 in connection with the proposed IPO of equity shares of the Company;

   b) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;

   c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and

   d) The requirements of Section 26 of the Act and the ICDR Regulations.

   Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the proposed IPO.

4. These Restated Financial Information have been compiled by the management from:

   a) Audited special purpose interim financial statements of the Company as at and for the nine months period ended December 31, 2025 prepared in accordance with the basis of preparation described in Note 2 to the special purpose interim financial statements, which have been approved by the Board of Directors at their meetings held on May 13, 2026;

   b) Audited financial statements of the Company as at and for the year ended March 31, 2025 prepared in accordance with Indian Accounting Standards ("Ind AS") specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on May 23, 2025; and

   c) Audited financial statements of the Company as at and for the years ended March 31, 2024 and March 31, 2023**,** prepared in accordance with Ind AS specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meetings held on May 24, 2024 and May 12, 2023 respectively.

5. For the purpose of our examination, we have relied on:

   a) Auditor's report issued by us dated May 13, 2026 on the special purpose interim financial statements of the Company as at and for the nine months period ended December 31, 2025 as referred in Paragraph 4 (a) above;

   b) Auditor's report issued by us dated May 23, 2025 on the financial statements of the Company as at and for the year ended March 31, 2025 as referred in Paragraph 4 (b) above; and

   c) Auditor's report issued by the Previous Auditor dated May 24, 2024 and May 12, 2023 on the financial statements of the Company as at and for the years ended March 31, 2024 and March 31, 2023 respectively as referred in Paragraph 4 (c) above.

   The audits for the financial years ended March 31, 2024 and March 31, 2023 were conducted by the Company's Previous Auditor, M S K A & Associates LLP (Formerly known as M S K A & Associates), ("the Previous Auditor"), and accordingly reliance has been placed on the restated statement of assets and liabilities as at March 31, 2024 and March 31, 2023, the

restated statements of profit and loss (including other comprehensive income), the restated statement of changes in equity, the restated statement of cash flows for the years ended March 31, 2024 and March 31, 2023, the material accounting policies, and other explanatory information (collectively, the "Previous Period Restated Financial Information") examined by them for the said years. The examination report included for the said years is based solely on the report submitted by the Previous Auditor. They have also confirmed that the Previous Period Restated Financial Information:

a. have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended March 31, 2024 and March 31, 2023 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the nine months period ended December 31, 2025 as more fully described in Note 5 (a) and 5 (b) to the Previous Period Restated Financial Information;

b. do not contain any modification requiring adjustments. There are certain modifications included in Annexures to the previous auditors' report issued under Companies (Auditor's Report) Order, 2020 as mentioned in the Note 4(a) to the Previous Period Restated Financial Information, which do not require any adjustments to the Previous Period Restated Financial Information; and

c. have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

6. Based on our examination and according to the information and explanations given to us and also as per the reliance placed on the audit reports and examination report submitted by the Previous Auditor for the respective years, we report that the Restated Financial Information:

   a. have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the nine months period ended December 31, 2025;

   b. does not contain any modification requiring adjustments. Moreover, matters in the Auditor's report, which do not require any corrective adjustments in the Restated Financial Information have been disclosed in Part B of Annexure 7 of the Restated Financial Information; and

   c. have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

7. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the special purpose interim financial statements/ financial statements mentioned in paragraph 5 above.

8. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us or the Previous Auditor, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

9. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

10. Our report is intended solely for use of the Board of Directors for inclusion in the DRHP to be filed with SEBI and Stock Exchanges in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Nitesh Shetty
Partner
Membership Number: - 123493
UDIN: 26123493TDUSLB6597

Mumbai
13 May 2026

Arohan Financial Services Limited

Annexure 1 - Restated Statement of Assets and Liabilities

(Amounts in ₹ millions)

Particulars	Annexure 6 Notes	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Assets					
Financial assets					
Cash and cash equivalents	5	5,079.99	4,364.76	9,389.61	5,565.61
Bank balance other than cash and cash equivalents	6	2,061.58	2,369.32	3,286.51	3,780.01
Trade receivables	7	89.21	83.79	145.24	162.47
Loans	8	58,326.86	57,051.08	66,157.38	47,822.20
Investments	9	7,370.85	3,633.46	901.61	787.70
Other financial assets	10	315.78	155.57	338.99	267.03
Total financial assets		**73,244.27**	**67,657.98**	**80,219.34**	**58,385.02**
Non-financial assets					
Current tax assets (net)	11	197.00	103.07	119.85	426.87
Deferred tax assets (net)	12	747.53	801.39	558.94	1,184.70
Property, plant and equipment	13	115.95	89.17	75.25	53.08
Intangible assets under development	14	-	2.95	5.51	4.41
Other Intangible assets	14	32.77	38.94	41.43	21.51
Right of use asset	15	65.74	60.07	73.66	49.01
Other non-financial assets	16	215.12	104.30	60.43	57.11
Total non-financial assets		**1,374.11**	**1,199.89**	**935.07**	**1,796.69**
Total assets		**74,618.38**	**68,857.87**	**81,154.41**	**60,181.71**
Liabilities and equity					
Liabilities					
Financial liabilities					
Payables					
Trade payables					
- Total outstanding dues of micro enterprises and small enterprises		-	-	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	20	308.45	275.15	280.98	139.42
Other payables					
- Total outstanding dues of micro enterprises and small enterprises		-	-	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		-	-	-	-
Debt securities	17	1,558.11	2,130.37	4,090.38	3,008.48
Borrowings (other than debt securities)	18	48,142.14	40,907.05	52,079.62	38,093.63
Subordinated liabilities	19	2,494.07	3,996.61	3,988.43	4,232.79
Other financial liabilities	22	670.26	733.81	1,124.14	973.34
Total financial liabilities		**53,173.03**	**48,042.99**	**61,563.55**	**46,447.66**
Non-financial liabilities					
Provisions	23	417.52	389.67	268.76	246.83
Other non-financial liabilities	24	109.76	173.93	174.54	106.97
Total non-financial liabilities		**527.28**	**563.60**	**443.30**	**353.80**
Equity					
Equity share capital	25	1,594.12	1,589.12	1,574.12	1,503.88
Other equity	27	19,323.95	18,662.16	17,573.44	11,876.37
Total equity		**20,918.07**	**20,251.28**	**19,147.56**	**13,380.25**
Total liabilities and equity		**74,618.38**	**68,857.87**	**81,154.41**	**60,181.71**

The accompanying annexures and notes are an integral part of the Restated Financial Information

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No. 101248W/W-100022

Nitesh Shetty
Partner
Membership No 123493

Place: Mumbai
Date: May 13, 2026

For and on behalf of the Board of Directors of
Arohan Financial Services Limited

Manoj Kumar Nambiar
Managing Director
DIN No.: 03172919
Place: Kolkata

Anurag Agrawal
Promoter Nominee Director
DIN No.: 02385780
Place: Mumbai

Milind R Nare
Deputy CEO and
Chief Financial Officer
Place: Kolkata
Date: May 13, 2026

Anirudh Singh Thakur
Company Secretary and
Chief Compliance Officer
Place: Kolkata

Arohan Financial Services Limited

Annexure 2 - Restated Statement of Profit and Loss

(Amounts in ₹ millions)

Particulars	Annexure 6 Notes	Nine months period ended December 31, 2025	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from operations					
Interest income	28	10,376.59	15,811.78	14,176.86	9,490.49
Dividend income	29	0.44	1.25	-	-
Fees and commission income	30	640.56	965.38	1,688.59	1,020.97
Net gain on fair value changes	31	29.03	-	-	-
Net gain on derecognition of financial instruments under amortised cost category	32	232.24	116.79	413.26	358.65
Other operating income	33	2.48	22.28	8.22	5.23
Total revenue from operations		**11,281.34**	**16,917.48**	**16,286.93**	**10,875.34**
Other income	34	49.20	35.14	59.41	34.62
Total income		**11,330.54**	**16,952.62**	**16,346.34**	**10,909.96**
Expenses					
Finance costs	35	3,849.00	6,319.58	5,922.33	4,686.45
Impairment on financial instruments	36	2,691.12	3,975.14	1,787.60	1,931.65
Employee benefits expenses	37	2,860.95	3,892.01	3,247.20	2,461.48
Depreciation and amortisation	38	66.29	68.54	56.83	47.63
Other expenses	39	1,071.07	1,316.50	1,208.05	883.21
Total expenses		**10,538.43**	**15,571.77**	**12,222.01**	**10,010.42**
Profit before tax		**792.11**	**1,380.85**	**4,124.33**	**899.54**
Tax expense:	40				
- Current tax		124.62	503.18	347.91	(9.12)
- Deferred tax expense/ (credit)		60.05	(219.19)	638.21	201.50
Total tax expense		**184.67**	**283.99**	**986.12**	**192.38**
Profit after tax for the period/ year		**607.44**	**1,096.86**	**3,138.21**	**707.16**
Other comprehensive income (OCI)					
Items that will not be reclassified to profit or loss					
Remeasurement of post employment benefit obligations	42	(24.61)	(92.43)	(49.46)	(35.10)
Income tax related to these items		6.19	23.26	12.45	8.83
Sub-total		**(18.42)**	**(69.17)**	**(37.01)**	**(26.27)**
Total comprehensive income for the period/ year		**589.02**	**1,027.69**	**3,101.20**	**680.89**
Earnings per equity share	41				
Face value per share (not annualised for interim period) (₹)		10.00	10.00	10.00	10.00
Basic (₹)		3.98	7.20	26.62	6.05
Diluted (₹)		3.98	7.18	26.57	5.84

The accompanying annexures and notes are an integral part of the Restated Financial Information

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No. 101248W/W-100022

Nitesh Shetty
Partner
Membership No 123493

Place: Mumbai
Date: May 13, 2026

For and on behalf of the Board of Directors of
Arohan Financial Services Limited

Manoj Kumar Nambiar
Managing Director
DIN No.: 03172919
Place: Kolkata

Anurag Agrawal
Promoter Nominee Director
DIN No.: 02385780
Place: Mumbai

Milind R Nare
Deputy CEO and
Chief Financial Officer
Place: Kolkata
Date: May 13, 2026

Anirudh Singh Thakur
Company Secretary and
Chief Compliance Officer
Place: Kolkata

Arohan Financial Services Limited

Annexure 3 - Restated Statement of Cash Flow

(Amounts in ₹ millions)

Particulars	Nine months period ended December 31, 2025	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Cash flow from operating activities				
Profit before tax	**792.11**	**1,380.85**	**4,124.33**	**899.54**
Adjusted for:				
Depreciation and amortisation	50.78	47.67	36.42	30.73
Depreciation on right of use assets	15.51	20.87	20.41	16.90
Interest on lease liability (net)	6.25	7.74	6.89	4.58
Impairment loss allowance on loans	2,741.62	3,740.24	1,390.53	1,916.91
Impairment loss allowance on security receipts	(50.00)	234.40	411.81	-
Impairment loss allowance on investment	(0.50)	-	-	-
Net gain on fair value changes	(29.03)	-	-	-
Impairment loss allowance on trade receivables	-	-	(14.74)	14.74
Net gain on derecognition of financial instruments	(232.24)	(116.79)	(413.26)	(358.65)
Share based payments to employees	77.77	76.03	51.58	28.28
Effective interest rate adjustment for financial instruments	(429.14)	(493.70)	(255.07)	(303.51)
Interest income accrued	(9,797.50)	(15,003.97)	(13,460.91)	(9,011.79)
Finance cost accrued	3,634.45	5,955.77	5,571.95	4,393.92
Unwinding impact on security deposit	(0.03)	0.03	0.02	0.02
Operating profit before working capital changes	**(3,219.95)**	**(4,150.86)**	**(2,530.04)**	**(2,368.33)**
Adjustment in:				
(Increase)/ decrease in loans	(4,231.53)	5,331.61	(19,806.36)	(13,146.53)
(Increase)/ decrease in trade receivables	(5.42)	61.45	31.97	(153.12)
Decrease in other financial assets	72.50	300.70	341.86	142.75
(Increase)/ decrease in other non-financial assets	(111.24)	(44.41)	(3.90)	17.32
Increase/ (Decrease) in trade payables	33.30	(5.83)	141.58	(19.68)
(Decrease)/ increase in other financial liabilities	(70.31)	(377.53)	125.00	750.66
Increase/ (Decrease) in provisions	3.24	28.47	(27.53)	1.76
(Decrease)/ increase in other non-financial liabilities	(64.19)	(0.59)	67.56	(99.28)
Cash (used in)/ generated from operating activities	**(7,593.60)**	**1,143.01**	**(21,659.86)**	**(14,874.45)**
Interest received	10,134.82	14,943.76	13,608.73	9,617.67
Interest paid	(3,654.87)	(6,143.57)	(5,861.72)	(4,546.29)
Income taxes paid (net of refunds)	(218.55)	(486.40)	(40.89)	64.28
Net cash (used in)/ generated from operating activities (A)	**(1,332.20)**	**9,456.80**	**(13,953.74)**	**(9,738.79)**
Cash flow from investing activities				
Purchase of property, plant and equipment	(68.08)	(48.08)	(47.90)	(30.17)
Proceeds from sale of property, plant and equipment	0.10	0.10	0.23	0.04
Interest received on investments and fixed deposits	576.22	648.77	517.93	322.54
Proceeds from fixed deposits	812.45	1,433.89	527.68	1,801.59
Investment in fixed deposits	(552.38)	(490.45)	-	(2,014.20)
Proceeds from Government securities	1,830.79	1,913.07	517.68	-
Purchase of Government securities	(1,250.00)	(4,738.01)	(1,043.40)	(787.20)
Proceeds from mutual fund	3,113.46	-	-	-
Investment in mutual fund	(7,450.00)	-	-	-
Proceeds from dividend from investments	0.44	1.25	-	-
Purchase of intangible assets	(0.44)	(1.42)	(28.62)	(3.44)
Purchase of intangible assets under development	(0.01)	(7.15)	(3.32)	(4.63)
Net cash (used in)/ generated from investing activities (B)	**(2,987.45)**	**(1,288.03)**	**440.28**	**(715.47)**

Annexure 3 - Restated Statement of Cash Flow

(Amounts in ₹ millions)

Particulars	Nine months period ended December 31, 2025	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Cash flow from financing activities				
Proceeds from issue of equity shares (including premium)	-	-	0.98	0.57
Proceeds from Issue of compulsorily convertible preference shares (including premium)	-	-	2,662.12	2,482.95
Share issue expenses (net)	-	-	(48.56)	(47.25)
Proceeds from debt securities (*)	-	-	2,080.00	1,150.00
Repayment of debt securities (*)	(520.00)	(1,925.00)	(987.00)	(994.00)
Proceeds from borrowings (other than debt securities) (*)	34,168.74	27,396.49	44,924.16	35,351.09
Repayment of borrowings (other than debt securities) (*)	(27,093.18)	(38,637.30)	(31,018.06)	(31,338.09)
Repayment of subordinated liabilities (*)	(1,500.00)	-	(250.00)	(100.00)
Payment of interest on lease liabilities	(6.15)	(6.67)	(7.06)	(5.97)
Payment of principal on lease liabilities	(14.53)	(21.14)	(19.12)	(15.72)
Net cash generated/ (used in) from financing activities (C)	**5,034.88**	**(13,193.62)**	**17,337.46**	**6,483.58**
Net increase/ (decrease) in cash and cash equivalents (A + B + C)	**715.23**	**(5,024.85)**	**3,824.00**	**(3,970.68)**
Cash and cash equivalents at the beginning of the period/ years	4,364.76	9,389.61	5,565.61	9,536.29
Cash and cash equivalents at the end of the period/ years	**5,079.99**	**4,364.76**	**9,389.61**	**5,565.61**
Components of cash and cash equivalents *(* Refer *note 5)*				
Cash on hand	2.05	1.13	2.48	3.61
Balances and deposits with banks	5,077.94	4,363.63	9,387.13	5,562.00
	5,079.99	**4,364.76**	**9,389.61**	**5,565.61**

(*) Refer *note 22* for reconciliation of liabilities arising from financing activities

Note: The restated Cash Flows from Operating activities are computed under the 'Indirect Method' as set out in Ind AS 7, "Statement of Cash Flows.

The accompanying annexures and notes are an integral part of the Restated Financial Information

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No. 101248W/W-100022

Nitesh Shetty
Partner
Membership No 123493

Place: Mumbai
Date: May 13, 2026

For and on behalf of the Board of Directors of
Arohan Financial Services Limited

Manoj Kumar Nambiar
Managing Director
DIN No.: 03172919
Place: Kolkata

Anurag Agrawal
Promoter Nominee Director
DIN No.: 02385780
Place: Mumbai

Milind R Nare
Deputy CEO and
Chief Financial Officer
Place: Kolkata
Date: May 13, 2026

Anirudh Singh Thakur
Company Secretary and
Chief Compliance Officer
Place: Kolkata

Arohan Financial Services Limited

Annexure 4 - Restated Statement of Changes in Equity

(a) Equity share capital

(i) Equity Share Capital (Refer *note 25a*)**:**

Equity shares of ₹ 10 each, subscribed and fully paid ***(Amounts in ₹ millions)***

Particulars	No. of shares	Amount
Balance as at April 01, 2022	**12,01,77,303**	**1,201.77**
Changes in equity share capital during the year	10,00,000	10.00
Balance as at March 31, 2023	**12,11,77,303**	**1,211.77**
Changes in equity share capital during the year	3,62,35,017	362.35
Balance as at March 31, 2024	**15,74,12,320**	**1,574.12**
Changes in equity share capital during the year	15,00,000	15.00
Balance as at March 31, 2025	**15,89,12,320**	**1,589.12**
Changes in equity share capital during the period	5,00,000	5.00
Balance as at December 31, 2025	**15,94,12,320**	**1,594.12**

(ii) Compulsorily Convertible Preference Share Capital (Refer *note 25g*):

Compulsorily Convertible Preference Shares of ₹ 10 each, subscribed and fully paid ***(Amounts in ₹ millions)***

Particulars	No. of shares	Amount
Balance as at April 01, 2022	**-**	**-**
Changes in Compulsorily convertible preference shares capital during the year	2,92,11,177	292.11
Balance as at March 31, 2023	**2,92,11,177**	**292.11**
Changes in Compulsorily convertible preference shares capital during the year	(2,92,11,177)	(292.11)
Balance as at March 31, 2024	**-**	**-**
Changes in Compulsorily convertible preference shares capital during the year	-	**-**
Balance as at March 31, 2025	**-**	**-**
Changes in Compulsorily convertible preference shares capital during the period	**-**	**-**
Balance as at December 31, 2025	**-**	-

(b) Other Equity (Refer *note 27*)

(Amounts in ₹ millions)

Particulars	Reserves and surplus						Total
	Securities premium	Statutory reserves	Retained earnings	General reserve	Share options outstanding account	Treasury shares	
Balance as at April 01, 2022	**7,103.72**	**802.48**	**1,554.07**	**8.03**	**115.51**	**(550.77)**	**9,033.04**
Total comprehensive income for the year:							
Profit after tax for the year	-	-	707.16	-	-	-	707.16
Other comprehensive income for the year (net)	-	-	(26.27)	-	-	-	(26.27)
Transactions with owners of the Company:							
Share based payments to employees	0.48	-	-	-	27.80	0.57	28.85
Issue of equity shares to ESOP trust	143.94	-	-	-	-	(153.94)	(10.00)
Issue of compulsorily convertible preference shares	2,190.84	-	-	-	-	-	2,190.84
Share issue expenses	(47.25)	-	-	-	-	-	(47.25)
Transfer to statutory reserves (*)	-	141.43	(141.43)	-	-	-	-
Balance as at March 31, 2023	**9,391.73**	**943.91**	**2,093.53**	**8.03**	**143.31**	**(704.14)**	**11,876.37**
Total comprehensive income for the year:							
Profit after tax for the year	-	-	3,138.21	-	-	-	3,138.21
Other comprehensive income for the year (net)	-	-	(37.01)	-	-	-	(37.01)
Transactions with owners of the Company:							
Share based payments to employees	0.83	-	-	-	50.75	0.98	52.56
Issue of equity shares to ESOP trust	79.80	-	-	-	-	(86.80)	(7.00)
Issue of equity shares on conversion of compulsorily convertible preference shares	4,789.72	-	-	-	-	-	4,789.72
Issue of compulsorily convertible preference shares	2,348.93	-	-	-	-	-	2,348.93
Conversion of compulsorily convertible preference shares (**)	(4,539.77)	-	-	-	-	-	(4,539.77)
Dividend payable on compulsorily convertible preference shares (**)	-	-	(0.01)	-	-	-	(0.01)
Share issue expenses	(48.56)	-	-	-	-	-	(48.56)
Transfer to statutory reserves (*)	-	627.64	(627.64)	-	-	-	-
Balance as at March 31, 2024	**12,022.68**	**1,571.55**	**4,567.08**	**8.03**	**194.06**	**(789.96)**	**17,573.44**
Total comprehensive income for the year:							-
Profit after tax for the period	-	-	1,096.86	-	-	-	1,096.86
Other comprehensive income for the year (net)	-	-	(69.17)	-	-	-	(69.17)
Transactions with owners of the Company:							-
Share based payments to employees	-	-	-	-	76.03	-	76.03
Issue of equity shares to ESOP trust	207.53	-	-	-	-	(222.53)	(15.00)
Issue of equity shares on conversion of compulsorily convertible preference shares	-	-	-	-	-	-	-
Issue of compulsorily convertible preference shares	-	-	-	-	-	-	-
Conversion of compulsorily convertible preference shares (**)	-	-	-	-	-	-	-
Dividend payable on compulsorily convertible preference shares (**)	-	-	-	-	-	-	-
Share issue expenses	-	-	-	-	-	-	-
Transfer to statutory reserves (*)	-	219.37	(219.37)	-	-	-	-
Balance as at March 31, 2025	**12,230.21**	**1,790.92**	**5,375.40**	**8.03**	**270.09**	**(1,012.49)**	**18,662.16**

(*) The Company has transferred 20% of profits after tax to Statutory reserve pursuant to Section 45-IC of the Reserve Bank of India Act, 1934 on annual basis.

(**) Pursuant to the provisions of the Companies Act, 2013, the Company as per the circular resolution passed by the Board of Directors on March 22, 2024, converted all the compulsorily convertible preference shares into equity shares of the company, at ₹10/- each, as per the share subscription agreements (SSA) and as per the approval of the shareholders ranking pari passu with the existing equity shares of the Company.

Arohan Financial Services Limited

Annexure 4 - Restated Statement of Changes in Equity

(b) Other Equity (refer *note 27*) (cont'd)

(Amounts in ₹ millions)

Particulars	Reserves and surplus						Total
	Securities premium	Statutory reserves	Retained earnings	General reserve	Share options outstanding account	Treasury shares	
Balance as at April 01, 2025	**12,230.21**	**1,790.92**	**5,375.40**	**8.03**	**270.09**	**(1,012.49)**	**18,662.16**
Total comprehensive income for the period:							
Profit for the period	-	-	607.44	-	-	-	607.44
Other comprehensive income for the period (net)	-	-	(18.42)	-	-	-	(18.42)
Transactions with owners of the Company:							
Share based payments to employees	-	-	-	-	77.77	-	77.77
Share issue expenses	69.18	-	-	-	-	(74.18)	(5.00)
Balance as at December 31, 2025	**12,299.39**	**1,790.92**	**5,964.42**	**8.03**	**347.86**	**(1,086.67)**	**19,323.95**

The accompanying annexures and notes are an integral part of the Restated Financial Information

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No. 101248W/W-100022

Nitesh Shetty
Partner
Membership No 123493

Place: Mumbai
Date: May 13, 2026

For and on behalf of the Board of Directors of
Arohan Financial Services Limited

Manoj Kumar Nambiar
Managing Director
DIN No.: 03172919
Place: Kolkata

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DIN No.: 02385780
Place: Mumbai

Milind R Nare
Deputy CEO and
Chief Financial Officer
Place: Kolkata
Date: May 13, 2026

Anirudh Singh Thakur
Company Secretary and
Chief Compliance Officer
Place: Kolkata

Arohan Financial Services Limited

Annexure 5 - Notes to Restated Financial Information

Material accounting policies and other explanatory information to Restated Financial Information

1 Corporate information

Arohan Financial Services Limited ('the Company') is incorporated under the provisions of the Companies Act 1956. The Company has been registered as a Non-Banking Financial Company ('NBFC') with the Reserve Bank of India ('the RBI') from July 08, 2009 and pursuant to the notification issued by the RBI for classification of NBFCs as Non-Banking Finance Company – Micro Finance Institutions ('NBFC-MFI'), the Company's application for registration as an NBFC-MFI was approved by the RBI on January 10, 2014. The Company has converted itself into a public limited company and changed its name to Arohan Financial Services Limited and has received a fresh certificate of incorporation dated May 25, 2018.

The Company is primarily engaged in providing the livelihood promotion services such as micro-credit to socio-economically disadvantaged customers un-reached by the formal banking systems. In addition to the core business of providing micro-credit, the Company uses its distribution channel to provide certain other financial products and services.

2 Basis of preparation

The Restated Financial Information of the Company comprise the Restated Statement of Assets and Liabilities as at December 31, 2025, March 31, 2025, March 31, 2024 and March 31, 2023; the Restated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Statement of Changes in Equity, and the Restated Statement of Cash Flows for the nine months ended December 31, 2025 and for the years ended March 31, 2025, March 31, 2024 and March 31, 2023, the summary of material accounting policies and other explanatory notes (collectively, the 'Restated Financial Information').

The Restated Financial Information have been prepared on a going concern basis. The accounting policies are applied consistently to all the period/ years presented in the Restated Financial Information. These Restated Financial Information have been prepared by the management as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations") issued by the Securities and Exchange Board of India ("SEBI"), in pursuance of the Securities and Exchange Board of India Act, 1992, for the purpose of inclusion in the Draft Red Herring Prospectus (DRHP) in connection with proposed issue of equity shares of the Company by way of a fresh issue of equity shares of the Company and offer for sale of equity shares by the existing shareholders by way of initial public offer. Accordingly, the Restated Financial Information may not be suitable for any other purpose and this report should not be used, referred to or distributed for any other purpose.

These Restated Financial Information have been prepared by the Company in terms of the requirements of:

a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act");

b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended; and

c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI") (the "Guidance Note").

The Restated Financial Information have been prepared to comply in all material respects with the Indian Accounting Standards ("Ind AS") as specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time), presentation requirements of Division III of Schedule III to the Act, as applicable to the financial statements and other relevant provisions of the Act.

A) The Restated Financial Information has been compiled by the Company from:

Audited special purpose interim financial statements of the Company as at and for the nine months period ended December 31, 2025 prepared in accordance with Indian Accounting Standard 34 "Interim Financial Reporting" (Ind AS 34) as specified under Section 133 of the Act and other accounting principles generally accepted in India and presentation requirements of Schedule III of the Act, except for presenting comparative financial information and statement of profit and loss for the current interim period which have been approved by the Board of Directors at their meeting held on May 13, 2026;

B) Audited financial statements of the Company as at and for the year ended March 31, 2025 prepared in accordance with Ind AS specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on May 23, 2025; and

C) Audited financial statements of the Company as at and for the years ended March 31, 2024 and March 31, 2023, prepared in accordance with Ind AS specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meetings held on May 24, 2024 and May 12, 2023 respectively.

The Restated Financial Information:

A) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the nine months period ended December 31, 2025;

Material accounting policies and other explanatory information to Restated Financial Information

B) does not contain any modification requiring adjustments. Moreover, matters in the Auditor's report, which do not require any corrective adjustments in the Restated Financial Information have been disclosed in Part B of Annexure 7 of the Restated Financial Information; and

C) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

Historical cost convention

These financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities and share based payments which are measured at fair values as explained in relevant accounting policies.

The restated financial information were approved by the Company's Board of Directors and authorised for issue on May 13, 2026.

The Guidance Note on Division III - Schedule III to the Companies Act. 2013 issued by the ICAI has been followed in so far as they are not inconsistent with any of these Directions.

3 Material accounting policies

(a) Property, plant and equipment

Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance costs are recognised in Restated Statement of Profit and Loss.

Subsequent measurement (depreciation method, useful lives and residual value)

Property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation on property, plant and equipment is provided on the written down method over the useful life of the assets as prescribed under Part 'C' of Schedule II, which is also the management's estimates of useful lives of such assets.

Asset class	**Useful life**
Office equipment	5 years
Computer equipment	3 years
Computer Software	5 Years
Computer Servers	6 Years
Motor Vehicle	8 years
Furniture and fixtures	10 years

Depreciation is calculated on pro rata basis from the date on which the asset is ready for use or till the date the asset is sold or disposed. The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.

De-recognition

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in the Restated Statement of Profit and Loss, when the asset is de-recognised.

Capital work-in-progress

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

(b) Intangible assets

Recognition and initial measurement

Intangible assets are stated at their cost of acquisition. The cost comprises purchase price including any import duties and other taxes (other than those subsequently recoverable from taxation authorities), borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Subsequent measurement (depreciation method, useful lives and residual value)

Intangible assets are amortised over a period of five years from the date when the assets are available for use. The estimated useful life (amortisation period) of the intangible assets is arrived basis the expected pattern of consumption of economic benefits and is reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

Material accounting policies and other explanatory information to Restated Financial Information

3 Material accounting policies (cont'd)

Intangible assets under development

Intangible assets under development represents expenditure incurred in respect of intangible assets under development and are carried at cost.

Cost includes development cost, borrowing costs and other direct expenditure necessary to create, produce and repair the asset to be capable of operating in the manner intended by management. These are recognised as assets when the company demonstrate following recognition requirements:

a. The development costs can be measured reliably
b. The project is technically and commercially feasible
c. The company intends to and has sufficient resources to complete the project
d. The company has the ability to use or sell such intangible asset
e. The asset will generate probable future economic benefits.

(c) Revenue recognition

Revenue from contracts with customers - fees and commission

The Company recognizes revenue from contracts with customers (other than financial assets to which Ind AS 109 'Financial instruments' is applicable) as set out in Ind AS 115 'Revenue from contracts with customers'.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered as part of the contract. Revenue is recognised for a contract with a customer only when all of the following criteria are met:

a. Identify the contract,
b. Identify performance obligations,
c. Determine the transaction price,
d. Allocate the transaction price and
e. Recognize revenue when a performance obligation is satisfied.

'transaction price' as the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Interest and processing fee income on loans

Interest and processing fee income is recorded on accrual basis using the effective interest rate (EIR) method. Additional overdue interest/ penal charges, if any, are recognised only when it is reasonably certain that the ultimate collection will be made.

The EIR is that rate that exactly discounts estimated future receipts through the expected life of the financial instrument to the gross carrying amount of the financial assets.

In calculating the interest income the effective interest rate (EIR) is applied to the gross carrying amount of the asset when such assets are not credit-impaired. However if the financial assets that have become credit-impaired subsequently to initial recognition and is regarded as 'stage 3', interest income is calculated by applying the EIR to the net amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Income from assignment transactions

Gains arising out of direct assignment transactions comprises of the difference between interest on the loan portfolio and the applicable rate at which the direct assignment is entered into with the assignee, also known as excess interest spread (EIS). The future EIS basis the scheduled cash flow on execution of the transaction, discounted at the applicable rate entered into with the assignee is recorded upfront in the Restated Statement of Profit and Loss. Interest income is also recognised on carrying value of assets over the remaining period of such assets.

Interest on fixed deposits

Interest income on deposits with banks and investments is recognized in time proportion basis taking into account the amount outstanding and the rate applicable using the effective interest rate (EIR) method.

Dividend income

Dividend income is recognised at the time when the right to receive is established by the reporting date.

Miscellaneous income

All other income is recognised on an accrual basis, when there is no uncertainty in the ultimate realisation/ collection.

Material accounting policies and other explanatory information to Restated Financial Information

3 Material accounting policies (cont'd)

(d) Borrowing costs

Borrowing cost consists of interest and other cost that the Company incurred in connection with the borrowing of funds. All other borrowing costs are charged to the Restated Statement of Profit and Loss as incurred basis the effective interest rate method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments through the expected life of the financial instrument to the amortised cost of the financial liability. In calculating interest expense, the effective interest rate is applied to the amortised cost of the liability.

(e) Income tax

Income tax comprises current and deferred tax:

Current tax: Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) prescribed therein. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current tax relating to items recognised outside profit or loss is recognised in correlation to the underlying transaction either in OCI or directly in other equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax is tax payable on income for the period and any adjustment to tax payable for earlier period.

Deferred Tax: Deferred tax is provided using the Balance Sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for deductible temporary differences to the extent that it is probable that taxable profits will be available against which the deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised either in OCI or in other equity.

Tax expense recognized in Restated Statement of Profit and Loss comprises the sum of deferred tax and current tax except to the extent it recognized in other comprehensive income or directly in equity.

(f) Employee benefits

Short term employee benefits

Short term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Post-employment benefit plans are classified into defined benefits plans and defined contribution plans as under:

Defined contribution plans

The defined contribution plan is a post-employment benefit plan where the Company's legal or constructive obligation is limited to the amount that it contributes to a separate legal entity.

The Company makes specified monthly contributions towards Government administered provident fund scheme.

The Company has a defined contribution plans like provident fund, pension fund and employees state insurance scheme. The contribution made by the Company in respect of these plans are charged to the Restated Statement of Profit and Loss.

Defined benefit plans

The Company has an obligation towards gratuity and pension fund, defined benefit plan covering eligible employees. Under the defined benefit plans, the amount that an employee will receive is defined by reference to the employee's length of service and last drawn salary which is calculated periodically by a qualified actuary using the projected unit credit method. The legal obligation for any benefits remains with the Company, even if plan assets for funding the defined benefit plan have been set aside. The liability recognised in the statement of financial position for defined benefit plans is the present value of the Defined Benefit Obligation (DBO) at the reporting date less the fair value of plan assets. Management estimates the DBO annually with the assistance of independent actuaries. Actuarial gains/ losses resulting from re-measurements of the liability/asset are included in other comprehensive income.

The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate determined by reference to market yields at the end of the reporting period on government bonds. This rate is applied on the net defined benefit liability (asset), both as determined at the start of the annual reporting period, taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments.

Material accounting policies and other explanatory information to Restated Financial Information

3 Material accounting policies (cont'd)

Other long-term employee benefits

The employees of the Company are entitled to compensated absences which are both accumulating and non-accumulating in nature. The liability in respect of accumulating compensated absences is estimated on the basis of an actuarial valuation performed by an independent actuary based on projected unit credit method. Actuarial gains and losses arising from changes in actuarial assumptions are charged to Restated Statement of Profit and Loss in the year in which such gain or losses are determined.

(g) Share based payments

The Company has formulated an Employees Stock Option Schemes to be administered through a Trust. The fair value of options granted under Employee Stock Option Plan is recognised as an employee benefits expense with a corresponding increase in other equity.

The total amount to be expensed is determined by reference to the fair value of the options. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in Restated Statement of Profit and Loss, with a corresponding adjustment to equity.

Treasury shares are presented as a deduction from equity. The original cost of treasury shares and the proceeds of any subsequent sale are presented as movements in equity.

(h) Government grants

Government grants are recognised when there is reasonable assurance that the Company will comply with the conditions attached to the grant and the grant will be received. The grants are recognised as income in the statement of profit and loss over the periods necessary to match them with the related costs that they are intended to compensate. The grants received, against any reimbursement of expenses are set off against such expenses in the year they occur with meeting the specific conditions or restrictions.

(i) Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. Recoverable amount is higher of an asset's net selling price and its value in use.

If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Restated Statement of Profit and Loss. If at the reporting date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

(j) Impairment of financial assets

The expected credit loss (ECL) allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12mECL). The Company's policies for determining if there has been a significant increase in credit risk.

Loan assets

The Company follows a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:

• Stage 1 (0-30 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.

• 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.

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

The ECL is measured at 12-month ECL for Stage 1 loan assets and at lifetime ECL for Stage 2 and Stage 3 loan assets. ECL is the product of the Probability of Default, Exposure at Default and Loss Given Default, defined as follows:

Probability of Default (PD)

The PD represents the likelihood of a borrower defaulting on its financial obligation, either over the next 12 months (12 months PD), or over the remaining lifetime (Lifetime PD) of the obligation.

Loss Given Default (LGD)

LGD represents the Company's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and preference of claim and availability of collateral or other credit support like Credit Guarantee for Micro Units (CGFMU).

Material accounting policies and other explanatory information to Restated Financial Information

3 Material accounting policies (cont'd)

Exposure at Default (EAD)

EAD is based on the amounts the Company expects to be owed at the time of default.

Management overlay is included in determining the 12-month and lifetime ECL. The assumptions underlying the expected credit loss are monitored and reviewed on an ongoing basis.

Trade receivables

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

Other financial assets

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

Write off

Financial assets are written off either partially or in their entirety to the extent that there is no realistic prospect of recovery. However financial assets that are written off could still be enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any subsequent recoveries made are recognised in the Restated Statement of Profit and Loss.

(k) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand (including imprest), demand deposits and short-term highly liquid investments (certificate of deposits and commercial paper) that are readily convertible into known amount of cash and which are subject to an insignificant risk of changes in value. The Company nets off the balance of bank overdraft with cash and cash equivalents for cash flow statement.

(l) Provisions, contingent assets and contingent liabilities

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

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

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

(m) Leases

The Company as a lessee

The Company's lease asset classes primarily consist of leases for office premises. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Material accounting policies and other explanatory information to Restated Financial Information

3 Material accounting policies (cont'd)

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

(n) Financial instruments

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

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs. A trade receivables without significant financing component is initially measured at transaction price.

Subsequent measurement of financial assets and financial liabilities are described below.

Subsequent measurement

Financial assets carried at amortised cost

All financial assets are required to be initially measured at fair value plus or minus the transaction costs.

A financial asset is measured at the amortised cost if both the following conditions are met :

(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cashflows, and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

Non-performing financial assets are carried at amortised cost in the financial statement.

Financial assets carried at fair value through other comprehensive income (FVOCI)

A financial asset is measured at FVOCI if both the following conditions are met:

(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows and selling financial assets

(b) The contractual terms of the financial asset meet the SPPI (sole payment of principal and interest) test.

FVOCI instruments are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in OCI. Interest income are recognised in profit or loss in the same manner as for financial assets measured at amortised cost.

Investments

Investment in mutual funds and security receipts are mandatorily measured at fair value through profit and loss (FVTPL).

Investment in equity are measured at fair value to other comprehensive income (FVOCI).

Investment in dated Government securities and treasury bills and measured at fair value through amortised cost and they intend to hold till maturity.

De-recognition of financial assets

The Company derecognizes a financial asset when:

a. the contractual rights to the cash flows from the financial asset expire; or

b. it transfers the rights to receive the contractual cash flows in a transaction in which either:

i. substantially all of the risks and rewards of ownership of the financial asset are transferred; or .

ii. the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company enters into transactions whereby it transfers assets recognised on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Non-derivative financial liabilities:

Subsequent measurement

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

Material accounting policies and other explanatory information to Restated Financial Information

3 Material accounting policies (cont'd)

De-recognition of financial liabilities

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

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there are a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(o) Earnings per equity share

Basic earnings per equity share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss (interest and other finance cost associated) for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(p) Segment information

The Company identifies segment basis of the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are regularly reviewed by the CODM ('chief operating decision maker') and in assessing performance. The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship with the operating activities of the segment.

(q) Foreign currency

Functional and presentation currency

Items included in the financial statement of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements have been prepared and presented in Indian Rupees (₹), which is the Company's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency, by applying the exchange rates on the foreign currency amounts at the date of the transaction. Foreign currency monetary items outstanding at the balance sheet date are converted to functional currency using the closing rate. Non- monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognised in the Restated Statement of Profit and Loss in the year in which they arise.

(r) Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

(s) Dividend payment

Interim dividend declared to equity/ preference shareholders, if any, is recognized as liability in the period in which the said dividend is declared by the Board of Directors. Final dividend declared, if any, is recognized in the year in which the said dividend is approved by the Shareholders. Dividend payable is recognized directly in equity.

Material accounting policies and other explanatory information to Restated Financial Information

4 Material accounting estimates, judgements and assumptions

The preparation of special purpose financial statements in conformity with the Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosure and the disclosure of contingent liabilities, at the end of the reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring adjustment to the carrying amounts of assets or liabilities in future periods.

Estimates:

In preparing these financial statements, management has made certain estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities (including contingent liabilities and assets) as on the date of the financial statements and the reported income and expenses for the reporting period. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Useful lives of depreciable/ amortisable assets

Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

Provisions

Provisions created in respect of a range of future obligations such as litigation. Some of the provisions involve significant estimated about the likely outcome of various events and estimated future cash flows. The measurement of these provisions involves the exercise of management judgments about the ultimate outcomes of the transactions. Payments that are expected to be incurred after more than one year are discounted at a rate, which reflects both current interest rates and the risks specific to that provision.

Defined employee benefit assets and liabilities

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

Impairment of loan portfolio

Management estimates the amount and timing of future cash flows when determining an impairment allowance for loans and advances. These estimates are based on assumptions about a number of factors such as credit quality, level of arrears etc. and actual results may differ, resulting in future changes to the impairment allowance. The Company makes estimation of management overlay considering internal and external factors.

Judgements:

Key areas of judgement at the date of financial statements, which may cause a material adjustment to the carrying amount of assets and liabilities within the next financial period are included classification of financial assets which includes assessment of the business model within which the assets are held for sale, held for sale and maturity and held for maturity.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the special purpose financial statements are:

Fair value measurements

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Material accounting policies and other explanatory information to Restated Financial Information

4 Material accounting estimates, judgements and assumptions (cont'd)

Business model assessment

The Company determines the business model at a level that reflects how the financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset were held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and accordingly prospective change to the classification of those assets are made.

Impairment of loan portfolio

Judgment is required by management in the estimation of the amount and timing of future cash flows when determining an impairment allowance for loans and advances. The Company makes judgments on management overlay considering internal and external factors.

Recent accounting pronouncements

Classification of liabilities as current or non-current and non-current liabilities with Covenants - Amendments to Ind AS 1

The Ministry of Corporate Affairs notified amendments to paragraphs 69 to 76 of Ind AS 1 Presentation of Financial Statements to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

> Extensive revisions to classification of liabilities as current or non-current, especially in context of loan covenants.

> Right to defer settlement must exist at reporting date and have substance –management's intent do not affect

> Convertible debt may become current

> Phased approach:

a. For material covenants - periods beginning on/after April 01, 2025: Relief continues i.e. if lender waives demand after reporting date but before financial statements are approved, liability may remain non-current

b. For covenants - periods beginning on/after April 01, 2026: Relief removed i.e. any breach making liability payable on demand at reporting date must be classified as current, even if lender waives demand after reporting date.

Arohan Financial Services Limited

Annexure 6 - Notes to Restated Financial Information

5 Cash and cash equivalents

(Amounts in ₹ millions)

Particulars	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Cash on hand	2.05	1.13	2.48	3.61
Balances with banks				
In current accounts(#)	415.81	1,094.55	3,636.72	154.97
Deposits for original maturity of less than 3 months	4,662.13	3,269.08	5,750.41	5,407.03
Total	**5,079.99**	**4,364.76**	**9,389.61**	**5,565.61**

(#) Balance in current accounts includes nil as at December 31, 2025 and March 31, 2025, ₹0.01 millions as at March 31, 2024 and Nil as at March 31, 2023 earmarked for unpaid dividend, nil as at December 31, 2025, ₹0.63 millions as at March 31, 2025, ₹0.02 millions as at March 31, 2024 and ₹0.59 as at March 31, 2023 earmarked for unpaid corporate social responsibility, ₹3.50 millions as at December 31, 2025, ₹15.36 millions as at March 31, 2025, ₹34.15 millions as at March 31, 2024 and ₹17.83 as at March 31, 2023 earmarked for unpaid gratuity and ₹1.68 millions as at December 31, 2025, ₹0.8 millions as at March 31, 2025, ₹0.37 millions as at March 31, 2024 and ₹0.24 as at March 31, 2023 earmarked for unpaid debenture interest.

6 Bank balance other than cash and cash equivalents

(Amounts in ₹ millions)

Particulars	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
In deposits with original maturity of more than 3 months	490.43	423.12	296.25	525.36
Balance with banks and financial institutions to the extent held as margin money deposits against borrowings and guarantees [Refer Note (a) below]				
- with maturity more than 3 months but less than 12 months (*)	1,064.37	1,191.06	1,327.97	1,393.16
- with maturity more than 12 months	506.78	755.14	1,662.29	1,861.49
Total	**2,061.58**	**2,369.32**	**3,286.51**	**3,780.01**

(a) The deposits are under lien as security against term loans and overdraft facilities availed, assets securitised, business correspondent services and secured non convertible debenture as below:

(Amounts in ₹ millions)

Particulars	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Term loans from banks and financial Institutions	1,062.61	1,786.97	2,130.51	1,814.03
Overdraft facilities	1.39	1.35	4.60	4.53
Bank guarantee	2.92	2.75	2.58	-
Collateral against securitisations (*)	504.23	133.30	831.67	1,416.15
Secured non convertible debenture	-	21.83	20.90	19.94
Total	**1,571.15**	**1,946.20**	**2,990.26**	**3,254.65**

(*) includes cash collateral held against securitisations with related party of nil as at December 31, 2025, nil as at March 31, 2025, ₹30.11 millions as at March 31, 2024 and ₹35.38 as at March 31, 2023 *(refer note 49)* .

7 Trade receivables (at amortised cost)

(Amounts in ₹ millions)

Particulars	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
(Measured at amortised cost - unsecured)				
Undisputed trade receivables – considered good (#)	4.97	4.66	22.59	153.77
Undisputed trade receivables – which have significant increase in credit risk	-		-	-
Undisputed trade receivables – credit impaired (#)	-		-	14.74
Disputed trade receivables – considered good	-		-	-
Disputed trade receivables – which have significant increase in credit risk	-		-	-
Disputed trade receivables – credit impaired	-		-	-
Unbilled receivables	84.24	79.13	122.65	8.70
Total trade receivables	**89.21**	**83.79**	**145.24**	**177.21**
Less: Impairment loss allowance	-	-	-	(14.74)
Net trade receivables	**89.21**	**83.79**	**145.24**	**162.47**

No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade receivable are due from firms or private companies respectively in which any director is a partner, a director or a member *(refer note 66B)* .

Ageing of trade receivables
As at December 31, 2025

(Amounts in ₹ millions)

Particulars	Unbilled	Not yet due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables – considered good (#)	-	1.01	3.71	0.25	-	-	-	4.97
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed trade receivables – considered good	-	-	-	-	-	-	-	-
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed trade receivables – credit impaired	-	-	-	-	-	-	-	-
(vii) Unbilled receivables	84.24	-	-	-	-	-	-	84.24
Total	**84.24**	**1.01**	**3.71**	**0.25**	-	-	-	**89.21**

(#) Outstanding are from the due date of payment. Where no due date of payment specified in that case ageing is done from the transaction date.

As at March 31, 2025

(Amounts in ₹ millions)

Particulars	Unbilled	Not yet due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables – considered good (#)	-	4.28	0.38	-	-	-	-	4.66
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed trade receivables – considered good	-	-	-	-	-	-	-	-
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed trade receivables – credit impaired	-	-	-	-	-	-	-	-
(vii) Unbilled receivables	79.13	-	-	-	-	-	-	79.13
Total	**79.13**	**4.28**	**0.38**	**-**	**-**	**-**	**-**	**83.79**

(#) Outstanding are from the due date of payment. Where no due date of payment specified in that case ageing is done from the transaction date.

Arohan Financial Services Limited

Annexure 6 - Notes to Restated Financial Information

7 Trade receivables (at amortised cost) (cont'd)

As at March 31, 2024

(Amounts in ₹ millions)

Particulars	Unbilled	Not yet due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables – considered good (#)	-	18.88	3.71	-	-	-	-	22.59
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed trade receivables – credit impaired (#)	-	-	-	-	-	-	-	-
(iv) Disputed trade receivables – considered good	-	-	-	-	-	-	-	-
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed trade receivables – credit impaired	-	-	-	-	-	-	-	-
(vii) Unbilled receivables	122.65	-	-	-	-	-	-	122.65
Total	**122.65**	**18.88**	**3.71**	**-**	**-**	**-**	**-**	**145.24**

(#) Outstanding are from the due date of payment. Where no due date of payment specified in that case ageing is done from the transaction date.

As at March 31, 2023

(Amounts in ₹ millions)

Particulars	Unbilled	Not yet due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables – considered good (#)	-	122.63	31.14	-	-	-	-	153.77
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed trade receivables – credit impaired (#)	-	-	14.41	0.33	-	-	-	14.74
(iv) Disputed trade receivables – considered good	-	-	-	-	-	-	-	-
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed trade receivables – credit impaired	-	-	-	-	-	-	-	-
(vii) Unbilled	8.70							8.70
Total	**8.70**	**122.63**	**45.55**	**0.33**	**-**	**-**	**-**	**177.21**

(#) Outstanding are from the due date of payment. Where no due date of payment specified in that case ageing is done from the transaction date.

Arohan Financial Services Limited

Annexure 6 - Notes to Restated Financial Information

8 Loans (at amortised cost)

(Amounts in ₹ millions)

Particulars	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Term loans				
Secured Loans (*)	4,631.64	3,528.82	1,970.68	85.48
Unsecured Loans	55,558.70	55,814.17	65,891.27	50,583.13
Total - Gross	**60,190.34**	**59,342.99**	**67,861.95**	**50,668.61**
Less: Impairment loss allowances (#)	(1,863.48)	(2,291.91)	(1,704.57)	(2,846.41)
Total - Net	**58,326.86**	**57,051.08**	**66,157.38**	**47,822.20**
(i) Secured by tangible assets (*)	4,631.64	3,528.82	1,970.68	85.48
(ii) Secured by intangible assets	-	-	-	-
(iii) Covered by Government Guarantees	27,037.96	-	-	-
(iv) Unsecured	28,520.74	55,814.17	65,891.27	50,583.13
Gross loans	**60,190.34**	**59,342.99**	**67,861.95**	**50,668.61**
Less: Impairment loss allowances (#)	(1,863.48)	(2,291.91)	(1,704.57)	(2,846.41)
Net loans	**58,326.86**	**57,051.08**	**66,157.38**	**47,822.20**
Loans in India				
(i) Public Sector	-		-	-
(ii) Others	60,190.34	59,342.99	67,861.95	50,668.61
Gross loans	**60,190.34**	**59,342.99**	**67,861.95**	**50,668.61**
Less: impairment loss allowances (#)	(1,863.48)	(2,291.91)	(1,704.57)	(2,846.41)
Net loans	**58,326.86**	**57,051.08**	**66,157.38**	**47,822.20**

(*) Note:

1. Represents maximum exposure to credit risk at the end of the reporting period/ years without taking account of any collateral held or other credit enhancements.

2. Includes advance against standard book debts except for note 5 mentioned below

3. No significant changes in the quality of that collateral.

4. There is no unrecognised impairment loss allowance because of the collateral.

5. Collateral held as security that are credit-impaired at the reporting date is ₹2.51 millions as at December 31, 2025, March 31, 2025, March 31, 2024 and March 31, 2023.

(#) Impairment loss allowance includes management overlay of ₹94.44 millions as at December 31, 2025; ₹463.48 millions as at March 31, 2025; ₹408.32 millions as at March 31, 2024 and ₹551.74 millions as at March 31, 2023.

Business model reflects that "The Company monitors financial assets measured at amortised cost that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset were held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and accordingly prospective change to the classification of those assets are made."

The "Company has not advanced any loans to the promoters, directors, Key Managerial personnel (KMPs) and the related parties either severally or jointly with any other person (*refer note 65B*).

Arohan Financial Services Limited

Annexure 6 - Notes to Restated Financial Information

9 Investments

(Amounts in ₹ millions)

Particulars	As at December 31, 2025				As at March 31, 2025				As at March 31, 2024				As at March 31, 2023			
	At amortised cost	At fair value through profit and loss	At fair value through other comprehensive income	Total	At amortised cost	At fair value through profit and loss	At fair value through other comprehensive income	Total	At amortised cost	At fair value through profit and loss	At fair value through other comprehensive income	Total	At amortised cost	At fair value through profit and loss	At fair value through other comprehensive income	Total
1. Mutual funds	-	4,377.90	-	4,377.90	-	-	-	-	-	-	-	-	-	-	-	-
2. Government securities																
a. Investment in G-sec	2,911.28	-	-	2,911.28	1,955.11	-	-	1,955.11	-	-	-	-	-	-	-	-
b. Investment in T-bills	-	-	-	-	1,490.23	-	-	1,490.23	-	-	-	-	-	-	-	-
3. Equity instruments																
Unquoted equity instruments																
50,000 equity shares in Alpha Micro Finance Consultant Private Limited of ₹ 10 each, fully paid-up.	-	-	-	-	-	0.50	-	0.50	-	-	0.50	0.50	-	-	0.50	0.50
4. Others																
Security receipts (*)																
8,00,000 security receipts under Phoenix Trust-FY 23-16 at face value ₹340/- each as at December 31, 2025; ₹456/- each as at March 31, 2025; ₹706/- each as at March 31, 2024 and ₹984/- each as at March 31, 2023.	-	177.60	-	177.60	-	270.40	-	270.40	-	564.80	-	564.80	-	787.20	-	787.20
10,43,400 security receipts under Phoenix Trust-FY 23-36 at face value ₹389/- each as at December 31, 2025; ₹450/- each as at March 31, 2025 and ₹717/- each as at March 31, 2024.	-	203.46	-	203.46	-	257.72	-	257.72	-	536.31	-	536.31	-	-	-	-
Gross investment	**2,911.28**	**4,758.96**	**-**	**7,670.24**	**3,445.34**	**528.62**	**-**	**3,973.96**	**-**	**1,101.11**	**0.50**	**1,101.61**	**-**	**787.20**	**0.50**	**787.70**
Less: Impairment allowance (#)	-	(299.39)	-	(299.39)		(340.50)		(340.50)	-	(200.00)	-	(200.00)	-		-	-
Net investment	**2,911.28**	**4,459.57**	**-**	**7,370.85**	**3,445.34**	**188.12**	**-**	**3,633.46**	**-**	**901.11**	**0.50**	**901.61**	**-**	**787.20**	**0.50**	**787.70**
Investments in India	2,911.28	4,758.96	-	7,670.24	3,445.34	528.62	-	3,973.96	-	1,101.11	0.50	1,101.61	-	787.20	0.50	787.70
Investments outside India	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gross investment	**2,911.28**	**4,758.96**	**-**	**7,670.24**	**3,445.34**	**528.62**	**-**	**3,973.96**	**-**	**1,101.11**	**0.50**	**1,101.61**	**-**	**787.20**	**0.50**	**787.70**
Less: Impairment allowance (#)	-	(299.39)	-	(299.39)	-	(340.50)	-	(340.50)	-	(200.00)	-	(200.00)	-	-	-	-
Net investment	**2,911.28**	**4,459.57**	**-**	**7,370.85**	**3,445.34**	**188.12**	**-**	**3,633.46**	**-**	**901.11**	**0.50**	**901.61**	**-**	**787.20**	**0.50**	**787.70**

(#) Impairment allowance represents management overlay of ₹299.39 millions as at December 31, 2025, ₹340.00 millions as at March 31, 2025, ₹200 million as at March 31, 2024 and Nil as at March 31, 2023.

(*) The Company has sold loans to an Asset Reconstruction Company (ARC) on June 28, 2023 and December 29, 2022. Security receipts (SRs) were received as considerations for the transfer of loans. However, as the legal form of the asset has changed from loans to investments, it is accounted under investments. SRs have followed the same measurement/ classification approach and ECL has been recognised in a similar manner as applicable to the underlying loans.

Note:

December 31, 2025: The security receipt Phoenix Trust-FY23-36 rated affirmed at "IND RR3" on a recovery rating scale issued by India Ratings & Research with report dated August 14, 2025 and for Phoenix Trust-FY23-16 which is affirmed at "IND RR3" with report dated August 14, 2025.

March 31, 2025: The security receipt Phoenix Trust-FY23-36 rated affirmed at "IND RR3" on a recovery rating scale issued by India Ratings & Research with report dated February 24, 2025 and for Phoenix Trust-FY23-16 which is downgraded to 'IND RR3' from 'IND RR2' with report dated February 24, 2025

March 31, 2024: The security receipts are rated "IND RR2" and "IND RR3" on a recovery rating scale issued by India Ratings & Research with report dated February 28, 2024 and December 22, 2023 respectively

March 31, 2023: Subsequently rating done within time lines as per Reserve Bank of India guidelines.

Arohan Financial Services Limited

Annexure 6 - Notes to Restated Financial Information

10 Other financial assets

(Amounts in ₹ millions)

Particulars	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
(Measured at amortised cost- unsecured considered good)				
Security deposits	34.25	37.15	30.63	26.18
Receivable on assigned loans (*)	232.44	50.12	268.06	225.97
Insurance receivables	-	6.56	9.04	8.51
Others (**)	49.09	68.30	40.30	14.88
	315.78	**162.13**	**348.03**	**275.54**
Less: Impairment loss allowance on insurance receivables	-	(6.56)	(9.04)	(8.51)
Total	**315.78**	**155.57**	**338.99**	**267.03**

(*) includes receivable on assigned loans with related party of ₹0.02 millions as at December 31, 2025, ₹0.01 millions as at March 31, 2025, ₹1.75 millions as at March 31, 2024 and Nil as at March 31, 2023 (refer *note 49*).

(**) includes ₹36.66 millions as on December 31, 2025, ₹65.38 millions as on March 31, 2025, ₹30.74 millions as on March 31, 2024 and ₹13.00 millions as on March 31, 2023 towards collection receivables from digital channel partners.

11 Current tax assets (net)

(Amounts in ₹ millions)

Particulars	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Advance tax and TDS (net of provisions)	197.00	103.07	119.85	426.87
Total	**197.00**	**103.07**	**119.85**	**426.87**

12 Deferred tax assets (net)

(Amounts in ₹ millions)

Particulars	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Deferred tax assets for deductible temporary differences on:				
Impairment loss allowance on loan assets	463.65	490.75	355.21	658.62
Impairment loss allowance on investments	72.99	85.70	50.34	-
Provision for employee benefits	105.08	98.07	67.64	62.12
Financial assets measured at amortised cost	104.07	90.39	81.89	53.98
Provision for expense allowed for tax purpose on payment basis	35.78	35.78	35.77	2.72
Difference in written down value as per books and as per income tax act	6.09	2.53	3.59	3.21
Unabsorbed tax loss	-	-	-	432.75
Right of use assets	2.20	1.89	1.69	1.42
	789.86	**805.11**	**596.13**	**1,214.82**
Deferred tax liabilities for taxable temporary differences on:				
Fair valuation of financial instruments through profit and loss	4.21	-	-	-
Income on realisation basis	38.12	3.72	37.19	30.12
	42.33	**3.72**	**37.19**	**30.12**
Deferred tax assets (net)	**747.53**	**801.39**	**558.94**	**1,184.70**

Movement in deferred tax assets for the nine months period ended December 31, 2025

(Amounts in ₹ millions)

Particulars	As at April 01, 2025	Statement of profit and loss	Other comprehensive income	As at December 31, 2025
Deferred tax assets for deductible temporary differences on:				
Impairment loss allowance on loan assets	490.75	(27.10)	-	463.65
Impairment loss allowance on investments	85.70	(12.71)	-	72.99
Provision for employee benefits	98.07	0.82	6.19	105.08
Financial assets measured at amortised cost	90.39	13.68	-	104.07
Provision for expense allowed for tax purpose on payment basis	35.78	-	-	35.78
Difference in written down value as per books and as per income tax act	2.53	3.56	-	6.09
Right of use assets	1.89	0.31	-	2.20
	805.11	**(21.44)**	**6.19**	**789.86**
Deferred tax liabilities for taxable temporary differences on:				
Fair valuation of financial instruments through profit and loss	-	4.21	-	4.21
Income on realisation basis	3.72	34.40	-	38.12
	3.72	**38.61**	**-**	**42.33**
Deferred tax assets (net)	**801.39**	**(60.05)**	**6.19**	**747.53**

12 Movement in deferred tax assets (cont'd.)

Movement in deferred tax assets for the year ended March 31, 2025

(Amounts in ₹ millions)

Particulars	As at April 01, 2024	Statement of profit and loss	Other comprehensive income	As at March 31, 2025
Deferred tax assets for deductible temporary differences on:				
Impairment loss allowance on loan assets	355.21	135.54		490.75
Impairment loss allowance on investments	50.34	35.36		85.70
Provision for employee benefits	67.64	7.17	23.26	98.07
Financial assets measured at amortised cost	81.89	8.50		90.39
Provision for expense allowed for tax purpose on payment basis	35.77	0.01		35.78
Difference in written down value as per books and as per income tax act	3.59	(1.06)		2.53
Right of use assets	1.69	0.20		1.89
	596.13	**185.72**	**23.26**	**805.11**
Deferred tax liabilities for taxable temporary differences on:				
Income on realisation basis	37.19	(33.47)	-	3.72
	37.19	**(33.47)**	**-**	**3.72**
Deferred tax assets (net)	**558.94**	**219.19**	**23.26**	**801.39**

Movement in deferred tax assets for the year ended March 31, 2024

(Amounts in ₹ millions)

Particulars	As at April 01, 2023	Statement of profit and loss	Other comprehensive income	As at March 31, 2024
Deferred tax assets for deductible temporary differences on:				
Impairment loss allowance on loan assets	658.62	(303.41)	-	355.21
Impairment loss allowance on investments	-	50.34	-	50.34
Provision for employee benefits	62.12	(6.93)	12.45	67.64
Financial assets measured at amortised cost	53.98	27.91	-	81.89
Provision for expense allowed for tax purpose on payment basis	2.72	33.05	-	35.77
Difference in written down value as per books and as per income tax act	3.21	0.38	-	3.59
Unabsorbed tax loss	432.75	(432.75)	-	-
Right of use assets	1.42	0.27	-	1.69
	1,214.82	**(631.14)**	**12.45**	**596.13**
Deferred tax liabilities for taxable temporary differences on:				
Income on realisation basis	30.12	7.07	-	37.19
	30.12	**7.07**	**-**	**37.19**
Deferred tax assets (net)	**1,184.70**	**(638.21)**	**12.45**	**558.94**

Movement in deferred tax assets for the year ended March 31, 2023

(Amounts in ₹ millions)

Particulars	As at April 01, 2022	Statement of profit and loss	Other comprehensive income	As at March 31, 2023
Deferred tax assets for deductible temporary differences on:				
Impairment loss allowance on loan assets	1,021.80	(363.18)	-	658.62
Provision for employee benefits	52.85	0.44	8.83	62.12
Financial assets measured at amortised cost	38.44	15.54	-	53.98
Fair valuation of equity instruments through other comprehensive income	0.01	(0.01)	-	-
Provision for expense allowed for tax purpose on payment basis	2.72	-	-	2.72
Difference in written down value as per books and as per income tax act	2.69	0.52	-	3.21
Unabsorbed tax loss	257.40	175.35	-	432.75
Right of use assets	1.46	(0.04)	-	1.42
	1,377.37	**(171.38)**	**8.83**	**1,214.82**
Deferred tax liabilities for taxable temporary differences on:				
Income on realisation basis	-	30.12	-	30.12
	-	**30.12**	**-**	**30.12**
Deferred tax assets (net)	**1,377.37**	**(201.50)**	**8.83**	**1,184.70**

Arohan Financial Services Limited

Annexure 6 - Notes to Restated Financial Information

13 Property, plant and equipment

(Amounts in ₹ millions)

Particulars	Motor Vehicle	Furniture and fixtures	Computers and accessories	Office equipments	Total
Gross carrying value					
Balance as at March 31, 2022	**-**	**33.80**	**72.61**	**25.41**	**131.82**
Additions for the year	-	5.54	18.99	5.63	30.16
Disposals for the year	-	-	1.02	0.29	1.31
Balance as at March 31, 2023	**-**	**39.34**	**90.58**	**30.75**	**160.67**
Additions for the year	2.15	8.31	24.22	13.22	47.90
Disposals for the year	-	0.10	2.74	1.20	4.04
Balance as at March 31, 2024	**2.15**	**47.55**	**112.06**	**42.77**	**204.53**
Additions for the year	-	11.80	21.54	14.74	48.08
Disposals for the year	-	0.10	0.05	1.13	1.28
Balance as at March 31, 2025	**2.15**	**59.25**	**133.55**	**56.38**	**251.33**
Additions for the period	-	0.58	44.20	23.30	68.08
Disposals for the period	-	0.21	-	0.53	0.74
Balance as at December 31, 2025	**2.15**	**59.62**	**177.75**	**79.15**	**318.67**

Accumulated depreciation

(Amounts in ₹ millions)

Particulars	Motor Vehicle	Furniture and fixtures	Computers and accessories	Office equipments	Total
Up to March 31, 2022	**-**	**13.32**	**62.10**	**16.32**	**91.74**
Depreciation charge for the year	-	3.75	8.52	4.84	17.11
Adjustment on account of disposal	-	-	1.02	0.24	1.26
Up to March 31, 2023	**-**	**17.07**	**69.60**	**20.92**	**107.59**
Depreciation charge for the year	0.27	4.64	13.64	6.96	25.51
Adjustment on account of disposal	-	0.10	2.60	1.12	3.82
Up to March 31, 2024	**0.27**	**21.61**	**80.64**	**26.76**	**129.28**
Depreciation charge for the year	0.27	5.03	20.50	8.26	34.06
Adjustment on account of disposal	-	0.09	0.01	1.08	1.18
Up to March 31, 2025	**0.54**	**26.55**	**101.13**	**33.94**	**162.16**
Depreciation charge for the period	0.20	4.41	18.79	17.80	41.20
Adjustment on account of disposal	-	0.15	-	0.49	0.64
Up to December 31, 2025	**0.74**	**30.81**	**119.92**	**51.25**	**202.72**

Net carrying value

(Amounts in ₹ millions)

Particulars	Motor Vehicle	Furniture and fixtures	Computers and accessories	Office equipments	Total
Balance as at March 31, 2023	**-**	**22.27**	**20.98**	**9.83**	**53.08**
Balance as at March 31, 2024	**1.88**	**25.94**	**31.42**	**16.01**	**75.25**
Balance as at March 31, 2025	**1.61**	**32.70**	**32.42**	**22.44**	**89.17**
Balance as at December 31, 2025	**1.41**	**28.81**	**57.83**	**27.90**	**115.95**

Note:

1. The Company has not revalued its property, plant and equipment during the nine months period ended December 31, 2025 and years ended March 31, 2025, March 31, 2024 and March 31, 2023.
2. Refer *note 63* on contractual commitments for the acquisition of property, plant and equipment.

Arohan Financial Services Limited

Annexure 6 - Notes to Restated Financial Information

14 Other Intangible assets (including intangible assets under development)

(Amounts in ₹ millions)

Particulars	Intangible assets under development	Others*
Gross carrying value		
Balance as at March 31, 2022	**4.50**	**101.01**
Additions for the year	4.63	8.17
Disposals for the year	4.72	-
Balance as at March 31, 2023	**4.41**	**109.18**
Additions for the year	3.32	30.84
Disposals for the year	2.22	-
Balance as at March 31, 2024	**5.51**	**140.02**
Additions for the year	7.15	11.13
Disposals for the year	9.71	-
Balance as at March 31, 2025	**2.95**	**151.15**
Additions for the period	0.85	3.40
Disposals for the period	3.80	-
Balance as at December 31, 2025	**-**	**154.55**

Accumulated amortisation

(Amounts in ₹ millions)

Particulars	Intangible assets under development	Others*
Up to March 31, 2022	**-**	**74.06**
Amortisation for the year	-	13.61
Adjustments on disposals/ transfers	-	-
Up to March 31, 2023	**-**	**87.67**
Amortisation for the year	-	10.92
Adjustments on disposals/ transfers	-	-
Up to March 31, 2024	**-**	**98.59**
Amortisation for the year		13.62
Adjustments on disposals/ transfers		**-**
Up to March 31, 2025	**-**	**112.21**
Amortisation for the period	-	9.57
Adjustments on disposals/ transfers	-	-
Up to December 31, 2025	**-**	**121.78**

Net carrying value

(Amounts in ₹ millions)

Particulars	Intangible assets under development	Others*
Balance as at March 31, 2023	**4.41**	**21.51**
Balance as at March 31, 2024	**5.51**	**41.43**
Balance as at March 31, 2025	**2.95**	**38.94**
Balance as at December 31, 2025	**-**	**32.77**

* Others represents computer software

Note:

1. The Company has not revalued its intangible assets during the nine months period ended December 31, 2025, years ended March 31, 2025, March 31, 2024 and March 31, 2023.

2. Refer *note 63* on contractual commitments for the acquisition of intangible asset

14 Other Intangible assets (including intangible assets under development) (cont'd.)

Ageing schedule of intangible assets under development : As at December 31, 2025

(Amounts in ₹ millions)

Amount in CWIP for a period of	Projects in progress	Projects temporarily suspended
Less than 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
Total	**-**	**-**

Ageing schedule of intangible assets under development : As at March 31, 2025

(Amounts in ₹ millions)

Amount in CWIP for a period of	Projects in progress	Projects temporarily suspended
Less than 1 year	2.12	-
1-2 years	0.83	-
2-3 years	-	-
More than 3 years	-	-
Total	**2.95**	**-**

Ageing schedule of intangible assets under development : As at March 31, 2024

(Amounts in ₹ millions)

Amount in CWIP for a period of	Projects in progress	Projects temporarily suspended
Less than 1 year	2.40	-
1-2 years	0.26	-
2-3 years	0.94	-
More than 3 years	1.91	-
Total	**5.51**	**-**

Ageing schedule of intangible assets under development : As at March 31, 2023

(Amounts in ₹ millions)

Amount in CWIP for a period of	Projects in progress	Projects temporarily suspended
Less than 1 year	1.43	-
1-2 years	1.07	-
2-3 years	1.91	-
More than 3 years	-	-
Total	**4.41**	**-**

There are no continuing projects where completion date are overdue or cost of project exceeds as compared to original plan.
Refer *note 63* on contractual commitments for the acquisition of intangible asset.

Arohan Financial Services Limited

Annexure 6 - Notes to Restated Financial Information

15 Right of use assets

(Amounts in ₹ millions)

Particulars	Right of use assets
Gross carrying value	
Balance as at March 31, 2022	**82.62**
Additions for the year	26.94
Disposals for the year	0.71
Balance as at March 31, 2023	**108.85**
Additions for the year	46.17
Disposals for the year	3.06
Balance as at March 31, 2024	**151.96**
Additions for the year	9.11
Disposals for the year	3.69
Balance as at March 31, 2025	**157.38**
Additions for the period	22.39
Disposals for the period	3.90
Balance as at December 31, 2025	**175.87**

Accumulated depreciation

(Amounts in ₹ millions)

Particulars	Right of use assets
Up to March 31, 2022	**43.27**
Depreciation for the year	16.90
Adjustment on account of disposal	0.33
Up to March 31, 2023	**59.84**
Depreciation for the year	20.42
Adjustment on account of disposal	1.96
Up to March 31, 2024	**78.30**
Depreciation for the year	20.87
Adjustment on account of disposal	1.86
Up to March 31, 2025	**97.31**
Depreciation for the period	15.51
Adjustment on account of disposal	2.69
Up to December 31, 2025	**110.13**

Net carrying value

(Amounts in ₹ millions)

Particulars	Right of use assets
Balance as at March 31, 2023	**49.01**
Balance as at March 31, 2024	**73.66**
Balance as at March 31, 2025	**60.07**
Balance as at December 31, 2025	**65.74**

Note: The Company has not revalued its right-of-use assets during the nine months period ended December 31, 2025, year ended March 31, 2025, March 31, 2024 and March 31, 2023.

Refer *note 64* for disclosures pertaining to Ind AS 116 - Leases

Arohan Financial Services Limited

Annexure 6 - Notes to Restated Financial Information

16 Other non-financial assets (at amortised cost)

(Amounts in ₹ millions)

Particulars	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Prepaid expenses	117.82	37.86	34.84	26.33
Advances to employees	6.10	10.04	10.94	18.99
Balances with government authorities	3.90	4.00	4.86	2.00
Advance against expenses	15.97	11.66	5.56	6.91
Others (*)	71.33	40.74	4.23	2.88
Total	**215.12**	**104.30**	**60.43**	**57.11**

(*) As at December 31, 2025, as at March 31, 2025, as at March 31, 2024 and as at March 31, 2023 an amount of ₹49.42 millions, ₹38.73 millions, nil and nil respectively stands paid as legal and professional service for draft red herring prospectus (DRHP) filing.

17 Debt securities (at amortised cost)

(Amounts in ₹ millions)

Particulars	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Secured listed non convertible debentures	-	-	1,968.61	3,008.48
Secured unlisted non convertible debentures	1,558.11	2,130.37	-	-
Secured unlisted non convertible debentures from related party (refer *note 49*)	-	-	2,121.77	-
Total	**1,558.11**	**2,130.37**	**4,090.38**	**3,008.48**
Debt securities in India	1,558.11	2,130.37	4,090.38	3,008.48
Debt securities outside India	-	-	-	-
Total	**1,558.11**	**2,130.37**	**4,090.38**	**3,008.48**

Refer *note 43* for terms of repayment.

Non convertible debentures ("NCDs") issued by the Company are secured by way of an exclusive charge on identified receivables arising out of its business operations and cash collateral to the extent of at least 100% of outstanding secured NCDs and pursuant to the terms of respective information memorandum as at December 31, 2025, March 31, 2025, March 31, 2024 and March 31, 2023.

Other terms and conditions:

(Amounts in ₹ millions)

Particulars	Repayment schedule	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
11.86% Blue Orchard Microfinance Fund (Face Value ₹1 million) - nil units as at December 31, 2025, March 31, 2025 and 1,150 units as at March 31, 2024, March 31, 2023.	Bullet repayment in June 2027 but fully repaid before March 31, 2025.	-	-	1,184.67	1,184.39
12.06% Japanese ASEAN Women Empowerment Fund (Face Value ₹1 million) - nil units as at December 31, 2025, March 31, 2025 and 650 units as at March 31, 2024, March 31, 2023.	Repayment in three instalments on June 2023, December 2023 and June 2024.	-	-	336.04	671.72
10.09% British International Investment Plc [previously known as CDC Group] (Face Value ₹1 million) - nil units as at December 31, 2025, March 31, 2025 and 600 units as at March 31, 2024, March 31, 2023.	Redeemed on a pro rata basis and was fully redeemed by March 31, 2025.	-	-	447.90	525.06
10.71% Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden N.V. (FMO) (Face Value ₹0.1 million) - 20,800 units as at December 31, 2025, March 31, 2025, March 31, 2024 and nil units as at March 31, 2023.	Repayment in four equal instalments on June 2025, December 2026, June 2027 and December 2027.	1,558.11	2,130.37	2,121.77	-
11.50% Indian Bank (Face Value ₹1 million) - 250 units as at March 31, 2023 and nil units as on December 31, 2025, March 31, 2025, March 31, 2024.	Bullet Repayment in July 2023.	-	-	-	270.57
11.00% Bank of India (Face Value ₹1 million) - 250 units as at March 31, 2023 and nil units as on December 31, 2025, March 31, 2025, March 31, 2024.	Bullet Repayment in June 2023.	-	-	-	271.31
11.00% Bank of Baroda (Face Value ₹1 million) - 250 units as at March 31, 2023 and nil units as on December 31, 2025, March 31, 2025, March 31, 2024.	Three annual instalments on July 2021, July 2022 and July 2023.	-	-	-	85.43
Total		**1,558.11**	**2,130.37**	**4,090.38**	**3,008.48**

Arohan Financial Services Limited

Annexure 6 - Notes to Restated Financial Information

18 Borrowings (other than debt securities) (at amortised cost)

(Amounts in ₹ millions)

Particulars	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Secured				
(a) Term loans [refer note (i) below]				
Term loans from banks	37,618.95	35,416.79	37,723.95	21,607.44
Term loans from financial institutions	5,943.35	5,396.79	10,214.99	9,164.88
Term loans from related party (from banks) *(refer note 49)*	-	-	40.84	89.28
(b) Loans repayable on demand				
Cash credit from banks [refer note (ii) below]	-	0.01	-	9.04
(c) Liability against securitisation [refer note (iii) below]				
From banks	4,579.84	93.46	3,960.13	6,730.18
From related party (refer *note 49)*	-	-	139.71	492.81
Total	**48,142.14**	**40,907.05**	**52,079.62**	**38,093.63**
Borrowings in India	48,142.14	40,907.05	52,079.62	38,093.63
Borrowings outside India	-	-	-	-
Total	**48,142.14**	**40,907.05**	**52,079.62**	**38,093.63**

Refer *note 43* for terms of repayment

Nature of security:

(i) All term loans from banks and financial institutions are secured by way of first and exclusive charge, both present & future, over the eligible designated current assets, eligible designated book debts, loan instalments, receivables and underlying assets arising out of finance of the Company.

(ii) Cash credit facilities and working capital demand loans from banks are secured by way of first and exclusive charge, both present & future, over the eligible designated current assets, eligible designated book debts, loan instalments, receivables and underlying assets arising out of finance of the Company.

(iii) Liabilities against securitisation represents amounts received in respect of securitisation transactions (net of repayments & investment therein) as these transactions do not meet the de-recognition criteria specified under Ind AS 109. These are secured by way of hypothecation of designated assets on finance receivables.

19 Subordinated liabilities (at amortised cost)

(Amounts in ₹ millions)

Particulars	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
(Measured at amortised cost)				
Unsecured				
Non-convertible debentures	2,242.35	3,239.50	3,231.79	3,224.26
Term loans from banks	-	505.73	505.73	758.05
Term loans from financial institution	251.72	251.38	250.91	250.48
Total	**2,494.07**	**3,996.61**	**3,988.43**	**4,232.79**
Subordinated liabilities in India	2,494.07	3,996.61	3,988.43	4,232.79
Subordinated liabilities outside India	-	-	-	-
Total	**2,494.07**	**3,996.61**	**3,988.43**	**4,232.79**

Refer *note 43* for terms of repayment

Details of subordinated liabilities

(Amounts in ₹ millions)

Particulars	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
(a) Term loans from banks and financial institutions *(unsecured)*				
Term loans from banks	-	505.73	505.73	758.05
Term Loans from financial institutions	251.72	251.38	250.91	250.48
Subtotal	**251.72**	**757.11**	**756.64**	**1,008.53**
(b) Non-convertible debentures *(unsecured)*				
13.50% Northern Arc Capital Limited (Face Value ₹1 million) - nil units as on December 31, 2025, 650 units as at March 31, 2025, March 31, 2024 March 31, 2023 and matured on April 2025.	-	651.05	650.10	649.24
12.85% Karvy Capital Limited (Face Value ₹10 each) - 2,50,00,000 units as at December 31, 2025, March 31, 2025, March 31, 2024, March 31, 2023 and maturing on October 2026.	249.05	248.64	247.22	245.94
13.50% Northern Arc Capital Limited (Face Value ₹10 each) - nil units as at December 31, 2025, 3,50,00,000 units as at March 31, 2025, March 31, 2024 and March 31, 2023 and maturing on September 2025.	-	350.01	349.18	348.35
13.65% Piramal Structured Credit Opportunity Fund (Face Value ₹10 millions) - 200 units as at December 31, 2025, March 31, 2025, March 31, 2024 and March 31, 2023 and maturing on June 2027.	1,993.30	1,989.80	1,985.29	1,980.73
Subtotal	**2,242.35**	**3,239.50**	**3,231.79**	**3,224.26**
Total (a+b)	**2,494.07**	**3,996.61**	**3,988.43**	**4,232.79**

Arohan Financial Services Limited

Annexure 6 - Notes to Restated Financial Information

20 Trade payables

(Amounts in ₹ millions)

Particulars	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Trade payables				
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises (*)	308.45	275.15	280.98	139.42
Other payable				
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-
Total	**308.45**	**275.15**	**280.98**	**139.42**

Trade Payables ageing schedule (*)

As at December 31, 2025

(Amounts in ₹ millions)

Particulars	Not due	O/s for the following period				Total
		Less than 1 year	1-2 year	2-3 year	More than 3 year	
Micro enterprises and small enterprises	-	-	-	-	-	-
Others	305.89	2.54	0.02	-	-	308.45
Total	**305.89**	**2.54**	**0.02**	**-**	**-**	**308.45**

As at March 31, 2025

(Amounts in ₹ millions)

Particulars	Not due	O/s for the following year				Total
		Less than 1 year	1-2 year	2-3 year	More than 3 year	
Micro enterprises and small enterprises	-	-	-	-	-	-
Others	274.09	1.06	-	-	-	275.15
Total	**274.09**	**1.06**	**-**	**-**	**-**	**275.15**

As at March 31, 2024

(Amounts in ₹ millions)

Particulars	Not due	O/s for the following year				Total
		Less than 1 year	1-2 year	2-3 year	More than 3 year	
Micro enterprises and small enterprises	-	-	-	-	-	-
Others	271.33	6.86	-	2.77	0.02	280.98
Total	**271.33**	**6.86**	**-**	**2.77**	**0.02**	**280.98**

As at March 31, 2023

(Amounts in ₹ millions)

Particulars	Not due	O/s for the following year				Total
		Less than 1 year	1-2 year	2-3 year	More than 3 year	
Micro enterprises and small enterprises	-	-	-	-	-	-
Others	138.22	0.61	0.53	0.06	-	139.42
Total	**138.22**	**0.61**	**0.53**	**0.06**	**-**	**139.42**

(*) There were no disputed payable.

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Annexure 6 - Notes to Restated Financial Information

21 Reconciliation of liabilities arising from financing activities

The changes in the Company's liabilities arising from financing activities can be classified as follows:

(Amounts in ₹ millions)

Particulars	Debt securities	Borrowings other than debt securities	Subordinated liabilities	Total
As at March 31, 2022	**2,833.84**	**34,107.83**	**4,330.94**	**41,272.61**
Cash flows:				
Proceeds	1,146.24	64,416.90	-	65,563.14
Repayment	(993.99)	(60,554.44)	(100.00)	(61,648.43)
Non cash:				
Amortisation of upfront fees and interest accrual	22.39	123.54	1.85	147.78
As at March 31, 2023	**3,008.48**	**38,093.83**	**4,232.79**	**45,335.10**
Cash flows:				
Proceeds	2,053.80	91,442.55	-	93,496.35
Repayment	(987.00)	(78,613.90)	(250.00)	(79,850.90)
Non cash:				
Amortisation of upfront fees and interest accrual	15.10	1,157.14	5.64	1,177.88
As at March 31, 2024	**4,090.38**	**52,079.62**	**3,988.43**	**60,158.43**
Cash flows:				
Proceeds	-	1,06,315.24	-	1,06,315.24
Repayment	(1,925.00)	(1,16,662.29)	-	(1,18,587.29)
Non cash:				
Amortisation of upfront fees and interest accrual	(35.01)	(825.52)	8.18	(852.35)
As at March 31, 2025	**2,130.37**	**40,907.05**	**3,996.61**	**47,034.03**
Cash flows:				
Proceeds	-	33,305.50	-	33,305.50
Repayment	(520.00)	(26,229.94)	(1,500.00)	(28,249.94)
Non cash:				
Amortisation of upfront fees and interest accrual	(52.26)	159.53	(2.54)	104.73
As at December 31, 2025	**1,558.11**	**48,142.14**	**2,494.07**	**52,194.32**

22 Other financial liabilities (Measured at amortised cost)

(Amounts in ₹ millions)

Particulars	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Payable towards assignment transactions (*)	267.42	296.40	657.51	556.75
Employees dues	271.38	322.32	292.37	236.83
Lease liabilities (Refer *note 64*)	74.30	67.54	80.34	54.53
Other payables (**)	57.16	47.55	93.92	125.23
Total	**670.26**	**733.81**	**1,124.14**	**973.34**

(*) includes payable towards assignment transactions with related party of ₹0.04 millions as on December 31, 2025, ₹0.09 millions as on March 31, 2025, ₹0.06 millions as on March 31, 2024 and ₹8.60 millions as on March 31, 2023 (refer *note 49*).

(**) Includes payable to insurance partners ₹39.15 millions for December 31, 2025, ₹32.61 millions for March 31, 2025, ₹74.17 millions for March 31, 2024 and ₹106.54 millions for March 31, 2023

23 Provisions (Measured at amortised cost)

(Amounts in ₹ millions)

Particulars	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Provision for employees benefits:				
Provision for gratuity	270.55	223.95	141.70	136.87
Provision for pension fund	-	-	2.82	3.53
Provision for compensated absences	146.97	165.72	124.24	106.43
Total	**417.52**	**389.67**	**268.76**	**246.83**

Refer *note 42* on employee benefits

24 Other non-financial liabilities (Measured at amortised cost)

(Amounts in ₹ millions)

Particulars	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Statutory dues	75.99	93.97	100.28	79.74
Advance from customers	28.58	56.95	54.62	9.04
Others (*)	5.19	23.01	19.64	18.19
Total	**109.76**	**173.93**	**174.54**	**106.97**

(*) As at December 31, 2025, as at March 31, 2025, as at March 31, 2024 and as at March 31, 2023 represents down payment received from customers.

Arohan Financial Services Limited

Annexure 6 - Notes to Restated Financial Information

25 Equity share capital

Details of authorised, issued, subscribed and paid up share capital

(Amounts in ₹ millions)

Particulars	As at December 31, 2025		As at March 31, 2025		As at March 31, 2024 (*)		As at March 31, 2023 (**)	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
Authorised share capital								
a. Equity shares of ₹ 10 each	27,50,00,000	2,750.00	19,50,00,000	1,950.00	18,00,00,000	1,800.00	13,50,00,000	1,350.00
Add: Additions during the period/ year	-	-	8,00,00,000	800.00	1,50,00,000	150.00	4,50,00,000	450.00
Less: deletion during the period/ year	-	-	-	-	-	-	-	-
Balance at the end of the period/ years	**27,50,00,000**	**2,750.00**	**27,50,00,000**	**2,750.00**	**19,50,00,000**	**1,950.00**	**18,00,00,000**	**1,800.00**
b. Compulsorily convertible preference shares of ₹ 10 each	-	-	8,00,00,000	800.00	4,50,00,000	450.00	2,50,00,000	250.00
Add: Additions during the period/ year	-	-	-	-	3,50,00,000	350.00	2,00,00,000	200.00
Less: deletion during the period/ year	-	-	8,00,00,000	800.00	-	-	-	-
Balance at the end of the period/ years	**-**	**-**	**-**	**-**	**8,00,00,000**	**800.00**	**4,50,00,000**	**450.00**

(*) Further, the shareholders of the Company at their extraordinary general meeting held on March 19, 2024, had approved the addition in authorised share capital of the Company to 19,50,00,000 equity shares and 8,00,00,000 compulsorily convertible preference shares, thus increasing the authorised equity shares by 5,00,00,000.
The Company has done all necessary filing with the Ministry of Corporate Affairs (MCA).

(**) The shareholders of the Company at their extraordinary general meeting held on November 18, 2022 had approved the increase of authorised share capital of the Company.
The shareholders of the Company at their extraordinary general meeting held on March 29, 2023 had approved the reclassification of authorised share capital of the Company to 14,50,00,000 equity shares and 8,00,00,000 compulsorily convertible preference shares, the Company has done necessary filing and is awating the approval from Ministry of Corporate Affairs (MCA).

(a) Issued, subscribed and fully paid up equity shares

(Amounts in ₹ millions)

Particulars	As at December 31, 2025		As at March 31, 2025		As at March 31, 2024		As at March 31, 2023	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
Equity shares of ₹ 10 each								
At the beginning of the period/ years	15,89,12,320	1,589.12	15,74,12,320	1,574.12	12,11,77,303	1,211.77	12,01,77,303	1,201.77
Additions during the period/ years (*)	5,00,000	5.00	15,00,000	15.00	3,62,35,017	362.35	10,00,000	10.00
Balance at the end of the period/ years	**15,94,12,320**	**1,594.12**	**15,89,12,320**	**1,589.12**	**15,74,12,320**	**1,574.12**	**12,11,77,303**	**1,211.77**

(*) Additions made in equity shares during the period/ years

(Amounts in ₹ millions)

Particulars	As at December 31, 2025		As at March 31, 2025		As at March 31, 2024 (#)		As at March 31, 2023	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
1. Arohan ESOP Trust	5,00,000	5.00	15,00,000	15.00	7,00,000	7.00	10,00,000	10.00
2. On account of conversion of compulsorily convertible preference shares into equity shares			-	-				
a. Teachers Insurance and Annuity Association of America (TIAA)	-	-	-	-	1,11,10,966	111.11	-	-
b. Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden N.V. (FMO)	-	-	-	-	1,09,42,420	109.42	-	-
c. Danish Sustainable Development Goals Investment Fund K/S (IFU)	-	-	-	-	1,34,81,631	134.82	-	-
Total	**5,00,000**	**5.00**	**15,00,000**	**15.00**	**3,62,35,017**	**362.35**	**10,00,000**	**10.00**

(#)The company has filed corporate action for conversion of compulsorily convertible preference shares into equity shares with the depositories on March 29, 2024; which got approved subsequent to the reporting date.

(b) Reconciliation of number of equity shares issued to ESOP Trust outstanding at the beginning and at the end of the period/ years

(Amounts in ₹ millions)

Particulars	As at December 31, 2025		As at March 31, 2025		As at March 31, 2024 (#)		As at March 31, 2023	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
Balance at the beginning of the period/ years	64,68,112	495.86	49,68,112	273.33	42,98,115	187.52	33,15,395	34.14
Add: Shares issued to ESOP trust (*)	5,00,000	74.18	15,00,000	222.53	7,00,000	86.80	10,00,000	153.94
Less: Allotted to employees during the period/ years (**)	-	-	-	-	30,003	0.98	17,280	0.56
Shares outstanding at the end of the period/ years	**69,68,112**	**570.04**	**64,68,112**	**495.86**	**49,68,112**	**273.33**	**42,98,115**	**187.52**

(*) During the nine months period ended December 31, 2025, the Company has issued 5,00,000 equity shares of ₹10 each under the Arohan ESOP plan 2021 (grant 2025) aggregating to ₹74.18 millions (including premium); during the period ended March 31, 2025, the Company has issued 15,00,000 equity shares of ₹10 each under the Arohan ESOP plan 2021 (grant 2024) aggregating to ₹222.53 millions (including premium); during the period ended March 31, 2024, the Company has issued 7,00,000 equity shares of ₹10 each under the Arohan ESOP plan 2021 (grant 2023) aggregating to ₹86.80 millions (including premium) and during the period ended March 31, 2023, the Company has issued 10,00,000 equity shares of ₹10 each under the Arohan ESOP plan 2021 (grant 2022) aggregating to ₹153.94 millions (including premium).

(**) During the nine months period ended December 31, 2025 and March 31, 2025 Arohan ESOP Trust has not transferred any shares under any scheme.
During the year ended March 31, 2024, Arohan ESOP Trust has transferred 30,000 equity shares at ₹32.69/- to Mr. Prashant Rai under ESOP 2017 schemes of Arohan Financial Services Limited and 3 equity shares to Mr. Ketan Agrawal at ₹162.80/- under ESOP 2018 (grant 2019) schemes of Arohan Financial Services Limited and in the year ended March 31, 2023 17,280 equity shares at ₹32.69/- to Mr. Harshvardhan Patnaik under ESOP 2017 schemes of Arohan Financial Services Limited.

(c) Terms and rights attached to equity shares:

The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees, if any. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing general meeting. During the reported period/ years the Company has not proposed/ declared any dividend on equity shares.
In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

No aggregate number and class of shares allotted as fully paid up pursuant to contract without payment being received in cash during the period ended December 31, 2025, and for the year ended March 31, 2025, March 31, 2024 and March 31, 2023. No additional shares were allotted as fully paid-up by way of bonus shares or pursuant to contract without payment being received in cash during the period/ year immediately preceeding the period/ year ended December 31, 2025, March 31, 2024 and March 31, 2023. Further, none of the shares were bought back by the Company during the period/ year immediately preceeding the period/ year ended December 31, 2025, March 31, 2025, March 31, 2024 and March 31, 2023.

(d) Shareholding of promoters

Shares held by promoters at the end of the period/ years

Promoter name	As at December 31, 2025		As at March 31, 2025		% change during the period
	No. of shares	Percentage (%)	No. of shares	Percentage (%)	
1. Aavishkaar Venture Management Services Private Limited	60,94,083	3.82%	60,94,083	3.83%	(0.01%)
2. Intellectual Capital Advisory Services Private Limited	1,64,72,146	10.33%	1,64,72,146	10.37%	(0.03%)

Promoter name	As at March 31, 2025		As at March 31, 2024		% change during the year
	No. of shares	Percentage (%)	No. of shares	Percentage (%)	
1. Aavishkaar Venture Management Services Private Limited	60,94,083	3.83%	2,34,26,590	14.88%	(11.05%)
2. Intellectual Capital Advisory Services Private Limited	1,64,72,146	10.37%	1,64,72,146	10.46%	(0.10%)

Arohan Financial Services Limited

Annexure 6 - Notes to Restated Financial Information

25 Equity share capital

25 Equity share capital (cont'd.)

Promoter name	As at March 31, 2024		As at March 31, 2023		% change during
	No. of shares	Percentage (%)	No. of shares	Percentage (%)	the year
1. Aavishkaar Venture Management Services Private Limited	2,34,26,590	14.88%	2,40,95,182	19.88%	(5.00%)
2. Intellectual Capital Advisory Services Private Limited	1,64,72,146	10.46%	1,64,72,146	13.59%	(3.13%)

Promoter name	As at March 31, 2023		As at March 31, 2022		% change during
	No. of shares	Percentage (%)	No. of shares	Percentage (%)	the year
1. Aavishkaar Venture Management Services Private Limited	2,40,95,182	19.88%	2,47,63,774	20.61%	(0.72%)
2. Intellectual Capital Advisory Services Private Limited	1,64,72,146	13.59%	1,64,72,146	13.71%	(0.11%)

(e) Shareholders holding more than 5% of shares in the Company

Particulars	As at December 31, 2025		As at March 31, 2025		As at March 31, 2024		As at March 31, 2023	
	No. of shares	Percentage (%)	No. of shares	Percentage (%)	No. of shares	Percentage (%)	No. of shares	Percentage (%)
Aavishkaar Venture Management Services Private Limited	-	-	-	-	2,34,26,590	14.88%	2,40,95,182	19.88%
Aavishkaar Goodwell India Microfinance Development Company II Limited	1,85,39,529	11.63%	1,85,39,529.00	11.67%	1,85,39,529	11.78%	1,85,39,529	15.30%
Tano India Private Equity Fund II	1,66,87,029	10.47%	1,66,87,029.00	10.50%	1,66,87,029	10.60%	1,66,87,029	13.77%
Intellectual Capital Advisory Services Private Limited	1,64,72,146	10.33%	1,64,72,146.00	10.37%	1,64,72,146	10.46%	1,64,72,146	13.59%
Maj Invest Financial Inclusion Fund II	1,54,01,267	9.66%	1,54,01,267.00	9.69%	1,54,01,267	9.78%	1,54,01,267	12.71%
Danish Sustainable Development Goals Investment Fund K/S (IFU)	1,34,81,631	8.46%	1,34,81,631.00	8.48%	1,34,81,631	8.56%	-	-
Teachers Insurance And Annuity Association Of America (TIAA)	1,92,20,332	12.06%	1,92,20,332.00	12.09%	1,17,79,558	7.48%	-	-
Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden N.V. (FMO)	1,57,28,114	9.87%	1,57,28,114.00	9.90%	1,16,11,012	7.38%	-	-
TR Capital III Mauritius	97,18,722	6.10%	97,18,722.00	6.12%	97,18,722	6.17%	97,18,722	8.02%

(f) Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date

There are no class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash nor any class of shares allotted as fully paid up by way of bonus shares nor any class of shares bought back during the during the period of five years immediately preceding December 31, 2025.

(g) Compulsorily convertible preference shares

(Amounts in ₹ millions)

Particulars	As at December 31, 2025		As at March 31, 2025		As at March 31, 2024		As at March 31, 2023	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
Issued, subscribed and fully paid up compulsorily convertible preference shares								
Compulsorily convertible preference shares of ₹ 10 each								
At the beginning of the period/ years	-	-	-	-	2,92,11,177	292.11	-	-
Additions during the period/ years (**)	-	-	-	-	3,13,19,059	313.19	2,92,11,177	292.11
Conversion of compulsorily convertible preference shares into equity shares (***)			-	-	(6,05,30,236)	(605.30)	-	-
Balance at the end of the period/ year	**-**	**-**	**-**	**-**	**-**	**-**	**2,92,11,177**	**292.11**

(**) Additions made in compulsorily convertible preference shares during the period/ years

(Amounts in ₹ millions)

Particulars	As at December 31, 2025		As at March 31, 2025		As at March 31, 2024		As at March 31, 2023	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
Teachers Insurance and Annuity Association of America (TIAA)	-	-	-	-	-	-	1,85,00,412	185.00
Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden N.V. (FMO)	-	-	-	-	77,89,648	77.90	1,07,10,765	107.11
Danish Sustainable Development Goals Investment Fund K/S (IFU)	-	-	-	-	2,35,29,411	235.29	-	-
Total	**-**	**-**	**-**	**-**	**3,13,19,059**	**313.19**	**2,92,11,177**	**292.11**

Note: The above three parties were the only holders of CCPS.

(***) In pursuant to the provisions of the Companies Act, 2013, the Company as per the circular resolution passed by the Board of Directors on March 22, 2024, converted all the Compulsorily Convertible Preference Shares ("CCPS") having face value of ₹ 605.30 millions were allotted to the CCPS holder for an aggregate amount of ₹ 5,145.07 millions, into equity shares (face value of ₹ 10 each) as per the Share Subscription Agreements (SSA) and as per the approval of the shareholders ranking pari-passu with the existing equity shares of the Company. During the year ended March 31, 2024, the Company has allotted 3,55,35,017 equity shares (face value of Rs. 10 each) pursuant to the compulsory conversion of these CCPS.

The Company also declared a dividend at 0.001% per annum on such conversion of CCPS into equity shares. The Company had allotted 77,89,648 compulsorily convertible preference shares of ₹10 each to Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden N.V. (FMO) and 2,35,29,411 compulsorily convertible preference shares of ₹10 each to Danish Sustainable Development Goals Investment Fund K/S (IFU) at a price of ₹85 (including securities premium of ₹75 per share) aggregating to ₹662.12 millions.

Arohan Financial Services Limited

Annexure 6 - Notes to Restated Financial Information

26 Employee stock option scheme ('ESOP Scheme')

Arohan ESOP Trust ('ESOP Trust') was formed on March 19, 2010 to promote participation of the eligible employees of the Company in the ownership and growth of the Company and to confer on them certain welfare benefits through the implementation of the welfare schemes. Pursuant to the shareholders' approval in the meeting held on March 15, 2010 and April 27, 2018 (empowering the Board and Nomination and Remuneration Committee (NRC) to take any further decisions with regard to the ESOP schemes), the Board and Nomination and Remuneration Committee (NRC) has been authorized to issue employee stock options, that are exercisable into not more than 80,00,000 equity shares of the Company to eligible employees and has extended interest free loan to ESOP Trust under the Scheme to provide financial assistance to its employees to purchase equity shares of the Company under such the Scheme.

(i) Presently, stock options have been granted or shares have been issued under the following scheme:

A. ESOP 2010 (grant 2017)
B. ESOP 2018 (grant 2018)
C. ESOP 2018 (grant 2019)
D. ESOP 2018 (grant 2020)
E. ESOP 2021 (grant 2021)
F. ESOP 2021 (grant 2022)
G. ESOP 2021 (grant 2023)
H. ESOP 2021 (grant 2024)
I. ESOP 2021 (grant 2025)

(ii) Employee stock option schemes:

Particulars	ESOP 2010 (grant 2017)	ESOP 2018 (grant 2018)	ESOP 2018 (grant 2019)	ESOP 2018 (grant 2020)	ESOP 2021 (grant 21)	ESOP 2021 (grant 22)	ESOP 2021 (grant 23)	ESOP 2021 (grant 24)	ESOP 2021 (grant 25)
Date of Grant	August 29, 2017	May 16, 2018	May 16, 2019	August 04, 2020	June 05, 2021	August 19, 2022	August 30, 2023	August 30, 2024	August 29, 2025
Date of Board approval	May 19, 2017	April 27, 2018	May 15, 2019	June 26, 2020	June 04, 2021	May 11, 2022	May 12, 2023	May 24, 2024	May 23, 202
Date of committee meeting where grant of options were approved	May 19, 2017	April 27, 2018	February 18, 2019	June 26, 2020	June 04, 2021	May 11, 2022	May 12, 2023	August 30, 2024	May 23, 2025
Date of shareholders' approval	August 29, 2017	May 15, 2018	March 18, 2019	August 03, 2020	February 08, 2021	August 11, 2022	August 07, 2023	August 06, 2024	August 12, 2025
Number of options granted	2,29,280	5,97,264	7,69,528	8,42,858	9,82,867	9,97,942	13,91,143	18,07,444	12,55,672
Method of settlement	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity
Vesting conditions	1. Continued employment with the Company on relevant date of vesting 2. Board may specify certain performance criteria	1. Continued employment with the Company on relevant date of vesting 2. Board may specify certain performance criteria	1. Continued employment with the Company on relevant date of vesting 2. Board may specify certain performance criteria	1. Continued employment with the Company on relevant date of vesting 2. Board may specify certain performance criteria	1. Continued employment with the Company on relevant date of vesting 2. Board may specify certain performance criteria	1. Continued employment with the Company on relevant date of vesting 2. Board may specify certain performance criteria	1. Continued employment with the Company on relevant date of vesting 2. Board may specify certain performance criteria	1. Continued employment with the Company on relevant date of vesting 2. Board may specify certain performance criteria	1. Continued employment with the Company on relevant date of vesting 2. Board may specify certain performance criteria
Vesting period	12 months from date of grant of option	36 months from date of grant of option	36 months from date of grant of option	36 months from date of grant of option	36 months from date of grant of option	36 months from date of grant of option	36 months from date of grant of option	36 months from date of grant of option	36 months from date of grant of option
Exercise period	For KMP and others: 10 year from the date of vesting	For KMP and others: 10 year from the date of vesting	For KMP and others: 10 year from the date of vesting	For KMP and others: 10 year from the date of vesting	For KMP and others: 10 year from the date of vesting	For KMP and others: 10 year from the date of vesting	For KMP and others: 10 year from the date of vesting	For KMP and others: 10 year from the date of vesting	For KMP and others: 10 year from the date of vesting

(iii) Details of grant and exercise of such options are as follows:

Particulars	ESOP 2010 (grant 2017)	ESOP 2018 (grant 2018)	ESOP 2018 (grant 2019)	ESOP 2018 (grant 2020)	ESOP 2021 (grant 21)	ESOP 2021 (grant 22)	ESOP 2021 (grant 23)	ESOP 2021 (grant 24)	ESOP 2021 (grant 25)
Number of options granted	2,29,280	5,97,264	7,69,528	8,42,858	9,82,867	9,97,942	13,91,143	18,07,444	12,55,672
Outstanding number of options as at December 31, 2025	98,000	3,74,824	4,76,305	5,25,549	6,49,951	7,26,525	11,51,533	14,85,497	12,37,872
Outstanding number of options as at March 31, 2025	98,000	3,74,824	4,76,305	5,31,549	6,56,551	7,36,508	11,81,683	15,74,964	-
Outstanding number of options as at March 31, 2024	98,000	3,88,824	5,08,705	5,60,349	7,24,391	8,17,675	13,52,293	-	-
Outstanding number of options as at March 31, 2023	1,28,000	4,12,824	5,43,908	6,06,349	7,86,591	8,75,650	-	-	-
Exercisable number of options as at December 31, 2025	98,000	3,74,824	4,76,305	5,25,549	6,49,951	7,26,525	7,67,689	4,95,166	-
Exercisable number of options as at March 31, 2025	98,000	3,74,824	4,76,305	5,31,549	6,56,551	4,91,005	3,93,894	-	-
Exercisable number of options as at March 31, 2024	98,000	3,88,824	5,08,705	5,60,349	4,82,927	2,72,558	-	-	-
Exercisable number of options as at March 31, 2023	1,28,000	4,12,824	5,43,908	4,04,233	2,62,197	-	-	-	-

(iv) The weighted average exercise price and remaining contractual life of the ESOP Scheme are as follows:

Particulars	ESOP 2010 (grant 2017)	ESOP 2018 (grant 2018)	ESOP 2018 (grant 2019)	ESOP 2018 (grant 2020)	ESOP 2021 (grant 21)	ESOP 2021 (grant 22)	ESOP 2021 (grant 23)	ESOP 2021 (grant 2024)	ESOP 2021 (grant 2025)
As at December 31, 2025									
Exercise price	84.70	130.00	162.80	170.00	210.00	153.94	124.00	148.35	148.35
Weighted average remaining contractual life (in years)	-	-	-	-	-	-	0.66	1.66	2.66
As at 'March 31, 2025									
Exercise price	84.70	130.00	162.80	170.00	210.00	153.94	124.00	148.35	-
Weighted average remaining contractual life (in years)	-	-	-	-	-	0.38	1.41	2.42	-
As at 'March 31, 2024									
Exercise price	84.70	130.00	162.80	170.00	210.00	153.94	124.00	-	-
Weighted average remaining contractual life (in years)	-	-	-	-	0.18	1.38	2.41	-	-
As at 'March 31, 2023									
Exercise price	84.70	130.00	162.80	170.00	210.00	153.94	-	-	-
Weighted average remaining contractual life (in years)	-	-	-	0.35	1.18	2.38	-	-	-

(v) Reconciliation of stock options:

Particulars	ESOP 2010 (grant 2017)	ESOP 2018 (grant 2018)	ESOP 2018 (grant 2019)	ESOP 2018 (grant 2020)	ESOP 2021 (grant 2021)	ESOP 2021 (grant 2022)	ESOP 2021 (grant 2023)	ESOP 2021 (grant 2024)	ESOP 2021 (grant 2025)
Outstanding as at March 31, 2022	**1,45,280**	**4,47,384**	**5,95,748**	**6,97,909**	**9,27,123**	**-**	**-**	**-**	**-**
Stock option issued during the year	-	-	-	-	-	9,97,942	-		
Exercised and vested	17,280	-	-	-	-	-	-		
Forfeited/ lapsed	-	34,560	51,840	91,560	1,40,532	1,22,292	-		
Outstanding as at March 31, 2023	**1,28,000**	**4,12,824**	**5,43,908**	**6,06,349**	**7,86,591**	**8,75,650**	**-**	**-**	**-**
Stock option issued during the year	-	-	-	-	-	-	13,91,143		
Exercised and vested	30,000	-	3	-	-	-			
Forfeited/ lapsed	-	24,000	35,200	46,000	62,200	57,975	38,850		
Outstanding as at March 31, 2024	**98,000**	**3,88,824**	**5,08,705**	**5,60,349**	**7,24,391**	**8,17,675**	**13,52,293**	**-**	**-**
Stock option issued during the year	-	-	-	-	-	-	-	18,07,444	-
Exercised and vested	-	-	-	-	-	-	-	-	-
Forfeited/ lapsed	-	14,000	32,400	28,800	67,840	81,167	1,70,610	2,32,480	
Outstanding as at March 31, 2025	**98,000**	**3,74,824**	**4,76,305**	**5,31,549**	**6,56,551**	**7,36,508**	**11,81,683**	**15,74,964**	**-**
Stock option issued during the preiod	-	-	-	-	-	-	-	-	12,55,672
Exercised and vested	-	-	-	-	-	-	-	-	-
Forfeited/ lapsed	-	-	-	6,000	**6,600**	**9,983**	**30,150**	**89,467**	**17,800**
Outstanding as at December 31, 2025	**98,000**	**3,74,824**	**4,76,305**	**5,25,549**	**6,49,951**	**7,26,525**	**11,51,533**	**14,85,497**	**12,37,872**

(vi) The Company has recognized share based payment expense of ₹77.77 millions, ₹76.03 millions, ₹51.58 millions and ₹28.28 millions for the period/ years ended December 31, 2025, March 31, 2025, March 31, 2024 and March 31, 2023 respectively, as proportionate cost *(refer note 37)* .

(vii) Following employees have received a grant in the reporting period/ years of option amounting to 5% or more of total option granted :

Name of Employee	Designation	As at December 31, 2025 (*)	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Mr. Manoj Kumar Nambiar	Managing Director	-	2,25,000	2,00,000	2,00,000
Mr. Milind R Nare	Chief Financial Officer	-	1,02,000	93,500	68,999
Mr. Arvind Murarka	Chief Information Officer	-	-	77,500	-
Mr. Ranjan Das	Chief Risk Officer	-	-	76,500	56,454
Mr. Anirudh Singh Thakur	Company Secretary	-	-	-	56,301

(*) There are no employees who have received a grant of option amounting to 5% or more of total option granted.

Note: There are no identified employees who were granted options, during the nine months period ended December 31, 2025 and year ended March 31, 2025, March 31, 2024, March 31, 2023; equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant.

Arohan Financial Services Limited

Annexure 6 - Notes to Restated Financial Information

(viii) The fair value of the options granted is determined on the date of the grant using the "Black-Scholes Option Pricing Model" with the following assumptions, as certified by an independent valuer.

(Amount in ₹)

Particulars	ESOP 2010 (grant 2017)	ESOP 2018 (grant 2018)	ESOP 2018 (grant 2019)	ESOP 2018 (grant 2020)	ESOP 2021 (grant 2021)	ESOP 2021 (grant 2022)	ESOP 2021 (grant 2023)	ESOP 2021 (grant 2024)	ESOP 2021 (grant 2025)
(A) Date of grant of options	August 29, 2017	May 16, 2018	May 16, 2019	August 04, 2020	June 05, 2021	August 19, 2022	August 30, 2023	August 30, 2024	August 29, 2025
(B) Fair market value of option on the date of grant (Amount in ₹)	14.71	37.61	49.53	56.83	75.94	47.26	76.30	87.85	87.90
(C) Exercise price (Amount in ₹)	84.70	130.00	162.80	170.00	210.00	153.94	124.00	148.35	148.35
(D) Expected volatility (%)	35.95	34.25	39.02	47.60	46.31	51.08	50.43	47.85	48.36
(E) Expected forfeiture percentage on each vesting date	-	-	-	-	-	-	-	-	-
(F) Expected option life (weighted average)	1.04	2.50	2.50	2.57	3.00	2.50	7.01	7.01	7.00
(G) Expected dividends yield	-	-	-	-	-	-	-	-	-
(H) Risk free interest rate (%)	6.07%	7.51%	6.75%	4.39%	4.95%	6.57%	7.07%	6.66%	6.49%

Note: The expected volatility was determined based on historical volatility data of the other comparable Company's shares listed on the Stock Exchange.

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Annexure 6 - Notes to Restated Financial Information

27 Other equity

(Amounts in ₹ millions)

Particulars	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Securities premium	12,299.39	12,230.21	12,022.68	9,391.73
Statutory reserves	1,790.92	1,790.92	1,571.55	943.91
Retained earnings	5,964.42	5,375.40	4,567.08	2,093.53
General reserve	8.03	8.03	8.03	8.03
Share options outstanding account	347.86	270.09	194.06	143.31
Treasury shares	(1,086.67)	(1,012.49)	(789.96)	(704.14)
Total	**19,323.95**	**18,662.16**	**17,573.44**	**11,876.37**

Securities premium

(Amounts in ₹ millions)

Particulars	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Opening balance	12,230.21	12,022.68	9,391.73	7,103.72
Add: Share based payments to employees	-	-	0.83	0.48
Add: Issue of equity shares to ESOP trust	69.18	207.53	79.80	143.94
Add: Issue of equity shares on conversion of compulsorily convertible preference shares	-	-	4,789.72	-
Add: Issue of compulsorily convertible preference shares	-	-	2,348.93	2,190.84
Less: Conversion of compulsorily convertible preference shares (*)	-	-	(4,539.77)	-
Less: Share issue expenses	-	-	(48.56)	(47.25)
Closing balance	**12,299.39**	**12,230.21**	**12,022.68**	**9,391.73**

(*) In pursuant to the provisions of the Companies Act, 2013, the Company as per the circular resolution passed by the Board of Directors on March 22, 2024, converted all the compulsorily convertible preference shares into equity shares of the company, at ₹10/- each, as per the share subscription agreements (SSA) and as per the approval of the shareholders ranking pari passu with the existing equity shares of the Company.
The Company also declared a dividend at 0.001% per annum on such conversion of compulsory convertible preference shares into equity shares.

Statutory reserves

(Amounts in ₹ millions)

Particulars	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Opening balance	1,790.92	1,571.55	943.91	802.48
Add: Transferred during the period/ year (*)	-	219.37	627.64	141.43
Closing balance	**1,790.92**	**1,790.92**	**1,571.55**	**943.91**

(*) During the years ended March 31, 2025, March 31, 2024 and March 31, 2023 the Company has transferred 20% of profits after tax on annual basis to Statutory reserve pursuant to Section 45-IC of the Reserve Bank of India Act, 1934.

Retained earnings

(Amounts in ₹ millions)

Particulars	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Opening balance	5,375.40	4,567.08	2,093.53	1,554.07
Add: Profit for the period/year (net of taxes)	607.44	1,096.86	3,138.21	707.16
Add: Other comprehensive income (net of taxes)	(18.42)	(69.17)	(37.01)	(26.27)
Less: Dividend payable on compulsorily convertible preference shares (*)	-	-	(0.01)	-
Less: Transfer to statutory reserve (**)	-	(219.37)	(627.64)	(141.43)
Closing balance	**5,964.42**	**5,375.40**	**4,567.08**	**2,093.53**

(*) In pursuant to the provisions of the Companies Act, 2013, the Company as per the circular resolution passed by the Board of Directors on March 22, 2024, converted all the compulsorily convertible preference shares into equity shares of the company, at ₹10/- each, as per the share subscription agreements (SSA) and as per the approval of the shareholders ranking pari passu with the existing equity shares of the Company.
The Company also declared a dividend at 0.001% per annum on such conversion of compulsory convertible preference shares into equity shares.
(**) During the years endded March 31, 2025, March 31, 2024 and March 31, 2023 the Company has transferred 20% of profits after tax to Statutory reserve pursuant to Section 45-IC of the Reserve Bank of India Act, 1934.

General reserve

(Amounts in ₹ millions)

Particulars	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Opening balance	8.03	8.03	8.03	8.03
Add: Transferred during the period/ year	-	-	-	-
Closing balance	**8.03**	**8.03**	**8.03**	**8.03**

Share options outstanding account

(Amounts in ₹ millions)

Particulars	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Opening balance	270.09	194.06	143.31	115.51
Add: Share based payment to employees	77.77	76.03	50.75	27.80
Closing balance	**347.86**	**270.09**	**194.06**	**143.31**

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Annexure 6 - Notes to Restated Financial Information

27 Other equity (cont'd.)

Treasury shares

(Amounts in ₹ millions)

Particulars	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Opening balance	(1,012.49)	(789.96)	(704.14)	(550.77)
Add: Share based payment to employees	-	-	0.98	0.57
Less: Issue of shares to ESOP Trust	(74.18)	(222.53)	(86.80)	(153.94)
Closing balance	**(1,086.67)**	**(1,012.49)**	**(789.96)**	**(704.14)**

Nature and purpose of reserves:

Securities premium

The securities premium represents premium received on issue of shares. This amount can be utilised in accordance with the provision of the Companies Act 2013.

Statutory reserves

This reserve is created as per the provision of section 45(IC) of the Reserve Bank of India ('RBI) Act, 1934. An amount equal to 20% of profits after tax is transferred to this reserve every year. This is a restricted reserve and any appropriation from this reserve can only be made after prior approval from Reserve Bank India (RBI).

Retained earnings

The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the financial statements of the Company and also considering the requirements of the Companies Act, 2013. Thus, the amounts reported above are not distributable in entirety. Retained earnings is a free reserve, retained from company's profits to meet future obligations.

General reserves

The Company has transferred a portion of the net profit to general reserve before declaring dividend pursuant to the provision of erstwhile Companies Act.

Share options outstanding account

The reserve is used to recognised the fair value of the options issued to the employees of the Company under its stock option plan.

Treasury shares

The Company has created ESOP trust for providing ESOP to its employees. The Company treats ESOP trust as its extension and share held by ESOP trust are treated as treasury shares. Own equity instrument that are re-acquired (treasury shares) are recognised at cost and deducted from equity.

Arohan Financial Services Limited

Annexure 6 - Notes to Restated Financial Information

28 Interest income (Measured at amortised cost)

(Amounts in ₹ millions)

Particulars	Nine months period ended December 31, 2025	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Interest on loan portfolio	9,920.99	14,910.43	13,528.65	9,105.94
Interest income of investments	119.77	216.51	-	-
Interest on deposits with banks	311.32	601.09	552.11	352.70
Interest income on unwinding of assigned portfolio	23.65	82.23	94.84	29.45
Other interest Income	0.86	1.52	1.26	2.40
Total	**10,376.59**	**15,811.78**	**14,176.86**	**9,490.49**

29 Dividend Income (Measured at amortised cost)

(Amounts in ₹ millions)

Particulars	Nine months period ended December 31, 2025	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Dividend Income	0.44	1.25	-	-
Total	**0.44**	**1.25**	**-**	**-**

30 Fees and commission income (Measured at amortised cost)

(Amounts in ₹ millions)

Particulars	Nine months period ended December 31, 2025	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Income from cross sell business	23.89	135.45	1,591.22	1,020.97
Income from insurance commission	422.13	457.35	97.37	-
Other insurance related income	194.54	372.58	-	-
Total	**640.56**	**965.38**	**1,688.59**	**1,020.97**

Note:

1. Revenue from fees and commission are generated in India and at a fixed rate which are recognised at a point in time.
2. Payments are received as per the agreed credit period.
3. There are no adjustments made to the contract price.

31 Net gain on fair value changes (Measured at at fair value through profit and loss)

(Amounts in ₹ millions)

Particulars	Nine months period ended December 31, 2025	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Net gain on financial instruments				
Fair value gain on mutual fund	29.03	-	-	-
Total	**29.03**	**-**	**-**	**-**
Fair value changes				
- Realised	12.32	-	-	-
- Unrealised	16.71	-	-	-
Total	**29.03**	**-**	**-**	**-**

32 Net gain on derecognition of financial instruments under amortised cost category

(Amounts in ₹ millions)

Particulars	Nine months period ended December 31, 2025	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Gain on sale of loan portfolio through assignment	232.24	116.79	413.26	358.65
Total	**232.24**	**116.79**	**413.26**	**358.65**

33 Other operating income (Measured at amortised cost)

(Amounts in ₹ millions)

Particulars	Nine months period ended December 31, 2025	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Other operating income	2.48	22.28	8.22	5.23
Total	**2.48**	**22.28**	**8.22**	**5.23**

34 Other income (Measured at amortised cost)

(Amounts in ₹ millions)

Particulars	Nine months period ended December 31, 2025	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Miscellaneous income	49.20	35.14	59.41	34.62
Total	**49.20**	**35.14**	**59.41**	**34.62**

Arohan Financial Services Limited

Annexure 6 - Notes to Restated Financial Information

35 Finance costs (Measured at amortised cost)

(Amounts in ₹ millions)

Particulars	Nine months period ended December 31, 2025	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Interest on debt securities	143.22	332.32	379.14	333.95
Interest on borrowings (other than debt securities)	3,324.74	5,300.09	4,814.43	3,475.08
Interest on subordinated liabilities	291.63	552.75	576.36	730.54
Interest on leasing arrangements *(refer note 64)*	6.15	7.94	7.06	5.97
Other interest expenses	83.26	126.48	145.34	140.91
Total	**3,849.00**	**6,319.58**	**5,922.33**	**4,686.45**

36 Impairment on financial instruments

(Amounts in ₹ millions)

Particulars	Nine months period ended December 31, 2025			Year ended March 31, 2025		
	On financial assets measured at		Total	On financial assets measured at		Total
	Fair value through profit & loss	Amortised cost		Fair value through profit & loss	Amortised cost	
Impairment on loans (*)	-	(372.13)	(372.13)	-	538.52	538.52
Impairment loss allowance on security receipts	(50.00)	-	(50.00)	234.40	-	234.40
Impairment loss allowance on investments	(0.50)		(0.50)		-	-
Impairment loss allowance on trade receivables	-	-	-	0.50	-	0.50
Bad debt written off (net of recoveries) (**)	-	3,113.75	3,113.75	-	3,201.72	3,201.72
Total	**(50.50)**	**2,741.62**	**2,691.12**	**234.90**	**3,740.24**	**3,975.14**

Nine months period ended December 31, 2025:

(*) Impairment loss allowance on loans excludes impairment of ₹68.16 millions relating to interest on credit impaired assets, which is netted off from interest income in accordance with Ind AS 109 of Financial Instrument.

(**) It includes insurance receivables written off amounting to ₹22.67 millions after netting off bad debt loan recoveries of ₹292.66 millions.

Year ended March 31, 2025:

(*) Impairment loss allowance on loans excludes impairment of ₹24.02 million relating to interest on credit impaired assets, which is netted off from interest income in accordance with Ind AS 109 of Financial Instrument.

(**) It includes insurance receivables written off amounting to ₹46.57 millions after netting off bad debt loan recoveries of ₹793.59 millions.

(Amounts in ₹ millions)

Particulars	Year ended March 31, 2024			Year ended March 31, 2023		
	On financial assets measured at		Total	On financial assets measured at		Total
	Fair value through profit & loss	Amortised cost		Fair value through profit & loss	Amortised cost	
Impairment on loans (*)	-	(1,190.81)	(1,190.81)	-	(1,457.77)	(1,457.77)
Impairment loss allowance on security receipts	411.81	-	411.81	-	-	-
Impairment loss allowance on trade receivables	-	(14.74)	(14.74)	-	14.74	14.74
Bad debt written off (net of recoveries) (**)	-	2,581.34	2,581.34	-	3,374.68	3,374.68
Total	**411.81**	**1,375.79**	**1,787.60**	**-**	**1,931.65**	**1,931.65**

Year ended March 31, 2024:

(*) Impairment loss allowance on loans excludes impairment of ₹33.44 millions relating to interest on credit impaired assets, which is netted off from interest income in accordance with Ind AS 109 of Financial Instrument.

(**) It includes insurance receivables written off amounting to ₹48.56 millions after netting off bad debt recoveries of ₹2,179.43 millions and consideration of ₹1,200.00 millions towards transfer of stressed assets).

Year ended March 31, 2023:

(*) ₹394.92 millions of recoveries netted off with bad debt written off.

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Annexure 6 - Notes to Restated Financial Information

37 Employee benefits expenses (Measured at amortised cost)

(Amounts in ₹ millions)

Particulars	Nine months period ended December 31, 2025	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Salaries and wages (*)	2,425.13	3,404.01	2,846.57	2,158.60
Contribution to provident and other funds (refer *note 42*)	308.71	348.62	286.27	217.04
Share based payments to employees (refer *note 26*)	77.77	76.03	51.58	28.28
Staff welfare expenses	49.34	63.35	62.78	57.56
Total	**2,860.95**	**3,892.01**	**3,247.20**	**2,461.48**

(*) During the nine months period December 31, 2025, the Company has claimed grants from National Apprenticeship Training Scheme (NATS) for ₹58.47 millions against stipend expenses on the trainees registered with NATS. These grants has been set off against the stipend of trainees.

38 Depreciation and amortisation (Measured at amortised cost)

(Amounts in ₹ millions)

Particulars	Nine months period ended December 31, 2025	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation on property, plant and equipment	41.21	34.05	25.50	17.12
Depreciation of right of use assets	15.51	20.87	20.41	16.90
Amortisation of intangible assets	9.57	13.62	10.92	13.61
Total	**66.29**	**68.54**	**56.83**	**47.63**

39 Other expenses (Measured at amortised cost)

(Amounts in ₹ millions)

Particulars	Nine months period ended December 31, 2025	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Rent (refer *note 64)*	155.38	193.35	155.88	128.60
Repairs and maintenance	139.57	146.99	118.58	123.07
Insurance	171.08	85.06	66.64	47.23
Power and fuel	17.88	21.63	19.31	15.97
Rates and taxes	3.40	5.64	135.33	6.82
Office expenses	19.48	36.60	28.26	20.26
Membership and subscription	7.15	10.08	7.49	7.71
Office maintenance	47.17	55.72	46.09	34.68
Printing and stationery	17.01	24.95	28.45	23.88
Legal and professional expenses	118.68	203.10	178.74	145.31
Director's commission (refer *note 49*)	27.90	37.22	22.35	6.81
Recruitment and induction expenses	14.22	34.27	30.03	17.10
Communication expenses	8.28	11.66	13.94	10.57
Travelling and conveyance	285.20	389.05	336.65	276.52
Payment to auditors [Refer note (a) below]	13.55	16.15	11.73	8.32
Corporate social responsibility expenses (refer *note 61*)	21.16	39.02	-	2.18
Miscellaneous expenses	3.96	6.01	8.58	8.18
Total	**1,071.07**	**1,316.50**	**1,208.05**	**883.21**

Note (a)

(Amounts in ₹ millions)

Particulars	Nine months period ended December 31, 2025	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Statutory audit including limited review	9.65	14.00	8.50	7.00
Tax audit (other than statutory auditors)	0.18	0.17	0.18	0.16
In other capacity		-		
Other services (*)	0.82	0.10	2.71	1.00
Reimbursement of expenses	2.90	1.88	0.34	0.17
Total	**13.55**	**16.15**	**11.73**	**8.32**

(*) During the period ended December 31, 2025 an amount of ₹2.83 millions; March 31, 2025 an amount of ₹11.48 millions; March 31, 2024 and March 31, 2023 nil amount has been paid as statutory auditor's professional services for draft red herring prospectus (DRHP) filing which has been presented under other non financial assets *(refer note 16)* .

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Annexure 6 - Notes to Restated Financial Information

40 Income tax expense

(Amounts in ₹ millions)

(a) Income tax recognised in the Statement of profit and loss	Nine months period ended December 31, 2025	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Current tax	124.62	503.18	347.91	(9.12)
Deferred tax expense/ (credit)				
Attributable to-				
1. Origination and reversal of temporary differences	21.44	(185.71)	231.44	346.73
2. Recognition of previously unrecognised tax losses	-	-	432.75	(175.35)
3. Recognition of previously unrecognised deductable temporary differences	38.61	(33.48)	(25.98)	30.12
Total tax expense	**184.67**	**283.99**	**986.12**	**192.38**

(Amounts in ₹ millions)

(b) Reconciliation of income tax expense and the accounting profit for the period/ year.	Nine months period ended December 31, 2025	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Profit before tax	**792.11**	**1,380.85**	**4,124.33**	**899.54**
Enacted tax rates	25.17%	25.17%	25.17%	25.17%
Income tax expense calculated at corporate tax rate	199.37	347.56	1,038.09	226.41
Reconciliation items:				
Impact of tax relating to earlier years	1.37	(19.17)	6.65	(9.32)
Impact due to different tax rate	(0.03)	0.38	0.09	(0.05)
Tax impact of expenses not deductible	5.33	9.86	0.12	0.90
Impact due to deductions claimed under Income-tax Act	(40.10)	(78.66)	(79.00)	(11.89)
Others (*)	18.73	24.02	20.17	(13.67)
Total tax expense	**184.67**	**283.99**	**986.12**	**192.38**
(*) includes items taxable on cash basis.	-	-	-	-

41 Earnings per equity shares (EPS)

(Amounts in ₹ millions)

Particulars	Nine months period ended December 31, 2025	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Net profit attributable to equity shareholders	**607.44**	**1,096.86**	**3,138.21**	**707.16**
Nominal value of equity shares (₹)	10.00	10.00	10.00	10.00
Number of equity shares (refer *note 25a*)	**15,89,12,320**	**15,74,12,320**	**12,11,77,303**	**12,01,77,303**
Less: Impact of treasury shares net of exercised (refer *note 27b*)	64,68,112	49,68,112	42,73,031	33,15,395
Add: Weighted average number of fresh equity share	-	-	9,70,902	-
Weighted average number of equity shares for basic earnings per share	**15,24,44,208**	**15,24,44,208**	**11,78,75,174**	**11,68,61,908**
Add: Dilutive effect of potential equity shares issued as employee stock options	2,77,422	2,82,371	2,38,523	1,21,773
Add : Diluting effect of potential equity shares on conversion of compulsorily convertible preference shares	-	-	-	41,82,379
Weighted average number of equity shares for diluted earnings per share	15,27,21,630	15,27,26,579	11,81,13,697	12,11,66,060
Earnings per equity share				
- Basic earnings per share (₹)	3.98	7.20	26.62	6.05
- Diluted earnings per share (₹)	3.98	7.18	26.57	5.84

Arohan Financial Services Limited

Annexure 6 - Notes to Restated Financial Information

42 Employee Benefits

The Company has adopted Indian Accounting Standard Ind AS - 19 on 'Employee Benefits' as under:

(a) Defined contribution plans

Provident and other funds

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund and other funds which are defined contribution plans. The Company has no obligations other than this to make the specified contributions. The contributions are charged to the Restated Statement of Profit and Loss as they accrue.

(Amounts in ₹ millions)

Particulars	Nine months period ended December 31, 2025	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Employers contribution to provident and other fund	308.71	348.62	286.27	217.04

(b) Defined benefit plans

(i) Gratuity

The Company has a defined benefit gratuity plan. Every employee is entitled to gratuity as per the provisions of the Payment of Gratuity Act, 1972. The scheme is funded and the scheme is managed by Life Insurance Corporation of India ('LIC'). The liability of gratuity is recognized on the basis of actuarial valuation (*refer note 66*).

Risks associated with plan provisions

Salary increases	Actual salary increases will result in increase in the Plan's liability. Increase in salary rate assumption in future valuations will also increase the liability.
Investment risk	As plan is funded, assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
Discount rate	Reduction in discount rate in subsequent valuations can increase the plan's liability.
Mortality & disability	Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
Withdrawals	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

a. Amount recognised in the Restated Statement of Assets and Liabilities is as under:

(Amounts in ₹ millions)

Particulars	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Present value of obligation	470.70	406.19	293.54	233.46
Fair value of plan assets	200.15	182.24	151.84	96.59
Net obligation recognised in Restated Statement of Assets and Liabilities as provision	**270.55**	**223.95**	**141.70**	**136.87**

b. Amount recognised in the Restated Statement of Profit and Loss is as under:

(Amounts in ₹ millions)

Particulars	Nine months period ended December 31, 2025	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Current service cost	51.68	43.31	35.09	29.72
Net interest cost on defined benefit obligation	10.74	51.08	6.74	5.68
Net impact on profit (before tax)	**62.42**	**94.39**	**41.83**	**35.40**

Amount recognised in Restated Statement of Profit and Loss:

(Amounts in ₹ millions)

Particulars	Nine months period ended December 31, 2025	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Actuarial losses recognized in OCI	24.61	92.43	49.46	35.10

c. Movement in the present value of defined benefit obligation recognised in the Restated Statement of Assets and Liabilities is as under:

(Amounts in ₹ millions)

Particulars	Nine months period ended December 31, 2025	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Present value of defined benefit obligation as at the beginning of the period/ years	**406.19**	**293.54**	**233.46**	**180.31**
Current service cost	51.68	43.31	35.09	29.72
Interest cost	19.72	19.19	15.53	11.80
Benefits paid	(31.50)	(38.86)	(35.67)	(23.47)
Actuarial (gain)/loss on obligation				
Actuarial (gain)/loss on arising from change in financial assumption	117.29	29.88	8.58	(7.10)
Actuarial (gain)/ loss on demographic assumptions	(111.87)	-	1.93	-
Actuarial (gain)/loss on arising from experience adjustment	19.19	59.13	34.62	42.20
Present value of defined benefit obligation as at the end of the period/ years	**470.70**	**406.19**	**293.54**	**233.46**

Arohan Financial Services Limited

Annexure 6 - Notes to Restated Financial Information

42 Employee Benefits (Cont'd)

d. Major categories of plan assets (as percentage of total plan assets):

Particulars	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Funds managed by LIC of India	100%	100%	100%	100%

e. Movement in the plan assets recognised in the Restated Statement of Assets and Liabilities is as under:

(Amounts in ₹ millions)

Particulars	Nine months period ended December 31, 2025	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Fair value of plan assets at beginning of the period/ years	**182.24**	**151.84**	**96.59**	**84.38**
Interest income on plan assets	8.85	11.41	8.78	6.12
Employer's contribution	40.56	61.27	86.47	29.56
Benefits paid	(31.50)	(38.86)	(35.67)	(23.47)
Return on plan assets	-	(3.42)	(4.33)	-
Fair value of plan assets at the end of the period/ years	**200.15**	**182.24**	**151.84**	**96.59**

f. Actuarial assumptions

Particulars	Nine months period ended December 31, 2025	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Discounting rate	6.00%	6.50%	7.00%	7.20%
Future salary increase		8.00%	8.00%	8.00%
for field Staff	8.00%	-	-	-
for non-field Staff	10.00%	-	-	-
Retirement age (in years)	60	60	60	60
Withdrawal rate				
upto 5 years of service	-	50%	50%	52%
More than 5 years of service	-	1%	1%	1%
Withdrawal rate				
for field Staff	40%	-	-	-
for non-field Staff	9%	-	-	-
Weighted average duration	6 years	11 years	12 years	11 years

Mortality rates as per Indian Assured Life Mortality (2006-08) ultimate

Gratuity is payable to the employees on death or resignation or on retirement at the attainment of superannuation age. To provide for these eventualities, the Actuary has used Indian Assured Lives Mortality (2006-08) Ultimate table.

g. Sensitivity analysis for gratuity liability

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

(Amounts in ₹ millions)

Particulars	Nine months period ended December 31, 2025	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Impact of the change in discount rate				
Present value of obligation at the end of the period/ years				
- Impact due to increase of 1 %	(27.42)	(56.66)	(39.41)	(31.11)
- Impact due to decrease of 1 %	31.16	70.79	49.12	38.97
Impact of the change in salary increase				
Present value of obligation at the end of the period/ years				
- Impact due to increase of 1 %	29.86	70.10	48.12	38.27
- Impact due to decrease of 1 %	(26.89)	(57.22)	(39.42)	(31.17)
Impact of the change in attrition rate				
Present value of obligation at the end of the period				
- Impact due to increase of 1%	(46.35)	-	-	-
- Impact due to decrease of 1%	82.52	-	-	-
Impact of the change in mortality rates				
Present value of obligation at the end of the period				
- Impact due to increase of 1%	(0.17)	-	-	-
- Impact due to decrease of 1%	0.17	-	-	-

Sensitivities due to mortality and withdrawals are not material and hence impact of change due to these is not calculated.

Sensitivities as to rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable.

h. Maturity profile of defined benefit obligation (discounted)

(Amounts in ₹ millions)

Particulars	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
0 to 1 year	97.04	38.55	22.80	28.67
1 to 2 year	219.33	10.85	21.94	13.17
2 to 3 year		11.79	6.86	20.95
3 to 4 year		10.00	8.08	8.55
4 to 5 year		7.08	6.72	11.65
5 year onwards	430.22	71.97	64.97	84.62
Total	**746.59**	**150.24**	**131.37**	**167.61**

Arohan Financial Services Limited

Annexure 6 - Notes to Restated Financial Information

(ii) Pension Fund

The Company has a defined benefit pension plan. Family members of eligible deceased employee is entitled to pension as per the provisions of the Pension scheme. The liability of pension is recognized on the basis of actuarial valuation.

Risks associated with plan provisions

Salary increases	Actual salary increases will result in increase in the Plan's liability. Increase in salary rate assumption in future valuations will also increase the liability.
Discount rate	Reduction in discount rate in subsequent valuations can increase the plan's liability.
Mortality & disability	Actual deaths cases proving lower or higher than assumed in the valuation can impact the liabilities.
Withdrawals	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

a. Amount recognised in the Restated Statement of Assets and Liabilities is as under:

(Amounts in ₹ millions)

Particulars	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Present value of obligation	-	-	2.82	3.53
Net obligation recognised in Restated Statement of Assets and Liabilities as provision	**-**	**-**	**2.82**	**3.53**

b. Amount recognised in the Restated Statement of Profit and Loss is as under:

(Amounts in ₹ millions)

Particulars	Nine months period ended December 31, 2025	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Current service cost	-	(2.82)	-	-
Past service cost	-	-	-	-
Settlement credit	-	-	-	(9.98)
Net interest on net defined benefit liability/ (asset)	-	-	0.13	0.29
Immediate recognition of (gains)/ losses	-	-	-	(0.09)
Payment made during the year	-	-	(0.84)	(3.56)
Net impact on profit (before tax)	**-**	**(2.82)**	**(0.71)**	**(13.34)**

c. Movement in the present value of defined benefit obligation recognised in the Restated Statement of Assets and Liabilities is as under:

(Amounts in ₹ millions)

Particulars	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Present value of defined benefit obligation as at the beginning of the period/ year	-	2.82	3.53	16.87
Current service cost	-	(2.82)	-	(9.98)
Interest cost	-	-	0.13	0.29
Benefits paid	-	-	(0.84)	(3.56)
Actuarial loss/(gain) on obligation	-	-	-	-
Actuarial (gain)/loss on arising from change in financial assumption	-	-	-	-
Actuarial loss on arising from experience adjustment	-	-	-	(0.09)
Present value of defined benefit obligation as at the end of the period/ year	**-**	**-**	**2.82**	**3.53**

d. Actuarial assumptions

Particulars	Nine months period ended December 31, 2025	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Discounting rate	-	-	7.00%	7.20%
Future salary increase	-	-	Not applicable	Not applicable
Retirement age (in years)	-	-	-	-
Withdrawal rate	-	-		-
upto 5 years of service	-	-	Not applicable	52%
More than 5 years of service	-	-	Not applicable	1%
Weighted average duration	-	-	1 year	1 year

e. Sensitivity analysis for pension fund

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

(Amounts in ₹ millions)

Particulars	Nine months period ended December 31, 2025	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Impact of the change in discount rate				
Present value of obligation at the end of the period/ years				
- Impact due to increase of 1%	-	-	-	(0.01)
- Impact due to decrease of 1%	-	-	-	0.01

Arohan Financial Services Limited

Annexure 6 - Notes to Restated Financial Information

42 Employee Benefits (Cont'd)

(Amounts in ₹ millions)

f.

Maturity profile of defined benefit obligation (discounted)	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Year				
0 to 1 year	-	-	2.83	2.99
1 to 2 year	-	-	-	0.65
2 to 3 year	-	-	-	-
3 to 4 year	-	-	-	-
4 to 5 year	-	-	-	-
5 to 6 year	-	-	-	-
Total	**-**	**-**	**2.83**	**3.64**

(iii) Compensated absences

The Company has a defined compensated absence plan. Every employee is entitled to compensated absences as per the provisions of the scheme. The liability of compensated absences is recognized on the basis of actuarial valuation.

a. Amount recognised in the Restated Statement of Assets and Liabilities is as under:

(Amounts in ₹ millions)

Particulars	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Present value of obligation	146.97	165.72	124.24	106.43
Fair value of plan assets	-	-	-	-
Net obligation recognised in Restated Statement of Assets and Liabilities as provision	**146.97**	**165.72**	**124.24**	**106.43**

b. Amount recognised in the Restated Statement of Profit and Loss is as under:

(Amounts in ₹ millions)

Particulars	Nine months period ended December 31, 2025	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Current service cost	(4.47)	14.34	23.99	19.20
Past service cost	0.16	-	-	-
Net interest on net defined benefit liability/ (asset)	6.62	6.50	5.72	5.25
Immediate recognition of (gains)/ losses	-	23.12	-	-
Actuarial (gain)/ loss due to DBO experience	8.19	17.02	8.49	2.41
Actuarial (gain)/ loss due to financial assumptions	21.52	-	-	-
Actuarial (gain)/ loss due to DBO assumption change	(26.02)	6.10	2.02	(1.60)
Payment made during the period/ years	(24.75)	(25.61)	(22.40)	(16.00)
Net impact on profit (before tax)	**(18.75)**	**41.48**	**17.81**	**9.26**

Arohan Financial Services Limited

Annexure 6 - Notes to Restated Financial Information

43 Terms of repayment of debt securities and subordinated liabilities

As at December 31, 2025

(Amounts in ₹ millions)

Repayment	Interest rate range	Due within 1 year		Due within 1 to 2 years		Due within 2 to 3 years		Due within 3 to 4 years		Due after 4 years		Total Amount
		No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	
Monthly	Up to 9%	-	-	-	-	-	-	-	-	-	-	-
	9% to 12%	-	-	-	-	-	-	-	-	-	-	-
	12% to 15%	-	-	-	-	-	-	-	-	-	-	-
Bi-monthly	9% to 12%	-	-	-	-	-	-	-	-	-	-	-
Quarterly	Up to 9%	-	-	-	-	-	-	-	-	-	-	-
	9% to 12%	-	-	-	-	-	-	-	-	-	-	-
Semi-annually	9% to 12%	1	520.00	2	1,040.00	-	-	-	-	-	-	1,560.00
	12% to 15%	-	-	-	-	-	-	-	-	-	-	-
Annually	12% to 15%	-	-	-	-	-	-	-	-	-	-	-
Bullet	9% to 12%	1	250	2	2,250	-	-	-	-	-	-	2,500.00
	12% to 15%	-	-	-	-	-	-	-	-	-	-	-
Total			**770.00**		**3,290.00**		**-**		**-**		**-**	**4,060.00**

As at March 31, 2025

(Amounts in ₹ millions)

Repayment	Interest rate range	Due within 1 year		Due within 1 to 2 years		Due within 2 to 3 years		Due within 3 to 4 years		Due after 4 years		Total Amount
		No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	
Monthly	Up to 9%	-	-	-	-	-	-	-	-	-	-	-
	9% to 12%	-	-	-	-	-	-	-	-	-	-	-
	12% to 15%	-	-	-	-	-	-	-	-	-	-	-
Bi-monthly	9% to 12%	-	-	-	-	-	-	-	-	-	-	-
Quarterly	9% to 12%	-	-	-	-	-	-	-	-	-	-	-
	12% to 15%	-	-	-	-	-	-	-	-	-	-	-
Semi-annually	9% to 12%	1	520.00	1	520.00	2	1,040.00	-	-	-	-	2,080.00
	12% to 15%	-	-	-	-	-	-	-	-	-	-	-
Bullet	12% to 15%	3	1,500.00	1	250.00	2	2,250.00	-	-	-	-	4,000.00
	Above 15%	-	-	-	-	-	-	-	-	-	-	-
Total			**2,020.00**		**770.00**		**3,290.00**		**-**		**-**	**6,080.00**

Arohan Financial Services Limited

Annexure 6 - Notes to Restated Financial Information

43 Terms of repayment of debt securities and subordinated liabilities

As at March 31, 2024

(Amounts in ₹ millions)

Repayment	Interest rate range	Due within 1 year		Due within 1 to 2 years		Due within 2 to 3 years		Due within 3 to 4 years		Due after 4 years		Total Amount
		No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	
Monthly	Up to 9%	-	-	-	-	-	-	-	-	-	-	-
	9% to 12%	-	-	-	-	-	-	-	-	-	-	-
	12% to 15%	-	-	-	-	-	-	-	-	-	-	-
Bi-monthly	9% to 12%	6	450.00	-	-	-	-	-	-	-	-	450.00
Quarterly	9% to 12%	-	-	-	-	-	-	-	-	-	-	-
	12% to 15%	-	-	-	-	-	-	-	-	-	-	-
Semi-annually	9% to 12%	-	-	1	520.00	1	520.00	2	1,040.00	-	-	2,080.00
	12% to 15%	1	325.00	-	-			-	-	-	-	325.00
Bullet	12% to 15%	-	-	3	1,500.00	1	250.00	2	2,250.00	-	-	4,000.00
	Above 15%	-	-	-	-	-	-	1	1,150.00	-	-	1,150.00
Total			**775.00**		**2,020.00**		**770.00**		**4,440.00**		**-**	**8,005.00**

As at March 31, 2023

(Amounts in ₹ millions)

Repayment	Interest rate range	Due within 1 year		Due within 1 to 2 years		Due within 2 to 3 years		Due within 3 to 4 years		Due after 4 years		Total Amount
		No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	
Monthly	Up to 9%	-	-	-	-	-	-	-	-	-	-	-
	9% to 12%	-	-	-	-	-	-	-	-	-	-	-
	12% to 15%	-	-	-	-	-	-	-	-	1	250.00	250.00
Bi-monthly	9% to 12%	-	-	6	450.00	-	-	-	-	-	-	450.00
Quarterly	9% to 12%	-	-	-	-	-	-	-	-	-	-	-
	12% to 15%	-	-	-	-	-	-	-	-	-	-	-
Semi-annually	9% to 12%	2	78.00	-	-	-	-	-	-	-	-	78.00
	12% to 15%	2	325.00	1	325.00	-	-	-	-	-	-	650.00
Annually	9% to 12%	2	334.00	-	-	-	-	-	-	-	-	334.00
Bullet	9% to 12%	1	250.00	-	-	-	-	-	-	-	-	250.00
	12% to 15%	1	250.00	-	-	3	1,500.00	1.00	250.00	2	3,150.00	5,150.00
On demand	Variable rates	-	-	-	-	-	-	-	-	-	-	-
Total			**1,237.00**		**775.00**		**1,500.00**		**250.00**		**3,400.00**	**7,162.00**

Notes:

All the above repayments disclosed as per the contractual maturities of debt securities, borrowings other than debts securities and subordinate liabilities as gross carrying value.

There have been no defaults in repayment of debentures or any instalments of term loan taken from banks and others.

The Company has utilised the proceeds from debt securities, other borrowings and subordinated liabilities for the purpose for which it was obtained except temporary deployment pending application of proceeds.

Arohan Financial Services Limited

Annexure 6 - Notes to Restated Financial Information

43 Terms of repayment of Borrowings (other than debt securities)

As at December 31, 2025

(Amounts in ₹ millions)

Repayment	Interest rate range	Due within 1 year		Due within 1 to 2 years		Due within 2 to 3 years		Due within 3 to 4 years		Due after 4 years		Total Amount
		No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	
Monthly	Up to 9%	77	2,119.61	26	421.51	-	-	-	-	-	-	2,541.12
	9% to 12%	567	14,319.59	232	5,364.65	19	443.58	-	-	-	-	20,127.82
Bi-monthly	9% to 12%	-	-	-	-	-	-	-	-	-	-	-
Quarterly	Up to 9%	5	150.00	2	50.00	-	-	-	-	-	-	200.00
	9% to 12%	99	9,704.55	67	7,517.92	10	1,189.38	-	-	-	-	18,411.85
	12% to 15%	-	-	-	-	-	-	-	-	-	-	-
Semi-annually	9% to 12%	11	1,599.91	5	726.99			-	-	-	-	2,326.90
	12% to 15%	-	-	-	-	-	-	-	-	-	-	-
Annually	12% to 15%	-	-	-	-	-	-	-	-	-	-	-
Bullet	9% to 12%	-	-	-	-	-	-	-	-	-	-	-
	12% to 15%	-	-	-	-	-	-	-	-	-	-	-
Monthly (*)	8.50% to 9.65%	66	4,203.57	7.00	373.35	-		-	-	-	-	4,576.92
Total		**-**	**32,097.23**	**-**	**14,454.42**	**-**	**1,632.96**		**-**	**-**	**-**	**48,184.61**

(*) This represents securitised liability.

As at March 31, 2025

(Amounts in ₹ millions)

Repayment	Interest rate range	Due within 1 year		Due within 1 to 2 years		Due within 2 to 3 years		Due within 3 to 4 years		Due after 4 years		Total Amount
		No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	
Monthly	Up to 9%	9	150.00	2	33	-	-	-	-	-	-	183.34
	9% to 12%	625	17,369.40	431	10,785	99	1,542.50	-	-	-	-	29,696.89
	12% to 15%	8	87.25	-	-	-	-	-	-	-	-	87.25
Bi-monthly	9% to 12%	-	-	-	-	-	-	-	-	-	-	-
Quarterly	Up to 9%	2	50.00	4	100	2	50.00					200.00
	9% to 12%	60	3,825.82	48	3,058	19	1,364.50	-	-	-	-	8,247.88
	12% to 15%	-	-	-	-	-	-	-	-	-	-	-
Semi-annually	9% to 12%	6	903.37	7	1,178.43	2	367.75	-	-	-	-	2,449.55
	12% to 15%	-	-	-	-	-	-	-	-	-	-	-
Bullet	12% to 15%	-	-	-	-	-	-	-	-	-	-	-
	Above 15%	-	-	-	-	-	-	-	-	-	-	-
On demand	Variable rates	-	1.06	-	-	-	-	-	-	-	-	1.06
Monthly (*)	9% to 12%	2	93.52	-	-	-	-	-	-	-	-	93.52
Total			**22,480.42**		**15,154.31**		**3,324.75**		**-**		**-**	**40,959.48**

(*) This represents securitised liability.

As at March 31, 2024

(Amounts in ₹ millions)

Repayment	Interest rate range	Due within 1 year		Due within 1 to 2 years		Due within 2 to 3 years		Due within 3 to 4 years		Due after 4 years		Total Amount
		No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	
Monthly	Up to 9%	48	1,181.61	11	183.33	-	-	-	-	-	-	1,364.94
	9% to 12%	693	19,247.56	453	12,769.51	122	2,702.41	-	-	-	-	34,719.48
	12% to 15%	55	1,474.80	6	53.92	-	-	-	-	-	-	1,528.72
Bi-monthly	9% to 12%	-	-	-	-	-	-	-	-	-	-	-
Quarterly	9% to 12%	81	5,532.40	43	2,513.60	3	110.17	-	-	-	-	8,156.17
	12% to 15%	17	852.91	-	-	-	-	-	-	-	-	852.91
Semi-annually	9% to 12%	5	776.25	4	701.24	-	-	-	-	-	-	1,477.49
	12% to 15%	-	-	-	-	-	-	-	-	-	-	-
Bullet	12% to 15%	-	-	-	-	-	-	-	-	-	-	-
	Above 15%	-	-	-	-	-	-	-	-	-	-	-
Monthly (*)	9% to 13%	61	3,956.75	3	143.62	-	-	-	-	-	-	4,100.37
Total			**33,022.28**		**16,365.22**		**2,812.58**		**-**		**-**	**52,200.08**

(*) This represents securitised liability.

As at March 31, 2023

(Amounts in ₹ millions)

Repayment	Interest rate range	Due within 1 year		Due within 1 to 2 years		Due within 2 to 3 years		Due within 3 to 4 years		Due after 4 years		Total Amount
		No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	
Monthly	Up to 9%	40	669.70	24	381.81	-	-	-	-	-	-	1,051.51
	9% to 12%	277	6,801.65	149	4,382.32	34	1,084.45	-	-	-	-	12,268.42
	12% to 15%	24	1,103.46	17	828.38	-	-	-	-	-	-	1,931.84
Bi-monthly	9% to 12%	-	-	-	-	-	-	-	-	-	-	-
Quarterly	9% to 12%	125	5,687.60	106	5,315.16	29	1,518.49	-	-	-	-	12,521.25
	12% to 15%	13	1,779.87	4	66.66	-	-	-	-	-	-	1,846.53
Semi-annually	9% to 12%	-	-	-	-	-	-	-	-	-	-	-
	12% to 15%	-	-	-	-	-	-	-	-	-	-	-
Annually	9% to 12%	3	200.00	1	75.00	-	-	-	-	-	-	275.00
Bullet	Up to 9%	1	990.00	-	-	-	-	-	-	-	-	990.00
	9% to 12%	-	-	-	-	-	-	-	-	-	-	-
	12% to 15%	-	-	-	-	-	-	-	-	-	-	-
On demand	Variable rates	-	9.55	-	-	-	-	-	-	-	-	9.55
Monthly (*)	9% to 12%	135	7,211.70	1	2.30	-	-	-	-	-	-	7,214.00
Total			**24,453.53**		**11,051.63**		**2,602.94**		**-**		**-**	**38,108.10**

(*) This represents securitised liability.

Notes:

All the above repayments disclosed as per the contractual maturities of debt securities, borrowings other than debts securities and subordinate liabilities as gross carrying value.

There have been no defaults in repayment of debentures or any instalments of term loan taken from banks and others.

The Company has utilised the proceeds from debt securities, other borrowings and subordinated liabilities for the purpose for which it was obtained except temporary deployment pending application of proceeds.

Arohan Financial Services Limited

Annexure 6 - Notes to Restated Financial Information

44 Financial Instruments - fair value measurements

(A) Financial assets and liabilities

The following tables shows the carrying amount of the financial assets and financial liabilities

As at December 31, 2025

(Amounts in ₹ millions)

Particulars	Note	FVTPL	FVOCI	Amortised cost	Total
Financial Assets:					
Cash and cash equivalents	5	-	-	5,079.99	5,079.99
Bank balance other than cash and cash equivalents	6	-	-	2,061.58	2,061.58
Trade receivables	7	-	-	89.21	89.21
Loans	8	-	-	58,326.86	58,326.86
Investments	9	4,459.57	-	2,911.28	7,370.85
Other financial assets	10	-	-	315.78	315.78
Total		**4,459.57**	**-**	**68,784.70**	**73,244.27**
Financial Liabilities:					
Trade payables Total outstanding dues of creditors other than micro enterprises and small enterprises)	20	-	-	308.45	308.45
Debt securities	17	-	-	1,558.11	1,558.11
Borrowings (other than debt securities)	18	-	-	48,142.14	48,142.14
Subordinated liabilities	19	-	-	2,494.07	2,494.07
Others financial liabilities	22	-	-	670.26	670.26
Total		**-**	**-**	**53,173.03**	**53,173.03**

As at March 31, 2025

(Amounts in ₹ millions)

Particulars	Note	FVTPL	FVOCI	Amortised cost	Total
Financial Assets:					
Cash and cash equivalents	5	-	-	4,364.76	4,364.76
Bank balance other than cash and cash equivalents	6	-	-	2,369.32	2,369.32
Trade receivables	7	-	-	83.79	83.79
Loans	8	-	-	57,051.08	57,051.08
Investments	9	188.12	-	3,445.34	3,633.46
Other financial assets	10	-	-	155.57	155.57
Total		**188.12**	**-**	**67,469.86**	**67,657.98**
Financial Liabilities:					
Trade payables Total outstanding dues of creditors other than micro enterprises and small enterprises)	20	-	-	275.15	275.15
Debt securities	17	-	-	2,130.37	2,130.37
Borrowings (other than debt securities)	18	-	-	40,907.05	40,907.05
Subordinated liabilities	19	-	-	3,996.61	3,996.61
Others financial liabilities	22	-	-	733.81	733.81
Total		**-**	**-**	**48,042.99**	**48,042.99**

As at March 31, 2024

(Amounts in ₹ millions)

Particulars	Note	FVTPL	FVOCI	Amortised cost	Total
Financial Assets:					
Cash and cash equivalents	5	-	-	9,389.61	9,389.61
Bank balance other than cash and cash equivalents	6	-	-	3,286.51	3,286.51
Trade receivables	7	-	-	145.24	145.24
Loans	8	-	-	66,157.38	66,157.38
Investments	9	901.11	0.50	-	901.61
Other financial assets	10	-	-	338.99	338.99
Total		**901.11**	**0.50**	**79,317.73**	**80,219.34**
Financial Liabilities:					
Trade payables Total outstanding dues of creditors other than micro enterprises and small enterprises)	20	-	-	280.98	280.98
Debt securities	17	-	-	4,090.38	4,090.38
Borrowings (other than debt securities)	18	-	-	52,079.62	52,079.62
Subordinated liabilities	19	-	-	3,988.43	3,988.43
Others financial liabilities	22	-	-	1,124.14	1,124.14
Total		**-**	**-**	**61,563.55**	**61,563.55**

Arohan Financial Services Limited

Annexure 6 - Notes to Restated Financial Information

44 Financial Instruments - fair value measurements

(A) Financial assets and liabilities (cont'd.)

As at March 31, 2023

(Amounts in ₹ millions)

Particulars	Note	FVTPL	FVOCI	Amortised cost	Total
Financial Assets:					
Cash and cash equivalents	5	-	-	5,565.61	5,565.61
Bank balance other than cash and cash equivalents	6	-	-	3,780.01	3,780.01
Trade receivables	7	-	-	162.47	162.47
Loans	8	-	-	47,822.20	47,822.20
Investments	9	787.20	0.50	-	787.70
Other financial assets	10	-	-	267.03	267.03
Total		**787.20**	**0.50**	**57,597.32**	**58,385.02**
Financial Liabilities:					
Trade payables Total outstanding dues of creditors other than micro enterprises and small enterprises)	20	-	-	139.42	139.42
Debt securities	17	-	-	3,008.48	3,008.48
Borrowings (other than debt securities)	18	-	-	38,093.63	38,093.63
Subordinated liabilities	19	-	-	4,232.79	4,232.79
Others financial liabilities	22	-	-	973.34	973.34
Total		**-**	**-**	**46,447.66**	**46,447.66**

(B) Fair value hierarchy

Financial assets and financial liabilities are measured at fair value in the Restated Financial Information and are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:
Level 1: Quoted prices (unadjusted) for identical instruments in an active market.
Level 2: Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 input; and
Level 3: inputs that are not based on observable market data (unobservable inputs).

(C) Financial assets and liabilities measured at fair value - recurring fair value measurements

(Amounts in ₹ millions)

As at December 31, 2025	Level 1	Level 2	Level 3
Financial Assets:			
Investments	7,370.85	-	-
Total	**7,370.85**	**-**	**-**

(Amounts in ₹ millions)

As at March 31, 2025	Level 1	Level 2	Level 3
Financial Assets:			
Investments	3,633.46	-	-
Total	**3,633.46**	**-**	**-**

(Amounts in ₹ millions)

As at March 31, 2024	Level 1	Level 2	Level 3
Financial Assets:			
Investments	-	901.61	-
Total	**-**	**901.61**	**-**

(Amounts in ₹ millions)

As at March 31, 2023	Level 1	Level 2	Level 3
Financial Assets:			
Investments	-	787.70	-
Total	**-**	**787.70**	**-**

There are no such financial liabilities measured at fair value.
No transfers has been made for any assets and liabilities which are held between Level 1 and Level 2 of the fair value hierarchy.

Arohan Financial Services Limited

Annexure 6 - Notes to Restated Financial Information

44 Financial Instruments - fair value measurements

(C) Financial assets and liabilities measured at fair value - recurring fair value measurements (Cont'd)

Valuation process and technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

(a) Non credit impaired portfolio loans are valued by discounting the aggregate future cash flows (both principal and interest cash flows) with risk-adjusted discounting rate for the remaining portfolio tenor. The Company has considered the average valuation impact arrived using average lending rate of last quarter.

(b) For unquoted equity instruments, the Company has used earning capitalisation method (fair value approach) discounted at a rate to reflect the risk involved in the business.

(c) For security receipts and mutual fund investments, the Company has used the net asset value (NAV) on the basis of the statement received from the investee party.

(d) All the borrowing facilities are fair valued by discounting the aggregate future cash flows (both principal and interest cash flows) with risk-adjusted discounting rate for the remaining loan tenor.

(D) Fair value of instruments measured at amortised cost

The financial assets such as cash and cash equivalents, bank balance other than cash and cash equivalents, trade receivables and other financial assets and financial liabilities i.e. other financial liabilities approximates their carring value to their fair value.

Fair value of loans, investments, debt securities, borrowings (other than debt securities) and subordinated liabilities measured at amortised cost for which fair value is disclosed is as follows, these fair values are calculated using Level 2 inputs.

(Amounts in ₹ millions)

Particulars	As at December 31, 2025		As at March 31, 2025	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
Loans	58,326.86	58,533.13	57,051.08	57,828.60
Investments	7,370.85	7,669.33	3,633.46	3,923.59
Total	**65,697.71**	**66,202.46**	**60,684.54**	**61,752.19**
Financial liabilities				
Debt securities	1,558.11	1,569.87	2,130.37	2,127.29
Borrowings (other than debt securities)	48,142.14	47,831.92	40,907.05	40,902.77
Subordinated liabilities	2,494.07	2,609.56	3,996.61	4,140.92
Total	**52,194.32**	**52,011.35**	**47,034.03**	**47,170.98**

(Amounts in ₹ millions)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
Loans	66,157.38	66,210.11	47,822.20	47,500.47
Investments	901.61	1,101.61	787.70	787.70
Total	**67,058.99**	**67,311.72**	**48,609.90**	**48,288.17**
Financial liabilities				
Debt securities	4,090.38	4,226.15	3,008.48	3,078.85
Borrowings (other than debt securities)	52,079.62	51,890.28	38,093.63	37,986.02
Subordinated liabilities	3,988.43	4,225.09	4,232.79	4,304.12
Total	**60,158.43**	**60,341.52**	**45,334.90**	**45,368.99**

The respective carrying values of certain on-balance sheet financial instruments approximate their fair value. These financial instruments include cash on hand, balances with banks, trade receivables, trade payables and certain other financial assets and liabilities. Carrying values were assumed to approximate fair values for these financial instruments as they are short-term in nature and their recorded amounts approximate fair values or are receivable or payable on demand.

Arohan Financial Services Limited

Annexure 6 - Notes to Restated Financial Information

45 Financial risk management

Risk Management

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's board of directors has overall responsibility for the establishment and oversight of the Company risk management framework. The Company manages the risk basis policies approved by the board of directors. The board of directors provides written principles for overall risk management. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements

Risk	Exposure arising from	Measurement	Risk management
Credit risk	Cash and cash equivalents (excluding cash on hand), bank balance other than cash and cash equivalents, investments, loans, trade receivables and other financial assets.	Credit limit and ageing analysis	Highly rated bank deposits and diversification of asset base.
Liquidity risk	Borrowings, debt securities, subordinated liabilities, trade payables and other financial liabilities.	Cash flow forecasts.	Committed borrowing and other credit facilities and sale of loan assets (whenever required)
Market risk - interest rate	Change in interest rate of variable rates borrowings, debt securities and subordinated liabilities.	Sensitivity analysis	Review of cost of funds and pricing disbursement
Market risk - security price	Investments in equity securities, mutual funds, security receipts and certificate of deposits and commercial papers.	Sensitivity analysis	Diversification of portfolio, with focus on strategic investments

In order to avoid excessive concentration of risk, the Company's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

A. Credit risk

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

Disclosure for the period ended December 31, 2025 and year ended March 31, 2025:

a) Financial assets that expose the entity to credit risk

The following provides information about the exposure to credit risk and expected credit loss for assets on finance.

Cash and cash equivalents and bank balance other than cash and cash equivalents

The Company holds cash and cash equivalents and bank balance of ₹7,141.58 millions as at December 31, 2025, ₹6,734.08 millions as at March 31, 2025. This also includes earmarked funds of ₹5.18 millions as on December 31, 2025, ₹16.79 millions as on March 31, 2025 which does not possess any credit risk.The rest of cash and cash equivalents including fixed deposits are held with bank and financial institution counterparties with sound credit ratings.

Expected credit loss on trade receivables and other financial assets

Trade receivables of ₹89.22 millions as at December 31, 2025 and ₹83.79 millions as at March 31, 2025 primarily includes receivables against fees and commission income and are measured at amortised cost. These receivables are of short term in nature and there has been no impairment allowance on the same.

Other financial asset as on December 31, 2025 of ₹315.78 millions and March 31, 2025 of ₹162.13 millions are measured at amortised cost and there has been no impairment allowance on the same except for insurance receivables of nil as on December 31, 2025 and ₹6.56 millions as on March 31, 2025.

Expected credit loss on Investments

The following table provides information about the exposure to credit risk and expected credit loss for investments.

(Amounts in ₹ millions)

Particulars	Gross carrying amount	Weighted average loss rate	Loss allowance	Whether credit impaired
As at December 31, 2025				
Current (not past due)	7,289.18	-	-	No
Upto 30 days overdue	-	-	-	NA
More than 30 days and upto 60 days overdue	-	-	-	NA
More than 60 days and upto 90 days overdue	-	-	-	NA
More than 90 days overdue	381.06	78.57%	299.39	Yes
As at March 31, 2025				
Current (not past due)	3,445.84	0.01%	0.50	No
Upto 30 days overdue	-	-	-	NA
More than 30 days and upto 60 days overdue	-	-	-	NA
More than 60 days and upto 90 days overdue	-	-	-	NA
More than 90 days overdue	528.12	64.38%	340.00	Yes

Arohan Financial Services Limited

Annexure 6 - Notes to Restated Financial Information

45 Financial risk management

A. Credit risk (Cont'd)

Loans measured at amortised cost

The following table provides information about the exposure to credit risk and expected credit loss for loans.

(Amounts in ₹ millions)

Particulars	Gross carrying amount	Weighted average loss rate	Loss allowance	Whether credit impaired
As at December 31, 2025				
Current (not past due)	58,246.87	1.23%	718.46	No
Upto 30 days overdue	285.72	25.16%	71.89	No
More than 30 days and upto 60 days overdue	458.42	47.07%	215.77	No
More than 60 days and upto 90 days overdue	220.35	40.16%	88.50	No
More than 90 days overdue	978.98	78.54%	768.87	Yes
As at March 31, 2025				
Current (not past due)	56,111.43	0.85%	477.87	No
Upto 30 days overdue	465.88	17.84%	83.13	No
More than 30 days and upto 60 days overdue	575.22	23.51%	135.24	No
More than 60 days and upto 90 days overdue	549.18	41.24%	226.50	No
More than 90 days overdue	1,641.29	83.42%	1,369.17	Yes

Disclosure for the year ended March 31, 2024 and March 31, 2023:

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. The Company assesses and manages credit risk based on risk monitoring and measurement metrics and well defined loan appraisal process. Internal credit rating and monitoring is performed for each class of financial instruments with different characteristics. The Company has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

(i) Low credit risk

(ii) Moderate credit risk

(iii) High credit risk

The Company provides for expected credit loss based on the following:

Financial assets that expose the entity to credit risk

Nature	Assets covered	Basis of expected credit loss
Low credit risk	Cash and cash equivalents (excluding cash on hand), other bank balances, investments, loans, trade receivables and other financial assets	Life time expected credit loss or 12 month expected credit loss
Moderate credit risk	Loans	Life time expected credit loss or 12 month expected credit loss
High credit risk	Loans	Life time expected credit loss or fully provided for

(Amounts in ₹ millions)

Particulars	As at 31 March 2024	As at 31 March 2023
(i) Low credit risk		
Cash and cash equivalents (*) (#)	9,387.13	5,562.00
Other bank balances (*)	3,286.51	3,780.01
Trade receivables (*)	145.24	177.21
Investments (*)	1,101.61	787.70
Loans (*)	66,336.01	46,564.44
Other financial assets (*)	348.03	275.54
(ii) Moderate credit risk		
Loans (*)	410.15	2,732.04
(iii) High credit risk		
Loans (*)	1,115.79	1,372.13

(*) Represent gross carrying values of financial assets, without netting off impairment loss allowance.

(#) Exclude cash in hand balance since there is no credit risk.

Cash and cash equivalents and bank deposits

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

Trade receivables

Trade receivables measured at amortised cost and credit risk related to these are managed by monitoring the recoverability of such amounts continuously.

Other financial assets

Other financial assets measured at amortized cost includes security deposits, receivable on assignment, insurance claim receivables and other receivables. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

Expected credit losses for financial assets other than loans

The Company has made expected credit losses for financial assets other than loans.

(Amounts in ₹ millions)

Particulars	Cash and cash equivalents (*)	Other bank balances	Trade receivables	Investments	Other financial assets
Year ended March 31, 2024					
Estimated gross carrying amount	9,387.13	3,286.51	145.24	1,101.61	348.03
Less: Expected credit losses				200.00	9.04
Carrying amount net of impairment allowance	**9,387.13**	**3,286.51**	**145.24**	**901.61**	**338.99**
Year ended March 31, 2023					
Estimated gross carrying amount	5,562.00	3,780.01	177.21	787.70	275.54
Less: Expected credit losses			14.74	-	8.51
Carrying amount net of impairment allowance	**5,562.00**	**3,780.01**	**162.47**	**787.70**	**267.03**

(*) Exclude cash in hand balance since there is no credit risk.

Loans

The Company closely monitors the credit-worthiness of the borrower's through internal systems and appraisal process to assess the credit risk and define credit limits of borrower, thereby, limiting the credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties. These processes include a detailed appraisal methodology, identification of risks and suitable structuring and credit risk mitigation measures. The Company assesses increase in credit risk on an ongoing basis for amounts loan receivables that become past due and default is considered to have occurred when amounts receivable become 90 days past due.

The major guidelines for selection of the client includes:

1, The client's income and fixed obligation to income ratio levels must be within the prescribed guidelines of Reserve Bank of India;

2. The client must possess the required KYC documents;

3. The client's household must be engaged in some form of economic activity which ensures regular and assured income;

4. Client must agree to follow the rules and regulations of the organisation and

5. Credit bureau check – In order to deal with the problem of over extension of credit and indebtedness of the client, the organisation undertakes credit bureau checks compulsorily for every client. The credit bureau check helps the organisation in identifying clients with poor repayment histories and multiple loans.

Arohan Financial Services Limited

Annexure 6 - Notes to Restated Financial Information

45 Financial risk management

Movement of carrying amount and expected credit loss for loans

Definition of default: The Company considers default in all cases when the borrower becomes 90 days past due on its contractual payments. The Expected Credit Loss (ECL) is measured at 12-month ECL for Stage 1 loan assets and at lifetime ECL for Stage 2 and Stage 3 loan assets. ECL is the product of the Probability of Default, Exposure at Default and Loss Given Default.

(Amounts in ₹ millions)

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at March 31, 2022	**34,781.32**	**4,832.29**	**1,870.07**	**41,483.68**
Assets originated (*)	40,759.40	2,071.47	-	42,830.87
Net transfer between stages				
Transfer to stage 1	79.24	(77.37)	(1.87)	-
Transfer to stage 2	(754.15)	755.10	(0.95)	-
Transfer to stage 3	(2,276.27)	(1,827.11)	4,103.38	-
Assets derecognised or collected (excluding write offs)	(26,025.10)	(2,492.88)	(1,363.63)	(29,881.61)
Write - offs (including death cases & settlements)	-	(529.46)	(3,234.87)	(3,764.33)
Gross carrying amount as at March 31, 2023	**46,564.44**	**2,732.04**	**1,372.13**	**50,668.61**
Assets originated (*)	54,881.99	-	-	54,881.99
Net transfer between stages				
Transfer to stage 1	0.78	(0.63)	(0.15)	-
Transfer to stage 2	(1,052.57)	1,054.02	(1.45)	-
Transfer to stage 3	(1,502.34)	(696.15)	2,198.49	-
Assets derecognised or collected (excluding write offs)	(32,522.30)	(267.10)	(187.04)	(32,976.44)
Write - offs (including death cases)	(33.99)	(2,412.03)	(2,266.19)	(4,712.21)
Gross carrying amount as at March 31, 2024	**66,336.01**	**410.15**	**1,115.79**	**67,861.95**
Assets originated (*)	37,864.80	-	-	37,864.80
Net transfer between stages				
Transfer to stage 1	0.75	(0.54)	(0.21)	-
Transfer to stage 2	(1,123.61)	1,123.66	(0.05)	-
Transfer to stage 3	(4,136.22)	(353.81)	4,490.03	-
Assets derecognised or collected (excluding write offs)	(42,364.43)	(55.06)	(15.53)	(42,435.02)
Write - offs (including death cases & settlements)	-	-	(3,948.74)	(3,948.74)
Gross carrying amount as at March 31, 2025	**56,577.30**	**1,124.40**	**1,641.29**	**59,342.99**
Assets originated (*)	38,841.15	-	-	38,841.15
Net transfer between stages				
Transfer to stage 1	9.78	(8.95)	(0.83)	-
Transfer to stage 2	(668.95)	669.82	(0.87)	-
Transfer to stage 3	(1,959.58)	(956.38)	2,915.96	-
Assets derecognised or collected (excluding write offs)	(34,267.11)	(150.13)	(192.82)	(34,610.06)
Write - offs (including death cases)	-	-	(3,383.74)	(3,383.74)
Gross carrying amount as at December 31, 2025	**58,532.59**	**678.76**	**978.99**	**60,190.34**

(*) Assets originated during the period/ year has been presented on net basis i.e. the collections towards fresh loans has been netted off.

Arohan Financial Services Limited

Annexure 6 - Notes to Restated Financial Information

45 Financial risk management

A. Credit risk (Cont'd)

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

(Amounts in ₹ millions)

Reconciliation of loss allowance	Stage 1	Stage 2	Stage 3	Total
Loss allowance on March 31, 2022	**1,102.22**	**1,961.07**	**1,318.41**	**4,381.70**
Increase of provision due to assets originated during the year	401.00	825.23	-	1,226.23
Net transfer between stages				
Transfer to stage 1	0.78	(30.96)	(1.75)	(31.93)
Transfer to stage 2	(7.38)	301.24	(0.89)	292.97
Transfer to stage 3	(22.23)	(728.10)	3,824.16	3,073.83
Assets derecognised or collected	(259.51)	(985.65)	(1,227.90)	(2,473.06)
Impact of ECL on exposures transferred between stages during the year	(755.56)	293.89	602.67	141.00
Write - offs (including death cases & settlements)	-	(529.46)	(3,234.87)	(3,764.33)
Loss allowance on March 31, 2023 (#)	**459.32**	**1,107.26**	**1,279.83**	**2,846.41**
Increase of provision due to assets originated during the year	341.56	-	-	341.56
Net transfer between stages				
Transfer to stage 1	0.01	(0.22)	(0.15)	(0.36)
Transfer to stage 2	(6.51)	362.80	(1.45)	354.84
Transfer to stage 3	(9.28)	(239.23)	2,196.49	1,947.98
Assets derecognised or collected	(202.93)	(92.31)	(188.44)	(483.68)
Impact of ECL on exposures transferred between stages during the year	(135.25)	1,449.59	95.69	1,410.03
Write - offs (including death cases)	(34.00)	(2,412.03)	(2,266.18)	(4,712.21)
Loss allowance on March 31, 2024 (#)	**412.92**	**175.86**	**1,115.79**	**1,704.57**
Increase of provision due to assets originated during the year	737.33	-	-	737.33
Net transfer between stages				
Transfer to stage 1	0.39	(0.18)	(0.21)	-
Transfer to stage 2	(94.02)	94.07	(0.05)	-
Transfer to stage 3	(354.46)	(111.39)	465.85	-
Assets derecognised or collected	(593.14)	(96.79)	(316.28)	(1,006.21)
Impact of ECL on exposures transferred between stages during the year	451.98	300.16	4,052.82	4,804.96
Write - offs (including death cases)	-	-	(3,948.74)	(3,948.74)
Loss allowance on March 31, 2025 (#)	**561.00**	**361.73**	**1,369.18**	**2,291.91**
Increase of provision due to assets originated during the period	493.86	-	-	493.86
Net transfer between stages				
Transfer to stage 1	2.05	(1.58)	(0.47)	-
Transfer to stage 2	(29.17)	29.62	(0.45)	(0.00)
Transfer to stage 3	(110.03)	(273.95)	383.98	-
Assets derecognised or collected	(744.30)	(37.72)	(463.06)	(1,245.08)
Impact of ECL on exposures transferred between stages during the period	616.93	226.16	2,863.44	3,706.53
Write - offs (including death cases)	-	-	(3,383.74)	(3,383.74)
Loss allowance on December 31, 2025 (#)	**790.34**	**304.26**	**768.88**	**1,863.48**

(#) Impairment allowance on investment in security receipts as on December 31, 2025 of ₹299.39 millions, March 31, 2025 of ₹340.50 millions, March 31, 2024 of ₹200 millions and nil as on March 31, 2023 was not included in the above table.

Concentration of loans

(Amounts in ₹ millions)

Particulars	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Micro finance loans	55,558.70	55,814.17	65,891.27	50,583.13
Secured term loans to corporates (#)	4,631.64	3,528.82	1,970.68	85.48
Total	**60,190.34**	**59,342.99**	**67,861.95**	**50,668.61**

(#) The secured term loans disbursed to corporates are all secured by book debts

(B) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities (other than derivatives) that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

The Company maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors the Company's liquidity positions (also comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows. The Company also takes into account liquidity of the market in which the entity operates.

(i) Financing arrangements

The Company has access to the following funding facilities:

(Amounts in ₹ millions)

Particulars	Total facility	Drawn	Undrawn
As at December 31, 2025			
- Expiring within one year	3,550.00	1,950.00	1,600.00
- Expiring beyond one year	-	-	-
Total	**3,550.00**	**1,950.00**	**1,600.00**
As at March 31, 2025			
- Expiring within one year	8,500.00	1,910.10	6,589.90
- Expiring beyond one year	-	-	-
Total	**8,500.00**	**1,910.10**	**6,589.90**
As at March 31, 2024			
- Expiring within one year	20,300.00	9,920.00	10,380.00
- Expiring beyond one year	-	-	-
Total	**20,300.00**	**9,920.00**	**10,380.00**
As at March 31, 2023			
- Expiring within one year	7,000.00	3,350.00	3,650.00
- Expiring beyond one year	-	-	-
Total	**7,000.00**	**3,350.00**	**3,650.00**

Arohan Financial Services Limited

Annexure 6 - Notes to Restated Financial Information

45 Financial risk management

(B) Liquidity risk (Cont'd)

(ii) Maturities of financial assets and liabilities

The tables below analyse the Company financial assets and liabilities into relevant maturity groupings based on their contractual maturities. The amounts disclosed in the table are the contractual undiscounted cash flows:

(Amounts in ₹ millions)

Particulars	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
As at December 31, 2025					
Financial assets					
Non derivative financial assets					
Cash and cash equivalents	5,089.70	-	-	-	5,089.70
Bank balance other than cash and cash equivalents	1,580.29	379.45	205.03	33.84	2,198.61
Trade receivables	89.21	-	-	-	89.21
Loans	47,770.70	21,351.35	1,232.47	918.17	71,272.69
Investments (#)	6,694.13	623.36	-	371.67	7,689.16
Other financial assets	304.70	0.26	3.73	7.09	315.78
Total undiscounted financial assets	**61,528.73**	**22,354.42**	**1,441.23**	**1,330.77**	**86,655.15**
Financial liabilities					
Non derivative financial liabilities					
Trade payables (other than micro enterprises and small enterprises)	384.84	-	-	-	
Debt securities	685.25	1,119.80	-	-	1,805.05
Borrowings other than debt securities	34,940.33	15,231.87	1,701.10	-	51,873.30
Subordinated liabilities	584.85	2,400.51	-	-	2,985.36
Other financial liabilities	613.67	18.23	14.01	24.35	670.26
Total undiscounted financial liabilities	**37,208.94**	**18,770.41**	**1,715.11**	**24.35**	**57,333.97**
Net undiscounted financial assets/(liabilities)	**24,319.79**	**3,584.01**	**(273.88)**	**1,306.42**	**29,321.18**

(#) Investment includes Security Receipts, the cash flow of which is difficult to estimate hence classified as per the residual maturity allowed by RBI.

(Amounts in ₹ millions)

Particulars	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
As at March 31, 2025					
Financial assets					
Non derivative financial assets					
Cash and cash equivalents	4,372.61	-	-	-	4,372.61
Bank balance other than cash and cash equivalents	1,679.66	746.76	90.50	33.84	2,550.76
Trade receivables	83.79	-	-	-	83.79
Loans	50,196.47	16,468.52	1,083.04	1,527.69	69,275.72
Investments (#)	1,900.57	1,653.22	-	528.12	4,081.91
Other financial assets	143.50	0.11	0.91	11.06	155.58
Total undiscounted financial assets	**58,376.60**	**18,868.61**	**1,174.45**	**2,100.71**	**80,520.37**
Financial liabilities					
Non derivative financial liabilities					
Trade payables (other than micro enterprises and small enterprises)	275.15	-	-	-	275.15
Debt Securities	657.48	685.25	1,119.80	-	2,462.53
Borrowings other than debt securities	24,789.88	16,129.61	3,449.32	-	44,368.81
Subordinated liabilities	1,787.77	584.85	2,400.51	-	4,773.13
Other financial liabilities	679.95	11.10	10.57	32.20	733.82
Total undiscounted financial liabilities	**28,190.23**	**17,410.81**	**6,980.20**	**32.20**	**52,613.44**
Net undiscounted financial assets/(liabilities)	**30,186.37**	**1,457.80**	**(5,805.75)**	**2,068.51**	**27,906.93**

(#) Investment includes Security Receipts, the cash flow of which is difficult to estimate hence classified as per the residual maturity allowed by RBI.

(Amounts in ₹ millions)

Particulars	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
As at March 31, 2024					
Financial assets					
Non derivative financial assets					
Cash and cash equivalents	9,403.26	-	-	-	9,403.26
Bank balance other than cash and cash equivalents	1,675.38	1,100.22	313.18	468.12	3,556.90
Trade receivables	145.24	-	-	-	145.24
Loans	55,136.27	24,166.29	1,051.90	993.48	81,347.94
Investments (#)	-	-	-	1,101.61	1,101.61
Other financial assets	326.11	21.30	18.50	46.10	412.01
Total undiscounted financial assets	**66,686.26**	**25,287.81**	**1,383.58**	**2,609.31**	**95,966.96**
Financial liabilities					
Non derivative financial liabilities					
Trade payables (other than micro enterprises and small enterprises)	278.20	-	2.77	0.02	280.99
Debt Securities	1,212.99	873.24	846.08	2,285.38	5,217.69
Borrowings other than debt securities	36,645.89	17,401.64	2,913.29	-	56,960.82
Subordinated liabilities	545.94	1,871.79	576.93	2,324.41	5,319.07
Other financial liabilities	1,063.18	12.84	8.51	39.63	1,124.16
Total undiscounted financial liabilities	**39,746.20**	**20,159.51**	**4,347.58**	**4,649.44**	**68,902.73**
Net undiscounted financial assets/(liabilities)	**26,940.06**	**5,128.30**	**(2,964.00)**	**(2,040.13)**	**27,064.23**

(#) Investment includes Security Receipts, the cash flow of which is difficult to estimate hence classified as per the residual maturity allowed by RBI.

(Amounts in ₹ millions)

Particulars	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
As at March 31, 2023					
Financial assets					
Non derivative financial assets					
Cash and cash equivalents	5,576.69	-	-	-	5,576.69
Bank balance other than cash and cash equivalents	1,985.89	920.67	1,020.71	155.12	4,082.39
Trade receivables	168.51	-	-	-	168.51
Loans	40,002.53	18,464.34	484.62	1,273.49	60,224.98
Investments (#)	-	-	-	787.70	787.70
Other financial assets	267.12	1.27	0.43	6.91	275.73
Total undiscounted financial assets	**48,000.74**	**19,386.28**	**1,505.76**	**2,223.22**	**71,116.00**
Financial liabilities					
Non derivative financial liabilities					
Trade payables (other than micro enterprises and small enterprises)	138.82	0.53	0.06	-	139.41
Debt securities	1,257.92	955.55	144.32	1,329.91	3,687.70
Borrowings other than debt securities	26,947.80	11,900.89	2,700.86	-	41,549.55
Subordinated liabilities	815.36	545.94	1,871.79	2,901.34	6,134.43
Other financial liabilities	962.41	17.80	8.96	18.28	1,007.45
Total undiscounted financial liabilities	**30,122.31**	**13,420.71**	**4,725.99**	**4,249.53**	**52,518.54**
Net undiscounted financial assets/(liabilities)	**17,878.43**	**5,965.57**	**(3,220.23)**	**(2,026.31)**	**18,597.46**

(#) Investment includes Security Receipts, the cash flow of which is difficult to estimate hence classified as per the residual maturity allowed by RBI.

Arohan Financial Services Limited

Annexure 6 - Notes to Restated Financial Information

45 Financial risk management

(C) Market risk

(a) Interest rate risk

i) Liabilities

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. As at December 31, 2025, March 31, 2025, March 31, 2024 and March 31, 2023 the Company is exposed to changes in market interest rates through debt securities, other borrowings and subordinated liabilities at variable interest rates.

Interest rate risk exposure

Below is the overall exposure (*) of the Company to interest rate risk:

(Amounts in ₹ millions)

Particulars	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Variable rate liabilities				
Debt securities	-	-	-	-
Borrowings (other than debt securities)	43,427.53	38,954.81	43,734.35	24,964.56
Subordinated liabilities	-	-	-	250.00
Fixed rate liabilities	-			
Debt securities	1,560.00	2,080.00	4,005.00	2,912.00
Borrowings other than debt securities	180.16	1,911.15	4,365.37	5,929.54
Subordinated liabilities	2,500.00	4,000.00	4,000.00	4,000.00
Liability against securitisation	4,576.92	93.52	4,100.36	7,214.00
Total	**52,244.61**	**47,039.48**	**60,205.08**	**45,270.10**

(*) 'The above figures are at their principal carrying amount

Sensitivity

The sensitivity of the Restated Statement of Profit and Loss is the effect of the changes in market interest rates on debt securities, other borrowings and subordinated liabilities. Below is the sensitivity of profit and loss in interest rates.

(Amounts in ₹ millions)

Particulars	Nine months period ended December 31, 2025	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Interest sensitivity*				
Interest rates – increase by 0.50%	178.54	274.21	253.07	201.62
Interest rates – decrease by 0.50%	(178.54)	(274.21)	(253.07)	(201.62)

** Holding all other variables constant*

ii) Assets

The Company's fixed deposits are carried at amortised cost bearing fixed rate of interest, hence sensitivity analysis is not been presented.

(b) Price risk

Exposure

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

Legal and operational risk

Legal risk

Legal risk is the risk relating to losses due to legal or regulatory action that invalidates or otherwise precludes performance by the end user or its counterparty under the terms of the contract or related netting agreements.

The Company has developed preventive controls and formalised procedures to identify legal risks so that potential losses arising from non-adherence to laws and regulations, negative publicity, etc. are significantly reduced. As at December 31, 2025, March 31, 2025, March 31, 2024 and March 31, 2023 there are no material legal cases pending against the Company. The management believes that no substantial liability is likely to arise from these cases.

Operational risk

Operational risk framework is designed to cover all functions and verticals towards identifying the key risks in the underlying processes. The framework, at its core, has the following elements:

1. Documented Operational Risk Management Policy.
2. Well defined Governance Structure.
3. Use of Identification and Monitoring tools such as Loss Data Capture, Key Risk Indicators, Brisk Operation Grading of branches every quarter.
4. Standardised reporting templates, reporting structure and frequency.

The Company has adopted the internationally accepted 3-lines of defence approach to operational risk management.

First line – Field Operations, Central Operation & Product function and Credit vertical exercise & also evaluate internal compliance and thereby lay down/ calibrates processes & policies for further improvement. Thus, the approach is "bottom-up", ensuring acceptance of findings and faster adoption of corrective actions, if any, to ensure mitigation of perceived risks.

Second line – Independent risk management vertical supports the first line in providing deep analytics insights, influencing risk mitigation strategies and provides oversight through regular monitoring. All key risks are presented to the Risk Management Committee on a quarterly basis.

Third line – Internal Audit conducts periodic risk-based audits of all functions and process to provide an independent assurance to the Audit Committee.

Arohan Financial Services Limited

Annexure 6 - Notes to Restated Financial Information

46 Capital management

The Company's capital management objectives are
- to ensure the Company's ability to continue as a going concern
- to comply with externally imposed capital requirement and maintain strong credit ratings
- to provide an adequate return to shareholders

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

(Amounts in ₹ millions)

Particulars	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Net debt (*)	52,194.32	47,034.03	60,158.43	45,334.90
Total equity	20,918.07	20,251.28	19,147.56	13,380.25
Net debt to equity ratio	**2.50**	**2.32**	**3.14**	**3.39**

(*) Net debt includes debt securities, borrowings other than debt securities, subordinated liabilities, interest accrued and net off loan processing cost.

47 Transferred financial assets

In the course of its micro finance activity, the Company makes transfers of financial assets, where legal rights to the cash flows from the asset are passed to the counterparty and where the Company retains the rights to the cash flows but assumes a responsibility to transfer them to the counterparty.

As on December 31, 2025, the Company has securitised its loan assets to an unrelated and other entities. As per the terms of the agreements, the Company exposed to first loss default guarantee ranging from 12.00% to 21.88% of the amount securitised and therefore continues to be exposed to significant risk and rewards relating to the underlying mortgage receivables. Hence, these loan assets are not derecognised and proceeds received are presented as borrowings. Hence, these loan assets are not derecognised and proceeds received are presented as borrowings.

As on March 31, 2025, the Company has securitised its loan assets to an unrelated, related and other entities. As per the terms of the agreements, the Company is exposed to first loss default guarantee 18.00% of the amount securitised and therefore continues to be exposed to significant risk and rewards relating to the underlying mortgage receivables. Hence, these loan assets are not derecognised and proceeds received are presented as borrowings.

As on March 31, 2024, the Company has securitised its loan assets to an unrelated, related and other entities. As per the terms of the agreements, the Company is exposed to first loss default guarantee 18.00% of the amount securitised and therefore continues to be exposed to significant risk and rewards relating to the underlying mortgage receivables. Hence, these loan assets are not derecognised and proceeds received are presented as borrowings.

As on March 31, 2023, the Company has securitised its loan assets to an unrelated and unconsolidated entities. As per the terms of the agreements, the Company is exposed to first loss default guarantee ranging from 17.00% to 18.00% of the amount securitised and therefore continues to be exposed to significant risk and rewards relating to the underlying mortgage receivables. Hence, these loan assets are not derecognised and proceeds received are presented as borrowings.

The following tables provide a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities:

(Amounts in ₹ millions)

Particulars	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Securitisation				
Gross carrying amount of securitised assets	5,210.98	275.25	4,167.36	7,971.80
Gross carrying amount of associated liabilities	4,576.92	93.52	4,100.36	7,214.00
Carrying value and fair value of securitised assets	5,210.98	275.25	4,167.36	7,971.80
Carrying value and fair value of associated liabilities	4,576.92	93.52	4,100.36	7,214.00
Net position	**634.06**	**181.73**	**67.00**	**757.80**

48 Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

(Amounts in ₹ millions)

Particulars	As at December 31, 2025		As at March 31, 2025		As at March 31, 2024		As at March 31, 2023	
	Within 12 months	After 12 months	Within 12 months	After 12 months	Within 12 months	After 12 months	Within 12 months	After 12 months
Assets								
Financial assets								
Cash and cash equivalents	5,079.99	-	4,364.76	-	9,389.61	-	5,565.61	-
Bank balance other than cash and cash equivalents	1,502.08	559.50	1,614.18	755.14	1,624.22	1,662.29	1,918.52	1,861.49
Trade receivables	89.21	-	83.79	-	145.24	-	162.47	-
Loans	38,726.35	19,600.51	41,575.72	15,475.36	44,177.48	21,979.90	31,402.00	16,420.20
Investments	6,661.00	709.85	1,794.87	1,838.59	-	901.61	-	787.70
Other financial assets	304.70	11.08	143.50	12.07	326.11	12.88	258.42	8.61
	52,363.33	**20,880.94**	**49,576.82**	**18,081.16**	**55,662.66**	**24,556.68**	**39,307.02**	**19,078.00**
Non-financial assets								
Current tax assets (net)	197.00	-	103.07	-	119.85	-	426.87	-
Deferred tax assets (net)	- 0.01	747.54	(0.01)	801.40	-	558.94	432.81	751.89
Property, plant and equipment	64.26	51.69	32.06	57.11	24.85	50.40	16.75	36.33
Intangible assets under development	-	-	2.95	-	5.51	-	4.41	-
Other Intangible assets	1.86	30.91	11.87	27.07	12.05	29.38	9.47	12.04
Right of use asset	18.21	47.53	14.31	45.76	20.11	53.55	16.90	32.11
Other non-financial assets	196.27	18.85	100.90	3.40	52.18	8.25	57.11	-
	477.59	**896.52**	**265.15**	**934.74**	**234.55**	**700.52**	**964.32**	**832.37**
Total assets	**52,840.92**	**21,777.46**	**49,841.97**	**19,015.90**	**55,897.21**	**25,257.20**	**40,271.34**	**19,910.37**
LIABILITIES AND EQUITY								
Liabilities								
Financial liabilities								
Payables								
Trade payables								
- Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	308.43	0.02	275.15	-	280.98	-	139.42	-
Debt securities	519.24	1,038.87	575.59	1,554.78	872.85	3,217.53	1,083.90	1,924.58
Borrowings (other than debt securities)	32,084.79	16,057.35	22,444.14	18,462.91	32,948.57	19,131.05	24,478.71	13,614.92
Subordinated liabilities	246.51	2,247.56	1,503.47	2,493.14	9.61	3,978.82	254.56	3,978.23
Other financial liabilities	613.66	56.60	679.94	53.87	1,063.17	60.97	936.26	37.08
	33,772.63	**19,400.40**	**25,478.29**	**22,564.70**	**35,175.18**	**26,388.37**	**26,892.85**	**19,554.81**
Non-financial liabilities								
Provisions	49.49	368.03	47.94	341.73	38.71	230.05	47.32	199.51
Other non-financial liabilities	109.76	-	171.43	2.50	133.03	41.51	106.97	-
	159.25	**368.03**	**219.37**	**344.23**	**171.74**	**271.56**	**154.29**	**199.51**
Total liabilities	**33,931.88**	**19,768.43**	**25,697.66**	**22,908.93**	**35,346.92**	**26,659.93**	**27,047.14**	**19,754.32**
Net equity	**18,909.04**	**2,009.03**	**24,144.31**	**(3,893.03)**	**20,550.29**	**(1,402.73)**	**13,224.20**	**156.05**

Arohan Financial Services Limited

Annexure 6 - Notes to Restated Financial Information

49 Related party transactions as required by Ind AS 24:

(a) (i) Names of the related party and nature of relationship:

Particulars	For the nine months period ended	For the year ended	For the year ended	For the year ended
Relationship	**December 31, 2025**	**March 31, 2025**	**March 31, 2024**	**March 31, 2023**
	Name of the related parties	**Name of the related parties**	**Name of the related parties**	**Name of the related parties**
Key managerial personnel (KMP)	Manoj Kumar Nambiar (Managing Director) Milind R Nare (Deputy Chief Executive Officer and Chief Financial Officer) Anirudh Singh Thakur (Company Secretary and Chief Compliance Officer)	Manoj Kumar Nambiar (Managing Director) Milind R Nare (Chief Financial Officer) Anirudh Singh Thakur (Company Secretary)	Manoj Kumar Nambiar (Managing Director) Milind R Nare (Chief Financial Officer) Anirudh Singh Thakur (Company Secretary)	Manoj Kumar Nambiar (Managing Director) Milind R Nare (Chief Financial Officer) Anirudh Singh Thakur (Company Secretary)
Nominee Directors	Vineet Chandra Rai (Promoter Nominee Director) Anurag Agrawal (Promoter Nominee Director) Nitish Chawla (Non Executive - Nominee Director) Rupa Rajul Vora (Non Executive - Nominee Director) Wilhelmus Marthinus Maria Van (Non Executive - Nominee Director) Piyush Goenka (Non Executive Nominee Director, till May 09, 2025) Stephen Dongwon Lee (Non Executive - Nominee Director) Karina Isabel Alva Alfaro (Non Executive - Nominee Director) Vemuru Chandramouli (Non Executive - Nominee Director, till May 23, 2025) Sri Radha Ramana Saripalli, SIDBI (Non Executive-Nominee Director, from May 23, 2025)	Vineet Chandra Rai (Promoter Nominee Director) Anurag Agrawal (Promoter Nominee Director) Nitish Chawla (Non Executive Nominee Director) Rupa Vora (Non Executive Nominee Director) Wilhelmus Marthinus Maria Van Der Beek (Non Executive Nominee Director) Piyush Goenka (Non Executive Nominee Director) Stephen Dongwon Lee (Non Executive - Nominee Director) Karina Isabel Alva Alfaro (Non Executive - Nominee Director)	Vineet Chandra Rai (Promoter Nominee Director) Anurag Agrawal (Promoter Nominee Director) Nitish Chawla (Non Executive Nominee Director from May 31, 2023) Rupa Vora (Non Executive Nominee Director from August 08, 2023) Wilhelmus Marthinus Maria Van Der Beek (Non Executive Nominee Director) Piyush Goenka (Non Executive Nominee Director) Aditya Mohan (Non Executive Nominee Director till August 08, 2023)	Vineet Chandra Rai (Promoter Nominee Director) Anurag Agrawal (Promoter Nominee Director)
Independent Director	Dinesh Kumar Mittal (Non Executive Independent Director) John Arunkumar Diaz (Non-Executive Independent Director) Ulhas S Deshpande (Non Executive - Independent Director) Jose Joseph Kattoor (Non Executive - Independent Director) Narasimha Kummamuri Murthy (Non Executive-Independent Director)	Dinesh Kumar Mittal (Non Executive Independent Director) Rajat Mohan Nag (Non Executive Independent Director till January 31, 2025) John Arunkumar Diaz (Non Executive Independent Director) Ulhas S Deshpande (Non Executive Independent Director) Jose J Kattoor (Non Executive - Independent Director from September 28, 2024) Narasimha Kummamuri Murthy (Non Executive-Independent Director from February 12,2025) (*)	Dinesh Kumar Mittal (Independent Director) Rajat Mohan Nag (Independent Director) John Arunkumar Diaz (Non Executive Independent Director from January 03, 2024) Ulhas S Deshpande (Non Executive Independent Director from January 15, 2024) Matangi Gowrishankar (Independent Director) Sumantra Banerjee (Independent Director)	Dinesh Kumar Mittal (Independent Director) Rajat Mohan Nag (Independent Director) Matangi Gowrishankar (Independent Director) Sumantra Banerjee (Independent Director)

(*) Appoinment was regularised as an Independent Director by the shareholders of the Company at its meeting held on April 22, 2025.

(ii) Additional disclosures for transaction with entities having common director

Particulars	For the nine months period ended	For the year ended	For the year ended	For the year ended
Relationship	**December 31, 2025**	**March 31, 2025**	**March 31, 2024**	**March 31, 2023**
	Name of the related parties	**Name of the related parties**	**Name of the related parties**	**Name of the related parties**
Entities which are able to exercise control or have significant influence			Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden N.V. (FMO) Tano India Private Equity Fund II	Aavishkaar Goodwell India Microfinance Development Company-II Limited Tano India Private Equity Fund II
Transaction with entities having common director	Ashv Finance Limited Aavishkaar Venture Management Services Private Limited Shivalik Small Finance Bank Aavishkaar Foundation	Ashv Finance Limited Aavishkaar Venture Management Services Private Limited Shivalik Small Finance Bank Aavishkaar Foundation	Ashv Finance Limited Aavishkaar Venture Management Services Private Limited Shivalik Small Finance Bank Aavishkaar Foundation Intellecap Advisory Services Private Limited Bharti Airtel Limited (till March 12, 2024)	Ashv Finance Limited (Erstwhile Jain Sons Finlease Limited) Aavishkaar Venture Management Services Private Limited Shivalik Small Finance Bank (w.e.f. August, 08, 2022) Aavishkaar Foundation Ulink Agritech Private Limited Intellecap Advisory Services Private Limited Intellectual Capital Advisory Services Private Limited Aavishkaar Capital Advisory LLP
Entities over which KMP have significant influence or control				Tribetech Private Limited

Arohan Financial Services Limited

Annexure 6 - Notes to Restated Financial Information

49 Related party transactions as required by Ind AS 24 (Cont'd)**:**

(b) Summary of related party transactions during the period/ years

(i) Name of party with nature of transaction

(Amounts in ₹ millions)

Particulars	Nine months period ended December 31, 2025	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Director's commission (#)				
Dinesh Kumar Mittal	-	5.00	4.00	2.50
Matangi Gowrishankar	-	-	2.00	1.25
Rajat Mohan Nag	-	2.10	2.50	1.25
Sumantra Banerjee	-	-	2.00	1.25
Nitish Chawla	-	-	0.75	-
Rupa Rajul Vora	-	2.00	1.25	-
Vineet Chandra Rai	-	15.00	3.00	-
Anurag Agrawal	-	4.80	2.00	-
Wilhelmus Marthinus Maria Van Der Beek	-	-	1.00	-
Piyush Goenka	-	-	1.00	-
John Arunkumar Diaz	-	3.00	0.50	-
Ulhas S Deshpande	-	2.50	0.50	-
Jose J Kattoor		1.50	-	
Provision as on December 31, 2025 (*)	25.60	-	-	-
(*) For the nine month period ended December 31, 2025 an adhoc provision of ₹25.60 millions is considered towards directors commission which will be paid at the year end only after Nomination and Remuneration Committee approval and General Meeting.				
Remuneration				
Manoj Kumar Nambiar	32.39	34.69	27.58	23.06
Milind R Nare	18.59	19.70	15.96	12.35
Anirudh Singh Thakur	15.28	17.18	11.20	8.88
Sitting Fees (#)				
Dinesh Kumar Mittal	0.35	0.68	0.72	0.46
Matangi Gowrishankar	-	-	0.67	0.70
Rajat Mohan Nag	-	0.63	0.94	0.58
Sumantra Banerjee	-	-	0.75	0.52
Ulhas S Deshpande	0.43	0.60	0.13	-
John Arunkumar Diaz	0.58	0.98	0.20	-
Rupa Rajul Vora	0.20	0.40	0.25	-
Vemuru Chandramouli	-	0.05	-	-
Josh J Kattoor	0.35	0.28	-	-
Piyush Goenka	-	0.40	-	-
Vineet Chandra Rai	0.23	0.35	-	-
Anurag Agrawal	0.23	0.45	-	-
Sri Radha Ramana Saripalli	0.15	-	-	-
Narasimha Kummamuri Murthy	0.43	-	-	-
(#) The above amounts are excluding taxes				

Note:

1. All transactions with the related parties are priced on an arm's length basis and at normal commercial terms.
2. There are no transaction during the period with relatives (as defined in clause 77 of section 2 of Companies Act, 2013) of related parties.

(ii) **Short-term employee benefits for KMP**

(Amounts in ₹ millions)

Particulars	Nine months period ended December 31, 2025	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Short-term employee benefits (including remunerations)	63.77	68.41	52.23	42.22
Post-employment benefits (*)	2.49	3.16	2.51	2.07

(*) As provisions for gratuity and leave benefits are made for the Company as a whole, the amount pertaining to KMPs are not specifically identified and hence are not included above.

Arohan Financial Services Limited

Annexure 6 - Notes to Restated Financial Information

49 Related party transactions as required by Ind AS 24 (Cont'd)**:**

(iii) **Balances with related parties at period/year end:**

(Amounts in ₹ millions)

Particulars	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Payable to Directors (*)				
Dinesh Kumar Mittal	-	5.00	4.00	2.50
Matangi Gowrishankar	-	-	2.00	1.25
Rajat Mohan Nag	-	2.10	2.50	1.25
Sumantra Banerjee	-	-	2.00	1.25
Vineet Chandra Rai	-	5.24	3.00	-
Anurag Agrawal	-	1.68	2.00	-
Nitish Chawla	-	-	0.75	-
Rupa Vora	-	2.00	1.25	-
Wilhelmus Marthinus Maria Van Der Beek	-	-	1.00	-
Piyush Goenka	-	-	1.00	-
John Arunkumar Diaz	-	3.00	0.50	-
Ulhas S Deshpande	-	2.50	0.50	-
Jose J Kattoor	-	1.50	-	-
Provision as on December 31, 2025	25.60	-	-	-

(*) The above amounts are excluding taxes

C Additional disclosures for transaction with entities having common director

(i) Name of party with nature of transaction

(Amounts in ₹ millions)

Particulars	Nine months period ended December 31, 2025	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Loan availed				
Shivalik Small Finance Bank	-	-	-	100.00
Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden N.V. (FMO)	-	-	2,080.00	-
Loan repaid (Including interest)				
Shivalik Small Finance Bank	-	42.15	56.52	14.13
Accrued finance cost on loan availed (gross)				
Shivalik Small Finance Bank	-	-	0.40	0.84
Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden N.V. (FMO)	-	-	63.32	-
Loan processing charges on loan availed (gross)				
Shivalik Small Finance Bank	-	-	0.27	0.27
Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden N.V. (FMO)	-	-	24.31	-
Remittance under business transfer agreement				
Ashv Finance Limited	-	-	-	0.32
Communication expenses				
Bharti Airtel Limited	-	-	4.11	4.55
Fixed deposit investment made				
Shivalik Small Finance Bank	-	31.61	-	28.32
Fixed deposit matured				
Shivalik Small Finance Bank	-	59.92	160.80	-
Interest on fixed deposit (net of taxes including accrued interest)				
Shivalik Small Finance Bank	-	3.33	20.08	7.07
Professional/ business support fees				
Aavishkaar Venture Management Services Private Limited	5.93	8.10	8.28	4.33
Intellecap Advisory Services Private Limited	-	-	-	1.33
Ashv Finance Limited	-	0.10	0.10	0.05
Corporate Social Responsibility				
Aavishkaar Foundation (*)	30.40	36.49	4.64	4.72
(*) Includes CSR contribution by Arohan employees - nil as on December 31, 2025, ₹5.29 millions as on March 31, 2025, ₹4.60 millions as on March 31, 2024 and ₹4.01 millions as on March 31, 2023.				

Arohan Financial Services Limited

Annexure 6 - Notes to Restated Financial Information

49 Related party transactions as required by Ind AS 24 (Cont'd)**:**

(i) Name of party with nature of transaction (Cont'd)

(Amounts in ₹ millions)

Particulars	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Reimbursement of expenses received (expense reimbursement)				
Ashv Finance Limited	-	-	0.80	0.79
Interest income on transfer of portfolio				
Shivalik Small Finance Bank	-	0.18	4.22	39.49
Consideration received against assignment transactions				
Shivalik Small Finance Bank	-	-	-	849.63
Principal and interest paid towards assignment transactions				
Shivalik Small Finance Bank	0.38	16.05	575.67	300.45
Assignor's share received on account assignment transactions				
Shivalik Small Finance Bank	0.14	3.22	126.63	82.90
Received towards securitisation transaction				
Shivalik Small Finance Bank	-	-	-	492.68
Paid towards securitisation transaction (including accrued interest)				
Shivalik Small Finance Bank	-	142.27	386.22	-

(ii) Balances with parties at period/ year end:

(Amounts in ₹ millions)

Particulars	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Loan availed (including accrued interest)				
Shivalik Small Finance Bank	-	-	40.84	89.28
Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden N.V. (FMO)	-	-	2,121.77	-
Fixed Deposit (including accrued interest)				
Shivalik Small Finance Bank	-	-	30.11	35.38
Payable towards towards securitisation transaction				
Shivalik Small Finance Bank	-	-	139.71	492.81
Receivable on assigned loans				
Shivalik Small Finance Bank	0.02	0.01	1.75	21.60
Payable towards assignment transactions (*)				
Shivalik Small Finance Bank	0.06	0.07	10.35	81.06
(*) includes both principal and interest				
Other receivables				
Ashv Finance Limited (net of taxes)	-	-	0.69	0.14
Aavishkaar Foundation	16.40	-	-	-
Other payables (net of receivable)				
Intellecap Advisory Services Private Limited	-	-	-	0.08
Aavishkaar Venture Management Services Private Limited (net of taxes)	0.69	-	4.10	1.78
Ashv Finance Limited	-	-	-	0.13

Note:

All transactions with the related parties are priced on an arm's length basis and at normal commercial terms.

There are no transaction during the period/ years with relatives (as defined in clause 77 of section 2 of Companies Act, 2013) of related parties.

There are no transaction during the period/ years with entities where the relative are directors

Arohan Financial Services Limited

Annexure 6 - Notes to Restated Financial Information

50 Disclosures pursuant to the Reserve Bank of India Master direction circular RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26 dated November 28, 2025 and earlier Reserve Bank of India Master direction circular RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 and additional disclosures pursuant to the RBI Master Direction RBI/DNBR/2016-17/45 Master Direction DNBR. PD. 008/03.10.119/2016-17

(Amounts in ₹ millions)

(i) Capital to risk asset ratio (CRAR)	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Capital to risk weighted assets ratio (CRAR) (%)	31.20%	34.09%	29.01%	28.74%
CRAR-Tier I Capital (%)	30.58%	31.82%	26.85%	25.46%
CRAR-Tier II Capital (%)	0.62%	2.27%	2.16%	3.28%
Tier I Capital	18,747.99	18,921.42	17,355.88	10,523.68
Tier II Capital	382.43	1,341.44	1,391.29	1,353.64
Total risk weighted assets	61,306.20	59,438.26	64,632.57	41,320.82
Amount of subordinated debt raised as Tier-II Capital	-	-	-	-
Amount raised by issue of perpetual debt instruments	-	-	-	-

(Amounts in ₹ millions)

(ii) Investments	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
A. Value of Investments				
Gross Value of Investments:				
a) In India	7,670.24	3,973.96	1,101.61	787.70
b) Outside India	-	-	-	-
Provisions for Depreciation:				
a) In India	299.39	340.50	200.00	-
b) Outside India	-	-	-	-
Net Value of Investments	-			
a) In India	7,370.85	3,633.46	901.61	787.70
b) Outside India	-	-	-	-
B. Movement of provisions held towards depreciation on investments				
Opening Balance	340.50	200.00	-	-
Add: Provisions made during the period/ years	-	140.50	200.00	-
Less: Write-off/ Write-back of excess provisions during the period/ years	41.11	-	-	-
Closing Balance	299.39	340.50	200.00	-

(iii) Derivatives

The Company does not have any derivatives exposure in the reported period/years.

(iv) Disclosures relating to Securitisation

(Amounts in ₹ millions)

(A) Securitisation	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
1) No of SPEs holding assets for securitisation transactions originated by the originator	7	2	7	16
2) Total amount of securitised assets as per books of the SPEs (*)	4,761.99	93.52	4,937.20	8,791.80
3) Total amount of exposures retained by the originator to comply with MRR as on the date of balance				
a) Off-balance sheet exposures				
(i) First loss	-	-	-	-
(ii) Others	-	-	-	-
b) On-balance sheet exposures				
(a) First loss in the form of	1,545.49	327.87	1,455.80	2,948.68
(i) Fixed deposits	497.17	122.85	618.95	1,370.88
(ii) Over collateral	863.25	205.02	836.85	1,577.80
(b) Others	185.07	-	-	-
4) Amount of exposures to securitisation transactions other than MRR				
a) Off-balance sheet exposures				
(i) Exposure to own securitisations				
- First loss	185.07	-	-	-
- Others	-	-	-	-
(ii) Exposure to third party securitisations				
- First loss	-	-	-	-
- Others	-	-	-	-
b) On-balance sheet exposures				
(i) Exposure to own securitisations				
- First loss	-	-	-	-
- Others	-	-	-	-
(ii) Exposure to third party securitisations				
- First loss	-	-	-	-
- Others	-	-	-	-
5. Sale consideration received for the securitised assets and gain/ loss on sale on account of	7,607.53	1,961.43	9,456.16	15,582.78
6. Outstanding value of services provided by way of, liquidity support, post-securitisation asset	4,761.99	93.52	4,937.20	8,791.80
7. Performance of facility provided viz. credit enhancement, liquidity support, servicing agent etc.	-	-	-	-
Credit enhancement:				
(a) Amount paid	13,60.36	403.59	1,959.99	3,432.07
	(16.06%)	(18.00%)	(18.15%)	(19.45%)
(b) Repayment received	Nil	757.14	504.20	483.40
	(0.00%)	(3.38%)	(4.67%)	(2.74%)
(c) Outstanding amount	13,60.36	327.87	1,455.79	2,948.68
	(16.06%)	(14.62%)	(13.48%)	(16.71%)
Servicing agent:				
(a) Amount paid	0.70	0.20	0.25	0.16
(b) Repayment received	-	-	-	-
(c) Outstanding amount	-	-	-	-
8. Average default rate of portfolios observed in the past in respect of microfinance loans	Nil	Nil	Nil	Nil
9. Amount and number of additional/ top up loan given on same underlying asset.	Nil	Nil	Nil	Nil
10. Investor complaints				
(a) Directly/Indirectly received and;	Nil	Nil	Nil	Nil
(b) Complaints outstanding	Nil	Nil	Nil	Nil

(*) The total amount of securitised assets includes over collateral of December 31, 2025: ₹863.28 millions, March 31, 2025: ₹205.02 millions, March 31, 2024: ₹836.85 millions and March 31, 2023: ₹1,577.80 millions

(B) Details of financial assets sold to securitisation/reconstruction company for asset reconstruction

Refer point number D below on details of non-performing financial assets purchased/ sold

Arohan Financial Services Limited

Annexure 6 - Notes to Restated Financial Information

50 Disclosures pursuant to the Reserve Bank of India Master direction circular RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26 dated November 28, 2025 and earlier Reserve Bank of India Master direction circular RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 and additional disclosures pursuant to the RBI Master Direction RBI/DNBR/2016-17/45 Master Direction DNBR. PD. 008/03.10.119/2016-17

(C) Details of Assignment transactions undertaken by the Company

Details of loan transferred/ acquired during the period/ year ended December 31, 2025, March 31, 2025, March 31, 2024 and March 31, 2023 vide Reserve Bank of India circular RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26 dated November 28, 2025 and earlier Reserve Bank of India Master direction circular RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 and additional disclosures pursuant to the RBI Master Direction RBI/DNBR/2016-17/45 Master Direction DNBR. PD. 008/03.10.119/2016-17

(i) Details of loan transfer through direct assignment transaction in respect of loans not in default:

Particulars	To Banks			
	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Number of loans	95,531	66,712	1,74,615	2,49,691.00
Aggregate amount of loans transferred (₹ in millions)	3,165.37	1,495.08	4,886.76	5,459.05
Sale Consideration (₹ in millions)	3,165.37	1,495.08	4,886.76	5,459.05
Weighted average residual maturity (in months) (*)	18.11	14.46	16.65	14.66
Weighted average holding period by the originator (in months)	6.93	8.82	5.97	7.11
Retention of beneficial economic interest by the originator	10.06% to 14.48%	13.20% to 15.45%	9.96% to 15.75%	2.80% to 15.90%
Tangible security coverage	-	-	-	-
Rating-wise distribution of rated loans	-	-	-	-
Number of instances where it has agreed to replace loans transferred to transferee(s)	-	-	-	-
Number of instances where it has agreed to pay damages arising out of any representation or	-	-	-	-

(*) residual maturity from the time of transfer

(ii) The Company has not acquired any stressed loans during any of the financial years/ period.

(iii) The Company has acquired loans not in default during the financial years/ period ended:

(Amounts in ₹ millions)

Particulars	From NBFC's			
	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Aggregate principal outstanding of loans acquired	2,848.62	1,761.54	1,584.96	-
Aggregate consideration paid	2,848.62	1,761.54	1,584.96	-
Weighted average residual tenor of loans acquired (in months)	8.54	15.59	16.23	-

(D) Details of non-performing financial assets purchased/sold

a. The Company has not purchased any financial assets in the reported period/ years.

b. During the year ended March 31, 2024, the Company has entered into an agreement with Phoenix ARC Private Limited on June 28, 2023 to sell a portfolio of ₹1,538.42 millions (net book value), for an aggregate purchase consideration of ₹1,200 millions out of which the Company has invested in 10,43,400 security receipts at a face value of ₹1000/- each. similarly during the year ended March 31, 2023, the Company has entered into a agreement with Phoenix ARC Private Limited on December 29, 2022 to sell a portfolio of ₹1,003.34 millions (net book value) of the Company, for an aggregate purchase consideration of ₹920 millions out of which the Company is allotted with 800,000 security receipts at a face value of ₹1000/- each.

(a) The Company has transferred certain NPA & SMA loans during the nine months period/ year ended December 31, 2025, March 31, 2025, March 31, 2024 and March 31, 2023 as follows:

The Company has not transferred certain NPA & SMA loans during the nine months period ended December 31, 2025 and year ended March 31, 2025.

The Company has transferred certain NPA & SMA loans during the year ended March 31, 2024, details of which are given below:

Particulars	To ARC's		To permitted transferees
	NPA	SMA	
(i) Total number of loan assets assigned	69,070	78,009	Nil
(ii) Aggregate principal outstanding of loans transferred (₹ in millions) (*)	1,526.77	2,339.40	Nil
(iii) Weighted average residual tenor of loans transferred (in months)	11.18	25.10	Nil
(iv) Net book value of loan assets transferred (at the time of transfer) (₹ in millions)	-	1,538.42	Nil
(v) Aggregate consideration (₹ in millions)		1,200.00	Nil
(vi) Addition consideration realised in respect of account transferred in earlier years		Nil	Nil

(*) NPA Includes written off loans of ₹ 676.50 millions

The Company has transferred certain NPA & SMA loans during the year ended March 31, 2023, details of which are given below:

Particulars	To ARC's		To permitted transferees
	NPA	SMA	
(i) Total number of loan assets assigned	1,10,656	21,219	Nil
(ii) Aggregate principal outstanding of loans transferred (₹ in millions) (*)	2,259.50	529.46	Nil
(iii) Weighted average residual tenor of loans transferred (in months)	20.43	23.93	Nil
(iv) Net book value of loan assets transferred (at the time of transfer) (₹ in millions)	683.88	319.46	Nil
(v) Aggregate consideration (₹ in millions)		920.00	Nil
(vi) Addition consideration realised in respect of account transferred in earlier years		Nil	Nil

(*) NPA Includes written off loans of ₹132.56 millions

(b) Security Receipt's (SR's) held and recovery ratings assigned to such SR's by the credit rating agency.

(Amounts in ₹ millions)

Particulars	Category of recovery ratings	As at December 31, 2025
Security Receipts under trust floated by ARC's (FY 23-16)	IND RR2 (75%-100%)	177.60
Security Receipts under trust floated by ARC's (FY 23-36)	IND RR3 (50%-75%)	203.46

As on December 31, 2025, the Company has not transferred any stressed loans to Asset Reconstruction Companies ('ARCs'). The Company had sold loans to an ARC in previous financial years and Security Receipts ('SRs') were received as considerations for the transfer of loans. However, as the legal form of the asset has changed from loans to investments, it is accounted under investments. SRs have followed the same measurement/ classification approach and ECL has been recognized in a similar manner as applicable to the underlying loans. The gross carrying amount of SRs is ₹381.06 millions, impairment loss allowance on SR is ₹299.39 millionsand net carrying amount of SR is ₹81.67 millions.

(Amounts in ₹ millions)

Particulars	Category of recovery ratings	As at March 31, 2025
Security Receipts under trust floated by ARC's (FY 23-16)	IND RR3 (50%-75%)	270.40
Security Receipts under trust floated by ARC's (FY 23-36)	IND RR3 (50%-75%)	257.72

As at March 31, 2025, the Company has not transferred any stressed loans to Asset Reconstruction Companies ('ARCs'). The Company had sold loans to an ARC in previous financial years and Security Receipts ('SRs') were received as considerations for the transfer of loans. However, as the legal form of the asset has changed from loans to investments, it is accounted under investments. SRs have followed the same measurement / classification approach and ECL has been recognized in a similar manner as applicable to the underlying loans. The gross carrying amount of SRs is ₹ 528.12 millions, impairment loss allowance on SR is ₹340.00 millions and net carrying amount of SR is ₹188.12 millions.

(Amounts in ₹ millions)

Particulars	Category of recovery ratings	As at March 31, 2024
Security Receipts under trust floated by ARC's (FY 23-16)	IND RR2 (75%-100%)	564.80
Security Receipts under trust floated by ARC's (FY 23-36)	IND RR3 (50%-75%)	536.31

As at March 31, 2024, gross carrying amount of SRs is ₹1,101.11 million, impairment loss allowance on SR is ₹200 million and net carrying amount of SR is ₹901.11 million.

(Amounts in ₹ millions)

Particulars	Category of recovery ratings	As at March 31, 2023
Security Receipts under trust floated by ARC's (FY 23-16)	Yet to be rated within time lines as per Reserve Bank of India guidelines	787.20

As at March 31, 2023, gross carrying amount of SRs is ₹787.20 million, impairment loss allowance on SR is nil and net carrying amount of SR is ₹787.20 million.

(v) Asset Liability Management

Disclosures relating to maturity pattern of certain items of assets and liabilities are given in *note 57* .

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Annexure 6 - Notes to Restated Financial Information

50 Disclosures pursuant to the Reserve Bank of India Master direction circular RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26 dated November 28, 2025 and earlier Reserve Bank of India Master direction circular RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 and additional disclosures pursuant to the RBI Master Direction RBI/DNBR/2016-17/45 Master Direction DNBR. PD. 008/03.10.119/2016-17

(vi) Exposures

(A) Exposure to Real Estate Sector

The Company did not have any exposure to real estate sector during the reported period/ years.

(B) Exposure to Capital Market

The Company did not have any exposure to capital market during the reported period/ years.

(C) Details of financing of parent company products

The Company does not have a parent company and accordingly disclosure is not required.

(D) Details of Single Borrower Limit (SBL)/ Group Borrower Limit (GBL) exceeded by the NBFC

There are no instances of exceeding the single and group borrowing limit by the Company during the reported period/ years.

(E) Unsecured Advances - Refer *note 8*

vii) Miscellaneous

(A) Registration obtained from other financial sector regulators

The Company has obtained a certificate of registration under registration number CA0891 dated January 04, 2024 to act as Corporate Agent (Composite) under Insurance Regulatory and Development Authority of India (IRDA) and having Corporate Identity Number of U74140WB1991PLC053189 under Ministry of Corporate affairs.

(B) Disclosure of penalties imposed by RBI and other regulators

No penalties has been imposed by Reserve Bank of India or any other regulators for the nine months period ended December 31, 2025, and year ended March 31, 2025 and March 31, 2024.
An amount of ₹0.02 millions has been paid to Reserve Bank of India towards late submission fees of FC_TRS under Foreign Exchange Management Act, 1999 (as amended) for the year ended March 31, 2023.

(C) Disclosure of intra-group exposures

The Company has no intra-group exposures for the nine months period ended December 31, 2025, year ended March 31, 2025, March 31, 2024 and March 31, 2023.

D) Disclosure of unhedged foreign currency exposure

The Company has no unhedged foreign currency exposure for the nine months period ended December 31, 2025, year ended March 31, 2025, March 31, 2024 and March 31, 2023.

(E) Ratings assigned by credit rating agencies and migration of ratings during the period/ years

As at December 31, 2025

The details of ratings assigned by Credit Analysis & Research Limited (CARE) dated March 31, 2025 and ICRA Limited vide report dated January 14, 2025 during the year are as follows:

Facilities	Ratings	Remarks
Long-term Bank facilities	CARE A- (Stable outlook)/ ICRA A (Stable outlook)	Reaffirmed
Non-Convertible Debentures and Unsecured Subordinated Tier II Debt	ICRA A (Stable outlook)	Reaffirmed

Note: The company have recently done the credit rating of its facilities letter dated January 07, 2026 and the rating are same as above.

As at March 31, 2025

The details of ratings assigned by Credit Analysis & Research Limited (CARE) dated March 31, 2025 and ICRA Limited vide report dated January 14, 2025 during the year are as follows:

Facilities	Ratings	Remarks
Long-term Bank facilities	CARE A- (Stable outlook)/ ICRA A (Stable outlook)	Reaffirmed
Non-Convertible Debentures and Unsecured Subordinated Tier II Debt	ICRA A (Stable outlook)	Reaffirmed

As at March 31, 2024

The details of ratings assigned by Credit Analysis & Research Limited (CARE) dated January 29, 2024 and ICRA Limited vide report dated January 10, 2024 and February 20, 2024 during the year are as follows:

Facilities	Ratings	Remarks
Long-term Bank facilities	ICRA A (Stable outlook)/ CARE A (Stable outlook)	Upgraded
Non-Convertible Debentures	ICRA A (Stable outlook)/ CARE A (Stable outlook)	Upgraded
Unsecured Subordinated Tier II Debt	ICRA A (Stable outlook)/ CARE A (Stable outlook)	Upgraded

As at March 31, 2023

The details of ratings assigned by Credit Analysis & Research Limited (CARE) dated November 25, 2022 and ICRA Limited vide report dated December 21, 2022 & December 26, 2022 during the year are as follows:

Facilities	Ratings	Remarks
Long-term Bank facilities	ICRA A (-ve) (Stable outlook)/ CARE A (-ve) (Negative outlook)	Reaffirmed
Non-Convertible Debentures	ICRA A (-ve) (Stable outlook)/ CARE A (-ve) (Negative outlook)	Reaffirmed
Unsecured Subordinated Tier II Debt	ICRA A (-ve) (Stable outlook)/ CARE A (-ve) (Negative outlook)	Reaffirmed

(F) Remuneration including sitting fees of Directors (other than Managing Director) (Refer *note 49*)

(Amounts in ₹ millions)

Particulars	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
A. Director's commission (#):				
Dinesh Kumar Mittal	-	5.00	4.00	2.50
Matangi Gowrishankar	-	-	2.00	1.25
Rajat Mohan Nag	-	2.10	2.50	1.25
Sumantra Banerjee	-	-	2.00	1.25
Nitish Chawla	-	-	0.75	-
Rupa Vora	-	2.00	1.25	-
Vineet Chandra Rai	-	15.00	3.00	-
Anurag Agrawal	-	4.80	2.00	-
Wilhelmus Marthinus Maria Van Der Beek	-	-	1.00	-
Piyush Goenka	-	-	1.00	-
John Arunkumar Diaz	-	3.00	0.50	-
Ulhas S Deshpande	-	2.50	0.50	-
Jose Joseph Kattoor	-	1.50	-	-
Provision as on December 31, 2025	25.60	-	-	-
B. Sitting fees (#):				
Dinesh Kumar Mittal	0.35	0.68	0.72	0.46
Matangi Gowrishankar	-	-	0.67	0.70
Rajat Mohan Nag	-	0.63	0.94	0.58
Sumantra Banerjee	-	-	0.75	0.52
Ulhas S Deshpande	0.43	0.60	0.13	-
John Arunkumar Diaz	0.58	0.98	0.20	-
Rupa Vora	0.20	0.40	0.25	-
Vemuru Chandramouli	-	0.05	-	-
Josh Joseph Kattoor	0.35	0.28	-	-
Piyush Goenka	-	0.40	-	-
Vineet Chandra Rai	0.23	0.35	-	-
Anurag Agrawal	0.23	0.45	-	-
Josh Joseph Kattoor	-	-	-	-
Sri Radha Ramana Saripalli	0.15	-	-	-
Narasimha Kummamuri Murthy	0.43	-	-	-

(#) The above amounts are excluding taxes

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Annexure 6 - Notes to Restated Financial Information

50 Disclosures pursuant to the Reserve Bank of India Master direction circular RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26 dated November 28, 2025 and earlier Reserve Bank of India Master direction circular RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 and additional disclosures pursuant to the RBI Master Direction RBI/DNBR/2016-17/45 Master Direction DNBR. PD. 008/03.10.119/2016-17

(A) Provisions and Contingencies

(Amounts in ₹ millions)

Particulars	Nine months period ended December 31, 2025	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Break up of 'Provisions and Contingencies' shown under the head Expenditure in Restated Statement of Profit and Loss				
Provision towards standard assets	160.15	318.13	(947.31)	(1,566.82)
Provision towards non performing assets (*)	(532.14)	222.87	(244.02)	108.19
Provision towards investments	(50.50)	(140.50)	(200.00)	-
Provision made towards Income tax (including for earlier years and deferred tax)	184.67	283.99	986.12	192.38
Other provisions and contingencies (employee benefits)	27.85	120.91	21.93	36.86

(*) Does not include provision on accrued NPA interest as the same is netted off in income.

(B) Draw Down from Reserves

There have been no instances of draw down from reserves by the Company during the reported period/ years.

(Amounts in ₹ millions)

(C) Concentration of Advances, Exposures and NPAs	Nine months period ended December 31, 2025	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
a) Concentration of Advances				
Total advances to twenty largest borrowers	4,237.66	3,236.59	1,986.34	86.59
Percentage of advances to twenty largest borrowers to total advances	6.97%	5.41%	2.90%	0.17%
b) Concentration of Exposures				
Total exposure to twenty largest borrowers/ customers	4,291.72	3,256.59	2,136.34	86.59
Percentage of exposures to twenty largest borrowers / customers to total exposure	7.06%	5.44%	3.12%	0.17%
c) Concentration of NPAs				
Total exposure to top four NPA accounts	3.89	3.65	3.19	2.95

(D) Sectoral exposure

(Amounts in ₹ millions)

Sector wise exposure	As at December 31, 2025			As at March 31, 2025		
	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	-	-	-			
2. Industry	-	-	-			
3. Services						
i. Secured term loan	4,631.64	3.49	0.08%	3,528.82	3.25	0.09%
ii. Others	-	-	-			
4. Personal loans (Retail loans)						
i. Retail loans	6,240.19	17.18	0.28%	1,368.42	6.37	0.47%
ii. Others	-	-	-			
5. Others (Microfinance loan)	49,318.51	996.49	2.02%	54,445.75	1,683.34	3.09%
Total	**60,190.34**	**1,017.16**	**1.69%**	**59,342.99**	**1,692.96**	**2.85%**

(Amounts in ₹ millions)

Sector wise exposure	As at March 31, 2024			As at March 31, 2023		
	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	-	-	-	-	-	-
2. Industry	-	-	-	-	-	-
3. Services (Secured term loan)						
i. Secured term loan	1,970.68	2.93	0.15%	85.48	2.61	3.05%
ii. Others	-	-	-	-	-	-
4. Personal loans (Retail loans)						
i. Retail loans	184.41	15.26	8.28%	469.60	82.45	17.56%
ii. Others	-	-	-	-	-	-
5. Others (Microfinance loan)	65,706.86	1,118.03	1.70%	50,113.53	1,366.30	2.73%
Total	**67,861.95**	**1,136.22**	**1.67%**	**50,668.61**	**1,451.36**	**2.86%**

(E) Sector-wise NPAs - Percentage of NPAs to total advances in that sector

Particulars	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Agriculture & allied activities	Nil	Nil	Nil	Nil
MSME	Nil	Nil	Nil	Nil
Corporate borrowers (*)	Nil	Nil	Nil	Nil
Services	0.08%	0.09%	0.15%	3.05%
Unsecured personal loans	0.28%	0.47%	8.28%	17.56%
Microfinance Loan	2.02%	3.09%	1.70%	2.73%
Auto loans	Nil	Nil	Nil	Nil
Other personal loans	Nil	Nil	Nil	Nil

(*) Corporate borrowers are included in the respective sector.

(F) Movement of NPAs

(Amounts in ₹ millions)

Particulars	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
i) Net NPAs to Net Advances (%)	0.39%	0.53%	0.00%	0.21%
ii) Movement of NPAs (Gross)				
a) Opening Balance	1,692.96	1,136.22	1,451.36	1,870.06
b) Additions during the period/ years	3,207.62	5,009.09	2,244.04	5,005.08
c) Reductions during the period/ years	(3,883.42)	(4,452.35)	(2,559.18)	(5,423.78)
d) Closing balance	1,017.16	1,692.96	1,136.22	1,451.36
iii) Movement of Net NPAs				
a) Opening Balance	309.85	-	104.54	551.66
b) Additions during the period/ years	-	778.15	-	119.76
c) Reductions during the period/ years	(76.39)	(468.30)	(104.54)	(566.88)
d) Closing balance	233.46	309.85	-	104.54
iv) Movement of provisions for NPAs (excluding provisions on standard assets)				
a) Opening Balance	1,383.11	1,136.22	1,346.82	1,318.41
b) Provisions made during the period/ years	3,207.62	4,230.94	2,244.04	4,885.32
c) Write-off/write-back of excess provisions	(3,807.03)	(3,984.05)	(2,454.64)	(4,856.91)
d) Closing balance	783.70	1,383.11	1,136.22	1,346.82

Arohan Financial Services Limited

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(G) Overseas Assets (for those with Joint Ventures and Subsidiaries abroad)

The Company did not have any overseas assets during the reported period/ years

(H) Off-balance sheet SPVs sponsored

The Company did not sponsor any SPVs during the reported period/ years

ix)	Disclosure of customer complaints	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
a)	**Complaints received by the NBFC from its customers**				
	1. Number of complaints pending at beginning of the year/ period	22	28	21	71
	2. Number of complaints received during the year /period	3,429	2,205	2,414	1,360
	3. Number of complaints disposed during the year/period	3,301	2,211	2,407	1,410
	3.1 Of which, number of complaints rejected by the NBFC	-	-	-	-
	4. Number of complaints pending at the end of the year/ period	**150**	**22**	**28**	**21**
b)	**Maintainable complaints received by the NBFC from Office of Ombudsman**				
	5. Number of maintainable complaints received by the NBFC from office of ombudsman	19	29	34	19
	5.1 Of 5, number of complaints resolved in favour of the NBFC by office of ombudsman	19	29	33	19
	5.2 Of 5, number of complaints resolved through conciliation/ mediation/ advisories issued by office of ombudsman	-	-	1	-
	5.3 Of 5, number of complaints resolved after passing of awards by office of ombudsman against the NBFC	-	-	-	-
	6. Number of awards unimplemented within the stipulated time (other than those appealed)	-	-	-	-

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

c) Grounds of complaints

Particulars	Number of complaints pending at the beginning of the year/ period	Number of complaints received during the year/ period	% increase/ decrease in the number of complaints received over the previous year/ period	Number of complaints pending at the end of the year/ period	Of 5, number of complaints pending beyond 30 days
Nine months period ended December 31, 2025 (*)					
Non-observance of fair practices code	2	276	190.53%	72	-
Loans and advances	12	1,065	39.58%	6	35.00
Staff behaviour	1	274	34.98%	6	-
Levy of charges without prior notice/ excessive charges/ foreclosure charges	-	18	(30.77%)	-	-
Mis-selling	-	-	NA	-	-
Others	7	1,796	145.69%	66	-
	22	**3,429**		**150**	**35**
Year ended March 31, 2025					
Non-observance of fair practices code	16	117	(69.53%)	**2**	**-**
Loans and advances	4	900	122.22%	**12**	**-**
Staff behaviour	1	247	22.28%	**1**	**-**
Levy of charges without prior notice/ excessive charges/ foreclosure charges	-	28	21.74%	**-**	**-**
Mis-selling	-	-	NA	**-**	**-**
Others	7	913	(34.03%)	**7**	**-**
	28	**2,205**		**22**	**-**
Year ended March 31, 2024					
Non-observance of fair practices code	6	384	10.66%	16	4
Loans and advances	3	405	72.34%	4	-
Staff behaviour	1	202	100.00%	1	-
Levy of charges without prior notice/ excessive charges/ foreclosure charges	-	23	35.29%	-	-
Mis-selling	-	16	45.45%	-	-
Others	11	1,384	113.25%	7	-
	21	**2,414**		**28**	**4**
Year ended March 31, 2023					
Non-observance of fair practices code	61	347	(11.25%)	6	1
Loans and advances	3	235	167.05%	3	-
Staff behaviour	-	101	-	1	-
Levy of charges without prior notice/ excessive charges/ foreclosure charges	1	17	54.54%	-	-
Mis-selling	1	11	22.22%	-	-
Others	5	649	138.60%	11	-
	71	**1,360**		**21**	**1**

(*) Increase/ decrease in customer complain as on December 31, 2025 is with respect to previous period which is December 31, 2024.

x) Information on instances of fraud identified during the period/ years

(Amounts in ₹ millions except for the No. of cases)

Particulars	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Nature of fraud				
A. Cash embezzlement				
No. of cases	1,783	2,526	1,925	594
Amount of fraud	25.34	39.58	23.16	11.41
Recovery (*)	4.58	6.83	3.15	3.35
Amount provided for	20.77	32.75	20.01	8.06
B. Loans given against fictitious documents				
No. of cases	73	90	49	5
Amount of fraud	4.37	13.42	16.94	0.86
Recovery (*)	0.67	0.65	0.52	0.31
Amount provided for	3.70	12.77	16.42	0.55
C. Others (Snatching etc.)				
No. of cases	16	52	31	25
Amount of fraud	0.81	3.83	2.85	1.52
Recovery (*)	0.30	1.33	0.44	0.31
Amount provided for	0.51	2.50	2.41	1.21
(*) Includes claims receivable filed with insurance company.				

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50 Additional disclosures pursuant to the Reserve Bank of India Master direction circular RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26 updated on November 28, 2025, Reserve Bank of India Master direction circular RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 and additional disclosures pursuant to the Reserve Bank of India Master Direction RBI/DNBR/2016-17/45 Master Direction DNBR. PD. 008/03.10.119/2016-17 (Cont'd)

G) Related party transactions

As at December 31, 2025

(Amounts in ₹ millions)

Related Party/ items	Key Management Personnel (KMP)	Directors Other than KMP (**)	Entities exercising significant influence over the Company	Entities under common director	Others	Total transaction	Balance as on December 31, 2025	Maximum during the period
Borrowings (#)	-	-	-	-	-	-	-	-
Repayment of borrowings	-	-	-	-	-	-	-	-
Loan processing fees	-	-	-	-	-	-	-	-
Placement of deposits (#)	-	-	-	-	-	-	-	-
Deposits matured	-	-	-	-	-	-	-	-
Advances (#)	-	-	-	-	-	-	-	-
Investments (#)	-	-	-	-	-	-	-	-
Purchase of fixed/ other assets	-	-	-	-	-	-	-	-
Sale of fixed/ other assets	-	-	-	-	-	-	-	-
Interest paid	-	-	-	-	-	-	-	-
Interest received	-	-	-	-	-	-	-	-
Remuneration (*)	66.26	25.60	-	-	-	91.86	(25.60)	-
Consideration received against assignment transactions	-	-	-	-	-	-	-	-
Principal and interest paid towards assignment transactions (*)	-	-	-	0.38	-	0.38	(0.04)	-
Borrowed towards securitisation transaction	-	-	-	-	-	-	-	-
Amount paid towards securitisation transaction (*)	-	-	-	-	-	-	-	-
Remittance from business transfer agreement	-	-	-	-	-	-	-	-
Corporate social responsibility (*)	-	-	-	30.40	-	30.40	16.40	-
Others	-	2.95	-	6.07	-	9.02	(0.69)	-

(*) Represents material items separately disclosed in pursuant to the guidelines.

(**) Directors other than KMP includes director commission and sitting fees (excluding taxes) payable/ paid to both independent & Nominee Directors.

(#) The outstanding amount at the end of the period and the maximum are nil.

Note:

1. All transactions with the related parties are priced on an arm's length basis and at normal commercial terms.
2. There are no transaction during the period with relatives (as defined in clause 77 of section 2 of Companies Act, 2013) of related parties.
3. There are no transaction during the period with entities where the relative are directors

As at March 31, 2025

(Amounts in ₹ millions)

Related Party/ items	Key Management Personnel (KMP)	Directors Other than KMP (**)	Entities exercising significant influence over the Company	Entities under common director	Others	Total	Balance as on March 31, 2025	Maximum during the year
Borrowings (#)	-	-	-	-	-	-	-	-
Repayment of borrowings (*)	-	-	-	42.15	-	42.15	-	-
Loan processing fees	-	-	-	-	-	-	-	-
Placement of deposits (#) (*)	-	-	-	31.61	-	31.61	-	31.61
Deposits matured (*)	-	-	-	59.92	-	59.92	-	-
Advances (#)	-	-	-	-	-	-	-	-
Investments (#)	-	-	-	-	-	-	-	-
Purchase of fixed/ other assets	-	-	-	-	-	-	-	-
Sale of fixed/ other assets	-	-	-	-	-	-	-	-
Interest paid	-	-	-	-	-	-	-	-
Interest received	-	-	-	3.33	-	3.33	-	-
Remuneration (*)	71.57	35.90		-	-	107.47	(23.02)	-
Consideration received against assignment transactions	-	-	-	0.18	-	0.18	0.01	-
Principal and interest paid towards assignment transactions (*)	-	-	-	16.05	-	16.05	(0.07)	-
Borrowed towards securitisation transaction	-	-	-	-	-	-	-	-
Amount paid towards securitisation transaction (*)	-	-	-	142.27	-	142.27	-	-
Remittance from business transfer agreement	-	-	-	-	-	-	-	-
Corporate social responsibility (*)	-	-	-	36.49	-	36.49	-	-
Others	-	4.82	-	11.42		16.24	-	-

(*) Represents material items separately disclosed in pursuant to the guidelines.

(**) Directors other than KMP includes director commission and sitting fees (excluding taxes) payable/ paid to both independent & Nominee Directors.

(#) The outstanding amount at the end of the year and the maximum amount are disclosed.

Note:

1. All transactions with the related parties are priced on an arm's length basis and at normal commercial terms.
2. There are no transaction during the year with relatives (as defined in clause 77 of section 2 of Companies Act, 2013) of related parties.
3. There are no transaction during the year with entities where the relative are directors.
4. For details refer *note 49* on related party disclosure

As at March 31, 2024

(Amounts in ₹ millions)

Related Party/ items	Key Management Personnel (KMP)	Directors Other than KMP (**)	Entities exercising significant influence over the Company	Entities under common director	Others	Total	Balance as on March 31, 2024	Maximum during the year
Borrowings (*) (#)	-	-	2,080.00		-	2,080.00	(2,162.61)	2,080.00
Repayment of borrowings	-	-	-	56.52	-	56.52		-
Loan processing fees	-	-	24.31	0.27	-	24.58		-
Placement of deposits (#)	-	-	-	-	-	-	30.11	-
Deposits matured	-	-	-	160.80	-	160.80		-
Advances (#)	-	-	-		-	-		-
Investments (#)	-	-	-		-	-		-
Purchase of fixed/ other assets	-	-	-		-	-		-
Sale of fixed/ other assets	-	-	-		-	-		-
Interest paid	-	-	63.32	0.40	-	63.72		-
Interest received	-	-	-	24.30	-	24.30		-
Remuneration	54.74	20.50			-	75.24	(20.50)	-
Consideration received against assignment transactions (*)	-	-	-	-	-	-	1.75	-
Principal and interest paid towards assignment transactions (*)	-	-	-	575.67	-	575.67	(10.35)	-
Borrowed towards securitisation transaction	-	-	-		-	-	(139.71)	-
Amount paid towards securitisation transaction (*)	-	-	-	386.22	-	386.22		-
Remittance from business transfer agreement	-	-	-		-	-		-
Corporate social responsibility	-	-	-	4.64	-	4.64		-
Others	-	3.65	-	139.93	-	143.58	(3.41)	-

(*) Represents material items separately disclosed in pursuant to the guidelines.

(**) Directors other than KMP includes director commission and sitting fees (excluding taxes) payable/ paid to both independent & Nominee Directors.

(#) The outstanding amount at the end of the year and the maximum amount are disclosed.

Note:

1. All transactions with the related parties are priced on an arm's length basis and at normal commercial terms.
2. There are no transaction during the year with relatives (as defined in clause 77 of section 2 of Companies Act, 2013) of related parties.
3. There are no transaction during the year with entities where the relative are directors.
4. For details refer *note 49* on related party disclosure

As at March 31, 2023

(Amounts in ₹ millions)

Related Party/ items	Key Management Personnel (KMP)	Directors Other than KMP (**)	Entities exercising significant influence over the Company	Entities under common director	Others	Total	Balance as on March 31, 2023	Maximum during the year
Borrowings (*) (#)	-	-	-	100.00	-	100.00	(89.28)	100.00
Repayment of borrowings (*)	-	-	-	14.13	-	14.13	-	-
Loan processing fees	-	-	-	0.27	-	0.27	-	-
Placement of deposits (***) (#)	-	-	-	28.32	-	28.32	35.38	28.32
Deposits matured	-	-	-	-	-	-	-	-
Advances (#)	-	-	-	-	-	-	-	-
Investments (#)	-	-	-	-	-	-	-	-
Purchase of fixed/ other assets	-	-	-	-	-	-	-	-
Sale of fixed/ other assets	-	-	-	-	-	-	-	-
Interest paid	-	-	-	0.84	-	0.84	-	-
Interest received	-	-	-	46.56	-	46.56	-	-
Remuneration	44.29	6.25		-	-	50.54	(6.25)	-
Consideration received against assignment transactions	-	-	-	849.63	-	849.63	21.60	-
Principal and interest paid towards assignment transactions (*)	-	-	-	300.45	-	300.45	(81.06)	-
Borrowed towards securitisation transaction	-	-	-		-	-	-	-
Amount paid towards securitisation transaction	-	-	-	492.68	-	492.68	(492.81)	-
Remittance from business transfer agreement	-	-	-	-	-	-	-	-
Corporate social responsibility	-	-	-	4.72	-	4.72	-	-
Others	-	2.26	-	94.27	-	96.53	(1.85)	-

(*) Represents material items separately disclosed in pursuant to the guidelines.

(**) Directors other than KMP includes director commission and sitting fees (excluding taxes) payable/ paid to both independent & Nominee Directors.

(***) Placement of deposits are on account of lien marked on securitisation (*refer note 6*)

(#) The outstanding amount at the end of the year and the maximum amount are disclosed.

Note:

1. All transactions with the related parties are priced on an arm's length basis and at normal commercial terms.
2. There are no transaction during the period with relatives (as defined in clause 77 of section 2 of Companies Act, 2013) of related parties.
3. There are no transaction during the year with entities where the relative are directors.
4. For details refer *note 49* on related party disclosure

Arohan Financial Services Limited

Annexure 6 - Notes to Restated Financial Information

50 Additional disclosures pursuant to the Reserve Bank of India Master direction circular RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26 updated on November 28, 2025, Reserve Bank of India Master direction circular RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 and additional disclosures pursuant to Para 19 of Master Directions - Non-Banking Financial Company - Systemically Important Non-Deposit taking company and Deposit taking company (Reserve Bank) Directions, 2016 (Cont'd)

Liabilities side :

(Amounts in ₹ millions)

1 Particulars	As at December 31, 2025		As at March 31, 2025		As at March 31, 2024		As at March 31, 2023	
Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid (*):	**Amount outstanding**	**Amount overdue**	**Amount outstanding**	**Amount overdue**	**Amount outstanding**	**Amount overdue**	**Amount outstanding**	**Amount overdue**
(a) Debentures								
Secured	1,565.49	-	2,142.84	-	4,114.15	-	3,012.14	-
Unsecured	2,250.08	-	3,251.93	-	3,251.51	-	3,251.33	-
(other than falling within the meaning of public deposits)								
(b) Deferred Credits	-	-	-	-	-	-	-	-
(c) Term Loans								
Secured	43,685.13	-	40,911.93	-	48,178.58	-	30,989.44	-
Unsecured	252.37	-	758.10	-	758.10	-	1,010.84	-
(d) Inter-corporate loans and borrowing	-	-	-	-	-	-	-	-
(e) Commercial Paper	-	-	-	-	-	-	-	-
(f) Public Deposits	-	-	-	-	-	-	-	-
(g) Other Loans (working capital loan and securitisation liability)	4,590.14	-	93.70	-	4,110.00	-	7,240.44	-

(*) The above figure excludes adjustments of loan processing charges

(Amounts in ₹ millions)

2 Particulars	As at December 31, 2025		As at March 31, 2025		As at March 31, 2024		As at March 31, 2023	
Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):	**Amount outstanding**	**Amount overdue**	**Amount outstanding**	**Amount overdue**	**Amount outstanding**	**Amount overdue**	**Amount outstanding**	**Amount overdue**
(a) In the form of Unsecured debentures	-	-	-	-	-	-	-	-
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-	-	-	-	-	-	-
(c) Other public deposits	-	-	-	-	-	-	-	-

Assets side :

(Amounts in ₹ millions)

3 Particulars	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Break up of loans and advances:				
a) Secured, gross	4,631.64	3,528.82	1,970.68	85.48
b) Unsecured, gross	55,558.70	55,814.17	65,891.27	50,583.13
Total	**60,190.34**	**59,342.99**	**67,861.95**	**50,668.61**

Figures of loans and advances also includes accrued interest, unamortised loan processing fees, unamortised acquisition costs and are based on Ind AS numbers.

(Amounts in ₹ millions)

4 Particulars	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Break up of leased assets				
(i) Lease assets including lease rentals under sundry debtors:	-	-	-	-
(a) Finance lease	-	-	-	-
(b) Operating lease	-	-	-	-
(ii) Stock on hire including hire charges under sundry debtors:	-	-	-	-
(a) Assets on hire	-	-	-	-
(b) Repossessed asset	-	-	-	-
(iii) Other loans counting towards AFC activities	-	-	-	-
(a) Loans where assets have been repossessed	-	-	-	-
(b) Loans other than (a) above	-	-	-	-

(Amounts in ₹ millions)

5 Particulars	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Breakup of investments				
Current Investments :				
1. Quoted				
(i) Shares				
(a) Equity	-	-	-	-
(b) Preference	-	-	-	-
(ii) Debentures and Bonds	-	-	-	-
(iii) Units of mutual funds	4,377.90	-	-	-
(iv) Government Securities	2,283.11	-	-	-
(v) Others (treasury bills)	-	1,490.23	-	-
2. Unquoted				
(i) Shares				
(a) Equity	-	-	-	-
(b) Preference	-	-	-	-
(ii) Debentures and Bonds	-	-	-	-
(iii) Units of mutual funds	-	-	-	-
(iv) Government Securities	-	-	-	-
(v) Others	-	-	-	-
Long Term investments :				
1. Quoted				
(i) Shares :	-	-	-	-
(a) Equity	-	-	-	-
(b) Preference	-	-	-	-
(ii) Debentures and Bonds	-	-	-	-
(iii) Units of mutual funds	-	-	-	-
(iv) Government Securities	628.17	1,955.11	-	-
(v) Others	-	-	-	-
2. Unquoted				
(i) Shares:				
(a) Equity	-	0.50	0.50	0.50
(b) Preference	-	-	-	-
(ii) Debentures and Bonds	-	-	-	-
(iii) Units of mutual funds	-	-	-	-
(iv) Government Securities	-	-	-	-
(v) Others (Security Receipts)	381.06	528.12	1,101.11	787.20

50 Additional disclosures pursuant to the Reserve Bank of India Master direction circular RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26 updated on November 28, 2025, Reserve Bank of India Master direction circular RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 and additional disclosures pursuant to Para 19 of Master Directions - Non-Banking Financial Company - Systemically Important Non-Deposit taking company and Deposit taking company (Reserve Bank) Directions, 2016 (Cont'd)

(Amounts in ₹ millions)

6

Borrower group-wise classification of assets financed as in (2) and (3)	**Net of provision as at December 31, 2025**			**Net of provision as at March 31, 2025**		
Category	**Secured**	**Unsecured**	**Total**	**Secured**	**Unsecured**	**Total**
1. Related parties						
(a) Subsidiaries	-	-	-	-	-	-
(b) Companies in the same group	-	-	-	-	-	-
(c) other related parties	-	-	-	-	-	-
2. Other than related parties	4,491.78	53,835.08	**58,326.86**	3,495.59	53,555.49	**57,051.08**

(Amounts in ₹ millions)

Borrower group-wise classification of assets financed as in (2) and (3)	**Net of provision as at March 31, 2024**			**Net of provision as at March 31, 2023**		
Category	**Secured**	**Unsecured**	**Total**	**Secured**	**Unsecured**	**Total**
1. Related parties						
(a) Subsidiaries	-	-	-	-	-	-
(b) Companies in the same group	-	-	-	-	-	-
(c) other related parties	-	-	-	-	-	-
2. Other than related parties	1,956.79	64,200.59	**66,157.38**	82.37	47,739.83	**47,822.20**

(Amounts in ₹ millions)

7

Particulars	**As at December 31, 2025**		**As at March 31, 2025**		**As at March 31, 2024**		**As at March 31, 2023**	
Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)	**Market value / Breakup or fair value or NAV**	**Book value (net of provisions)**	**Market value / Breakup or fair value or NAV**	**Book value (net of provisions)**	**Market value / Breakup or fair value or NAV**	**Book value (net of provisions)**	**Market value / Breakup or fair value or NAV**	**Book value (net of provisions)**
Category								
1. Related parties	-	-	-	-	-	-	-	-
2. Other than related parties	7,669.33	7,670.24	3,923.58	3,633.46	1,101.61	901.61	787.70	787.70

(Amounts in ₹ millions)

8

Particulars	**As at December 31, 2025**	**As at March 31, 2025**	**As at March 31, 2024**	**As at March 31, 2023**
Other information				
(i) Gross non-performing assets	-	-	-	-
(a) Related parties	-	-	-	-
(b) Other than related parties	1,017.16	1,692.96	1,136.22	1,451.36
(ii) Net non-performing assets				
(a) Related parties	-	-	-	-
(b) Other than related parties	233.46	309.85	-	104.54
(iii) Assets acquired on satisfaction of debt	-	-	-	-

Arohan Financial Services Limited

Annexure 6 - Notes to Restated Financial Information

51 Disclosures on restructured assets pursuant to the Reserve Bank of India Master direction circular RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26 dated November 28, 2025, Reserve Bank of India Master direction circular RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 and additional disclosures pursuant to para 25 of Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking company and Deposit taking company (Reserve Bank) Directions, 2016

As at December 31, 2025

(Amounts in ₹ millions)

Sl. No.	Type of Restructuring		Others				
	Asset classification		Standard	Sub-standard	Doubtful	Loss	Total
	Details						
1	Restructured accounts at the beginning of the period	No. of borrowers	-	-	-	-	-
		Amount outstanding	-	-	-	-	-
		Provision thereon	-	-	-	-	-
2	Fresh restructuring during the period	No. of borrowers	-	-	-	-	-
		Amount outstanding	-	-	-	-	-
		Provision thereon	-	-	-	-	-
3	Upgradations to restructured standard category during the period	No. of borrowers	-	-	-	-	-
		Amount outstanding	-	-	-	-	-
		Provision thereon	-	-	-	-	-
4	Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY	No. of borrowers	-	-	-	-	-
		Amount outstanding	-	-	-	-	-
		Provision thereon	-	-	-	-	-
5	Downgradations of restructured accounts during the period	No. of borrowers	-	-	-	-	-
		Amount outstanding	-	-	-	-	-
		Provision thereon	-	-	-	-	-
6	Write-offs of restructured accounts during the period	No. of borrowers	-	-	-	-	-
		Amount outstanding	-	-	-	-	-
		Provision thereon	-	-	-	-	-
7	Restructured accounts at the end of the period	No. of borrowers	-	-	-	-	-
		Amount outstanding	-	-	-	-	-
		Provision thereon	-	-	-	-	-

As at March 31, 2025

(Amounts in ₹ millions)

Sl. No.	Type of Restructuring		Others				
	Asset classification		Standard	Sub-standard	Doubtful	Loss	Total
	Details						
1	Restructured accounts at the beginning of the period	No. of borrowers	-	-	-	-	-
		Amount outstanding	-	-	-	-	-
		Provision thereon	-	-	-	-	-
2	Fresh restructuring during the period	No. of borrowers	-	-	-	-	-
		Amount outstanding	-	-	-	-	-
		Provision thereon	-	-	-	-	-
3	Upgradations to restructured standard category during the period	No. of borrowers	-	-	-	-	-
		Amount outstanding	-	-	-	-	-
		Provision thereon	-	-	-	-	-
4	Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the FY and hence need not be	No. of borrowers	-	-	-	-	-
		Amount outstanding	-	-	-	-	-
		Provision thereon	-	-	-	-	-
5	Downgradations of restructured accounts during the period	No. of borrowers	-	-	-	-	-
		Amount outstanding	-	-	-	-	-
		Provision thereon	-	-	-	-	-
6	Write-offs of restructured accounts during the period	No. of borrowers	-	-	-	-	-
		Amount outstanding	-	-	-	-	-
		Provision thereon	-	-	-	-	-
7	Restructured accounts at the end of the period	No. of borrowers	-	-	-	-	-
		Amount outstanding	-	-	-	-	-
		Provision thereon	-	-	-	-	-

51 Disclosures on restructured assets pursuant to the Reserve Bank of India Master direction circular RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26 dated November 28, 2025, Reserve Bank of India Master direction circular RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 and additional disclosures pursuant to para 25 of Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking company and Deposit taking company (Reserve Bank) Directions, 2016 (Cont'd)

As at March 31, 2024

(Amounts in ₹ millions)

Sl. No.	Type of Restructuring		Others				
	Asset classification		Standard	Sub-standard	Doubtful	Loss	Total
	Details						
1	Restructured accounts at the beginning of the period (*)	No. of borrowers	93,034	-	-	-	93,034
		Amount outstanding	2,726.76	-	-	-	2,726.76
		Provision thereon	802.87	-	-	-	802.87
2	Fresh restructuring during the period	No. of borrowers	-	-	-	-	-
		Amount outstanding	-	-	-	-	-
		Provision thereon	-	-	-	-	-
3	Upgradations to restructured standard category during the period	No. of borrowers	-	-	-	-	-
		Amount outstanding	-	-	-	-	-
		Provision thereon	-	-	-	-	-
4	Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY	No. of borrowers	-	-	-	-	-
		Amount outstanding	-	-	-	-	-
		Provision thereon	-	-	-	-	-
5	Downgradations of restructured accounts during the period	No. of borrowers	-	15,321	-	-	15,321
		Amount outstanding	-	376.92	-	-	376.92
		Provision thereon	-	376.92	-	-	376.92
6	Write-offs of restructured accounts during the period	No. of borrowers	75,366	15,321	-	-	90,687
		Amount outstanding	2,294.85	376.92	-	-	2,671.77
		Provision thereon	2,294.85	376.92	-	-	2,671.77
7	Restructured accounts at the end of the period (*)	No. of borrowers	-	-	-	-	-
		Amount outstanding	-	-	-	-	-
		Provision thereon	-	-	-	-	-
(*)	Excluding the figures of Standard Restructured Advances which do not attract higher provisioning or risk weight (if applicable).						

As at March 31, 2023

(Amounts in ₹ millions)

Sl. No.	Type of Restructuring		Others				
	Asset classification		Standard	Sub-standard	Doubtful	Loss	Total
	Details						
1	Restructured accounts at the beginning of the period (*)	No. of borrowers	-	31,479	-	-	31,479
		Amount outstanding	-	755.53	-	-	755.53
		Provision thereon	-	572.40	-	-	572.40
2	Fresh restructuring during the period	No. of borrowers	96,108	-	-	-	96,108
		Amount outstanding	2,823.72	-	-	-	2,823.72
		Provision thereon	771.24	-	-	-	771.24
3	Upgradations to restructured standard category during the period	No. of borrowers	-	-	-	-	-
		Amount outstanding	-	-	-	-	-
		Provision thereon	-	-	-	-	-
4	Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY	No. of borrowers	-	-	-	-	-
		Amount outstanding	-	-	-	-	-
		Provision thereon	-	-	-	-	-
5	Downgradations of restructured accounts during the period	No. of borrowers	-	-	-	-	-
		Amount outstanding	-	-	-	-	-
		Provision thereon	-	-	-	-	-
6	Write-offs of restructured accounts during the period	No. of borrowers	1,440	28,612	-	-	30,052
		Amount outstanding	2.94	692.63	-	-	695.57
		Provision thereon	2.94	692.63	-	-	695.57
7	Restructured Accounts at the end of the period (*)	No. of borrowers	93,034	-	-	-	93,034
		Amount outstanding	2,726.76	-	-	-	2,726.76
		Provision thereon	802.87	-	-	-	802.87

(*) Excluding the figures of Standard Restructured Advances which do not attract higher provisioning or risk weight (if applicable).

Notes:

1 The outstanding amount and number of borrowers are after considering recoveries made during the respective years.

2 CDR and SME debt restructuring segments are Nil.

Arohan Financial Services Limited

Annexure 6 - Notes to Restated Financial Information

52 Disclosures pursuant to RBI notifications:

Disclosures pursuant to the Reserve Bank of India Master direction circular RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26 dated November 28, 2025, Reserve Bank of India Master direction circular RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 and Reserve Bank of India notification no. DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13 March 2020.

As at December 31, 2025

(Amounts in ₹ millions)

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
(A)	(B)	(C)	(D)	(E=C-D)	(F)	(G=D-F)
Performing Assets						
Standard	Stage 1	58,528.79	789.77	57,739.02	213.10	576.67
	Stage 2	644.39	290.01	354.38	70.68	219.33
Sub-total(A)		**59,173.18**	**1,079.78**	**58,093.40**	**283.78**	**796.00**
(Non-Performing Assets NPA)						
Sub-standard	Stage 1 (*)	3.80	0.57	3.23	-	-
	Stage 2 (*)	34.37	14.25	20.12	-	-
	Stage 3	920.41	710.30	210.11	404.15	320.97
Doubtful - up to 1 year	Stage 3	39.37	39.37	-	28.27	11.10
1 to 3 years	Stage 3	11.23	11.23	-	6.98	4.25
More than 3 years	Stage 3	7.98	7.98	-	4.35	3.63
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA	Stage 3	-	-	-	-	-
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Sub-total(B)		**1,017.16**	**783.70**	**233.46**	**443.75**	**339.95**
Total(A+B)	**Stage 1**	**58,532.59**	**790.34**	**57,742.25**	**213.10**	**577.24**
	Stage 2	**678.76**	**304.26**	**374.50**	**70.68**	**233.58**
	Stage 3	**978.99**	**768.88**	**210.11**	**443.75**	**325.13**
	Total	**60,190.34**	**1,863.48**	**58,326.86**	**727.53**	**1,135.95**

(*) The gross carrying amount of stage 1 and 2 in non performing assets section are classified in respective stages as per Ind AS.

(**) Gross carrying amount as per Ind AS represents gross carrying amount, accrued interest, unamortized loan processing fees and securitised assets.

Note: Sub-total(B) of gross carrying amount as per Ind AS represents gross NPAs of ₹1,017.16 millions and Sub-total(B) of net carrying amount represents net NPAs of ₹233.46 millions.

As at March 31, 2025

(Amounts in ₹ millions)

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
(A)	(B)	(C)	(D)	(E=C-D)	(F)	(G=D-F)
Performing Assets						
Standard	Stage 1	56,569.90	560.50	56,009.40	224.79	335.71
	Stage 2	1,080.13	348.30	731.83	4.07	344.23
Sub-total(A)		**57,650.03**	**908.80**	**56,741.23**	**228.86**	**679.94**
Non-Performing Assets NPA						
Sub-standard	Stage 1 (*)	7.40	0.50	6.90	-	-
	Stage 2 (*)	44.27	13.43	30.84	-	-
	Stage 3	1,584.26	1,312.15	272.11	523.51	802.57
Doubtful - up to 1 year	Stage 3	44.87	44.87	-	10.71	34.16
1 to 3 years	Stage 3	7.06	7.06	-	4.66	2.40
More than 3 years	Stage 3	5.10	5.10	-	2.69	2.41
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA	Stage 3	-	-	-	-	-
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	Stage 1					
	Stage 2					
	Stage 3					
Subtotal (B)		**1,692.96**	**1,383.11**	**309.85**	**541.57**	**841.54**
Total(A+B)	**Stage 1**	**56,577.30**	**561.00**	**56,016.30**	**224.79**	**336.21**
	Stage 2	**1,124.40**	**361.73**	**762.67**	**4.07**	**357.66**
	Stage 3	**1,641.29**	**1,369.18**	**272.11**	**541.57**	**827.61**
	Total	**59,342.99**	**2,291.91**	**57,051.08**	**770.43**	**1,521.48**

(*) The gross carrying amount of stage 1 and 2 in non performing assets section are classified in respective stages as per Ind AS.

(**) Gross carrying amount as per Ind AS represents gross carrying amount, accrued interest, unamortized loan processing fees and securitised assets.

Note: Sub-total(B) of gross carrying amount as per Ind AS represents gross NPAs of ₹1,692.96 millions and Sub-total(B) of net carrying amount represents net NPAs of ₹309.85 millions.

Arohan Financial Services Limited

Annexure 6 - Notes to Restated Financial Information

52 Disclosures pursuant to RBI notifications:

As at March 31, 2024

(Amounts in ₹ millions)

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
(A)	(B)	(C)	(D)	(E=C-D)	(F)	(G=D-F)
Performing Assets						
Standard	Stage 1	66,335.40	412.31	65,923.09	608.49	(196.18)
	Stage 2	390.33	156.04	234.29	3.43	152.61
Sub-total(A)		**66,725.73**	**568.35**	**66,157.38**	**611.92**	**(43.57)**
Non-Performing Assets NPA						
Sub-standard	Stage 1 (*)	0.61	0.61	-	-	-
	Stage 2 (*)	19.82	19.82	-	-	-
	Stage 3	1,078.30	1,078.30	-	8.72	1,090.01
Doubtful - up to 1 year	Stage 3	3.24	3.24	-	0.84	2.40
1 to 3 years	Stage 3	31.55	31.55	-	2.93	28.62
More than 3 years	Stage 3	2.70	2.70	-	0.08	2.62
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA	Stage 3	-	-	-	-	-
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1					
	Stage 2					
	Stage 3					
Subtotal (B)		**1,136.22**	**1,136.22**	**-**	**12.57**	**1,123.65**
Total(A+B)	**Stage 1**	**66,336.01**	**412.92**	**65,923.09**	**608.49**	**(195.57)**
	Stage 2	**410.15**	**175.86**	**234.29**	**3.43**	**172.43**
	Stage 3	**1,115.79**	**1,115.79**	**-**	**12.57**	**1,103.22**
	Total	**67,861.95**	**1,704.57**	**66,157.38**	**624.49**	**1,080.08**

(*) The gross carrying amount of stage 1 and 2 in non performing assets section are classified in respective stages as per Ind AS.

(**) Gross carrying amount as per Ind AS represents gross carrying amount, accrued interest, unamortized loan processing fees and securitised assets.

Note: Sub-total(B) of gross carrying amount as per Ind AS represents gross NPAs of ₹1,136.22 millions and Sub-total(B) of net carrying amount represents nil net NPAs.

As at March 31, 2023

(Amounts in ₹ millions)

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
(A)	(B)	(C)	(D)	(E=C-D)	(F)	(G=D-F)
Performing Assets						
Standard	Stage 1	46,562.10	458.96	46,103.14	488.98	(30.02)
	Stage 2	2,655.15	1,040.63	1,614.52	149.97	890.66
Sub-total(A)		**49,217.25**	**1,499.59**	**47,717.66**	**638.95**	**860.64**
Non-Performing Assets NPA						
Sub-standard	Stage 1 (*)	2.34	0.36	1.98	-	-
	Stage 2 (*)	76.89	66.63	10.26	-	-
	Stage 3	1,337.36	1,245.06	92.30	169.60	1,142.45
Doubtful - up to 1 year	Stage 3	5.46	5.46	-	3.58	1.88
1 to 3 years	Stage 3	28.86	28.86	-	19.34	9.52
More than 3 years	Stage 3	0.45	0.45	-	0.22	0.23
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA	Stage 3	-	-	-	-	-
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	Stage 1					
	Stage 2					
	Stage 3					
Subtotal (B)		**1,451.36**	**1,346.82**	**104.54**	**192.74**	**1,154.08**
Total(A+B)	**Stage 1**	**46,564.44**	**459.32**	**46,105.12**	**488.98**	**(29.66)**
	Stage 2	**2,732.04**	**1,107.26**	**1,624.78**	**149.97**	**957.29**
	Stage 3	**1,372.13**	**1,279.83**	**92.30**	**192.74**	**1,087.09**
	Total	**50,668.61**	**2,846.41**	**47,822.20**	**831.69**	**2,014.72**

(*) The gross carrying amount of stage 1 and 2 in non performing assets section are classified in respective stages as per Ind AS.

(**) Gross carrying amount as per Ind AS represents gross carrying amount, accrued interest, unamortized loan processing fees and securitised assets.

Note: Sub-total(B) of gross carrying amount as per Ind AS represents gross NPAs of ₹1,451.36 millions and Sub-total(B) of net carrying amount represents net NPAs of ₹104.54 millions.

Arohan Financial Services Limited

Annexure 6 - Notes to Restated Financial Information

53 Disclosures pursuant to RBI's notification no. RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated August 6, 2020 Resolution Framework 1.0 and RBI/2021-22/31/DOR.STR.REC.11/21.04.048/2021-22 dated May 5, 2021 Resolution Framework 2.0

Format B
As on March 31, 2024

(Amounts in ₹ millions)

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year i.e. September 30, 2023 (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as standard consequent to implementation of resolution plan – position as at the end of this half-year i.e. March 31, 2024
Personal Loans	-	-	-	-	-
Corporate persons (*)	-	-	-	-	-
Of which, MSMEs	-	-	-	-	-
Others (**)	262.34	-	174.02	88.32	-
Total	**262.34**	**-**	**174.02**	**88.32**	**-**

(*) As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016
(**) represents microfinance loans to customer
Under Covid Resolution 1.0 and 2.0, 6,48,491 and 5,42,934 number of borrower accounts respectively were sanctioned for modification and implemented whose aggregate exposure as on March 31, 2024 is ₹Nil and ₹Nil respectively.

As on March 31, 2023

(Amounts in ₹ millions)

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year i.e. September 30, 2022 (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as standard consequent to implementation of resolution plan – position as at the end of this half-year i.e. March 31, 2023
Personal Loans	-	-	-	-	-
Corporate persons (*)	-	-	-	-	-
Of which, MSMEs	-	-	-	-	-
Others (**)	6,541.03	1,053.97	3,107.59	942.38	1,437.09
Total	**6,541.03**	**1,053.97**	**3,107.59**	**942.38**	**1,437.09**

(*) As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016
(**) represents microfinance loans to customer
Under Covid Resolution 1.0 and 2.0, 6,48,491 and 5,42,934 number of borrower accounts respectively were sanctioned for modification and implemented whose aggregate exposure as on March 31, 2023 is ₹156.57 millions and ₹2,424.08 millions respectively.
Under covid resolution 1.0, 336 number of MSME borrower accounts were sanction for modification and implemented whose aggregate exposure as on March 31, 2023 is Nil.

Note :- This disclosure is not applicable for the nine months period ended December 31, 2025 and year ended March 31, 2025.

54 Disclosures pursuant to Scale Based Regulation as per circular RBI/DoR/2023-24/106 DoR.FIN.REC. No.45/03.10.119/2023-24

(a) 1) composition of the Board and change in composition of the Board during the nine month period ended December 31, 2025, December 31, 2024 and year ended March 31, 2025, March 31, 2024 and March 31, 2023 are as follows:

Requirements	Response
NBFCs shall put up to the Board of Directors, at regular intervals, conformity with corporate governance standards, viz., in composition of various committees, their role and functions, periodicity of the meetings and compliance with coverage and review functions, etc.	NBFCs has put up to the Board of Directors, at regular intervals, conformity with corporate governance standards, viz., in composition of various committees, their role and functions, periodicity of the meetings and compliance with coverage and review functions, etc.

2) Details of non-compliance with requirements of Companies Act, 2013:

There are no default in compliance with the requirements of Companies Act, 2013, including with respect to compliance with accounting and secretarial standards for the December 31, 2025, December 31, 2024 , March 31, 2025, March 31, 2024 and March 31, 2023.

3) Details of penalties and strictures:

December 31, 2025: The Company has complied with all the requirements of regulatory authorities. No penalties or strictures were imposed on the Company by Stock Exchanges or Securities and Exchange Board of India (SEBI) or Reserve Bank of India (RBI) or any statutory authority on any matter related to the activities of the Company.

March 31, 2025: The Reserve Bank of India (RBI), exercising its authority under section 45L(1)(b) of the Reserve Bank of India Act, 1934, issued an order on October 17, 2024, directing the company to cease and desist from sanctioning or disbursing loans, effective from the close of business on October 21, 2024. However, these business restrictions did not prevent the company from servicing its existing customers or conducting collection and recovery processes in accordance with the regulatory Order.

The Company initiated all necessary remedial action and submitted its various compliances to RBI and based on the submissions and in view of the adoption of revamped processes, systems and commitment to ensure adherence to the Regulatory Guidelines on an ongoing basis the order was vacated on January 03, 2025 with immediate effect and the Company accordingly, resumed its business, including sanction and disbursement of loans, with effect from January 4, 2025.

March 31, 2024: The Company has complied with all the requirements of regulatory authorities. No penalties or strictures were imposed on the Company by Stock Exchanges or Securities and Exchange Board of India (SEBI) or Reserve Bank of India (RBI) or any statutory authority on any matter related to the activities of the Company.

March 31, 2023: The Company has complied with all the requirements of regulatory authorities. No penalties or strictures were imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to the activities of the Company except a penalty of an amount of ₹0.02 millions has been paid to Reserve Bank of India towards late submission fees of FC_TRS under Foreign Exchange Management Act, 1999.

(b) There are no modified opinion expressed by the auditors.

(c) There are no items of income and expenditure of exceptional nature.

Arohan Financial Services Limited

Annexure 6 - Notes to Restated Financial Information

54 Disclosures pursuant to RBI notifications:

Disclosures pursuant to the Reserve Bank of India Master direction circular RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26 dated November 28, 2025, Reserve Bank of India Master direction circular RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 and additional disclosures pursuant to the RBI/2021-22/112DOR.CRE.REC.No.60/03.10.001/2021-22 dated October 22, 2021 on Scale Based Regulation (contd)**.**

(d) Breach of financial covenant:

As at December 31, 2025

There are no breach of financial covenant for debt securities, borrowings (other than debt securities) and subordinated liabilities as on December 31, 2025.

As at March 31, 2025

(i) Debt securities

Particulars	Sanction date	Description of financial covenants	Limit required	Actual
Northern Arc Capital Limited	March 28, 2018 & August 14, 2018	PAR 90 as a percentage of gross loan portfolio (*) (**)	Not exceeding 2.00%	2.73%
		Possitive net profit after tax maintained on quarterly basis (***)	Positive profit after tax	(425.09 millions)

(*) However the Company has obtained a financial covenant relaxation on maintaining portfolio overdue for more than 30 percentage threshold permanently.

(**) Gross loan portfolio overdue for more than 90 days as a percentage of gross loan portfolio as on March 31, 2025

(***) Due to the cease and desist order issued on October 17, 2024 by the Reserve Bank of India ('RBI'), the Company was unable to disburse new loans from October 22, 2024, until January 3, 2025. This restriction led to a reduction in the company's outstanding portfolio. Additionally, the company experienced a slight increase in delinquency levels during half year ended March 31, 2025, primarily driven by a deterioration in the overall quality of the microfinance industry's portfolio. As a result, the company had to consider additional provision and write offs due to which there is net loss during the quarter ended March 31, 2025. However, there is a cure period of 60 days from the date of breach.

(ii) Borrowings (other than debt securities)

Particulars	Sanction date	Description of financial covenants	Limit required	Actual
1. Indusind Bank (*)	December 12, 2023	PAR 31-90 as a percentage of gross loan portfolio (refer note1 & 4 below).	less than equal 1.50%	1.85%
2. Northern Arc	June 01, 2023	(PAR 90 + net write-off of 12 months)/ Gross loan portfolio (refer note 2 & 4 below).	less than 5.00%	8.59%
3. Bank of Baroda	September 02, 2024	Return on equity (refer note 3 & 4 below).	Greater than 10.00%	6.17%

(*) However the Company has obtained a financial covenant relaxation on maintaining portfolio overdue for more than 30 days percentage till March 31, 2025.

Note:

(1) Portfolio overdue for more than 30 days but less than 90 days as a percentage of gross loan portfolio as on March 31, 2025.

(2) Aggregate of gross loan portfolio overdue for more than 90 days and net write-off of 12 months as a percentage of gross loan portfolio as on March 31, 2025.

(3) Return on equity is computed on profit after tax as a percentage on two point yearly average networth (equity share capital and other equity excluding statutory reserves and esop outstanding).

(4) Gross loan portfolio represents assets under management (AUM)

As at March 31, 2024

There are no breach of financial covenant for debt securities and borrowings (other than debt securities) as on as on March 31, 2024.

As at March 31, 2023

(i) Debt securities

Particulars	Sanction date	Description of financial covenants	Limit required	Actual
Japanese ASEAN Women Empowerment Fund	December 2, 2020	(PAR 30 + restructure loan + net write-off of 12 months)/ Gross loan portfolio (refer note 1 below)	less than 10.00%	16.09%
		(PAR 90 + restructure loans - provision)/ Tier 1 capital (refer note 2 below)	less than 10.00%	21.69%
Blue Orchard Microfinance Fund	May 31, 2022	(PAR 30 + non-covid restructure loan + net write-off of 12 months)/ Gross loan portfolio (refer note ence 3 below)	less than 15.00%	15.55%
		(PAR 90 + non-covid restructure loans - total provision)/ Tier I capital (refer note 4 below)	less than 10.00%	13.79%
CDC Group	December 19, 2020	(PAR 90 + restructure loans)/ Gross loan portfolio (refer note 5 below)	less than 5.00%	9.57%
Indian Bank	July 8, 2020	Operatinal self sufficiency ratio (refer note 6 below)	greater than 110.00%	108.99%
Northern Arc Capital Limited	July 27, 2018	PAR 90 percentage (refer note 7 below)	less than 2.00%	2.71%

(ii) Borrowings (other than debt securities) and Subordinated liabilities

Particulars	Sanction date	Description of financial covenants	Limit required	Actual
Borrowings (other than debt securities)	March 31, 2022	(PAR 90 + non-covid restructure loans + net write-off of 12 months)/ Gross loan portfolio (refer note 8 below)	less than 5.00%	14.31%
	February 07, 2022	(PAR 90 + non-covid restructure loans + net write-off of 12 months)/ Gross loan portfolio (refer note 8 below)	less than 5.00%	14.31%
	March 21, 2022	(PAR 30 + restructure loans)/ Gross loan portfolio	less than 5.00%	9.80%
	March 21, 2022	(PAR 90 + restructure loans)/ Gross loan portfolio (refer note 5 below)	less than 3.00%	9.57%
Subordinated liabilities	March 30, 2021	(PAR 90 + restructure loans)/ Gross loan portfolio (refer note 5 below)	less than 5.00%	9.57%

Note:

(1) Portfolio overdue for more than 30 days, restructured loans (including restructuring under RBI resolution framework dated August 06, 2020 & May 05, 2021) and net write off for last 12 months has been considered as numerator and closing gross loan portfolio as on March 31, 2023 as denominator.

(2) Gross loan portfolio overdue for more than 90 days, restructured loans (including restructuring under RBI resolution framework dated August 06, 2020 & May 05, 2021) which is reduced by NPA provision on owned portfolio has been considered as numerator and Tier 1 capital as denominator.

(3) Portfolio overdue for more than 30 days, non covid restructured loans (including restructuring under RBI resolution framework dated August 06, 2020 & May 05, 2021) and net write-off for last 12 months has been considered as numerator and closing gross loan portfolio as on March 31, 2023 as denominator.

(4) Aggregate of gross loan portfolio overdue for more than 90 days and non-covid restructured loans, reduced by NPA provision on owned portfolio has been considered as numerator and Tier I capital considered as denominator.

(5) AUM overdue for more than 90 days and restructured loans has been considered as numerator whereas gross loan portfolio as on March 31, 2023 is considered as denominator.

(6) Total revenue has been considered as numerator and total expenses for the year ended March 31, 2023 as denominator.

(7) Gross loan portfolio overdue for more than 90 days as a percentage of gross loan portfolio as on March 31, 2023

(8) Aggregate of gross loan portfolio overdue for more than 90 days, non-covid restructure loans and net write-off of 12 months considered in numerator and gross loan portfolio as on March 31, 2023 as denominator

(9) Gross loan portfolio represents assets under management (AUM)

(e) Divergence in Asset Classification and Provisioning

There has been no instance of additional provisioning requirement assessed by Reserve Bank of India (RBI) exceeding 5% of the reported profit before tax and impairment loss on financial instruments, neither there has been any instance of additional gross NPAs identified by RBI exceeding 5% of the reported gross NPAs for the nine months period ended December 31, 2025 and the year ended March 31, 2025, March 31, 2024 and March 31, 2023.

55 Disclosures pursuant to the Reserve Bank of India Master direction circular RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26 dated November 28, 2025, Reserve Bank of India Master direction circular RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 and additional disclosures pursuant to the RBI/2021-22/112DOR.CRE.REC.No.60/03.10.001/2021-22 dated October 22, 2021 on Scale Based Regulation (contd).

(Amounts in ₹ millions)

Loans to Directors, senior officers and relatives of Directors	Nine months period ended December 31, 2025	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Directors and their relatives	Nil	Nil	Nil	Nil
Entities associated with directors and their relatives	Nil	Nil	Nil	Nil
Senior Officers and their relatives (*)	Nil	0.19	0.85	Nil

(*) The loan to the senior officer is as per the staff loan policy of the Company.

Arohan Financial Services Limited

Annexure 6 - Notes to Restated Financial Information

56 Asset Liability Management and disclosures related to asset liability management (ALM) pursuant to the Reserve Bank of India Master direction circular RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26 dated November 28, 2025, Reserve Bank of India Master direction circular RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 and DNBR.PD.008/03.10.119/2016-17 (contd).

The Company has adopted the liquidity risk framework as required under RBI regulation. The Board of Directors have delegated responsibility of balance sheet liquidity risk management to the asset liability committee (ALCO). ALCO reviews asset liability mismatches (ALM) and ensures that there are no excessive concentration of either assets or liability side of the balance sheet. liquidity risk is managed in accordance with ALM policy. The same is reviewed periodically to incorporate regulatory changes, economic scenario and business requirements of the company.

Maturity pattern of assets and liability as on December 31, 2025

(Amounts in ₹ millions)

Particulars	1 to 7 days	8 to 14 days	15 to 30/31 days	1 to 2 months	2 to 3 months	3 to 6 months	6 months to 1 year	Over 1 year and upto 3	Over 3 year and upto 5	Over 5 years	Total
Deposits (with banks)	1,049.26	1,226.21	2,502.37	-	408.32	248.84	729.24	533.57	23.02	2.88	**6,723.71**
Advances (Micro Finance Portfolio)	881.70	1,410.72	1,234.38	3,083.10	3,052.80	8,219.97	13,103.20	16,543.04	229.67	-	**47,758.58**
Advances (Other than Micro Finance)	357.17	571.47	500.04	809.03	758.26	1,940.39	2,804.14	2,824.01	3.77	-	**10,568.28**
Investments	-	-	4,377.90	-	-	1,622.29	660.82	628.18	81.66	-	**7,370.85**
Borrowings (*)	498.87	562.02	2,221.73	3,134.47	4,358.49	8,813.14	13,262.90	19,342.70	-	-	**52,194.32**
Foreign Currency assets	-	-	-	-	-	-	-	-	-	-	**-**
Foreign Currency liabilities	-	-	-	-	-	-	-	-	-	-	**-**

Maturity pattern of assets and liability as on March 31, 2025

(Amounts in ₹ millions)

Particulars	1 to 7 days	8 to 14 days	15 to 30/31	1 to 2	2 to 3	3 to 6	6 months to	Over 1 year	Over 3 year	Over 5 years	Total
Deposits (with banks)	534.83	1,127.19	2,082.83	39.80	15.34	289.60	793.66	730.56	21.83	2.76	**5,638.40**
Advances (Micro Finance Portfolio)	1,154.44	1,847.11	1,616.22	3,650.87	3,572.33	10,001.06	16,297.24	13,814.08	309.01	-	**52,262.36**
Advances (Other than Micro Finance)	85.66	137.05	119.92	322.17	321.95	934.95	1,514.77	1,351.42	0.83	-	**4,788.72**
Investments	-	-	-	1,490.23	-	304.64	-	1,740.87	97.72	-	**3,633.46**
Borrowings (*)	671.25	599.43	2,538.63	2,622.87	3,545.32	8,434.43	12,104.23	16,517.87	-	-	**47,034.03**
Foreign Currency assets	-	-	-	-	-	-	-	-	-	-	**-**
Foreign Currency liabilities	-	-	-	-	-	-	-	-	-	-	**-**

Arohan Financial Services Limited

Annexure 6 - Notes to Restated Financial Information

56 Asset Liability Management and disclosures related to asset liability management (ALM) pursuant to the Reserve Bank of India Master direction circular RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26 dated November 28, 2025, Reserve Bank of India Master direction circular RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 and DNBR.PD.008/03.10.119/2016-17 (contd).

Maturity pattern of assets and liability as on March 31, 2024

(Amounts in ₹ millions)

Particulars	1 to 7 days	8 to 14 days	15 to 30/31 days	1 to 2 months	2 to 3 months	3 to 6 months	6 months to 1 year	Over 1 year and upto 3 years	Over 3 year and upto 5 years	Over 5 years	Total
Deposits (with banks)	1,649.17	1,275.66	2,781.13	546.15	36.41	221.58	864.54	1,277.75	381.96	2.57	**9,036.92**
Advances (Micro Finance Portfolio)	1,152.24	1,843.59	1,613.14	3,794.54	3,732.16	10,984.36	19,879.28	21,068.39	-	-	**64,067.70**
Advances (Other than Micro Finance)	27.90	44.64	39.06	100.21	101.06	297.31	568.00	911.50	-	-	**2,089.68**
Investments	-	-	-	-	-	-	-	-	901.11	0.50	**901.61**
Borrowings (*)	196.87	360.56	2,214.34	3,040.04	3,502.24	9,360.71	15,156.28	21,889.14	4,438.25	-	**60,158.43**
Foreign Currency assets	-	-	-	-	-	-	-	-	-	-	**-**
Foreign Currency liabilities	-	-	-	-	-	-	-	-	-	-	**-**

Maturity pattern of assets and liability as on March 31, 2023

(Amounts in ₹ millions)

Particulars	1 to 7 days	8 to 14 days	15 to 30/31 days	1 to 2 months	2 to 3 months	3 to 6 months	6 months to 1 year	Over 1 year and upto 3 years	Over 3 year and upto 5 years	Over 5 years	Total
Deposits (with banks)	1,261.67	1,850.65	2,445.01	254.03	46.86	511.94	955.40	1,736.37	125.11	-	**9,187.04**
Advances (Micro Finance Portfolio)	854.35	1,366.96	1,196.09	2,723.21	2,659.13	7,848.97	14,397.84	16,244.74	107.70	-	**47,398.99**
Advances (Other than Micro Finance)	11.89	19.03	16.65	38.31	37.58	95.48	136.50	60.69	7.08	-	**423.21**
Investments	-	-	-	-	-	-	-	-	-	787.70	**787.70**
Borrowings (*)	163.13	112.10	2,637.97	1,818.09	2,791.27	6,089.47	12,205.14	15,875.11	3,642.62	-	**45,334.90**
Foreign Currency assets	-	-	-	-	-	-	-	-	-	-	**-**
Foreign Currency liabilities	-	-	-	-	-	-	-	-	-	-	**-**

(*) Borrowing includes debt securities, borrowings (other than debt securities) and subordinated liabilities.

Notes:

The above information has been considered as per the Asset Liability Management (ALM) Report compiled by the management and reviewed by the Asset Liability Committee.

Arohan Financial Services Limited

Annexure 6 - Notes to Restated Financial Information

57 Disclosures related to significant counterparty pursuant to the Reserve Bank of India Master direction circular RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26 dated November 28, 2025, Reserve Bank of India Master direction circular RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 and RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated 04 November 2019 (contd).

(i) Funding Concentration based on significant counterparty on borrowings

(Amounts in ₹ millions)

Particulars	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024 (*)	As at March 31, 2023
Number of significant counterparties	24	22	20	23
Amount of borrowed funds from significant counterparties (#)	48,923.90	42,675.80	50,510.90	41,637.74
Percentage of total deposits	Not applicable	Not applicable	Not applicable	Not applicable
Percentage of total liabilities	90.97%	87.81%	81.46%	88.97%

(*) During the year ended March 31, 2024 there was one related party significant counterparty and the transaction are at arm's length price *(refer note 49*).
(#) Accrued interest on borrowings have been considered in above calculation.

Notes:

a) A "Significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs.

b) Total Liabilities has been computed as Total Assets less Equity share capital less Reserve & Surplus and computed basis extant regulatory ALM guidelines.

(ii) Top 20 large deposits (amount in ₹ millions and % of total deposits) - The Company does not accept deposit hence not applicable for December 31, 2025, March 31, 2025, March 31, 2024 and March 31, 2023.

(iii) Top 10 borrowings

(Amounts in ₹ millions)

Particulars	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024 (*)	As at March 31, 2023
Amount of borrowed funds from top ten significant counterparties (#1)	33,818.76	29,055.09	36,024.57	31,055.38
% of total borrowings (#2)	64.73%	61.77%	59.84%	68.60%

(*) During the financial year ended March 31, 2024 there is one significant counterparty represents related party and the transaction are at arm's length price (refer *note 49*).

Note:

(#1) Accrued interest on borrowings have not been considered in above calculation.

(#2) Total borrowing has been computed as gross total debt basis extant regulatory ALM guidelines which includes securitisation transactions.

(iv) Funding Concentration based on significant instrument/ product

(Amounts in ₹ millions)

Name of the instrument/ product	As at December 31, 2025		As at March 31, 2025	
	(Amounts in ₹ millions) (**)	% of total liabilities	(Amounts in ₹ millions) (**)	% of total liabilities
Debt securities	1,560.00	2.91%	2,080.00	4.28%
Borrowings (other than debt securities)	48,184.61	89.73%	40,958.41	84.27%
Subordinated liabilities	2,500.00	4.66%	4,000.00	8.23%

(Amounts in ₹ millions)

Name of the instrument/ product	As at March 31, 2024		As at March 31, 2023	
	(Amounts in ₹ millions) (**)	% of total liabilities	(Amounts in ₹ millions) (**)	% of total liabilities
Debt securities	4,005.00	6.46%	2,912.00	6.22%
Borrowings (other than debt securities)	52,200.07	84.18%	38,108.10	81.43%
Subordinated liabilities	4,000.00	6.45%	4,250.00	9.08%

Note:

(a) A "significant instrument/product" is defined as a single instrument/ product of group of similar instruments/products which in aggregate amount to more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs.

(b) Total Liabilities has been computed as Total Assets less Equity share capital less Reserve & Surplus and computed basis extant regulatory ALM guidelines.
(**) Figures are based on gross borrowing outstanding and does not includes accrued interest and other Ind AS adjustments.

(v) Stock Ratios:

Stock Ratio (in terms of percentage)	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
1. Commercial papers as a % of total liabilities	Not Applicable	Not Applicable	Not Applicable	Not Applicable
2. Commercial papers as a % of total assets	Not Applicable	Not Applicable	Not Applicable	Not Applicable
3. Commercial papers as a % of public fund	Not Applicable	Not Applicable	Not Applicable	Not Applicable
4. Non-convertible debentures (original maturity of less than one year) as a % of total liabilities	Nil	Nil	Nil	Nil
5. Non-convertible debentures (original maturity of less than one year) as a % of total assets	Nil	Nil	Nil	Nil
6. Non-convertible debentures (original maturity of less than one year) as a % of public fund	Nil	Nil	Nil	Nil
7. Other short-term liabilities as a % of total liabilities	63.19%	52.87%	57.00%	57.79%
8. Other short-term liabilities as a % of total assets	45.47%	37.32%	43.56%	44.94%
9. Other short-term liabilities as a % of pubic fund	65.01%	54.64%	58.76%	59.66%

(vi) Institutional set-up for Liquidity Risk Management

The Board of Directors of the Company has an overall responsibility and oversight for the management of all the risks, including liquidity risk, to which the Company is exposed to in the course of conducting its business. The Board approves the governance structure, policies, strategy and the risk limits for the management of liquidity risk. The Board of Directors approves the constitution of the Risk Management Committee (RMC) for the effective supervision, evaluation, monitoring and review of various aspects and types of risks, including liquidity risk, faced by the Company. The meetings of RMC are held at quarterly interval. Further, the Board of Directors also approves constitution of Asset Liability Committee (ALCO), which functions as the strategic decision-making body for the asset-liability management of the Company from risk-return perspective and within the risk appetite and guard-rails approved by the Board. The main objective of ALCO is to assist the Board and RMC in effective discharge of the responsibilities of asset liability management, market risk management, liquidity and interest rate risk management and also to ensure adherence to risk tolerance/limits set up by the Board. ALCO provides guidance and directions in terms of interest rate, liquidity, funding sources, and investment of surplus funds. ALCO meetings are held once in a month or more frequently as warranted from time to time. The minutes of ALCO meetings are placed before the RMC and the Board of Directors in its next meeting for its perusal/ approval/ ratification.

Arohan Financial Services Limited

Annexure 6 - Notes to Restated Financial Information

58 Disclosures related to Liquidity coverage Ratio (LCR) pursuant to the Reserve Bank of India circular RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26 dated November 28, 2025, Reserve Bank of India Master direction circular RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 and RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated November 04, 2019.

Liquidity coverage Ratio (LCR) is a tool for measuring and promoting short term resilience of the company to potential liquidity disruptions by ensuring maintenance of sufficient unencumbered high quality liquid assets (HQLA's) to survive at severe stress scenario lasting for 30 calendar days. Reserve Bank of India (RBI) introduced the LCR requirement for all non-deposit taking NBFC's with an asset size of ₹5,000 crore and above.

The ratio comprises of HQLA's as numerator and net cash outflows in next 30 calendar days as denominator.

HQLA computation consist of two parts i.e. (i) assets to be included as HQLA without any haircut i.e. cash, government securities, etc. and (ii) assets to be considered for HQLA with haircuts (ranging 15% to 50%) which comprises of investments in highly rated non--financial corporate bonds and listed equity investments which are considered at prescribed haircuts.

In order to determine net cash outflows, the company considers total expected cash outflow minus total expected cash inflows for the subsequent 30 calendar days. As per regulations, stressed cash flows is computed by assigning a predefined stress percentage to the overall cash inflows and cash outflows. Net cash outflow over next 30 days is computed as stressed outflows less minimum of stressed inflows or 75% of stressed outflow. accordingly, LCR would be computed by dividing company's stock of HQLA by its total net cash outflow.

The LCR requirement has been inducted in a phased manner with the Company required to maintain minimum LCR of 30% from December, 1, 2020 eventually increasing to 100% by December 31, 2024. the Company has implemented the LCR framework and has consistently maintained LCR well above the regulatory threshold for all the quarters during the period/ years. The Company has maintained an average LCR of 843% for the quarter ended December 31, 2025: 118%, for the quarter ended March 31, 2025: 127%, for the quarter ended March 31, 2024: 843%, for the quarter ended March 31, 2023: 415% as against minimum regulatory requirement of December 31, 2025: 100%, March 31, 2025: 100%, March 31, 2024: 85%, March 31, 2023: 60%.

The company has maintained average HQLA as of ₹3,127.31 millions for the quarter ended December 31, 2025, ₹3,624.85 millions for the quarter ended March 31, 2025, ₹9,651.32 millions for the quarter ended March 31, 2024 and ₹6,090.97 millions for the quarter ended March 31, 2023.

The Company has adopted the liquidity risk framework as required under RBI regulation. the Board of Directors have delegated responsibility of balance sheet liquidity Risk management to the asset liability committee (ALCO). ALCO reviews asset liability mismatches (ALM) and ensures that there are no excessive concentration of either assets or liability side of the balance sheet. liquidity risk is managed in accordance with ALM policy. The same is reviewed periodically to incorporate regulatory changes, economic scenario and business requirements of the Company.

For nine months period ended December 31, 2025

(Amounts in ₹ millions)

Sl No.	Particulars	As on June 30, 2025		As on September 30, 2025		As on December 31, 2025	
		Total Unweighted Value (average) (*)	Total Weighted Value (average) (**)	Total Unweighted Value (average) (*)	Total Weighted Value (average) (**)	Total Unweighted Value (average) (*)	Total Weighted Value (average) (**)
	High Quality Liquid Assets (#)						
1	High quality liquid assets (HQLA)						
(i)	Cash balance and bank	548.01	548.01	576.13	576.13	416.06	416.06
(ii)	Un-encumbered demand deposits with scheduled commercial bank	-	-	-	-	-	-
(iii)	Government securities and treasury bonds	2,621.92	2,621.92	2,377.93	2,377.93	2,711.25	2,711.25
	Total High Quality Liquid Assets (HQLA)	**3,169.93**	**3,169.93**	**2,954.06**	**2,954.06**	**3,127.31**	**3,127.31**
	Cash Outflows:						
2	Deposits (for deposit taking companies)	-	-	-	-	-	-
3	Unsecured wholesale funding	-	-	-	-	-	-
4	Secured wholesale funding	-	-	-	-	-	-
5	Additional requirements, of which						
(i)	Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-
(ii)	Outflows related to loss of funding on debt products	-	-	-	-	-	-
(iii)	Credit and liquidity facilities	3,809.35	4,380.75	3,683.55	4,236.08	3,581.22	4,118.40
6	Other contractual funding obligations	438.95	504.79	439.07	504.93	438.91	504.75
7	Other contingent funding obligations	4,390.56	5,049.14	4,247.63	4,884.77	5,196.60	5,976.09
8	**Total cash outflows**	**8,638.86**	**9,934.68**	**8,370.25**	**9,625.78**	**9,216.73**	**10,599.24**
	Cash Inflows:						
9	Secured lending	4,462.09	3,346.57	4,081.52	3,061.14	3,195.65	2,396.74
10	Inflows from fully performing exposures	4,997.66	3,748.25	5,034.15	3,775.61	5,306.36	3,979.77
11	Other cash inflows	4,877.83	3,658.37	6,116.05	4,587.04	4,948.24	3,711.18
12	**Total cash inflows**	**14,337.58**	**10,753.19**	**15,231.72**	**11,423.79**	**13,450.25**	**10,087.69**
			Total Adjusted Value		Total Adjusted Value		Total Adjusted Value
13	**Total High Quality Liquid Assets (HQLA)**		**3,169.93**		**2,954.06**		**3,127.31**
14	**Total net outflows**		**2,483.67**		**2,406.45**		**2,649.81**
15	**Liquidity coverage ratio (%)**		**128%**		**123%**		**118%**

(*) Unweighted values calculated as outstanding balances maturing or callable within 30 days (for inflows and outflows).

(**) Weighted values calculated after the application of respective stress factors on inflow and outflow.

(#) HQLA includes cash on hand and investments in Government securities.

Qualitative disclosure

(a) Intra-period changes as well as changes over time: The details of all four quarter are disclosed above.

(b) Composition of HQLAs: The composition of HQLA are disclosed above.

(c) Derivative exposures and potential collateral calls: The company has no derivative exposure.

(d) Currency mismatch in the LCR: The company has no foreign currency borrowings, hence the currency mismatch in the LCR are not applicable.

(e) Other inflows and outflows in the LCR calculation that are not captured in the LCR common template but which the institution considered to be relevant for liquidity profile: All inflows/ outflows considered relevant are considered in LCR calculation.

For financial year: 2024-2025

(Amounts in ₹ millions)

Sl No.	Particulars	As on June 30, 2024		As on September 30, 2024		As on December 31, 2024		As on March 31, 2025	
		Total Unweighted Value (average) (*)	Total Weighted Value (average) (**)	Total Unweighted Value (average) (*)	Total Weighted Value (average) (**)	Total Unweighted Value (average) (*)	Total Weighted Value (average) (**)	Total Unweighted Value (average) (*)	Total Weighted Value (average) (**)
	High Quality Liquid Assets (#)								
1	High quality liquid assets (HQLA)								
(i)	Cash balance	5.59	5.59	5.14	5.14	5.81	5.81	1.13	1.13
(ii)	Cash on bank	1,667.25	1,667.25	352.11	352.11	436.16	436.16	532.15	532.15
(iii)	Un-encumbered demand deposits with scheduled commercial bank	-	-	-	-	-	-	-	-
(iv)	Government securities and treasury bills	2,219.62	2,219.62	3,615.04	3,615.04	3,362.09	3,362.09	3,091.57	3,091.57
	Total High Quality Liquid Assets (HQLA)	**3,892.46**	**3,892.46**	**3,972.29**	**3,972.29**	**3,804.06**	**3,804.06**	**3,624.85**	**3,624.85**
	Cash Outflows:								
2	Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-
3	Unsecured wholesale funding	-	-	-	-	-	-	-	-
4	Secured wholesale funding	-	-	-	-	-	-	-	-
5	Additional requirements, of which								
(i)	Outflows related to derivative exposures and other collateral	-	-	-	-	-	-	-	-
(ii)	Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
(iii)	Credit and liquidity facilities	4,194.30	4,823.45	4,002.82	4,603.24	4,130.00	4,749.50	4,219.02	4,851.87
6	Other contractual funding obligations	824.73	948.44	363.91	418.50	413.64	475.69	448.11	515.33
7	Other contingent funding obligations	5,443.81	6,260.38	5,290.90	6,084.54	787.09	905.15	5,247.74	6,034.90
8	**Total cash outflows**	**10,462.84**	**12,032.27**	**9,657.63**	**11,106.28**	**5,330.73**	**6,130.34**	**9,914.87**	**11,402.10**
	Cash Inflows:								
9	Secured lending	4,178.02	3,133.52	2,852.17	2,139.13	347.83	260.87	2,555.56	1,916.67
10	Inflows from fully performing exposures	4,641.08	3,480.81	4,787.81	3,590.86	4,537.49	3,403.12	4,410.05	3,307.54
11	Other cash inflows	6,580.17	4,935.13	7,167.45	5,375.59	7,554.24	5,665.68	7,816.66	5,862.50
12	**Total cash inflows**	**15,399.27**	**11,549.46**	**14,807.43**	**11,105.58**	**12,439.56**	**9,329.67**	**14,782.27**	**11,086.71**
			Total Adjusted		Total Adjusted		Total Adjusted		Total Adjusted
13	**Total High Quality Liquid Assets (HQLA)**		**3,892.46**		**3,972.29**		**3,804.06**		**3,624.85**
14	**Total net outflows**		**3,008.07**		**2,776.57**		**1,532.59**		**2,850.53**
15	**Liquidity coverage ratio (%)**		**129%**		**143%**		**248%**		**127%**

(*) Unweighted values calculated as outstanding balances maturing or callable within 30 days (for inflows and outflows).

(**) Weighted values calculated after the application of respective stress factors on inflow and outflow.

(#) HQLA includes cash on hand, investments in Government securities and treasury bills.

Qualitative disclosure

(a) Intra-period changes as well as changes over time: The details of all four quarter are disclosed above.

(b) Composition of HQLAs: The composition of HQLA are disclosed above.

(c) Derivative exposures and potential collateral calls: The company has no derivative exposure.

(d) Currency mismatch in the LCR: The company has no foreign currency borrowings, hence the currency mismatch in the LCR are not applicable.

(e) Other inflows and outflows in the LCR calculation that are not captured in the LCR common template but which the institution considered to be relevant for liquidity profile: All inflows/ outflows considered relevant are considered in LCR calculation.

For financial year: 2023-2024

(Amounts in ₹ millions)

Sl No.	Particulars	As on June 30, 2023		As on September 30, 2023		As on December 31, 2023		As on March 31, 2024	
		Total Unweighted Value (average) (*)	Total Weighted Value (average) (**)	Total Unweighted Value (average) (*)	Total Weighted Value (average) (**)	Total Unweighted Value (average) (*)	Total Weighted Value (average) (**)	Total Unweighted Value (average) (*)	Total Weighted Value (average) (**)
	High Quality Liquid Assets (#)								
1	High quality liquid assets (HQLA)								
(i)	Cash balance	8.80	8.80	14.25	14.25	21.10	21.10	2.48	2.48
(ii)	Cash on bank	156.18	156.18	112.23	112.23	208.05	208.05	3,602.18	3,602.18
(iii)	Un-encumbered demand deposits with scheduled commercial bank	7,440.28	7,440.28	8,279.92	8,279.92	8,714.43	8,714.43	6,046.66	6,046.66
	Total High Quality Liquid Assets (HQLA)	**7,605.26**	**7,605.26**	**8,406.40**	**8,406.40**	**8,943.58**	**8,943.58**	**9,651.32**	**9,651.32**
	Cash Outflows:								
2	Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-
3	Unsecured wholesale funding	-	-	-	-	-	-	-	-
4	Secured wholesale funding	-	-	-	-	-	-	-	-
5	Additional requirements, of which								
(i)	Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-	-	-
(ii)	Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
(iii)	Credit and liquidity facilities	3,433.50	3,948.53	3,732.18	4,292.01	2,774.11	3,190.23	2,771.76	3,187.52
6	Other contractual funding obligations	757.33	870.93	1,074.20	1,235.33	826.76	950.77	1,058.72	1,217.53
7	Other contingent funding obligations	-	-	-	-	45.00	51.75	150.00	172.50
8	**Total cash outflows**	**4,190.83**	**4,819.46**	**4,806.38**	**5,527.34**	**3,645.87**	**4,192.75**	**3,980.48**	**4,577.55**
	Cash Inflows:								
9	Secured lending	-	-	-	-	-	-	-	-
10	Inflows from fully performing exposures	3,644.87	2,733.65	3,855.79	2,891.84	4,231.75	3,173.81	4,720.58	3,540.44
11	Other cash inflows	145.76	109.32	423.71	317.78	207.99	155.99	185.13	138.85
12	**Total cash inflows**	**3,790.63**	**2,842.97**	**4,279.50**	**3,209.62**	**4,439.74**	**3,329.80**	**4,905.71**	**3,679.29**
			Total Adjusted Value		Total Adjusted Value		Total Adjusted Value		Total Adjusted Value
13	**Total High Quality Liquid Assets (HQLA)**		**7,605.26**		**8,406.40**		**8,943.58**		**9,651.32**
14	**Total net outflows**		**1,976.49**		**2,317.72**		**1,048.19**		**1,144.39**
15	**Liquidity coverage ratio (%)**		**385%**		**363%**		**853%**		**843%**

(*) Unweighted values calculated as outstanding balances maturing or callable within 30 days (for inflows and outflows).

(**) Weighted values calculated after the application of respective stress factors on inflow and outflow.

(#) HQLA includes cash on hand, callable demand deposit and callable fixed deposits with scheduled commercial banks.

Qualitative disclosure

(a) Intra-period changes as well as changes over time: The details of all four quarter are disclosed above.

(b) Composition of HQLAs: The composition of HQLA are disclosed above.

(c) Derivative exposures and potential collateral calls: The company has no derivative exposure.

(d) Currency mismatch in the LCR: The company has no foreign currency borrowings, hence the currency mismatch in the LCR are not applicable.

(e) Other inflows and outflows in the LCR calculation that are not captured in the LCR common template but which the institution considered to be relevant for liquidity profile: All inflows/ outflows considered relevant are considered in LCR calculation.

For financial year: 2022-2023

(Amounts in ₹ millions)

Sl No.	Particulars	As on June 30, 2022		As on September 30, 2022		As on December 31, 2022		As on March 31, 2023	
		Total Unweighted Value (average) (*)	Total Weighted Value (average) (**)	Total Unweighted Value (average) (*)	Total Weighted Value (average) (**)	Total Unweighted Value (average) (*)	Total Weighted Value (average) (**)	Total Unweighted Value (average) (*)	Total Weighted Value (average) (**)
	High Quality Liquid Assets (#)								
1	High quality liquid assets (HQLA)								
(i)	Cash balance	11.19	11.19	13.62	13.62	5.99	5.99	3.61	3.61
(ii)	Cash on bank	365.46	365.46	356.00	356.00	351.53	351.53	154.97	154.97
(iii)	Un-encumbered demand deposits with scheduled commercial bank	5,392.54	5,392.54	3,347.74	3,347.74	2,928.77	2,928.77	5,932.39	5,932.39
	Total High Quality Liquid Assets (HQLA)	**5,769.19**	**5,769.19**	**3,717.36**	**3,717.36**	**3,286.29**	**3,286.29**	**6,090.97**	**6,090.97**
	Cash Outflows:								
2	Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-
3	Unsecured wholesale funding	-	-	-	-	-	-	-	-
4	Secured wholesale funding	-	-	-	-	-	-	-	-
5	Additional requirements, of which								
(i)	Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-	-	-
(ii)	Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
(iii)	Credit and liquidity facilities	2,742.73	3,154.14	2,266.20	2,606.13	3,393.92	3,903.01	2,913.19	3,350.17
6	Other contractual funding obligations	185.65	213.50	508.28	584.52	552.49	635.36	711.65	818.40
7	Other contingent funding obligations	-	-	-	-	-	-	-	-
8	**Total cash outflows**	**2,928.38**	**3,367.64**	**2,774.48**	**3,190.65**	**3,946.41**	**4,538.37**	**3,624.84**	**4,168.57**
	Cash Inflows:								
9	Secured lending	-	-	-	-	-	-	-	-
10	Inflows from fully performing exposures	2,757.15	2,067.86	3,050.96	2,288.22	3,270.21	2,452.65	3,464.98	2,598.74
11	Other cash inflows	39.81	29.86	265.22	198.92	103.83	77.87	135.45	101.59
12	**Total cash inflows**	**2,796.96**	**2,097.72**	**3,316.18**	**2,487.14**	**3,374.04**	**2,530.52**	**3,600.43**	**2,700.33**
			Total Adjusted Value		Total Adjusted Value		Total Adjusted Value		Total Adjusted Value
13	**Total High Quality Liquid Assets (HQLA)**		**5,769.19**		**3,717.36**		**3,286.29**		**6,090.97**
14	**Total net outflows**		**1,269.92**		**797.66**		**2,007.85**		**1,468.24**
15	**Liquidity coverage ratio (%)**		**454%**		**466%**		**164%**		**415%**

(*) Unweighted values calculated as outstanding balances maturing or callable within 30 days (for inflows and outflows).

(**) Weighted values calculated after the application of respective stress factors on inflow and outflow.

(#) HQLA includes cash on hand, callable demand deposit and callable fixed deposits with scheduled commercial banks.

Qualitative disclosure

(a) Intra-period changes as well as changes over time: The details of all four quarter are disclosed above.

(b) Composition of HQLAs: The composition of HQLA are disclosed above.

(c) Derivative exposures and potential collateral calls: The company has no derivative exposure.

(d) Currency mismatch in the LCR: The company has no foreign currency borrowings, hence the currency mismatch in the LCR are not applicable.

(e) Other inflows and outflows in the LCR calculation that are not captured in the LCR common template but which the institution considered to be relevant for liquidity profile: All inflows/ outflows considered relevant are considered in LCR calculation.

Arohan Financial Services Limited

Annexure 6 - Notes to Restated Financial Information

59 Disclosures related to dividend declaration pursuant to the RBI Master direction circular RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24

As on March 31, 2024 **(Amounts in ₹ millions)**

Accounting period (*)	Net profit for the accounting period (**)	Rate of dividend (%)	Amount of dividend	Dividend pay out ratio (%) (**)
Financial year 2022-2023 and 2023-2024	Not applicable	0.001% on face value of compulsorily convertible preference shares (CCPS)	0.01	Not applicable

Note:

(*) Dividend has been paid on compulsorily convertible preference shares from the date of allotment to the date of conversion of compulsorily convertible preference shares to equity shares.

(**) Since dividend is only related to compulsorily convertible preference shares on cumulative basis, hence disclosure of net profit and dividend payout ratio are not applicable.

Note :- This Circular is applicable only for the year ended March 31, 2024.

60 Foreign Currency Disclosure

(Amounts in ₹ millions)

Particulars	Nine months period ended December 31, 2025	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
(a) Earnings in foreign currency				
Other operating income (reimbursement income)	-	18.31	7.41	-
Other operating income (Sale of accumulated carbon credit)	-	2.82	-	0.62
Total	**-**	**21.13**	**7.41**	**0.62**
(b) Expenditure in foreign currency (*)				
Interest on debt securities (Loan processing charges)	0.72	-	24.31	-
Recruitment and induction expenses	-	1.49	-	-
Other finance charges	-	-	0.83	-
Legal and professional expenses	-	-	1.60	5.07
Miscellaneous expenses (Directors sitting fees)	-	-	0.27	-
Repairs and maintenance	-	-	-	0.30
Total	**0.72**	**1.49**	**27.01**	**5.37**

(*) The above expenditure in foreign currency does not include an amount of ₹0.01 millions in the financial year ended March 31, 2025 towards dividend paid at 0.001% per annum on conversion of compulsorily convertible preference shares into equity shares.

(*) As at March 31, 2025 an amount of ₹8.73 millions respectively stands paid as legal and professional service for draft red herring prospectus (DRHP) filing which has been presented under others (Refer *note 16*).

61 Disclosure in respect of Corporate Social Responsibility (CSR) under section 135 of the Act and Rules thereon

A CSR committee has been formed by the Company as prescribed under section 135 of the Act. CSR expenses have been incurred on the activities as specified in schedule VII of the Act for the period ended December 31, 2025 and years ended March 31, 2025, March 31, 2024 and March 31, 2023. Corporate social responsibility (CSR) expense is nil during the year ended March 31, 2024 as the average net profit over the preceding three years was inadequate.

(Amounts in ₹ millions)

Particulars	Nine months period ended December 31, 2025	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
(a) Gross amount required to be spent during the period/ years	21.16	39.02	-	2.18
(b) Amount spent during the period/ years				
(i) Construction/ acquisition of any asset				
(ii) On purposes other than (i) above	21.16	38.39	-	2.03
(c) Shortfall at the end of the period/ years	-	0.63	-	0.15
(d) Total of previous period/ years shortfall	-	-	-	-
(e) Reason for shortfall (**)	-	-	-	-
(f) Nature of CSR activities (*)	-	-	-	-
(g) Details of related party transactions	-	-	-	0.72
(h) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately		-	-	
At the beginning of the period/ years	0.63	0.02	0.59	0.99
Fresh provision made during the period/ years	-	0.63	-	0.15
Payment made during the period/ years	0.63	0.02	0.57	0.55
At the closing of the period/ years	-	0.63	0.02	0.59

(*) CSR activities includes environmental and social initiatives. In environmental initiatives there are certain projects like disaster relief, financial literacy, promoting health checkup and youth entrepreneurship.

(**) The amount not paid as agreed milestone have not yet achived till the reporting date and the amount subsequently deposited into a separate bank account.

62 Operating Segment

The Company is engaged primarily in the business of financing and there are no separate reportable segments as per Ind AS 108-"Segment Reporting". The Company operates in a single geographical segment i.e. domestic. The Company is not reliant on revenues from transactions with any single external customer.

The Company does not have operations outside India and hence there is no external revenue or assets which require disclosure.

The company does not derives revenue, from any single customer, 10% or more of company's total revenue.

63 Contingent liabilities and commitments

(Amounts in ₹ millions)

Particulars	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
1. Contingent liabilities classified as:				
(a) Claims against the company not acknowledged as debt				
Demand for income tax received from income tax authorities in respect of which the Company has gone for appeal. Based on the management assessment, crystallization of liability on these items is not considered probable and hence not acknowledged as debt by the Company	49.14	39.93	1.71	1.66
(b) Gurantees excluding financial gurantee				
(c) Other money for which the company is contingently liable	-	-	-	-
2. Commitments classified as:				
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for				
Capital commitments for purchase/ development of tangible and intangible asset (net of advances).	2.06	1.07	6.27	7.81
(b) uncalled liability on shares and other investments partly paid up.	-	-	-	-
(c) Other (Sanctioned loan undisbursed)	91.31	50.98	150.00	-

Arohan Financial Services Limited

Annexure 6 - Notes to Restated Financial Information

64 Lease related disclosures

(a) Company as a lessee

In the Restated Statement of Profit and Loss for the period ended December 31, 2025, operating lease expenses which were recognised as rental expenses is now recognised as depreciation expense for the right-of-use asset and finance cost for interest accrued on lease liability. De-recognition of rental expenses and recognition of depreciation and finance costs has positively impacted EBIDTA by ₹20.48 millions and negatively impacted the PBT by ₹1.16 millions.

In the Restated Statement of Profit and Loss for the year ended March 31, 2025, operating lease expenses which were recognised as rental expenses is now recognised as depreciation expense for the right-of-use asset and finance cost for interest accrued on lease liability. De-recognition of rental expenses and recognition of depreciation and finance cost have positively impacted EBIDTA by ₹ 28.80 millions and negatively impacted the PBT by ₹0.99 millions.

In the Restated Statement of Profit and Loss for the year ended March 31, 2024, operating lease expenses which were recognised as rental expenses is now recognised as depreciation expense for the right-of-use asset and finance cost for interest accrued on lease liability. De-recognition of rental expenses and recognition of depreciation and finance cost have positively impacted EBIDTA by ₹ 26.15 millions and negatively impacted the PBT by ₹1.32 millions.

In the Restated Statement of Profit and Loss for the year ended March 31, 2023, operating lease expenses which were recognised as rental expenses is now recognised as depreciation expense for the right-of-use asset and finance cost for interest accrued on lease liability. De-recognition of rental expenses and recognition of depreciation and finance costs has positively impacted EBIDTA by ₹ 21.69 millions and negatively impacted the PBT by ₹1.18 millions.

(b) The table below describes the nature of Company's leasing activities by type of right-of-assets recognised on Restated Statement of Assets and Liabilities:

As at December 31, 2025

Right of use assets	Number of leases	Range of remaining term	Average remaining lease term	Number of leases with extension	Number of leases with purchase	Number of leases with termination
Office premises	12	6 months to 83 months	30 months	4	-	-
Furniture	4	42 months to 79 months	52 months	4	-	-

As at March 31, 2025

Right of use assets	Number of leases	Range of remaining term	Average remaining lease term	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
Office premises	12	2 months to 92 months	25 months	4	-	-
Furniture	4	51 months to 88 months	60 months	4	-	-

As at March 31, 2024

Right of use assets	Number of leases	Range of remaining term	Average remaining lease term	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
Office premises	12	2 months to 104 months	25 months	4	-	-
Furniture	4	63 months to 100 months	73 months	4	-	-

As at March 31, 2023

Right of use assets	Number of leases	Range of remaining term	Average remaining lease term	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
Office premises	10	8 months to 35 months	24 months	4	-	-
Furniture	3	75 months	75 months	3	-	-

(c) Lease payments, not recognised as a liability

The Company has elected not to recognise a lease liability for short term leases (leases with an expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis. The expense relating to payments not included in the measurement of the lease liability is as follows:

(Amounts in ₹ millions)

Particulars	Nine months period ended December 31, 2025	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Short-term leases	155.38	193.35	155.88	128.60

(d) Total future lease payments relating to underlying leases are as follows:

(Amounts in ₹ millions)

Particulars	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	More than 5 years	As at December 31, 2025
Lease payments	24.60	23.28	17.28	10.12	6.77	12.21	**94.26**
Less: Finance cost	6.90	5.05	3.27	2.09	1.47	1.18	**19.96**
Net present values	**17.70**	**18.23**	**14.01**	**8.03**	**5.30**	**11.03**	**74.30**

(Amounts in ₹ millions)

Particulars	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	More than 5 years	As at March 31, 2025
Lease payments	20.02	16.20	14.53	13.47	8.44	17.23	**89.89**
Less: Finance cost	6.35	5.10	3.97	2.88	1.89	2.16	**22.35**
Net present values	**13.67**	**11.10**	**10.56**	**10.59**	**6.55**	**15.07**	**67.54**

(Amounts in ₹ millions)

Particulars	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	More than 5 years	As at March 31, 2024
Lease payments	26.90	18.54	13.13	12.39	12.39	25.45	**108.80**
Less: Finance cost	7.53	5.71	4.62	3.74	2.79	4.07	**28.46**
Net present values	**19.37**	**12.83**	**8.51**	**8.65**	**9.60**	**21.38**	**80.34**

(Amounts in ₹ millions)

Particulars	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	More than 5 years	As at March 31, 2023
Lease payments	22.33	17.80	8.96	5.63	5.63	7.01	**67.36**
Less: Finance cost	4.88	3.17	1.93	1.42	0.96	0.47	**12.83**
Net present values	**17.45**	**14.63**	**7.03**	**4.21**	**4.67**	**6.54**	**54.53**

(e) Total cash outflow for leases for the period ended December 31, 2025: ₹20.68 millions and years ended March 31, 2025: ₹27.81 millions, March 31, 2024: ₹26.18 millions, March 31, 2023: ₹21.69 millions.

(f) The Company has leases for office building and furnitures. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. Variable lease payments which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and right of use assets. The Company classifies its right-of-use assets in a consistent manner to its property, plant and equipment.

Each lease generally imposes a restriction that, unless there is a contractual right for the Company to sublease the asset to another party, the right-of-use asset can only be used by the Company. Some leases contain an option to extend the lease for a further term. The Company is prohibited from selling or pledging the underlying leased assets as security. For leases over office buildings and other premises the Company must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease. Further, the Company is required to pay maintenance fees in accordance with the lease contracts.

(g) As per Ind AS 116 the weighted average incremental borrowing rate applied to lease liabilities recognised was 11%.

Arohan Financial Services Limited

Annexure 6 - Notes to Restated Financial Information

65 Additional regulatory information pursuant to Ministry of Company Affairs Notification dated March 24, 2021:

A. Title deeds of Immovable Property

The Company does not own any immovable property in the form of land and building in the year ended March 31, 2025, March 31, 2024, March 31, 2023 and nine months period ended December 31, 2025.

B. Loans or advances in the nature of loans are granted to promoters, directors, KMPs and the related parties

There are no loans/ debts due by directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member in the year ended March 31, 2025, March 31, 2024, March 31, 2023 and nine months period ended December 31, 2025.

C. Details of Benami Property held

There have been no proceedings 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 in the year ended March 31, 2025, March 31, 2024, March 31, 2023 and nine months period ended December 31, 2025.

D. Borrowings from banks or financial institutions on the basis of security of current assets

The Company has availed borrowings from banks or financial institutions on the basis of security of current assets and the returns or statements of current assets filed by the Company with banks or financial institutions as at December 31, 2025, March 31, 2025, March 31, 2024 and March 31, 2023 are in agreement with the books of accounts.

E. Wilful Defaulter

The Company has not been declared a wilful defaulter by any bank or financial institution or other lender in the year ended March 31, 2025, March 31, 2024, March 31, 2023 and nine months period ended December 31, 2025.

F. Relationship with Struck off Companies

The Company has not entered into any transactions with the companies struck off under section 248 of the Act or section 560 of the Companies Act, 2013 in the year ended March 31, 2025, March 31, 2024, March 31, 2023 and nine months period ended December 31, 2025.

G. Registration of charges or satisfaction with Registrar of Companies (ROC)

There are no charges or satisfaction yet to be registered with ROC beyond the period ended as at December 31, 2025 except the following where no dues certificate has not been received from the lenders and pending for charge satisfaction

Lenders*	Charge ID	Sanction Date	Amount (₹ in millions)	Closure Date
Indusind Bank (**)	100833945	December 12, 2023	1,500.00	December 28, 2025
Yes Bank	100830109	December 04, 2023	500.00	December 30, 2025
DCB Bank	100748587	June 28, 2023	500.00	December 31, 2025
Northern Arc Capital Limited (**)	100731637	June 01, 2023	650.00	December 05, 2025
Kotak Mahindra Bank	100865550	November 16, 2023	400.00	December 05, 2025

*All the charge satisfaction are filed subsequent to the reporting date.
(**) Charge satisfaction pending as on date.

There are no charges or satisfaction yet to be registered with ROC beyond the year ended as at March 31, 2025 except the following where no dues certificate has not been received from the lenders and pending for charge satisfaction.

Lenders*	Charge ID	Sanction Date	Amount (₹ in millions)	Closure Date
CDC	100447189	December 19, 2020	600.00	March 27, 2025
Federal Bank	100701891	March 20, 2023	500.00	March 30, 2025
Kookmin Bank	100561635	March 28, 2022	100.00	March 31, 2025
Kotak Mahindra bank	100734008	March 04, 2023	400.00	March 30, 2025
Manappuram Finance limited	100659264	December 17, 2022	400.00	March 31, 2025
Small Industries Development Bank of India (SIDBI)	100548669	March 15, 2022	1,500.00	March 10, 2025
State Bank of India	100557840	March 30, 2022	1,500.00	March 29, 2025

*All the charge satisfaction are filed subsequent to the reporting date.

There are no charges or satisfaction yet to be registered with ROC beyond the statutory period as at March 31, 2024 except the following where no dues certificate has not been received from the lenders and pending for charge satisfaction.

Lenders*	Charge ID	Sanction Date	Amount (₹ in millions)	Closure Date
Canara Bank	100340806	November 20, 2019	150.00	June 20, 2023
Hinduja Leyland Finance Limited	100563244	March 31, 2022	250.00	March 31, 2024
Bandhan Bank	100546986	March 07, 2022	3,000.00	March 31, 2024
Hong Kong and Shanghai Banking Corporation (HSBC)	100550384	March 15, 2022	525.00	March 24, 2024
Maanaveeya Development & Finance Private Limited	100552081	March 21, 2022	300.00	March 30, 2024

*All the charge satisfaction are filed subsequent to the reporting date.

There are no charges or satisfaction yet to be registered with ROC beyond the statutory period as at March 31, 2023 except the following where no dues certificate has not been received from the lenders and pending for charge satisfaction.

Lenders*	Charge ID	Sanction Date	Amount (₹ in millions)	Closure Date
Indian Bank	100432193	September 18, 2020	750.00	March 22, 2022
Indian Bank	100432195	September 18, 2020	250.00	May 03, 2022
Punjab National Bank	100269477	March 16, 2019	250.00	July 31, 2022
SIDBI	100315230	October 23, 2019	2,000.00	February 10, 2023

*All the charge satisfaction are filed subsequent to the reporting date.

H. Compliance with number of layers of companies

The Company has no subsidiaries or investments in other companies, accordingly compliance 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, are not applicable in the year ended March 31, 2025, March 31, 2024, March 31, 2023 and nine months period ended December 31, 2025.

I. Ratios

For the period ended December 31, 2025:

Particulars	As at December 31, 2025	As at March 31, 2025	Percentage change in ratio	Explanation
(a) Debt equity [2] *(refer note 46)*	2.50	2.32	8.00%	Increase in debt equity ratio is due increase in borrowing outstanding as on the reporting date as compared to earlier reporting date.
(b) Return on equity ratio [3]	3.93%	5.57%	(29.00%)	Decrease in ratios are due to reduction in business volume as compared to the last year.
(c) Net profit ratio [4]	7.02%	8.16%	(14.00%)	
(d) Return on capital employed [5]	3.93%	5.57%	(29.00%)	
(e) Current ratio [1] (f) Debt service coverage ratio [1] (g) Inventory turnover ratio [1] (h) Trade receivables turnover ratio [1] (i) Trade payables turnover ratio [1] (j) Net capital turnover ratio [1] (k) Return on investment [1]	Not applicable			

(*) Ratios are annualised for the nine months ended December 31, 2025.

For the year ended March 31, 2025:

Particulars	As at 31 March 2025	As at 31 March 2024	Percentage change in ratio	Explanation
(a) Debt equity [2] *(refer note 46)*	2.32	3.14	(26.00%)	Reduction in debt equity ratio is due to reduction in borrowings and repayment of borrowings.
(b) Return on equity ratio [3]	5.57%	19.30%	(71.00%)	Decrease in ratios are due to reduction in business volume as compared to the last year majorly due to the cease and desist order issued by Reserve Bank of India (RBI).
(c) Net profit ratio [4]	8.16%	25.32%	(68.00%)	
(d) Return on capital employed [5]	5.57%	19.30%	(71.00%)	
(e) Current ratio [1] (f) Debt service coverage ratio [1] (g) Inventory turnover ratio [1] (h) Trade receivables turnover ratio [1] (i) Trade payables turnover ratio [1] (j) Net capital turnover ratio [1] (k) Return on investment [1]	Not applicable			

For the year ended March 31, 2024:

Particulars	As at 31 March 2024	As at 31 March 2023	Percentage change in ratio	Explanation
(a) Debt equity [2] *(refer note 46)*	3.14	3.39	(7.00%)	Reduction in debt equity ratio is due to infusion and conversion of compulsorily convertible preference shares into equity shares.
(b) Return on equity ratio [3]	19.30%	5.99%	222.00%	Improvement in ratios are due to increase in business volume as compared to the last year
(c) Net profit ratio [4]	25.32%	8.27%	206.00%	
(d) Return on capital employed [5]	19.30%	5.99%	222.00%	
(e) Current ratio [1] (f) Debt service coverage ratio [1] (g) Inventory turnover ratio [1] (h) Trade receivables turnover ratio [1] (i) Trade payables turnover ratio [1] (j) Net capital turnover ratio [1] (k) Return on investment [1]	Not applicable			

For the year ended March 31, 2023:

Particulars	As at 31 March 2023	As at 31 March 2022	Percentage change in ratio	Explanation
(a) Debt equity [2] *(refer note 46)*	3.39	4.03	(16.00%)	Due to fresh equity infusion during the financial year in the form of compulsorily convertible preference shares (CCPS)
(b) Return on equity ratio [3]	5.99%	6.15%	(3.00%)	
(d) Net profit ratio [4]	8.27%	6.62%	(25.00%)	
(c) Return on capital employed [5]	5.99%	6.15%	(3.00%)	
(e) Current ratio [1] (f) Debt service coverage ratio [1] (g) Inventory turnover ratio [1] (h) Trade receivables turnover ratio [1] (i) Trade payables turnover ratio [1] (j) Net capital turnover ratio [1] (k) Return on investment [1]	Not applicable			

Notes:

(1) The Company is a Non-Banking Financial Company registered under Reserve Bank of India Act, 1934, hence these ratios are not applicable.
(2) Debt equity ratio = (debt securities + borrowings-other than debt securities + subordinated liabilities) / net worth, where net worth is aggregate of equity share capital and other equity.
(3) Return on equity ratio = profit after tax / average net worth.
(4) Net profit ratio = profit before tax/ total revenue from operations.
(5) Return on capital employed = profit after tax / average networth.

J Compliance with approved Scheme(s) of Arrangements

There are no Scheme of Arrangements approved by the Competent Authority in terms of section 230 to 237 of the Act in the year ended March 31, 2025, March 31, 2024, March 31, 2023 and nine months period ended December 31, 2025.

K. Utilisation of borrowed funds and share premium

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 lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries in the year ended March 31, 2025, March 31, 2024, March 31, 2023 and nine months period ended December 31, 2025.

L. Undisclosed income

There are no transactions 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 in the year ended March 31, 2025, March 31, 2024, March 31, 2023 and nine months period ended December 31, 2025.

M. Corporate Social Responsibility (CSR)

Refer note 61.

N. Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto Currency or Virtual Currency in the year ended March 31, 2025, March 31, 2024, March 31, 2023 and nine months period ended December 31, 2025.

66 On November 21, 2025, the Government of India notified the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 (collectively, the "Labour Codes"), consolidating 29 existing labour laws. The Ministry of Labour & Employment published draft Central Rules and FAQs to facilitate assessment of the financial impact arising from changes in the regulatory framework. Based on the information available as on the date and the manner consistent with the guidance issued by Institute of Chartered Accountants of India (ICAI), consequently, the implementation of the Labour codes has no material financial impact on the Company, and the said benefits continues to be recognised in accordance with the Company 's policy and applicable Indian Accounting Standards. The Company will continue to track and evaluate the impact of the rules notified by the Central/ State Government post December 31, 2025 and consider the appropriate accounting effect in the relevant periods, as needed.

This is the summary of material accounting policies and other explanatory information referred in our report of even date

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No. 101248W/W-100022

Nitesh Shetty
Partner
Membership No 123493

Place: Mumbai
Date: May 13, 2026

For and on behalf of the Board of Directors of
Arohan Financial Services Limited

Manoj Kumar Nambiar
Managing Director
DIN No.: 03172919
Place: Kolkata

Anurag Agrawal
Promoter Nominee Director
DIN No.: 02385780
Place: Mumbai

Milind R Nare
Deputy CEO and
Chief Financial Officer
Place: Kolkata
Date: May 13, 2026

Anirudh Singh Thakur
Company Secretary and
Chief Compliance Officer
Place: Kolkata

Annexure 7 - Statement of Restated Adjustments to the Audited Financial Statements

Reconciliation of audited financial statement with restated financial information:

Part A: Statement of Restated Adjustments to the Audited Financial Statements

(a) Reconciliation of total equity as per audited financial statement with total equity as per restated financial information:

Summarised below are the restatement adjustments made to the total equity as per the audited financial statement of the Company for the nine months period ended December 31, 2025 and years ended March 31, 2025, March 31, 2024 and March 31, 2023 and their consequential impact on the equity of the Company.

(Amounts in ₹ millions)

Particulars	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Total equity (as per audited financial statement)	20,918.07	20,251.28	19,147.56	13,380.25
Material restatement adjustments:	-	-	-	-
Total equity (as per restated statement of assets and liabilities)	20,918.07	20,251.28	19,147.56	13,380.25

(b) Reconciliation of total comprehensive income as per audited financial statement with total comprehensive income as per restated financial information

Summarised below are the restatement adjustments made to total comprehensive income as per the audited financial statement of the Company for the nine months period ended December 31, 2025 and years ended March 31, 2025, March 31, 2024 and March 31, 2023.

(Amounts in ₹ millions)

Particulars	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
A. Total comprehensive income as per audited financial statement	589.02	1,027.69	3,101.20	680.89
B. Adjustments:				
(i) Audit qualifications	-	-	-	-
(ii) Adjustments due to prior period items /other adjustments	-	-	-	-
Total Adjustments	-	-	-	-
C. Total comprehensive income as per Restated Financial Information (A+B)	589.02	1,027.69	3,101.20	680.89

Arohan Financial Services Limited

Annexure 7 - Statement of Restated Adjustments to the Audited Financial Statements

Part B -Non adjusting events

1. Audit qualifications for the respective years, which do not require any corrective adjustments in the restated financial information:

Restated Financial Information does not contain any qualifications requiring adjustments in the Auditor's Reports on the audited financial statements of the Company for the nine months period ended December 31, 2025 and years ended March 31, 2025, March 31, 2024 and March 31, 2023, except for March 31, 2025 where auditors qualified that the Company has used accounting softwares for maintaining its books of accounts which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares except that the feature of recording of audit trail (edit log) facility was not enabled at the database level for the software used for origination of loans for the period April 01, 2024 to April 08, 2024, to log any direct data changes. Further, where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting softwares, we did not come across any instance of the audit trail feature being tampered with. Additionally, the audit trail (edit log) has been preserved by the Company as per the statutory requirements for record retention except for the database level for software used for origination of loans.

Also the comments/ adverse remarks in the Companies (Auditor's Report) Order, 2020 issued by the Central Government of India in terms of sub-section 11 of section 143 of the Act, which do not require any corrective adjustments in the Restated Financial Information are as follows:

Matters included in the Companies (Auditor's Report Order), 2020 (CARO 2020), which does not require any corrective adjustment in the restated financial information

As at and for the year ended March 31, 2025

Clause (i) (a) (A)

The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment except for depreciation charge for the current year and sufficient description for identification of the individual furniture and office equipment in the Property, Plant and Equipment ('PPE') register. As represented to us by the management, the Company is in the process of updating its Property, Plant and Equipment register to reflect these details.

Clause (i) (a) (B)

The Company has maintained proper records showing full particulars of intangible assets except for sufficient description for identification of individual Intangible Assets in the PPE register. As represented to us by the management, the Company is in the process of updating its records to reflect these details.

Clause (iii)(c)

(Amounts in ₹ millions)

Count of loans	Amount	Due date	Extent of delay (#)	Remarks
22,022	468.20	Various due dates	1 to 30 days	-
26,842	577.70	Various due dates	31 to 60 days	-
24,875	551.20	Various due dates	61 to 90 days	-
93,889	1,645.30	Various due dates	91 days and above	-

(#) Extent of delay is based on days past due status of loans as on 31 March 2025.

Further, the Company has not given any advance in the nature of loan to any party during the year.

Clause (iii)(d)

According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans (and advance in the nature of loan) given except an amount of ₹622.35 millions (principal amount) and ₹151.21 millions (interest) overdue for more than ninety days as at March 31, 2025. In our opinion, reasonable steps have been taken by the Company for recovery of the principal and interest. Further, the Company has not given any advance in the nature of loan to any party during the year.

Clause (vii)(b)

According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

(Amounts in ₹ millions)

Name of the statute	Nature of dues	Amount Demanded	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Income Tax Act, 1961	Income Tax	0.62	AY 2012-13	Commissioner of Income Tax (Appeals)	
Income Tax Act, 1961	Income Tax	2.29	AY 2014-15	Commissioner of Income Tax (Appeals)	
Income Tax Act, 1961	Income Tax	0.91	AY 2017-18	Commissioner of Income Tax (Appeals)	
Income Tax Act, 1961	Income Tax	9.17	AY 2017-18	Commissioner of Income Tax (Appeals)	
Income Tax Act, 1961	Income Tax	0.59	AY 2019-20	Commissioner of Income Tax (Appeals)	
Income Tax Act, 1961	Income Tax	0.31	AY 2022-23	Commissioner of Income Tax (Appeals)	
Income Tax Act, 1961	Income Tax	0.05	AY 2023-24	Commissioner of Income Tax (Appeals)	
Income Tax Act, 1961	Income Tax	0.13	AY 2023-24	Commissioner of Income Tax (Appeals)	
The Goods and Service Tax Act, 2017	Goods and Service Tax	29.91	AY 2019-20	Appellate Authority	

Arohan Financial Services Limited

Annexure 7 - Statement of Restated Adjustments to the Audited Financial Statements

Part B -Non adjusting events

1. Audit qualifications for the respective years, which do not require any corrective adjustments in the restated financial information:

Clause (xi)(a)

During the course of our examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been notices or reported during the year except as disclosed in note 48(x) of the financial statements there were 2,526 instances of cash embezzlment fraud amount to ₹39.60 millions, 90 instances relating to fictitious documents submitted for availing the loan amount to ₹13.40 millions and 52 instances of snatching of cash amounting to ₹3.80 millions in the year under audit.

Clause (ix)(c)

In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained, other than Rs 2,70,000 millions which remain unutilised as at March 31, 2025 because the funds were received towards the end of the year. The Company has temporarily maintained such unutilised balance in current accounts as at March 31, 2025.

As at and for the year ended March 31, 2024

Clause (iii)(d)

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the details of amount overdue for more than ninety days, on the loans and advances in the nature of loans, are as follows:

(Amounts in ₹ millions)

No. of Cases (count)	Principal Amount overdue	Interest overdue	Total overdue	Remarks
75,865	458.18	133.56	591.74	According to the information and explanation given to us, reasonable steps have been taken by the Company for recovery of principal amount and interest.

Clause (vii)(b)

According to the information and explanation given to us and examination of records of the Company, details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2024, on account of any dispute, are as follows:

(Amounts in ₹ millions)

Name of the statute	Nature of dues	Amount demanded	Amount paid	Period to which the amount relates	Forum where dispute is pending
The Income-tax Act, 1961	Income Tax	0.62	-	AY 2012-13	Commissioner of Income Tax (Appeals)
The Income-tax Act, 1961	Income Tax	2.29	2.29	AY 2014-15	Commissioner of Income Tax (Appeals)
The Income-tax Act, 1961	Income Tax	0.91	0.19	AY 2017-18	Commissioner of Income Tax (Appeals)
The Income-tax Act, 1961	Income Tax	0.31	-	AY 2022-23	Commissioner of Income Tax (Appeals)
The Income-tax Act, 1961	Income Tax	0.05	-	AY 2023-24	Commissioner of Income Tax (Appeals)

As at and for the year ended March 31, 2023

Clause (iii)(d)

In respect of the loans/ advances in nature of loans, the total amount overdue for more than ninety days as at March 31, 2023 is ₹ 679.11 millions. In such instances, in our opinion, based on information and explanations provided to us, reasonable steps have been taken by the Company for the recovery of the principal amounts and the interest thereon. Refer *note 50* in the financial statements for details of number of cases and the amount of principal and interest overdue as at March 31, 2023.

Clause (vii)(b)

According to the information and explanation given to us and examination of records of the Company, details of statutory dues referred to in sub Clause (a) above which have not been deposited as on March 31, 2023 on account of any dispute, are as follows:

(Amounts in ₹ millions)

Name of the statute	Nature of dues	Amount Demanded	Amount paid	Period to which the amount relates	Forum where dispute is pending
The Income-tax Act, 1961	Income Tax	0.62	-	AY 2012-13	Income Tax Appellate Tribunal
The Income-tax Act, 1961	Income Tax	2.29	2.29	AY 2014-15	Commissioner of Income Tax (Appeals)
The Income-tax Act, 1961	Income Tax	0.91	0.19	AY 2017-18	Commissioner of Income Tax (Appeals)
The Income-tax Act, 1961	Income Tax	0.31	-	AY 2022-23	Commissioner of Income Tax (Appeals)

Clause (xvii)

Based on overall review of financial statements, the company has incurred cash losses in the current financial year amounting to ₹9,231.80 millions but has not incurred any cash losses during the immediately preceding financial year.

Arohan Financial Services Limited

Annexure 7 - Statement of Restated Adjustments to the Audited Financial Statements

Part C -Non adjusting events

(a) Material Restatement Adjustments:

The accounting policies applied in Restated Financial information as at and for the years ended March 31, 2025, March 31, 2024 and March 31, 2023 are consistent with those adopted in the preparation of financial statement for the nine months period ended December 31, 2025.

These Restated Financial Information has been compiled from the historical audited financial statement and

(a) there were no changes in accounting policies during the period/years of these financial information.

(b) there were no material amounts which have been adjusted for in arriving at profit/ loss of the respective period/ years; and

(c) there were no material adjustments for reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the Audited financial statement of the Company and the requirements of the SEBI Regulations.

(b) Material Regroupings

No material regroupings have been made in the Restated Statement of Assets and Liabilities, Restated Statement of Profit and Loss and Restated Cash Flows except for the following items as detailed below. Appropriate regroupings have been made wherever required, by reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows, in order to bring them in line with the accounting policies and classification as per the financial information of the Company for the nine months period ended December 31, 2025 prepared in accordance with Schedule III of the Act, requirements of Ind AS 1 - 'Presentation of financial information and other applicable Ind AS principles and the requirements of the SEBI ICDR regulations, as amended.

(Amounts in ₹ millions)

Particulars	**As at March 31, 2024**	**As at March 31, 2023**
a. Unbilled income earlier disclosed in other financial assets (*note 10*) but in Restated Financial Statement it is regrouped in trade receivables (*note 7*).	122.65	8.70
b. Expenses payable earlier disclosed in other non-financial liabilities (*note 22*) and in other financial liabilities (note 24) but in Restated Financial Statement it is regrouped in under head trade payables (*note 20*).	280.98	139.42
c. Interest income on free fixed deposits earlier categorised in other income (note 34) but in Restated Financial Statement it is regrouped in interest income (*note 28).*	375.21	180.79

(c) Other Non-adjusting items

i. Audit qualifications for the respective years, which do not require any adjustments in the restated financial information are as follows:
There are no audit qualification in auditor's report for the period ended December 31, 2025, for the years ended March 31, 2025, March 31, 2024 and March 31, 2023.

ii. Other Matter not requiring adjustments to the restated financial information:
There are no other matters which require any adjustment for the nine months period ended December 31, 2025, for the years ended March 31, 2025, March 31, 2024 and March 31, 2023.

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No. 101248W/W-100022

Nitesh Shetty
Partner
Membership No 123493

Place: Mumbai
Date: May 13, 2026

For and on behalf of the Board of Directors of
Arohan Financial Services Limited

Manoj Kumar Nambiar
Managing Director
DIN No.: 03172919
Place: Kolkata

Anurag Agrawal
Promoter Nominee Director
DIN No.: 02385780
Place: Mumbai

Milind R Nare
Deputy CEO and
Chief Financial Officer
Place: Kolkata
Date: May 13, 2026

Anirudh Singh Thakur
Company Secretary and
Chief Compliance Officer
Place: Kolkata

OTHER FINANCIAL INFORMATION

The accounting ratios derived from the Restated Financial Information required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations are given below:

Particulars	For the nine-month period ended December 31, 2025^	As on and for the year ended March 31, 2025	As on and for the year ended March 31, 2024	As on and for the year ended March 31, 2023
Basic earnings per share[1] *(₹)*	3.98	7.20	26.62	6.05
Diluted earnings per share[2] *(₹)*	3.98	7.18	26.57	5.84
Total equity *(₹ million)*	20,918.07	20,251.28	19,147.56	13,380.25
Net worth [3] *(₹ million)*	20,918.07	20,251.28	19,147.56	13,380.25
Profit after tax for period/years *(₹ million)*	607.44	1,096.86	3,138.21	707.16
Return on net worth[3] (%)	2.90	5.42	16.39	5.29
Net asset value per equity share[4] *(₹)*	136.97	132.60	162.11	110.43
Profit before tax *(₹ million)*	792.11	1,380.85	4,124.33	899.54
Adjusted pre-provision operating profit before tax[5] *(₹ million)*	3,483.23	5,355.99	5,911.93	2,831.19
EBITDA[6]	4,707.40	7,768.97	10,103.49	5,633.62

^Not annualised.

***Notes**:*

The ratios have been computed as under:

1. *Basic EPS = Basic EPS is calculated by dividing the profit for the year attributable to the owners of the parent by the weighted average number of equity shares outstanding during the year.*
2. *Diluted EPS = Diluted EPS is calculated by dividing the profit for the year attributable to the owners of the parent for the year after giving impact of dilutive potential equity shares for the year by the weighted average number of Equity Shares and dilutive potential equity shares outstanding during the year.*
3. *Net Worth represents the aggregate value of the paid-up share capital and all reserves created out of the profits and 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. Here, Net Worth is sum of Equity share capital and Other equity.*
4. *RoNW (%) is calculated as the profit after tax for the period/ years as a percentage of Net Worth in such period/years.Net asset value per equity share is calculated as Net worth as of the end of relevant period/years divided by weighted average number of equity shares for diluted earnings per share at the end of such period/years as per the Restated Financial Information.*
5. *Adjusted pre-provision operating profit before tax is calculated as profit before tax after adding back impairment on financial instruments as per the Restated Financial Information for the respective period/years.*
6. *EBITDA is calculated as profit after tax for the period/years, adding back finance costs, depreciation and amortisation and total tax expense as per the Restated Financial Information for relevant period/years.*

For a reconciliation of non-GAAP measures, see "*Management's Discussion and Analysis of our Results of Operations – Non-GAAP Measures*" on page 554.

In accordance with the SEBI ICDR Regulations, the audited standalone financial statements of our Company, as on and for the Fiscals 2025, 2024 and 2023 and the reports thereon (collectively, the "**Audited Financial Statements**") are available on our website at https://www.arohan.in/investor-relations/arohan-for-investors/.

Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Financial Statements do not constitute, (i) a part of this Draft Red Herring Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document or recommendation or solicitation to purchase or sell any securities under the Companies Act, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere. The Audited Financial Statements should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company and should not be relied upon or used as a basis for any investment decision.

None of our Company or any of its advisors, nor BRLMs nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This Draft Red Herring Prospectus may include forward-looking statements that involve risks and uncertainties, and our actual financial performance may materially vary from the conditions contemplated in such forward-looking statements as a result of various factors, including those described below and elsewhere in this Draft Red Herring Prospectus. For further information, see "Forward-Looking Statements" on page 20. Also read "Risk Factors" and "- Significant Factors Affecting our Results of Operations and Financial Condition" on pages 21 and 537, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations.

Our Company's Fiscal commences on April 1 and ends on March 31 of the immediately subsequent year, and references to a particular Fiscal are to the 12 months ended March 31 of that particular year. Unless otherwise indicated or the context otherwise requires, the financial information as at and for nine months ended December 31, 2025 and the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023, included herein is derived from the Restated Financial Information, included in this Draft Red Herring Prospectus. For further information, see "Restated Financial Information" on page 435.

*Unless otherwise indicated, industry and market data used in this section has been derived from the report titled "Research Report on Micro Finance Industry" dated May 15, 2026 (the "**CARE Report**") prepared and issued by CARE Analytics and Advisory Private Limited, pursuant to an engagement letter dated January 19, 2026. The CARE Report has been exclusively commissioned and paid for by us in connection with the Offer. The data included herein includes excerpts from the CARE Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the proposed Offer, which have been left out or changed in any manner. A copy of the CARE Report is available on the website of our Company at www.arohan.in/investorrelations/arohan for investors from the date of this Draft Red Herring Prospectus until the Bid/Offer Closing Date, and has also been included in "Material Contracts and Documents for Inspection – Material Documents" on page 693. Unless otherwise indicated, financial, operational, industry and other related information derived from the CARE Report and included herein with respect to any particular calendar year/ Fiscal refers to such information for the relevant calendar year/ Fiscal. For further information, see "Risk Factors – 49. Certain sections of this Draft Red Herring Prospectus disclose information from the CARE Report which is a paid report and commissioned and paid for by us exclusively in connection with the Offer and any reliance on such information for making an investment decision in the Offer is subject to inherent risks." on page 62. Also see, "Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation – Industry and Market Data" on page 19. Further, financial and operational information for the nine months ended December 31, 2025 has not been annualised.*

OVERVIEW

For further information regarding the business operations of our Company, see "*Our Business – Overview*" on page 335.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS AND FINANCIAL CONDITION

The following is a discussion of certain factors that have had, and will continue to have, a significant effect on our financial results:

Regulatory compliance and performance of the Indian micro-finance industry

In October 2024, the RBI issued an order, against four NBFCs, including our Company, and directed such NBFCs, including our Company, to cease and desist from sanction or disbursal of loans with effect from close of business of October 21, 2024 until certain material supervisory concerns of the RBI were suitably remediated (the "**RBI Order**"). Following deliberations at various Board meetings held after the RBI Order, our Company undertook remedial steps. The RBI lifted the restrictions on January 3, 2025, marking the second fastest industry exits from such an order, achieved within less than 75 days. (*Source: CARE Report*), reflecting our compliance and engagement framework. For further information in relation to the RBI Order, see "*Risk Factors— The Reserve Bank of India had directed our*

Company to cease and desist from sanction or disbursal of loans from October 21, 2024 until January 3, 2025. Any such directions in the future from the RBI or any other regulatory authority, including in relation to suspension of our business, could adversely affect our business, financial condition, results of operations and reputation." on page 21.

As a result of the RBI Order, our AUM, disbursements, non-performing assets ("**NPAs**"), operating expenses, number of customers added during the period/years and profit after tax for the period/ year were impacted as set forth below:

Particulars	**As of / For the Nine Months ended December 31, 2025**	**As of / For the Year Ended March 31,**		
		2025	**2024**	**2023**
AUM [(1)] (₹ million)	63,084.14	60,025.77	71,120.41	53,573.71
Gross disbursements [(2)] (₹ million)	44,916.84	46,356.63	67,088.91	52,992.75
Operating expenses [(3)]	3,998.31	5,277.05	4,512.08	3,392.32
Number of active customers[(4)] added during the period/ years	(1,85,696)	(2,72,288)	3,98,392	1,48,110
Gross non-performing assets ("**Gross NPAs**")[(5)] (₹ million)	1,017.16	1,692.96	1,136.22	1,451.36
Net non-performing assets ("**Net NPAs**")[(6)] (₹ million)	233.46	309.85	-	104.54
Profit after tax for the period/ year (₹ million)	607.44	1,096.86	3,138.21	707.16

Notes:

(1) AUM as of the last day of the relevant period/years represents aggregate of principal outstanding including principal overdue if any for all loans to customers held by our Company (i.e., on-balance-sheet loans) and assets transferred by way of securitisation, assignment of receivables and business correspondent receivables outstanding as of the last day of the relevant period/years.

(2) Operating expenses represents total expenses as reduced by finance costs and impairment on financial instruments for the relevant period/years as per the Restated Financial Information.

(3) Number of Active Customers are defined as the aggregate of borrowers who had an active loan account as of the last day of the relevant period/years.

(4) Gross Disbursements represent the aggregate of all loan amounts extended to all our customers for the relevant period/years.

(5) Gross NPAs as of the last day of the relevant period/years represents gross loans as per Restated Financial Information which are required to be classified as NPA as per the income recognition, asset classification and provisioning norm issued and modified by RBI from time to time.

(6) Net NPAs as of the last day of the relevant period/years represents Gross NPAs as reduced by the Impairment allowance against the NPA assets as per Restated Financial Information.

The microfinance industry is significantly impacted, and is expected to continue to be impacted, by socio political and economic developments in India. As an NBFC-MFI, our performance is correspondingly affected by the overall performance of the microfinance industry. Between Fiscal 2020 and the nine months ended December 31, 2025 the sector has exhibited robust resilience. The microfinance sector has witnessed growth, despite macroeconomic headwinds such as the COVID-19 pandemic, inflationary pressures, and regulatory tightening, underscores the sector's structural strength and its critical role in advancing financial inclusion. (*Source: CARE Report*) For example, in November 2016, the Indian government announced the demonetization of bank notes of ₹ 500.00 and ₹ 1,000.00. These developments have also impacted our operations, resulting in lower collection efficiencies and elevated impairment charges. We implemented targeted operational measures to strengthen customer engagement and collection efforts, including enhanced borrower outreach and on-ground support. These initiatives helped restore borrower confidence, normalise repayment behaviour, and improve collection efficiency, leading to improved portfolio performance in subsequent periods.

Subsequently, the outbreak of the COVID-19 pandemic has impacted our business and the microfinance industry. In line with regulatory guidance, we implemented the RBI moratorium, launched the '*Samunnati*' restructuring programme, and strengthened recovery and collection efforts to stabilise portfolio performance. We also enhanced customer engagement through the '*Sahbhaagi*' initiative, increased digital payment adoption, and introduced targeted health and support measures. Our Company recorded a recovery in performance in the following years, with our profit after tax for the year increasing from ₹ 707.16 million in Fiscal 2023 to ₹ 3,138.21 million in Fiscal 2024. While we witnessed a decline in our profit after tax for the year to ₹ 1,096.86 million in Fiscal 2025 our profit after tax for the period stood at ₹ 607.44 million for the nine months ended December 31, 2025.

Similarly, there have been localised events such as the introduction of the Assam Microfinance Incentive and Relief Scheme, 2021 ("**AMFIRS**") that impacted the micro finance industry in Assam. For further information, see "*Industry Overview – Assam MFI incentive & Relief Scheme (AMIRS), funds received and receivables or resolution and status*" on page 246. For our Company, these events resulted in elevated provisioning and write-offs in Assam; however, recovery initiatives subsequently undertaken led to recoveries from written-off accounts. Following the resolution of legacy issues, regulatory clarity and implementation of recovery measures, portfolio performance in Assam improved steadily, with recovery in the period/years as indicated below.

Particulars	As at / For the Nine Months ended December 31, 2025	As at / For the Year Ended March 31,		
		2025	2024	2023
Portfolio outstanding (₹ million)	4,483.69	2,679.39	1,253.24	3,974.61
Write-offs (₹ million)	0.66	6.72	3,067.37	666.3
Write-off recovery (₹ million)	13.53	366.28	1,379.69	212.43

Note: Portfolio Outstanding represents the outstanding principal amount of loans in the portfolio as at a given date. It includes principal not yet repaid, and principal overdue, if any.

Further, during Fiscal 2024 and Fiscal 2025, the microfinance sector experienced asset quality pressures due to borrower over-indebtedness in certain geographies, uneven income recovery, and regulatory recalibration, resulting in moderated sector-wide disbursements (*Source: CARE Report*). In response, we moderated disbursements in select regions, strengthened underwriting standards, increased Credit Guarantee Fund for Micro Units ("**CGFMU**") coverage for eligible loans, and focused on collections and borrower engagement to mitigate credit risk and maintain portfolio stability.

While we have been able to navigate through such disruptions owing to our geographical diversification, large-scale or pan-India events of this nature may have ramifications on the microfinance industry as well as on our results of operations. For further information, see, "*Our Business – Proprietary Credit Scoring Model Driving Underwriting Discipline and Risk Based Pricing*" on page 349.

Key macroeconomic factors that may affect the Indian economy and, in turn, demand for our products and the quality of our loan portfolio include, among others, (i) demographic conditions and population dynamics, (ii) economic development, shifting of wealth and employment rates, (iii) political measures and regulatory developments, such as tax incentives and general political stability, (iv) fiscal and monetary dynamics, such as volatility in interest rates, foreign exchange rates and inflation rates, and (v) political and regulatory developments on the Indian economy.

More particularly, our borrowers comprise women from low-income households with limited sources of income and credit histories. Our microfinance loans are also not backed by collateral. Such borrowers generally do not have a high level of financial resilience, and, as a result, they can be adversely affected by declining economic conditions, natural calamities and macroeconomic downturns. In addition, we rely on non-traditional guarantee mechanisms rather than tangible assets as collateral, which may not be effective in recovering the value of our loans. As a result, our financial condition and results of operations are also influenced by the general economic conditions and particularly macroeconomic conditions in India and liquidity in the microfinance industry.

Ability to manage finance costs and fluctuations in interest rates

Our results of operations depend substantially on our net interest income ("**Net Interest Income**") and our ability to maintain and improve our Net interest margin (%). The differential between the interest rates that we charge on interest-earning assets and the interest rates that we pay on interest bearing liabilities, and the volume of such assets and liabilities, tend to have a significant impact on our results of operations. Changes in market interest rates affect the interest rates we charge on our interest-earning assets differently from the interest rates we pay on our interest-bearing liabilities and also affect the value of our investments. Declining interest rates may lead to increased prepayments and repricing of our loans as borrowers seek to take advantage of the more attractive interest rate environment to reduce their borrowing costs. Declining interest rates may also lead to a greater demand for additional borrowings as business owners seek to take advantage of lower interest rates, resulting in an increase in volume of financing business. Conversely, when interest rates rise, there are typically less prepayments and less pressure to reprice loans; there is also less demand for new funds, resulting in a decrease in volume of our financing activities. In a rising interest rate scenario, our profit margins are therefore primarily dependent on our ability to attract new

business, either through existing borrowers or new borrowers, than it is in a declining interest rate scenario. In addition, changes in interest rates also affect the interest rates we pay on our interest-bearing liabilities. Varying maturity periods applicable to our interest bearing assets and interest-bearing liabilities and a consequent change in interest rates may result in an increase in interest expense relative to interest income ("**Interest Income**") leading to a reduction in our interest income from financing activities. For further information, see "*Risk Factors - In the nine months ended December 31, 2025 and the last three Fiscals, our interest income accounted for 91.58%, 93.27%, 86.73% and 86.99% of our total income, respectively. Our financial performance is vulnerable to interest rate risk, and an inability to manage our interest rate risk could impact our net interest income and adversely affect our business, results of operations, financial condition and cash flows.*" on page 27.

The table below provides our Net Interest Income and Net interest margin (%) for the period/ years indicated.

Particulars	For the nine months ended December 31, 2025	For the Year Ended March 31,		
		2025	2024	2023
Net Interest Income[(1)] (₹ million)	6,071.99	8,590.85	7,606.32	4,419.49
Net interest margin (%) [(2)]	9.86%	13.10%	12.20%	9.32%

Notes:

(1) Net Interest Income represents interest on loan portfolio in the relevant period/years as reduced by finance costs in such period/years as per the Restated Financial Information.

(2) Net interest margin (%) represents net interest income loan portfolio for the relevant period/years as a percentage of average AUM for such period/years. For a reconciliation of non-GAAP measures, see "– Non-GAAP Measures" on page 554.

Set forth below are the details of our fixed rate liabilities and variable rate liabilities, as of the dates indicated.

Particulars	As of December 31, 2025	As of March 31,		
		2025	2024	2023
Fixed rate liabilities [(1)] **(I)** (₹ million)	8,817.08	8,084.67	16,470.73	20,055.54
Fixed rate liabilities as percentage of total principal carrying borrowings **(II = I/ V)** (%)	16.88%	17.19%	27.36%	44.30%
Variable rate liabilities [(2)] **(III)** (₹ million)	43,427.53	38,954.81	43,734.35	25,214.56
Variable rate liabilities as percentage of total principal carrying borrowings **(IV = III/ V)** (%)	83.12%	82.81%	72.64%	55.70%
Total principal carrying borrowings[(3)] (V = I + III) (₹ million)	**52,244.61**	**47,039.48**	**60,205.08**	**45,270.10**

Note:

(1) Fixed rate liabilities are principal carrying amount of debt securities, borrowings (other than debt securities), subordinated liabilities and liability against securitisation as of the last day of the relevant period/years as per the Restated Financial Information which are at the fixed rate of interest over the tenure.

(2) Variable rate liabilities are principal carrying amount of debt securities, borrowings (other than debt securities), subordinated liabilities as of the last day of the relevant period/years as per the Restated Financial Information whose rate of interest varies over the tenure.

(3) Total principal carrying borrowing represents the aggregate of principal carrying amount of debt securities, borrowings (other than debt securities) and subordinated liabilities as of the last day of the relevant period/ years as per the Restated Financial Information.

Our finance costs are dependent on various external factors, including Indian and global credit markets and, in particular, interest rate movements and adequate liquidity in the debt markets. The table below provides our finance costs for the period/ years indicated.

Particulars	For the nine months ended December 31, 2025	For the Year Ended March 31,		
		2025	2024	2023
Finance costs	3,849.00	6,319.58	5,922.33	4,686.45

In addition, we will need to maintain our finance costs and acquire funding at competitive interest rates that allow us to lend sustainability. Our ability to continue to meet borrower demand for new loans will depend primarily on our ability to borrow from various external sources on suitable terms and in a timely manner. Our funding sources are varied, as we believe that a diversified debt profile ensures that we are not overly dependent on any one type or source for funding. We believe we have the ability to access borrowings at a competitive cost due to our high credit ratings, conservative risk management policies and brand equity. For further information in relation to our borrowings, see "*Financial Indebtedness*" on page 582. Our results of operations will be determined by the rates at which we are able to access funds, the interest rates we are able to charge our borrowers, and the extent to which we are able to offset the former through the latter.

Asset quality, NPAs and provisioning requirements

Our ability to manage the credit quality of our loans, which we measure in part through non-performing assets ("**NPAs**"), is a key driver of our results of operations. Our Company follows a "three stage" model for impairment based on changes in credit quality since initial recognition. The expected credit loss ("**ECL**") allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss, or "**LTECL**"), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' ECL ("**12mECL**"). For further information, see "*Key Regulations and Policies*" on page 379 and *"– Material Accounting Policies - Impairment of financial assets*" on page 547.

The table below sets forth details in relation to our NPAs as of the dates indicated.

Particulars	As of December 31, 2025	As of March 31,		
		2025	2024	2023
Gross NPAs[(1)] (₹ million) (I)	1,017.16	1,692.96	1,136.22	1,451.36
Net NPAs[(2)] (₹ million) (II)	233.46	309.85	-	104.54
Gross loans (₹ million) (III)	60,190.34	59,342.99	67,861.95	50,668.61
Gross NPAs/Gross loans[(3)] (%) (IV = I/III)	1.69%	2.85%	1.67%	2.86%
Net NPAs/Gross loans[(4)] (%) (V = II/ III)	0.39%	0.53%	-	0.21%
Total Loss Allowances (Provisions) as required under Ind AS 109	783.70	1,383.11	1,136.22	1,346.82
Provision coverage ratio (%) [(5)]	77.05%	81.70%	100.00%	92.80%

Notes:

(1) Gross NPAs as of the last day of the relevant period/years represents gross loans as per Restated Financial Information which are required to be classified as NPA as per the Income Recognition, Asset classification and provisioning norm issued and modified by RBI from time to time.

(2) Net NPAs as of the last day of the relevant period/years represents Gross NPAs as reduced by the Impairment allowance against the NPA assets as per Restated Financial Information.

(3) Gross NPAs/Gross loans (%) represents Gross NPAs as of the last day of the relevant period/years as a percentage of gross loans as per Restated Financial Information for the relevant period/years.

(4) Net NPAs/Gross loans (%) represents Net NPAs as of the last day of the relevant period/years as a percentage of loans gross of impairment allowance reduced by the impairment allowance against the NPA assets as per Restated Financial Information for the relevant period/years.

(5) Provision coverage ratio (%) represents Total Loss Allowances (Provisions) as required under Ind AS 109 held on Gross NPAs as of the last day of the relevant period/years, as a percentage of Gross NPAs as of the last day of the relevant period/years as per the Restated Financial Information. For a reconciliation of non-GAAP measures, see "– Non-GAAP Measures" on page 554.

Government policy and regulation

The microfinance industry is highly regulated. As an NBFC-MFI, we will continue to be affected by a number of regulations promulgated by the RBI that regulate, among other things, NPA and provisioning norms, capital adequacy norms and other lending stipulations and other operational restrictions. For information on the changing laws and regulations governing the financial services industry in India and laws and regulations in applicable to us generally, for further information, see "*Key Regulations and Policies*" on page 379.

For instance, the RBI in 2020 imposed imposition of a moratorium on the payment of all principal amounts and interest falling due between March 1, 2021 and August 31, 2021 as a response to the COVID-19 pandemic, which affected our collections and operations. On the other hand, in March 2022, the RBI introduced certain key changes governing MFIs. These include: (i) removal of pricing caps on microfinance loans, and allowing underwriting of loans on a risk-based analysis, creating parity with lenders such as banks in terms of potential interest rates being charged, (ii) increasing the annual household income level for microfinance loan eligibility to ₹ 300,000 from the erstwhile caps, thereby increasing the market size for MFIs, and (iii) reducing the minimum requirement of microfinance loans to 75.00% of total assets of an MFI, compared to 85.00% previously. These changes are expected to allow the microfinance industry to grow at a faster and more sustainable pace, while including more borrowers within its fold. Further, the Government of India has introduced the Credit Guarantee Scheme for Microfinance Institutions 2.0 ("**CGSMFI 2.0**") to enhance credit flow to the microfinance sector by providing guarantees on loans extended by banks and financial institutions to eligible MFIs. The scheme is designed to facilitate incremental credit flow of up to ₹ 20,000.00 crore to NBFC-MFIs, thereby enhancing their ability to lend to small and under-served borrowers, with an estimated benefit to around 3.60 million borrowers. The scheme aims to improve last-mile financial inclusion, particularly for low-income households, by mitigating lender risk and enabling MFIs to access lower-cost funding, thereby supporting sustained credit growth in under-served segments. (*Source: CARE Report*) These regulatory measures have had an impact on our operations and strategy. The removal of pricing caps and introduction of risk-based pricing have enabled us to align loan pricing more closely with borrower risk profiles, supporting portfolio-specific risk management and yield optimisation while maintaining underwriting discipline. The revision of household income thresholds has expanded the addressable borrower base, allowing us to serve a broader segment of customers without diluting credit standards. Further, the rationalisation of qualifying asset requirements has provided flexibility in portfolio composition, supporting balance-sheet optimisation and liquidity management. In addition, the introduction of CGSMFI 2.0 has enhanced our access to bank and institutional funding by mitigating lender risk, contributing to funding diversification and supporting sustained credit flow to underserved segments.

Any change in the regulatory framework affecting NBFC-MFIs, and in particular those requiring to maintain certain financial ratios, accessing funds or lending to NBFC-MFIs by banks among others including priority-sector lending norms, would affect our results of operations and growth. Our ability to function in this environment will depend on our ability to constantly monitor and promptly react to legislative and regulatory changes.

PRESENTATION OF FINANCIAL INFORMATION

The Restated Financial Information of our Company comprise the restated statement of assets and liabilities as at December 31, 2025 and as at March 31, 2025, March 31, 2024 and March 31, 2023; the restated statement of profit and loss (including other comprehensive income), the restated statement of cash flows and the restated statement of changes in equity for the nine months ended December 31, 2025 and for the years ended March 31, 2025, March 31, 2024 and March 31, 2023, the summary of material accounting policies and other explanatory notes (collectively, the "**Restated Financial Information**").

These Restated Financial Information have been prepared by our Company in terms of the requirements of: a) Section 26 of Part I of Chapter III of the Companies Act, 2013; b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended; and c) Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("**ICAI**") (the "**Guidance Note**").

The Restated Financial Information have been prepared to comply in all material respects with the Indian Accounting Standards ("**Ind AS**") as prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time), presentation requirements of Division III of Schedule III to the Act, as applicable to the financial statements and other relevant provisions of the Companies Act, 2013.

The Restated Financial Information has been compiled by our Company from:

- Audited special purpose interim financial statements of our Company as at and for the nine months period ended December 31, 2025 prepared in accordance with the basis of preparation described in Note 2 to the special purpose interim financial statements, which have been approved by our Board of Directors at their meetings held on May 13, 2026

- Audited financial statements of our Company as at and for the year ended March 31, 2025 prepared in accordance with Ind AS specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by our Board of Directors at their meeting held on May 23, 2025;
- Audited financial statements of our Company as at and for the year ended March 31, 2024, prepared in accordance with Ind AS specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by our Board of Directors at their meeting held on May 24, 2024; and
- Audited financial statements of our Company as at and for the year ended March 31, 2023, prepared in accordance with Ind AS specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by our Board of Directors at their meeting held on May 12, 2023.

MATERIAL ACCOUNTING POLICIES

Property, plant and equipment

Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to our Company and the cost of the item can be measured reliably. All other repair and maintenance costs are recognised in Restated Statement of Profit and Loss.

Subsequent measurement (depreciation method, useful lives and residual value)

Property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation on property, plant and equipment is provided on the written down method over the useful life of the assets as prescribed under Part 'C' of Schedule II, which is also the management's estimates of useful lives of such assets.

Asset class	Useful life
Office equipment	5 years
Computer equipment	3 years
Computer Software	5 years
Computer Servers	6 years
Motor Vehicle	8 years
Furniture and fixtures	10 years

Depreciation is calculated on pro rata basis from the date on which the asset is ready for use or till the date the asset is sold or disposed. The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.

De-recognition

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in the Restated Statement of Profit and Loss, when the asset is de-recognised.

Capital work-in-progress

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

Intangible assets

Recognition and initial measurement

Intangible assets are stated at their cost of acquisition. The cost comprises purchase price including any import duties and other taxes (other than those subsequently recoverable from taxation authorities), borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Subsequent measurement (depreciation method, useful lives and residual value)

Intangible assets are amortised over a period of five years from the date when the assets are available for use. The estimated useful life (amortisation period) of the intangible assets is arrived basis the expected pattern of consumption of economic benefits and is reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

Intangible assets under development

Intangible assets under development represents expenditure incurred in respect of intangible assets under development and are carried at cost.

Cost includes development cost, borrowing costs and other direct expenditure necessary to create, produce and repair the asset to be capable of operating in the manner intended by management. These are recognised as assets when our Company demonstrate following recognition requirements:

- The development costs can be measured reliably
- The project is technically and commercially feasible
- Our Company intends to and has sufficient resources to complete the project
- Our Company has the ability to use or sell such intangible asset
- The asset will generate probable future economic benefits.

Revenue recognition

Revenue from contracts with customers - fees and commission

Our Company recognizes revenue from contracts with customers (other than financial assets to which Ind AS 109 'Financial instruments' is applicable) as set out in Ind AS 115 'Revenue from contracts with customers.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered as part of the contract. Revenue is recognised for a contract with a customer only when all of the following criteria are met:

- Identify the contract,
- Identify performance obligations,
- Determine the transaction price,
- Allocate the transaction price and
- Recognize revenue when a performance obligation is satisfied.

- 'transaction price' as the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Interest and processing fee income on loans

Interest and processing fee income is recorded on accrual basis using the effective interest rate (EIR) method. Additional overdue interest/ penal charges, if any, are recognised only when it is reasonably certain that the ultimate collection will be made.

The EIR is that rate that exactly discounts estimated future receipts through the expected life of the financial instrument to the gross carrying amount of the financial assets.

In calculating the interest income the effective interest rate (EIR) is applied to the gross carrying amount of the asset when such assets are not credit-impaired. However if the financial assets that have become credit-impaired subsequently to initial recognition and is regarded as 'stage 3', interest income is calculated by applying the EIR to the net amortised cost of the financial asset. If the asset is no longer credit- impaired, then the calculation of interest income reverts to the gross basis.

Income from assignment transactions

Gains arising out of direct assignment transactions comprises of the difference between interest on the loan portfolio and the applicable rate at which the direct assignment is entered into with the assignee, also known as excess interest spread (EIS). The future EIS basis the scheduled cash flow on execution of the transaction, discounted at the applicable rate entered into with the assignee is recorded upfront in the Restated Statement of Profit and Loss. Interest income is also recognised on carrying value of assets over the remaining period of such assets.

Interest on fixed deposits

Interest income on deposits with banks and investments is recognized in time proportion basis taking into account the amount outstanding and the rate applicable using the effective interest rate (EIR) method.

Dividend income

Dividend income is recognised at the time when the right to receive is established by the reporting date.

Miscellaneous income

All other income is recognised on an accrual basis, when there is no uncertainty in the ultimate realisation/ collection.

Borrowing costs

Borrowing cost consists of interest and other cost that our Company incurred in connection with the borrowing of funds. All other borrowing costs are charged to the Restated Statement of Profit and Loss as incurred basis the effective interest rate method.

The ‘effective interest rate’ is the rate that exactly discounts estimated future cash payments through the expected life of the financial instrument to the amortised cost of the financial liability. In calculating interest expense, the effective interest rate is applied to the amortised cost of the liability.

Income tax

Income tax comprises current and deferred tax:

Current tax: Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) prescribed therein. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current tax relating to items recognised outside profit or

loss is recognised in correlation to the underlying transaction either in OCI or directly in other equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax is tax payable on income for the period and any adjustment to tax payable for earlier period.

Deferred Tax: Deferred tax is provided using the Balance Sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for deductible temporary differences to the extent that it is probable that taxable profits will be available against which the deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised either in OCI or in other equity.

Tax expense recognized in Restated Statement of Profit and Loss comprises the sum of deferred tax and current tax except to the extent it recognized in other comprehensive income or directly in equity.

Employee benefits

Short term employee benefits

Short term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if our Company has a present obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Post-employment benefit plans are classified into defined benefits plans and defined contribution plans as under:
Defined contribution plans

The defined contribution plan is a post-employment benefit plan where our Company's legal or constructive obligation is limited to the amount that it contributes to a separate legal entity.

Our Company makes specified monthly contributions towards Government administered provident fund scheme.

Our Company has a defined contribution plans like provident fund, pension fund and employees state insurance scheme. The contribution made by our Company in respect of these plans are charged to the Restated Statement of Profit and Loss.

Defined benefit plans

Our Company has an obligation towards gratuity and pension fund, defined benefit plan covering eligible employees. Under the defined benefit plans, the amount that an employee will receive is defined by reference to the employee's length of service and last drawn salary which is calculated periodically by a qualified actuary using the projected unit credit method. The legal obligation for any benefits remains with our Company, even if plan assets for funding the defined benefit plan have been set aside. The liability recognised in the statement of financial position for defined benefit plans is the present value of the Defined Benefit Obligation (DBO) at the reporting date less the fair value of plan assets. Management estimates the DBO annually with the assistance of independent actuaries. Actuarial gains/ losses resulting from re-measurements of the liability/asset are included in other comprehensive income.

Our Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate determined by reference to market yields at the end of the reporting period on government bonds. This rate is applied on the net defined benefit liability (asset), both as determined at the start of

the annual reporting period, taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments.

Other long-term employee benefits

The employees of our Company are entitled to compensated absences which are both accumulating and non-accumulating in nature. The liability in respect of accumulating compensated absences is estimated on the basis of an actuarial valuation performed by an independent actuary based on projected unit credit method. Actuarial gains and losses arising from changes in actuarial assumptions are charged to Restated Statement of Profit and Loss in the year in which such gain or losses are determined.

Share based payments

Our Company has formulated an Employees Stock Option Schemes to be administered through a Trust. The fair value of options granted under Employee Stock Option Plan is recognised as an employee benefits expense with a corresponding increase in other equity.

The total amount to be expensed is determined by reference to the fair value of the options. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in Restated Statement of Profit and Loss, with a corresponding adjustment to equity.

Treasury shares are presented as a deduction from equity. The original cost of treasury shares and the proceeds of any subsequent sale are presented as movements in equity.

Government grants

Government grants are recognised when there is reasonable assurance that our Company will comply with the conditions attached to the grant and the grant will be received. The grants are recognised as income in the statement of profit and loss over the periods necessary to match them with the related costs that they are intended to compensate. The grants received, against any reimbursement of expenses are set off against such expenses in the year they occur with meeting the specific conditions or restrictions.

Impairment of non-financial assets

At each reporting date, our Company assesses whether there is any indication that an asset may be impaired. If any such indication exists, our Company estimates the recoverable amount of the asset. Recoverable amount is higher of an asset's net selling price and its value in use.

If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Restated Statement of Profit and Loss. If at the reporting date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

Impairment of financial assets

The expected credit loss (ECL) allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12mECL). Our Company's policies for determining if there has been a significant increase in credit risk. Loan assets

Our Company follows a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:

- Stage 1 (0-30 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.

- 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.

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

The ECL is measured at 12-month ECL for Stage 1 loan assets and at lifetime ECL for Stage 2 and Stage 3 loan assets. ECL is the product of the Probability of Default, Exposure at Default and Loss Given Default, defined as follows:

*Probability of Default ("**PD**")*

The PD represents the likelihood of a borrower defaulting on its financial obligation, either over the next 12 months (12 months PD), or over the remaining lifetime (Lifetime PD) of the obligation.

*Loss Given Default ("**LGD**")*

LGD represents our Company's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and preference of claim and availability of collateral or other credit support like CGFMU.

*Exposure at Default ("**EAD**")*

EAD is based on the amounts our Company expects to be owed at the time of default.

Management overlay is included in determining the 12-month and lifetime ECL. The assumptions underlying the expected credit loss are monitored and reviewed on an ongoing basis.

Trade receivables

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

Other financial assets

In respect of its other financial assets, our Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, our Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, our Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, our Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. Our Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

Write off

Financial assets are written off either partially or in their entirety to the extent that there is no realistic prospect of recovery. However financial assets that are written off could still be enforcement activities under our Company's

recovery procedures, taking into account legal advice where appropriate. Any subsequent recoveries made are recognised in the Restated Statement of Profit and Loss.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand (including imprest), demand deposits and short-term highly liquid investments (certificate of deposits and commercial paper) that are readily convertible into known amount of cash and which are subject to an insignificant risk of changes in value. Our Company nets off the balance of bank overdraft with cash and cash equivalents for cash flow statement.

Provisions, contingent assets and contingent liabilities

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

Contingent liability is disclosed for:

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

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

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

Leases

Our Company as a lessee

Our Company's lease asset classes primarily consist of leases for office premises. Our Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, our Company assesses whether:

(i) the contract involves the use of an identified asset (ii) our Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) our Company has the right to direct the use of the asset.

At the date of commencement of the lease, our Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, our Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the

incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if our Company changes its assessment if whether it will exercise an extension or a termination option.

Financial instruments

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

Initial recognition and measurement

Financial assets and financial liabilities are recognised when our Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs. A trade receivables without significant financing component is initially measured at transaction price.

Subsequent measurement of financial assets and financial liabilities are described below.

Subsequent measurement

Financial assets carried at amortised cost

All financial assets are required to be initially measured at fair value plus or minus the transaction costs. A financial asset is measured at the amortised cost if both the following conditions are met :

- The asset is held within a business model whose objective is to hold assets for collecting contractual cashflows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

Non-performing financial assets are carried at amortised cost in the financial statement.

Financial assets carried at fair value through other comprehensive income (FVOCI)

A financial asset is measured at FVOCI if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows and selling financial assets
- The contractual terms of the financial asset meet the SPPI (sole payment of principal and interest) test.

FVOCI instruments are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in OCI. Interest income are recognised in profit or loss in the same manner as for financial assets measured at amortised cost.

Investments

Investment in mutual funds and security receipts are mandatorily measured at fair value through profit and loss (FVTPL). Investment in equity are measured at fair value to other comprehensive income (FVOCI).

Investment in dated Government securities and treasury bills and measured at fair value through amortised cost and they intend to hold till maturity.

De-recognition of financial assets

Our Company derecognizes a financial asset when:

- the contractual rights to the cash flows from the financial asset expire; or
- it transfers the rights to receive the contractual cash flows in a transaction in which either:
    - substantially all of the risks and rewards of ownership of the financial asset are transferred; or .
    - our Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Our Company enters into transactions whereby it transfers assets recognised on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Non-derivative financial liabilities:

Subsequent measurement

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

De-recognition of financial liabilities

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

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there are a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Earnings per equity share

Basic earnings per equity share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss (interest and other finance cost associated) for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Segment information

Our Company identifies segment basis of the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are regularly reviewed by the CODM (‘chief operating decision maker’) and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of our Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship with the operating activities of the segment.

Foreign currency

Functional and presentation currency

Items included in the financial statement of our Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements have been prepared and presented in Indian Rupees (₹), which is our Company's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency, by applying the exchange rates on the foreign currency amounts at the date of the transaction. Foreign currency monetary items outstanding at the balance sheet date are converted to functional currency using the closing rate. Non- monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognised in the Restated Statement of Profit and Loss in the year in which they arise.

Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

Dividend payment

Interim dividend declared to equity/ preference shareholders, if any, is recognized as liability in the period in which the said dividend is declared by the Board of Directors. Final dividend declared, if any, is recognized in the year in which the said dividend is approved by the Shareholders. Dividend payable is recognized directly in equity.

Material accounting estimates, judgements and assumptions

The preparation of special purpose financial statements in conformity with the Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosure and the disclosure of contingent liabilities, at the end of the reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring adjustment to the carrying amounts of assets or liabilities in future periods.

Estimates:

In preparing these financial statements, management has made certain estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities (including contingent liabilities and assets) as on the date of the financial statements and the reported income and expenses for the reporting period. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Useful lives of depreciable/ amortisable assets

Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

Provisions

Provisions created in respect of a range of future obligations such as litigation. Some of the provisions involve significant estimated about the likely outcome of various events and estimated future cash flows. The measurement of these provisions involves the exercise of management judgments about the ultimate outcomes of the transactions. Payments that are expected to be incurred after more than one year are discounted at a rate, which reflects both current interest rates and the risks specific to that provision.

Defined employee benefit assets and liabilities

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

Impairment of loan portfolio

Management estimates the amount and timing of future cash flows when determining an impairment allowance for loans and advances. These estimates are based on assumptions about a number of factors such as credit quality, level of arrears etc. and actual results may differ, resulting in future changes to the impairment allowance. Our Company makes estimation of management overlay considering internal and external factors.

Judgements:

Key areas of judgement at the date of financial statements, which may cause a material adjustment to the carrying amount of assets and liabilities within the next financial period are included classification of financial assets which includes assessment of the business model within which the assets are held for sale, held for sale and maturity and held for maturity.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the special purpose financial statements are:

Fair value measurements

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Business model assessment

Our Company determines the business model at a level that reflects how the financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. Our Company monitors financial assets measured at amortised cost that are derecognised prior to their maturity to understand the reason for

their disposal and whether the reasons are consistent with the objective of the business for which the asset were held. Monitoring is part of our Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and accordingly prospective change to the classification of those assets are made.

Impairment of loan portfolio

Judgment is required by management in the estimation of the amount and timing of future cash flows when determining an impairment allowance for loans and advances. Our Company makes judgments on management overlay considering internal and external factors.

CHANGES IN ACCOUNTING POLICIES

There have been no changes in our accounting policies during the nine months ended December 31, 2025, Fiscals 2025, 2024 and 2023.

NON-GAAP MEASURES

Certain non-GAAP financial measures relating to our operations and financial performance like Return on Average Total Assets (%), Return on Equity Ratio (%), Provision coverage ratio (%), Net Worth, Return on Net Worth (%) or RoNW (%), Average Net Worth, Average Borrowings to Average Net Worth, Net interest margin (%), Adjusted pre-provision operating profit before tax, Net asset value per equity share and earnings before interest, taxes, depreciation and amortisation ("**EBITDA**"), Adjusted expense to total income ratio (%) and Capital to risk weighted assets ratio (CRAR) (%) (together, "**Non-GAAP Measures**"), presented in this Draft Red Herring Prospectus are supplemental measures of our performance and liquidity that are not required by, or presented in accordance with, Ind AS. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the period/years 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. In addition, these Non-GAAP Measures are not standardized 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 its usefulness as a comparative measure. Although such Non-GAAP Measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that they are useful to an investor in evaluating us as they are widely used measures to evaluate a company's operating performance.

Reconciliation of Non-GAAP Measures

Reconciliation for Return on Average Total Assets (%)

Return on Average Total Assets (%) is calculated as the profit after tax for the period/ years as a percentage of Average Total Assets (simple average of opening total assets and closing total assets) in such period/years.

(₹ million, except percentages)

Particulars	Nine months ended December 31, 2025	Fiscal		
		2025	2024	2023
Profit after tax for the period/ year (I)	607.44	1,096.86	3,138.21	707.16
Total assets (Opening) (II)	68,857.87	81,154.41	60,181.71	52,295.95
Total assets (Closing) (III)	74,618.38	68,857.87	81,154.41	60,181.71
Average total assets (IV = (II +III)/2)	71,738.13	75,006.14	70,668.06	56,238.83
Return on Average Total Assets (%) (V = I/IV)	**0.85%**	**1.46%**	**4.44%**	**1.26%**

Reconciliation for Return on Equity Ratio (%)

Return on Equity Ratio (%) is calculated as the profit after tax for the period/years as a percentage of Average Net Worth in such period/years.

(₹ million, except percentages)

Particulars	Nine months ended December 31, 2025	Fiscal		
		2025	2024	2023
Profit after tax for the period/year (I)	607.44	1,096.86	3,138.21	707.16
Net Worth - Closing (II)	20,918.07	20,251.28	19,147.56	13,380.25
Net Worth - Opening (III)	20,251.28	19,147.56	13,380.25	10,234.81
Average Net Worth (IV = (III+II)/2)	20,584.68	19,699.42	16,263.91	11,807.53
Return on Equity Ratio (%) (V = I/IV)	**2.95%**	**5.57%**	**19.30%**	**5.99%**

Reconciliation for Provision coverage ratio (%)

Provision coverage ratio (%) represents Total Loss Allowances (Provisions) as required under Ind AS 109 held on Gross NPAs as of the last day of the relevant period/years, as a percentage of Gross NPAs as of the last day of the relevant period/years as per the Restated Financial Information.

(₹ million, except percentages)

Particulars	Nine months ended December 31, 2025	Fiscal		
		2025	2024	2023
Total Loss Allowances (Provisions) as required under Ind AS 109 (I)	783.70	1,383.11	1,136.22	1,346.82
Gross NPAs (II)	1,017.16	1,692.96	1,136.22	1,451.36
Provision coverage ratio (%) (III = I/II)	**77.05%**	**81.70%**	**100.00%**	**92.80%**

*Reconciliation for Net Worth and Return on Net Worth ("**Return on Net Worth (%)" or "RoNW (%)**")*

Net Worth represents the aggregate value of the paid-up share capital and all reserves created out of the profits and 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. Here, Net Worth is sum of Equity share capital and Other equity. RoNW (%) is calculated as the profit after tax for the period/ years as a percentage of Net Worth in such period/years.

(₹ million, except percentages)

Particulars	Nine months ended December 31, 2025	Fiscal		
		2025	2024	2023
Equity share capital (I)	1,594.12	1,589.12	1,574.12	1,503.88
Other equity (II)	19,323.95	18,662.16	17,573.44	11,876.37
Net Worth (III = I+II)	**20,918.07**	**20,251.28**	**19,147.56**	**13,380.25**
Profit after tax for the period/ year (IV)	607.44	1,096.86	3,138.21	707.16
RoNW (%) (V = IV/III)	**2.90%**	**5.42%**	**16.39%**	**5.29%**

Reconciliation for Average Net Worth and Average Borrowings to Average Net Worth

Average Net Worth is calculated as the simple average of opening and closing Net Worth for such period / years. Average Borrowings to Average Net Worth is calculated as Average Borrowings for the relevant period /years divided by Average Net Worth for relevant period/years.

(₹ million, except percentages)

Particulars	Nine months ended December 31, 2025	Fiscal		
		2025	2024	2023
Debt securities (I)	1,558.11	2,130.37	4,090.38	3,008.48
Borrowings (other than debt securities) (II)	48,142.14	40,907.05	52,079.62	38,093.63
Subordinated liabilities (III)	2,494.07	3,996.61	3,988.43	4,232.79
Total Borrowings - Closing (IV = I+II+III)	52,194.32	47,034.03	60,158.43	45,334.90
Total Borrowings - Opening (V)	47,034.03	60,158.43	45,334.90	41,272.61
Average Borrowings (VI = (IV+V)/2)	49,614.18	53,596.23	52,746.67	43,303.76
Net Worth - Closing (VII)	20,918.07	20,251.28	19,147.56	13,380.25
Net Worth - Opening (VIII)	20,251.28	19,147.56	13,380.25	10,234.81
Average Net Worth (IX = (VII+VIII/2))	**20,584.68**	**19,699.42**	**16,263.91**	**11,807.53**
Average Borrowings to Average Net Worth (X = VI/IX)	**2.41**	**2.72**	**3.24**	**3.67**

Reconciliation for Net interest margin (%)

Net interest margin (%) represents net interest income loan portfolio for the relevant period/years as a percentage of average AUM for such period/years.

(₹ million, except percentages)

Particulars	Nine months ended December 31, 2025	Fiscal		
		2025	2024	2023
Interest Income (I)	10,376.59	15,811.78	14,176.86	9,490.49
Finance costs (II)	3,849.00	6,319.58	5,922.33	4,686.45
AUM - Opening (III)	60,025.77	71,120.41	53,573.71	41,219.16
AUM - Closing (IV)	63,084.14	60,025.77	71,120.41	53,573.71
Average AUM (V= (III+IV/2)	61,554.96	65,573.09	62,347.06	47,396.43
Net interest margin (%) (VI = (I-II)/(V))	**9.86%**	**13.10%**	**12.20%**	**9.32%**

Reconciliation for Adjusted pre-provision operating profit before tax

Adjusted pre-provision operating profit before tax is calculated as profit before tax after adding back impairment on financial instruments as per the Restated Financial Information for the respective period/years.

(₹ million, except percentages)

Particulars	Nine months ended December 31, 2025	Fiscal		
		2025	2024	2023
Profit before tax (I)	792.11	1,380.85	4,124.33	899.54
Impairment on financial instruments (II)	2,691.12	3,975.14	1,787.60	1,931.65
Adjusted pre-provision operating profit before tax (III=I+II)	**3,483.23**	**5,355.99**	**5,911.93**	**2,831.19**

Reconciliation for Net asset value per equity share

Net asset value per equity share is calculated as Net Worth as of the end of relevant period/years divided by weighted average number of equity shares for diluted earnings per share at the end of such period/years as per the Restated Financial Information.

(₹ million, except no of equity shares and value per share)

Particulars	Nine months ended December 31, 2025	Fiscal		
		2025	2024	2023
Net Worth (I)	20,918.07	20,251.28	19,147.56	13,380.25
Weighted average number of equity shares for diluted earnings per share (II)	15,27,21,630	15,27,26,579	11,81,13,697	12,11,66,060
Net asset value per equity share (III=I/II)	**136.97**	**132.60**	**162.11**	**110.43**

*Reconciliation for earnings before interest, taxes, depreciation and amortisation ("**EBITDA**")*

EBITDA is calculated as profit after tax for the period/years, adding back finance costs, depreciation and amortisation and total tax expense as per the Restated Financial Information for relevant period/years.

(₹ million, except percentages)

Particulars	Nine months ended December 31, 2025	Fiscal		
		2025	2024	2023
Profit after tax for the period/ year (I)	607.44	1,096.86	3,138.21	707.16
Total tax expense (II)	184.67	283.99	986.12	192.38
Finance costs (III)	3,849.00	6,319.58	5,922.33	4,686.45
Depreciation and amortisation (IV)	66.29	68.54	56.83	47.63
EBITDA (V=I+II+III+IV)	**4,707.40**	**7,768.97**	**10,103.49**	**5,633.62**

Reconciliation for Adjusted expense to total income ratio (%)

Adjusted expense to total income ratio (%) is calculated as Adjusted expense as a percentage of total income. Adjusted expense represents total expenses as reduced by finance costs and impairment on financial instruments for the relevant period / years as per the Restated Financial Information. Total income comprises revenue from operations and other income for the relevant period / years as per the Restated Financial Information.

(₹ million, except percentages)

Particulars	Nine months ended December 31, 2025	Fiscal		
		2025	2024	2023
Total expenses (I)	10,538.43	15,571.77	12,222.01	10,010.42
Finance costs (II)	3,849.00	6,319.58	5,922.33	4,686.45
Impairment on financial instruments (III)	2,691.12	3,975.14	1,787.60	1,931.65
Adjusted expense (IV = I-II-III)	**3,998.31**	**5,277.05**	**4,512.08**	**₹3,392.32**
Total income (V)	11,330.54	16,952.62	16,346.34	10,909.96
Adjusted expense to total income ratio (%) (VI = IV/V)	**35.29%**	**31.13%**	**27.60%**	**31.10%**

Reconciliation for Capital to risk weighted assets ratio (CRAR) (%)

Capital to risk weighted assets ratio (CRAR) (%) has been computed as addition of Tier I Capital and Tier II Capital divided by total risk weighted assets.

(₹ million, except percentages)

Particulars	Nine months ended December 31, 2025	Fiscal		
		2025	2024	2023
Tier I Capital (I)	18,747.99	18,921.42	17,355.88	10,523.68
Tier II Capital (II)	382.43	1,341.44	1,391.29	1,353.64
Total risk weighted assets (III)	61,306.20	59,438.26	64,632.57	41,320.82
Total equity	20,918.07	20,251.28	19,147.56	13,380.25
Capital to risk weighted assets ratio (CRAR) (%) (IV = (I + II)/ III)	**31.20%**	**34.09%**	**29.01%**	**28.74%**

PRINCIPAL COMPONENTS OF INCOME AND EXPENDITURE

Total Income

Our total income comprises: (i) total revenue from operations; and (ii) other income.

Total Revenue from Operations

Our total revenue from operations comprises:

- *Interest income.* Income generated on account of (a) interest on loan portfolio; (b) interest income of investments; (c) interest on deposits with banks; (d) interest income on unwinding of assigned portfolio and (e) other interest income;

- *Dividend income*. Earned from an investment made in 2009 in 50,000 fully paid-up equity shares of Alpha Micro Finance Consultant Private Limited ("**Investee Company**"), of face value ₹ 10 each. The Investee Company is currently under liquidation;

- *Fees and commission income*. Comprises income generated from:

    - cross sell business primarily involving the sale of utility products, including solar lamps, agricultural products, home and kitchen appliances, and consumer durables, which are offered to customers in association with various third-party providers.
    - insurance commission represents commission received from insurance companies in accordance with rates prescribed by the Insurance Regulatory and Development Authority of India ("**IRDAI**"). Such income is primarily derived from the distribution of credit life insurance products to mitigate borrower mortality risk and hospicash products providing income support during hospitalisation, through tie-ups with licensed Indian insurance companies.
    - other insurance related income comprises incentives, rewards, and other benefits received from insurance companies in connection with insurance penetration initiatives and distribution performance.

- *Net gain on fair value changes*. Represents gains recognised on financial instruments measured at fair value through profit and loss, comprising fair value gains on mutual fund investments.

- *Net gain on derecognition of financial instruments under amortised cost category*. Represents gains on sale of

loan portfolios through assignment.

- *Other operating income*. Other operating income comprises income generated from activities ancillary to our core lending operations including recovery of charges on our wholesale lending portfolio.

Other Income

Our other income primarily consists of miscellaneous income including collection agency fees earned in connection with assignment transactions, wherein our Company, as the loan originator, acts as the collection agent for the underlying customer loans. Other components include non-recurring advisory and knowledge-sharing services provided to customers and/ or smaller MFIs and NBFCs, primarily in relation to customer acquisition initiatives and interest income on income tax refunds.

Expenses

Our expenses comprise: (i) finance costs, (ii) impairment on financial instruments, (iii) employee benefits expenses, (iv) depreciation and amortisation, (v) other expenses.

Finance costs

Our finance costs comprises (i) interest on debt securities, (ii) interest on borrowings (other than debt securities), (iii) interest on subordinated liabilities, (iv) interest on leasing arrangements, and (v) other interest expenses.

Impairment on financial instruments

Our impairment on financial instruments consists of (i) impairment on loans, (ii) impairment loss allowance on security receipts, (iii) impairment loss allowance on investments, (iv) impairment loss allowance on trade receivables, and (iii) bad debt written off (net of recoveries).

Employee benefits expenses

Our employee benefits expenses comprises: (i) salaries and wages, (ii) contribution to provident and other funds, (iii) share based payment to employees, and (iv) staff welfare expenses.

Depreciation and Amortisation

Our depreciation and amortisation comprises (i) depreciation on property, plant and equipment, (ii) depreciation of right of use assets, and (iii) amortisation of intangible assets.

Other expenses

Our other expenses primarily comprise: (i) rent, (ii) repairs and maintenance, (iii) insurance, (iv) power and fuel, (v) rates and taxes, (vi) office expenses, (vii) membership and subscription, (viii) office maintenance, (ix) printing and stationery, (x) legal and professional expenses, (xi) director's commission, (xii) recruitment and induction expenses, (xiii) communication expenses, (xiv) travelling and conveyance, (xv) payment to auditors, (xvi) corporate social responsibility expenses, and (xvii) miscellaneous expenses.

RESULTS OF OPERATIONS

The following table sets forth certain information with respect to our results of operations on a consolidated basis for the nine months ended December 31, 2025 and Fiscals 2025, 2024 and 2023:

Particulars	Nine months ended December 31, 2025		Fiscal					
	2025		2025		2024		2023	
	(₹ million)	Percentage of Total Income (%)	(₹ million)	Percentage of Total Income (%)	(₹ million)	Percentage of Total Income (%)	(₹ million)	Percentage of Total Income (%)
Revenue								
Total revenue from operations (I)	11,281.34	99.57%	16,917.48	99.79%	16,286.93	99.64%	10,875.34	99.68%
Other income (II)	49.20	0.43%	35.14	0.21%	59.41	0.36%	34.62	0.32%
Total income (III = I + II)	**11,330.54**	**100.00%**	**16,952.62**	**100.00%**	**16,346.34**	**100.00%**	**10,909.96**	**100.00%**
Expenses								
Finance Costs (I)	3,849.00	33.97%	6,319.58	37.28%	5,922.33	36.23%	4,686.45	42.96%
Impairment on financial instruments (II)	2,691.12	23.75%	3,975.14	23.45%	1,787.60	10.94%	1,931.65	17.71%
Employee benefits expenses (III)	2,860.95	25.25%	3,892.01	22.96%	3,247.20	19.86%	2,461.48	22.56%
Depreciation and amortisation (IV)	66.29	0.59%	68.54	0.40%	56.83	0.35%	47.63	0.44%
Other expenses (V)	1,071.07	9.45%	1,316.50	7.77%	1,208.05	7.39%	883.21	8.10%
Total expenses (VI = I + II + III + IV + V)	**10,538.43**	**93.01%**	**15,571.77**	**91.85%**	**12,222.01**	**74.77%**	**10,010.42**	**91.75%**
Profit before tax	**792.11**	**6.99%**	**1,380.85**	**8.15%**	**4,124.33**	**25.23%**	**899.54**	**8.25%**
Tax expense								
Current tax (VII)	124.62	1.10%	503.18	2.97%	347.91	2.13%	(9.12)	(0.08)%
Deferred tax expense/ (credit) (VIII)	60.05	0.53%	(219.19)	(1.29)%	638.21	3.90%	201.50	1.85%
Total tax expense (IX = VII + VIII)	**184.67**	**1.63%**	**283.99**	**1.68%**	**986.12**	**6.03%**	**192.38**	**1.76%**
Profit after tax for the period/ year	**607.44**	**5.36%**	**1,096.86**	**6.47%**	**3,138.21**	**19.20%**	**707.16**	**6.48%**

NINE MONTHS ENDED DECEMBER 31, 2025

Total Income

Total income for the nine months ended December 31, 2025 was ₹ 11,330.54 million.

Total Revenue from Operations

Total revenue from operations for the nine months ended December 31, 2025 was ₹ 11,281.34 million. It comprised interest income of ₹ 10,376.59 million primarily driven by interest on loan portfolio of ₹ 9,920.99 million. Other components of interest income included interest income from investments of ₹ 119.77 million, interest on deposits with banks of ₹ 311.32 million, and interest income on unwinding of assigned portfolio of ₹ 23.65 million arising from the unwinding of assigned portfolios, with the balance attributable to other interest income of ₹ 0.86 million.

Our Company also earned revenue from fees and commission income of ₹ 640.56 million primarily including income from insurance commission of ₹ 422.13 million, arising from the distribution of credit-linked insurance products to our Company's customer base, other insurance related income of ₹ 194.54 million from rewards and other benefits received from insurance partners, linked to insurance penetration levels, distribution performance, and achievement of specified business metrics under existing tie-up arrangements, and income from cross sell business of ₹ 23.89 million derived from the sale of utility products.

Our Company further generated dividend income of ₹ 0.44 million earned from investment in the Investee Company, net gain on fair value changes of ₹ 29.03 million pertaining to gain on investment made in mutual funds, net gain on derecognition of financial instruments under amortised cost category of ₹ 232.24 million due to assignment of business receivables and other operating income of ₹ 2.48 million.

Other Income

Other income for the nine months ended December 31, 2025 was ₹ 49.20 million primarily comprising collection agency fees relating to assignment transactions, non-recurring consultancy fees from advisory and knowledge-sharing services provided to customers and/or smaller MFIs and NBFCs, and interest on income tax refunds.

Expenses

Total expenses for the nine months ended December 31, 2025 were ₹ 10,538.43 million. Total expenses comprised finance costs of ₹ 3,849.00 million, impairment on financial instruments amounting to ₹ 2,691.12 million, employee benefits expenses of ₹ 2,860.95 million, depreciation and amortisation of ₹ 66.29 million and other expenses of ₹ 1,071.07 million.

Finance Costs

Finance costs for the nine months ended December 31, 2025 were ₹ 3,849.00 million, comprising interest on borrowings (other than debt securities) of ₹ 3,324.74 million, interest on debt securities of ₹ 143.22 million, interest on subordinated liabilities of ₹ 291.63 million, interest on leasing arrangements of ₹ 6.15 million and other interest expenses of ₹ 83.26 million.

Impairment on Financial Instruments

Impairment on financial instruments for the nine months ended December 31, 2025 were ₹ 2,691.12 million comprising amortised cost of impairment on loans of ₹ (372.13) million, fair value through profit and loss ("**FVTPL**") recognised a reversal of impairment loss allowance on security receipts amounting to ₹ 50.00 million, driven by actual collections exceeding management estimates, resulting in a reduction of the management overlay, FVTPL for impairment loss allowance on investments of ₹ (0.50) million and amortised cost of bad debt written off (net of recoveries) of ₹ 3,113.75 million.

Employee Benefits Expenses

Employee benefits expenses for the nine months ended December 31, 2025 was ₹ 2,860.95 million, comprising salaries and wages of ₹ 2,425.13 million including grants claimed from National Apprenticeship Training Scheme of India ("**NATS**"), a Government of India initiative to promote skill development, for ₹ 58.47 million against stipend expenses on the trainees registered with NATS, these grants have been set off against the stipend of trainees, contribution to provident and other funds of ₹ 308.71 million, share based payments to employees of ₹ 77.77 million and staff welfare expenses of ₹ 49.34 million. These grants are received under the NATS, wherein we provide structured on-the-job training to apprentices across functions such as field operations, credit processing and administrative support, in accordance with prescribed apprenticeship guidelines.

Depreciation and Amortisation

Depreciation and amortisation expenses for the nine months ended December 31, 2025 were ₹ 66.29 million, comprising depreciation on property, plant and equipment of ₹ 41.21 million, depreciation of right-of-use assets of ₹ 15.51 million and amortisation of intangible assets of ₹ 9.57 million.

Other Expenses

Other expenses for the nine months ended December 31, 2025 were ₹ 1,071.07 million. Key constituents included:

- rent of ₹ 155.38 million on account of leases of properties utilized for branch operations,
- repairs and maintenance of ₹ 139.57 million incurred towards annual maintenance of information technology infrastructure and routine repairs carried out at branch locations,

- insurance of ₹ 171.08 million incurred towards CGFMU, fidelity insurance, group accident, and medical coverage for employees,
- legal and professional expenses of ₹ 118.68 million on account of services availed from external professionals and lawyers, as well as sourcing and collection fees paid to partner agencies, and
- travelling and conveyance of ₹ 285.20 million on account of employee travel in the normal course of business.

Profit before Tax

Profit before tax for the nine months ended December 31, 2025 was ₹ 792.11 million.

Tax Expense

Current tax for the nine months ended December 31, 2025 was ₹ 124.62 million. Deferred tax expense for the nine months ended December 31, 2025 was ₹ 60.05 million. Consequently, total tax expense for the nine months ended December 31, 2025 was ₹ 184.67 million.

Profit after Tax for the Period

For the reasons discussed above, profit after tax for the period for the nine months ended December 31, 2025 was ₹ 607.44 million.

FISCAL 2025 COMPARED TO FISCAL 2024

Total Income

Total income increased by 3.71% from ₹ 16,346.34 million in Fiscal 2024 to ₹ 16,952.62 million in Fiscal 2025.

Total Revenue from Operations

Total revenue from operations increased by 3.87% from ₹ 16,286.93 million in Fiscal 2024 to ₹ 16,917.48 million in Fiscal 2025, primarily due to increase in interest income from ₹ 14,176.86 million in Fiscal 2024 to ₹ 15,811.78 million in Fiscal 2025 on account of increase in interest on loan portfolio from ₹ 13,528.65 million in Fiscal 2024 to ₹ 14,910.43 million in Fiscal 2025 due to increase in average gross loans to customers from ₹ 59,265.28 million to ₹ 63,602.47 million. Our interest income of investments also increased from nil in Fiscal 2024 to ₹ 216.51 million in Fiscal 2025 primarily due to interest earned on investments in government securities ("**G-sec**"). Our Company commenced investing in G-sec during Fiscal 2025 to maintain high quality liquid assets for the purpose of meeting liquidity coverage ratio requirements. Our interest on deposits with banks also increased from ₹ 552.11 million in Fiscal 2024 to ₹ 601.09 million in Fiscal 2025. Our other operating income increased from ₹ 8.22 million in Fiscal 2024 to ₹ 22.28 million in Fiscal 2025 on account of non-recurring reimbursement income incurred on behalf of a potential investor towards due diligence expenses.

This was offset by decrease in fees and commission income from ₹ 1,688.59 million in Fiscal 2024 to ₹ 965.38 million in Fiscal 2025 on account of lower income from cross sell business from ₹ 1,591.22 million in Fiscal 2024 to ₹ 135.45 million in Fiscal 2025 due to lower gross disbursements from 67,088.91 for the year ended March 31, 2024 to ₹ 46,356.63 million for the year ended March 31, 2025 on account of the RBI Order. This was offset by an increase in income from insurance commission from ₹ 97.37 million in Fiscal 2024 to ₹ 457.35 million in Fiscal 2025 and an increase in other insurance related income from nil in Fiscal 2024 to ₹ 372.58 million in Fiscal 2025. The increase was primarily attributable to higher penetration of insurance products among our Company's borrower base, expansion in the distribution of credit-linked insurance products.

Our net gain on derecognition of financial instruments under amortised cost category decreased from ₹ 413.26 million in Fiscal 2024 to ₹ 116.79 million in Fiscal 2025 on account of lower assignment transactions undertaken due to unfavorable market conditions prevailing in Fiscal 2025.

The above performance was achieved in the context of the RBI Order, pursuant to which our Company was restricted from undertaking asset underwriting activities for a period of 74 days, while collections and servicing of existing loans were permitted. Consequently, our Company's AUM declined from ₹ 71,120.41 million as at March 31, 2024 to ₹ 60,025.77 million as at March 31, 2025.

Other Income

Other income decreased by 40.85% from ₹ 59.41 million in Fiscal 2024 to ₹ 35.14 million in Fiscal 2025, primarily due to decrease in miscellaneous income on account of lower collection agency fees arising from the run-down of the underlying loan portfolio associated with direct assignment transactions.

Expenses

Total expenses increased by 27.41% from ₹ 12,222.01 million in Fiscal 2024 to ₹ 15,571.77 million in Fiscal 2025, primarily due to increase in finance costs, impairment on financial instruments, depreciation and amortisation.

Finance Costs

Finance costs increased by 6.71% from ₹ 5,922.33 million in Fiscal 2024 to ₹ 6,319.58 million in Fiscal 2025. The increase was primarily attributable to higher interest expense on borrowings (other than debt securities), including term loans from banks and financial institutions and liabilities arising from securitisation transactions, which rose from ₹ 4,814.43 million to ₹ 5,300.09 million. This increase was driven by a rise in average borrowings outstanding from ₹ 45,086.63 million in Fiscal 2024 to ₹ 46,493.34 million in Fiscal 2025, despite a reduction in our Company's monthly average cost of borrowings from 11.70% to 11.52% during the same period.

Our interest on leasing arrangements increased from ₹ 7.06 million in Fiscal 2024 to ₹ 7.94 million in Fiscal 2025. This was offset by decrease in interest on debt securities from ₹ 379.14 million in Fiscal 2024 to ₹ 332.32 million in Fiscal 2025 on account of lower average debt securities, interest on subordinated liabilities reduced from ₹ 576.36 million in Fiscal 2024 to ₹ 552.75 million in Fiscal 2025 on account of lower average subordinated liabilities in Fiscal 2025 and other interest expenses from ₹ 145.34 million in Fiscal 2024 to ₹ 126.48 million in Fiscal 2025 on account of reduction in the overall outstanding borrowings.

Impairment on Financial Instruments

Impairment on financial instruments increased from ₹ 1,787.60 million in Fiscal 2024 to ₹ 3,975.14 million in Fiscal 2025, primarily due to an increase in amortized cost of impairment on loans from ₹ (1,190.81) million in Fiscal 2024 to ₹ 538.52 million in Fiscal 2025 on account of increase in the PAR>30* particularly in stage 2 and stage 3 assets, an increase in amortized cost of bad debt written off (net of recoveries) from ₹ 2,581.34 million in Fiscal 2024 to ₹ 3,201.72 million in Fiscal 2025 primarily due to higher flow of loan accounts into the write-off bucket during the year. This was offset by decrease in FVTPL for impairment loss allowance on security receipts from ₹ 411.81 million in Fiscal 2024 to ₹ 234.40 million in Fiscal 2025. The reduction was primarily attributable to improved collections from the asset reconstruction company ("**ARC**") pool, resulting in a lower management overlay during Fiscal 2025. In addition, the outstanding gross security receipts declined from ₹ 1,101.11 million in Fiscal 2024 to ₹ 528.12 million in Fiscal 2025.

**PAR>30 (%) represents PAR>30 as of the last day of the relevant period/years as a percentage of loans gross of impairment allowance as per Restated Financial Information for the relevant period/years. PAR>30 represents the summation of stage 2 and stage 3 assets. 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. Stage 3 (more than 90 days) includes loan assets that have objective evidence of impairment at the reporting date.*

Employee Benefits Expenses

Employee benefits expenses increased by 19.86% from ₹ 3,247.20 million in Fiscal 2024 to ₹ 3,892.01 million in Fiscal 2025, primarily due to increase in salaries and wages from ₹ 2,846.57 million in Fiscal 2024 to ₹ 3,404.01 million in Fiscal 2025 primarily on account of increase in the number of employees from 9,333 in Fiscal 2024 to 10,252 in Fiscal 2025, contribution to provident and other funds from ₹ 286.27 million in Fiscal 2024 to ₹ 348.62 million in Fiscal 2025 on account of higher base salary expenses arising from an increase in number of employees, share based payments to employees from ₹ 51.58 million in Fiscal 2024 to ₹ 76.03 million in Fiscal 2025 and staff welfare expenses from ₹ 62.78 million in Fiscal 2024 to ₹ 63.35 million in Fiscal 2025.

Depreciation and Amortisation

Depreciation and amortisation expenses increased by 20.61% from ₹ 56.83 million in Fiscal 2024 to in Fiscal 2025, primarily due to increase in property, plant and equipment in Fiscal 2024 to in Fiscal 2025, depreciation of right of

use assets from ₹ 20.41 million in Fiscal 2024 to ₹ 20.87 million in Fiscal 2025 and amortisation of intangible assets from ₹ 10.92 million in Fiscal 2024 to ₹ 13.62 million in Fiscal 2025.

Other Expenses

Other expenses increased by 8.98% from ₹ 1,208.05 million in Fiscal 2024 to ₹ 1,316.50 million in Fiscal 2025, primarily due to increase in

- rent of ₹ 155.88 million in Fiscal 2024 to ₹ 193.35 million in Fiscal 2025 primarily due to the expansion of branch operations, with the number of branches rising from 976 in Fiscal 2024 to 1,103 in Fiscal 2025,
- repairs and maintenance of ₹ 118.58 million in Fiscal 2024 to ₹ 146.99 million in Fiscal 2025 on account of increase in number of branches and annual maintenance charges for information technology infrastructure,
- insurance of ₹ 66.64 million in Fiscal 2024 to ₹ 85.06 million in Fiscal 2025 due to increase in number of employees and branch expansion,
- legal and professional expenses of ₹ 178.74 million in Fiscal 2024 to ₹ 203.10 million in Fiscal 2025 on account of increase in sourcing and collection agency fees payable to partners, along with increased services availed from external professionals and legal counsel, and
- travelling and conveyance of ₹ 336.65 million in Fiscal 2024 to ₹ 389.05 million in Fiscal 2025 due to increase in number of employees.

Profit before Tax

Profit before tax decreased by 66.52% from ₹ 4,124.33 million in Fiscal 2024 to ₹ 1,380.85 million in Fiscal 2025 primarily due to higher impairment losses on financial instruments. This was driven by increased portfolio delinquencies across the microfinance industry, arising from borrower over-leverage and certain external factors impacting industry participants, including our Company.

Tax Expense

Current tax in Fiscal 2025 was ₹ 503.18 million as compared to ₹ 347.91 million in Fiscal 2024. Deferred tax credit for Fiscal 2025 was ₹ 219.19 million as compared to a deferred tax expense of ₹ 638.21 million in Fiscal 2024. Consequently, total tax expense decreased by 71.20% from ₹ 986.12 million in Fiscal 2024 to ₹ 283.99 million in Fiscal 2025.

Profit after Tax for the Year

For the reasons discussed above, profit after tax for the year decreased by 65.05% from ₹ 3,138.21 million in Fiscal 2024 to ₹ 1,096.86 million in Fiscal 2025.

FISCAL 2024 COMPARED TO FISCAL 2023

Total Income

Total income increased by 49.83% from ₹ 10,909.96 million in Fiscal 2023 to ₹ 16,346.34 million in Fiscal 2024.

Total Revenue from Operations

Total revenue from operations increased by 49.76% from ₹ 10,875.34 million in Fiscal 2023 to ₹ 16,286.93 million in Fiscal 2024, primarily due to an increase in interest income from ₹ 9,490.49 million in Fiscal 2023 to ₹ 14,176.86 million in Fiscal 2024 primarily due to increase in interest on loan portfolio interest income from ₹ 9,105.94 million in Fiscal 2023 to ₹ 13,528.65 million in Fiscal 2024 due to an increase in AUM from ₹ 53,573.71 million in Fiscal 2023 to ₹ 71,120.41 million in Fiscal 2024. Our interest on deposits with banks increased from ₹ 352.70 million in Fiscal 2023 to ₹ 552.11 million in Fiscal 2024 account of higher average term deposits, and our interest income on unwinding of assigned portfolio increased from ₹ 29.45 million in Fiscal 2023 to ₹ 94.84 million in Fiscal 2024 account of improved collections of the assigned portfolio.

Our fees and commission income increased from ₹ 1,020.97 million in Fiscal 2023 to ₹ 1,688.59 million in Fiscal 2024 on account of increase in income from cross sell business from ₹ 1,020.97 million in Fiscal 2023 to ₹ 1,591.22

million in Fiscal 2024 due to higher gross disbursements from 52,992.75 for the year ended March 31, 2023 to 67,088.93 for the year ended March 31, 2025. Our other insurance related income also increased from nil in Fiscal 2023 to ₹ 97.37 million in Fiscal 2024.

Our net gain on derecognition of financial instruments under amortized cost category increased from ₹ 358.65 million in Fiscal 2023 to ₹ 413.26 million in Fiscal 2024 on account of higher volume of assignment transaction, and other operating income increased from ₹ 5.23 million in Fiscal 2023 to ₹ 8.22 million in Fiscal 2024.

Other Income

Other income increased by 71.61% from ₹ 34.62 million in Fiscal 2023 to ₹ 59.41 million in Fiscal 2024, primarily due to an increase in miscellaneous income on account of increase in collection agency fee towards our assignment portfolio.

Expenses

Total expenses increased by 22.09% from ₹ 10,010.42 million in Fiscal 2023 to ₹ 12,222.01 million in Fiscal 2024, primarily due to increase in finance costs, employee benefits expenses, depreciation and amortisation, and other expenses, partially offset by a decrease in impairment on financial instruments.

Finance Costs

Finance costs increased by 26.37% from ₹ 4,686.45 million in Fiscal 2023 to ₹ 5,922.33 million in Fiscal 2024, primarily due to increase in interest on borrowings (other than debt securities) from ₹ 3,475.08 million in Fiscal 2023 to ₹ 4,814.43 million in Fiscal 2024 on account of increase in average borrowing (other than debt securities) of ₹ 36,100.73 million in Fiscal 2023 to ₹ 45,086.63 million in Fiscal 2024, interest on leasing arrangements from ₹ 5.97 million in Fiscal 2023 to ₹ 7.06 million in Fiscal 2024, and other interest expenses from ₹ 140.91 million in Fiscal 2023 to ₹ 145.34 million in Fiscal 2024. This was partly offset by a decrease in interest on subordinated liabilities from ₹ 730.54 million in Fiscal 2023 to ₹ 576.36 million in Fiscal 2024 on account of redemption of the subordinated liabilities, while interest on debt securities increased from ₹ 333.95 million in Fiscal 2023 to ₹ 379.14 million in Fiscal 2024 on account of increase in average debt securities of ₹ 2,921.16 million in Fiscal 2023 to ₹ 3,549.43 million in Fiscal 2024.

Impairment on Financial Instruments

Impairment losses on financial instruments decreased by 7.46% from ₹ 1,931.65 million in Fiscal 2023 to ₹ 1,787.60 million in Fiscal 2024, primarily due to increase in amortised cost of impairment on loans from ₹ (1,457.77) million in Fiscal 2023 to ₹ (1,190.81) million in Fiscal 2024 on account of increase in delinquencies, FVTPL for impairment loss allowance on security receipts from nil in Fiscal 2023 to ₹ 411.81 million driven by lower-than-expected collections from the ARC pool, a rating downgrade of the security receipts, and an increase in the management overlay. This was offset by decrease in amortised cost of bad debt written off (net of recoveries) from ₹ 3,374.68 million in Fiscal 2023 to ₹ 2,581.34 million in Fiscal 2024 and reversal of amortised cost of loss allowance on trade receivables of ₹ 14.74 million in Fiscal 2024.

Employee Benefits Expenses

Employee benefits expenses increased by 31.92% from ₹ 2,461.48 million in Fiscal 2023 to ₹ 3,247.20 million in Fiscal 2024, primarily due to an increase in salaries and wages from ₹ 2,158.60 million in Fiscal 2023 to ₹ 2,846.57 million in Fiscal 2024 primarily on account of increase in the number of employees from 8,030 in Fiscal 2023 to 9,333 in Fiscal 2024, contribution to provident and other funds from ₹ 217.04 million in Fiscal 2023 to ₹ 286.27 million in Fiscal 2024 on account of increase in higher base salary expenses resulting from increase in the number of employees, share based payments to employees from ₹ 28.28 million in Fiscal 2023 to ₹ 51.58 million in Fiscal 2024, and staff welfare expenses from ₹ 57.56 million in Fiscal 2023 to ₹ 62.78 million in Fiscal 2024.

Depreciation and Amortisation

Depreciation and amortisation expenses increased by 19.32% from ₹ 47.63 million in Fiscal 2023 to ₹ 56.83 million in Fiscal 2024, primarily due to increase in property, plant and equipment and other intangible assets from ₹ 74.59 million in Fiscal 2023 to ₹ 116.68 million in Fiscal 2024 and depreciation of right-of-use assets from ₹ 16.90 million in Fiscal 2023 to ₹ 20.41 million in Fiscal 2024.

Other Expenses

Other expenses increased by 36.78% from ₹ 883.21 million in Fiscal 2023 to ₹ 1,208.05 million in Fiscal 2024, primarily due to increase in:

- rent from ₹ 128.60 million in Fiscal 2023 to ₹ 155.88 million in Fiscal 2024 on account of increase in the number of branches on short term lease from 830 in Fiscal 2023 to 976 in Fiscal 2024;
- legal and professional expenses from ₹ 145.31 million in Fiscal 2023 to ₹ 178.74 million in Fiscal 2024 primarily due to higher service and collection agency fees paid to partners, as well as increased expenses incurred for services rendered by third-party professionals and legal advisors;
- travelling and conveyance from ₹ 276.52 million in Fiscal 2023 to ₹ 336.65 million in Fiscal 2024 due to higher reimbursements on account of increase in the total number of employees from 8,030 in Fiscal 2023 to 9,333 in Fiscal 2024; and
- Insurance from ₹ 47.23 million in Fiscal 2023 to ₹ 66.64 million in Fiscal 2024 primarily due to an increase in number of employees and expansion in the number of branches during the period.

This was offset by decrease in repairs and maintenance from ₹ 123.07 million in Fiscal 2023 to ₹ 118.58 million in Fiscal 2024.

Profit before Tax

Profit before tax increased by 358.49% from ₹ 899.54 million in Fiscal 2023 to ₹ 4,124.33 million in Fiscal 2024. The increase was primarily driven by higher total income, supported by growth in financial assets, improvement in Net interest margin (%), and a reduction in impairment losses on financial instruments during the Fiscal 2024.

Tax Expense

Current tax moved from a credit of ₹ 9.12 million in Fiscal 2023 to a charge of ₹ 347.91 million in Fiscal 2024. Deferred tax expenses increased from ₹ 201.50 million in Fiscal 2023 to ₹ 638.21 million in Fiscal 2024. Consequently, total tax expense increased by 412.59% from ₹ 192.38 million in Fiscal 2023 to ₹ 986.12 million in Fiscal 2024.

Profit after Tax for the Year

For the reasons discussed above, profit after tax for the year increased by 343.78% from ₹ 707.16 million in Fiscal 2023 to ₹ 3,138.21 million in Fiscal 2024.

FINANCIAL CONDITION

Assets

The following table sets forth the principal components of our assets as of the dates indicated:

(₹ million)

	As of December 31, 2025	As of March 31,		
		2025	2024	2023
Financial Assets				
Cash and cash equivalents	5,079.99	4,364.76	9,389.61	5,565.61
Bank balance other than cash and cash equivalents	2,061.58	2,369.32	3,286.51	3,780.01
Trade receivables	89.21	83.79	145.24	162.47
Loans	58,326.86	57,051.08	66,157.38	47,822.20
Investments	7,370.85	3,633.46	901.61	787.70
Other financial assets	315.78	155.57	338.99	267.03
Total financial assets	**73,244.27**	**67,657.98**	**80,219.34**	**58,385.02**
Non-financial Assets				
Current tax assets (net)	197.00	103.07	119.85	426.87

	As of December 31, 2025	As of March 31,		
		2025	2024	2023
Deferred tax assets (net)	747.53	801.39	558.94	1,184.70
Property, plant and equipment	115.95	89.17	75.25	53.08
Intangible assets under development	-	2.95	5.51	4.41
Other intangible assets	32.77	38.94	41.43	21.51
Right of use asset	65.74	60.07	73.66	49.01
Other non-financial assets	215.12	104.30	60.43	57.11
Total non-financial assets	**1,374.11**	**1,199.89**	**935.07**	**1,796.69**
Total assets	**74,618.38**	**68,857.87**	**81,154.41**	**60,181.71**

Financial Assets

Cash and Cash Equivalents

Our cash and cash equivalents increased from ₹ 5,565.61 million as of March 31, 2023 to ₹ 9,389.61 million as of March 31, 2024 on account of increase in balances in banks – in current accounts from ₹ 154.97 million as of March 31, 2023 to ₹ 3,636.72 million as of March 31, 2024 and balances in banks – deposits for original maturity of less than 3 months from ₹ 5,407.03 million as of March 31, 2023 to ₹ 5,750.41 million as of March 31, 2024. This was offset by decrease in cash on hand from ₹ 3.61 million as of March 31, 2023 to ₹ 2.48 million as of March 31, 2024.

Cash and cash equivalents decreased from ₹ 9,389.61 million as of March 31, 2024 to ₹ 4,364.76 million as of March 31, 2025 on account of decrease in balances in banks – in current accounts from ₹ 3,636.72 million as of March 31, 2024 to ₹ 1,094.55 million as of March 31, 2025, balances in banks – deposits for original maturity of less than 3 months from ₹ 5,750.41 million as of March 31, 2024 to ₹ 3,269.08 million as of March 31, 2025 and cash on hand from ₹ 2.48 million as of March 31, 2024 to ₹ 1.13 million as of March 31, 2025.

Subsequently, our cash and cash equivalents increased to ₹ 5,079.99 million as of December 31, 2025 on account of increase in balances in banks – deposits for original maturity of less than 3 months to ₹ 4,662.13 million as of December 31, 2025 and cash on hand to ₹ 2.05 million as of December 31, 2025. This was offset by decrease in balances in banks – in current accounts to ₹ 415.81 million as of December 31, 2025.

Bank Balance other than Cash and Cash Equivalents

Our bank balances other than cash and cash equivalents decreased from ₹ 3,780.01 million as of March 31, 2023 to ₹ 3,286.51 million as of March 31, 2024 on account of decrease in balance with banks and financial institutions to the extent held as margin money deposits against borrowings and guarantees - with maturity more than 3 months but less than 12 months from ₹ 1,393.16 million as of March 31, 2023 to ₹ 1,327.97 million as of March 31, 2024, decrease in deposits with original maturity of more than 3 months from ₹ 525.36 million as of March 31, 2023 to ₹ 296.25 million as of March 31, 2024 and a decrease in balance with banks and financial institutions to the extent held as margin money deposits against borrowings and guarantees - with maturity more than 12 months from ₹ 1,861.49 million as of March 31, 2023 to ₹ 1,662.29 million as of March 31, 2024.

Bank balances other than cash and cash equivalents decreased from ₹ 3,286.51 million as of March 31, 2024 to ₹ 2,369.32 million as of March 31, 2025 on account of a decrease in balance with banks and financial institutions to the extent held as margin money deposits against borrowings and guarantees – with maturity more than 12 months from ₹ 1,662.29 million as of March 31, 2024 to ₹ 755.14 million as of March 31, 2025 and with maturity more than 3 months but less than 12 months from ₹ 1,327.97 million as of March 31, 2024 to ₹ 1,191.06 million as of March 31, 2025. This was partly offset by an increase in deposits with original maturity of more than 3 months from ₹ 296.25 million as of March 31, 2024 to ₹ 423.12 million as of March 31, 2025.

Subsequently, our bank balances other than cash and cash equivalents decreased to ₹ 2,061.58 million as of December 31, 2025 on account of a decrease in balance with banks and financial institutions to the extent held as margin money deposits against borrowings and guarantees – with maturity more than 12 months to ₹ 506.78 million as of December 31, 2025 and with maturity more than 3 months but less than 12 months to ₹ 1,064.37 million as of December 31, 2025. This was partly offset by an increase in deposits with original maturity of more than 3 months to ₹ 490.43 million as of December 31, 2025.

Trade Receivables

Net trade receivables decreased from ₹ 162.47 million as of March 31, 2023 to ₹ 145.24 million as of March 31, 2024 on account of a decrease in undisputed trade receivables – considered good from ₹ 153.77 million as of March 31, 2023 to ₹ 22.59 million as of March 31, 2024 and nil balance in credit impaired undisputed trade receivables from ₹ 14.74 million as of March 31, 2023 to nil as of March 31, 2024. This was partly offset by an increase in unbilled receivables from ₹ 8.70 million as of March 31, 2023 to ₹ 122.65 million as of March 31, 2024. There was no impairment loss allowance as of March 31, 2024 compared to ₹ 14.74 million as of March 31, 2023.

Net trade receivables decreased from ₹ 145.24 million as of March 31, 2024 to ₹ 83.79 million as of March 31, 2025 on account of a decrease in unbilled receivables from ₹ 122.65 million as of March 31, 2024 to ₹ 79.13 million as of March 31, 2025 and a decrease in undisputed trade receivables – considered good from ₹ 22.59 million as of March 31, 2024 to ₹ 4.66 million as of March 31, 2025.

Subsequently, net trade receivables increased to ₹ 89.21 million as of December 31, 2025 on account of an increase in unbilled receivables to ₹ 84.24 million as of December 31, 2025 and an increase in undisputed trade receivables – considered good to ₹ 4.97 million as of December 31, 2025.

Loans

Our total gross loans increased from ₹ 50,668.61 million as of March 31, 2023 to ₹ 67,861.95 million as of March 31, 2024, owing to an increase in term loans, and in particularly unsecured loans from ₹ 50,583.13 million as of March 31, 2023 to ₹ 65,891.27 million as of March 31, 2024, in addition to a higher secured book from ₹ 85.48 million to ₹ 1,970.68 million. While, our net loans increased from ₹ 47,822.20 million as of March 31, 2023 to ₹ 66,157.38 million as of March 31, 2024.

Total gross loans decreased to ₹ 59,342.99 million as of March 31, 2025 from ₹ 67,861.95 million as of March 31, 2024, primarily due to a reduction in unsecured loans from ₹ 65,891.27 million as of March 31, 2024 to ₹ 55,814.17 million as of March 31, 2025, partly offset by an increase in secured loans to ₹ 3,528.82 million. While, our total net loans decreased to ₹ 57,051.08 million as of March 31, 2025 from ₹ 66,157.38 million as of March 31, 2024.

Subsequently, total gross loans increased to ₹ 60,190.34 million as of December 31, 2025, supported by a higher secured loans of ₹ 4,631.64 million. The gross loans comprised ₹ 4,631.64 million secured by tangible assets, ₹ 27,037.96 million covered by government guarantees, and ₹ 28,520.74 million unsecured, aggregating to gross loans of ₹ 60,190.34 million less impairment loss allowances of ₹ 1,863.48 million. Resulting in our total net loans to ₹ 58,326.86 million as of December 31, 2025

Investments

Investments increased from ₹ 787.70 million as of March 31, 2023 to ₹ 901.61 million as of March 31, 2024, primarily on account of security receipts (at FVTPL) of ₹ 901.11 million net of impairment allowance. Net investments increased to ₹ 3,633.46 million as of March 31, 2025 on account of investment in Investment in G-sec (at amortised cost) of ₹ 1,955.11 million and investment in treasury bills ("**T-bills**") (at amortised cost) of ₹ 1,490.23 million, and security receipts (at FVTPL) of ₹ 187.62 million. Subsequently, net investments increased to ₹ 7,370.85 million as of December 31, 2025, primarily on account of investment in mutual funds (at FVTPL) of ₹ 4,377.90 million and G-sec (at amortised cost) of ₹ 2,911.28 million and security receipts (at FVTPL) of ₹ 81.67 million net of impairment allowance.

Other Financial Assets

Other financial assets increased from ₹ 267.03 million as of March 31, 2023 to ₹ 338.99 million as of March 31, 2024, primarily on account of an increase in receivable on assigned loans from ₹ 225.97 million as of March 31, 2023 to ₹ 268.06 million as of March 31, 2024, an increase in others including towards collection receivables from digital channel partners from ₹ 14.88 million as of March 31, 2023 to ₹ 40.30 million as of March 31, 2024, an increase in security deposits from ₹ 26.18 million as of March 31, 2023 to ₹ 30.63 million as of March 31, 2024.

Other financial assets decreased from ₹ 338.99 million as of March 31, 2024 to ₹ 155.57 million as of March 31, 2025, mainly due to a decrease in receivable on assigned loans from ₹ 268.06 million as of March 31, 2024 to ₹ 50.12 million as of March 31, 2025. This was partly offset by an increase in others primarily includes towards collection receivables from digital channel partners from ₹ 40.30 million as of March 31, 2024 to ₹ 68.30 million as of March 31, 2025, an increase in security deposits from ₹ 30.63 million as of March 31, 2024 to ₹ 37.15 million as of March 31, 2025.

Subsequently, other financial assets increased to ₹ 315.78 million as of December 31, 2025, primarily due to an increase in receivable on assigned loans to ₹ 232.44 million. This was offset a decrease in security deposits to ₹ 34.25 million and others primarily includes towards collection receivables from digital channel partners to ₹ 49.09 million.

Non-Financial Assets

Current Tax Assets (net)

Our current tax assets (net) decreased from ₹ 426.87 million as of March 31, 2023 to ₹ 119.85 million as of March 31, 2024 and to ₹ 103.07 million as of March 31, 2025. Further, our current tax assets (net) increased to ₹ 197.00 million as of December 31, 2025. These movements were primarily on account of changes in advance tax and tax deducted on source (net of provisions).

Deferred Tax Assets (net)

Our deferred tax assets (net) decreased from ₹ 1,184.70 million as of March 31, 2023 to ₹ 558.94 million as of March 31, 2024 primarily on account of decrease in impairment loss allowance on loan assets from ₹ 658.62 million as of March 31, 2023 to ₹ 355.21 million as of March 31, 2024 and unabsorbed tax loss from ₹ 432.75 million as of March 31, 2023 to nil as of March 31, 2024.

Our deferred tax assets (net) increased from ₹ 558.94 million as of March 31, 2024 to ₹ 801.39 million as of March 31, 2025 primarily on account of an increase in impairment loss allowance on loan assets from ₹ 355.21 million as of March 31, 2024 to ₹ 490.75 million as of March 31, 2025, and impairment loss allowance on investments from ₹ 50.34 million as of March 31, 2024 to ₹ 85.70 million as of March 31, 2025.

Further our deferred tax assets (net) decreased to ₹ 747.53 million as of December 31, 2025 primarily on account of decrease in impairment loss allowance on loan assets to ₹ 463.65 million and impairment loss allowance on investments to ₹ 72.99 million which is offset by increase in financial assets measured at amortised cost to ₹ 104.07 million as of December 31, 2025 and increase in income on realisation basis to ₹ 38.12 million as of December 31, 2025. These changes arose from timing differences including impairment allowances and other deductible temporary differences.

Property, Plant and Equipment

Our property, plant and equipment increased from ₹ 53.08 million as of March 31, 2023 to ₹ 75.25 million as of March 31, 2024, on account of capital additions partially offset by depreciation. Property, plant and equipment increased further to ₹ 89.17 million as of March 31, 2025 on account of additional capital expenditure during the year, and subsequently increased to ₹ 115.95 million as of December 31, 2025 due to continued additions during the nine-month ended December 31, 2025.

Intangible Assets Under Development

Our intangible assets under development were ₹ 4.41 million as of March 31, 2023, ₹ 5.51 million as of March 31, 2024 and ₹ 2.95 million as of March 31, 2025; subsequently, these were nil as of December 31, 2025. These changes were on account of capitalisation/closure of ongoing technology projects.

Other Intangible Assets

Our other intangible assets increased from ₹ 21.51 million as of March 31, 2023 to ₹ 41.43 million as of March 31, 2024 on account of software additions net of amortisation. These decreased to ₹ 38.94 million as of March 31, 2025 due to amortisation, and further decreased to ₹ 32.77 million as of December 31, 2025 on account of amortisation and lower additions.

Right of Use Asset

Our right of use asset increased from ₹ 49.01 million as of March 31, 2023 to ₹ 73.66 million as of March 31, 2024 due to new/renewed leases; it decreased to ₹ 60.07 million as of March 31, 2025 due to depreciation and expiry of leases, and subsequently increased to ₹ 65.74 million as of December 31, 2025 on account of new lease additions.

Other Non-Financial Assets

Our other non-financial assets increased from ₹ 57.11 million as of March 31, 2023 to ₹ 60.43 million as of March 31, 2024 on account of increase in prepaid expenses from ₹ 26.33 million as of March 31, 2023 to ₹ 34.84 million as of March 31, 2024.

Our other non-financial assets increased from ₹ 60.43 million as of March 31, 2024 to ₹ 104.30 million as of March 31, 2025 on account of increase in prepaid expenses from ₹ 34.84 million as of March 31, 2024 to ₹ 37.86 million as of March 31, 2025, advance against expenses from ₹ 5.56 million as of March 31, 2024 to ₹ 11.66 million as of March 31, 2025, and others primarily includes amount paid against legal and professional service for draft red hearing prospectus filing from ₹ 4.23 million as of March 31, 2024 to ₹ 40.74 million as of March 31, 2025.

Our other non-financial assets further increased to ₹ 215.12 million as of December 31, 2025, primarily on account of increase in prepaid expenses of ₹ 117.82 million and others of ₹ 71.33 million as of December 31, 2025.

Liabilities

The following table sets forth the principal components of our liabilities and provisions as of the dates indicated.

(₹ million)

	As of December 31, 2025	As of March 31,		
		2025	2024	2023
Financial liabilities				
Payables				
Trade payables				
- Total outstanding dues of micro enterprises and small enterprises	-	-	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	308.45	275.15	280.98	139.42
Other payables				
- Total outstanding dues of micro enterprises and small enterprises	-	-	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-
Debt securities	1,558.11	2,130.37	4,090.38	3,008.48
Borrowings (other than debt securities)	48,142.14	40,907.05	52,079.62	38,093.63
Subordinated liabilities	2,494.07	3,996.61	3,988.43	4,232.79
Other financial liabilities	670.26	733.81	1,124.14	973.34
Total financial liabilities	**53,173.03**	**48,042.99**	**61,563.55**	**46,447.66**
Non-financial liabilities				
Provisions	417.52	389.67	268.76	246.83
Other non-financial liabilities	109.76	173.93	174.54	106.97
Total non-financial liabilities	**527.28**	**563.60**	**443.30**	**353.80**
Equity				
Equity share capital	1,594.12	1,589.12	1,574.12	1,503.88
Other equity	19,323.95	18,662.16	17,573.44	11,876.37
Total equity	**20,918.07**	**20,251.28**	**19,147.56**	**13,380.25**
Total liabilities and equity	**74,618.38**	**68,857.87**	**81,154.41**	**60,181.71**

As of December 31, 2025, we had total liabilities and equity of ₹ 74,618.38 million, compared to ₹ 68,857.87 million as of March 31, 2025, ₹ 81,154.41 million as of March 31, 2024, and ₹ 60,181.71 million as of March 31, 2023. The increase in our total liabilities and equity from March 31, 2023 to December 31, 2025 was primarily on account of additions to our reserves and higher borrowings to support growth in disbursals and our loan portfolio - other equity increased to ₹ 19,323.95 million as of December 31, 2025 from ₹ 11,876.37 million as of March 31, 2023, and

borrowings (other than debt securities) increased to ₹ 48,142.14 million as of December 31, 2025 from ₹ 38,093.63 million as of March 31, 2023. This was partly offset by a decrease in debt securities to ₹ 1,558.11 million as of December 31, 2025 from ₹ 3,008.48 million as of March 31, 2023 and a decrease in subordinated liabilities to ₹ 2,494.07 million as of December 31, 2025 from ₹ 4,232.79 million as of March 31, 2023.

Financial Liabilities

Payables

Trade Payables

Trade payables - total outstanding dues of creditors other than micro enterprises and small enterprises increased from ₹ 139.42 million as of March 31, 2023 to ₹ 280.98 million as of March 31, 2024, decreased to ₹ 275.15 million as of March 31, 2025 and increased to ₹ 308.45 million as of December 31, 2025.

Debt securities

Debt securities increased from ₹ 3,008.48 million as of March 31, 2023 to ₹ 4,090.38 million as of March 31, 2024, primarily due to increase in secured unlisted non-convertible debentures from related party from nil as of March 31, 2023 to ₹ 2,121.77 million as of March 31, 2024. Debt securities decreased from ₹ 4,090.38 million as of March 31, 2024 to ₹ 2,130.37 million as of March 31, 2025 on account of conversion of secured unlisted non-convertible debentures from related party from ₹ 2,121.77 million as of March 31, 2024 to secured unlisted non-convertible debentures to ₹ 2,130.37 million as of March 31, 2025 and decreased further to ₹ 1,558.11 million as of December 31, 2025 due to repayment of non-convertible debentures.

Borrowings (other than debt securities)

Our borrowings (other than debt securities) increased from ₹ 38,093.63 million as of March 31, 2023 to ₹ 52,079.62 million as of March 31, 2024 on account of an increase in secured term loans from banks from ₹ 21,607.44 million as of March 31, 2023 to ₹ 37,723.95 million as of March 31, 2024 and an increase in secured term loans from financial institutions from ₹ 9,164.88 million as of March 31, 2023 to ₹ 10,214.99 million as of March 31, 2024, partly offset by movements in liability against securitisation from banks at ₹ 3,960.13 million and from related party at ₹ 139.71 million as of March 31, 2024.

Our borrowings (other than debt securities) decreased from ₹ 52,079.62 million as of March 31, 2024 to ₹ 40,907.05 million as of March 31, 2025, primarily due to repayments of secured term loans from banks to ₹ 35,416.79 million as of March 31, 2025 and secured term loans from financial institutions to ₹ 5,396.79 million as of March 31, 2025 and lower loans repayable on demand including cash credit from banks at ₹ 0.01 million and liability against securitisation from banks at ₹ 93.46 million as of March 31, 2025.

Our borrowings (other than debt securities) increased to ₹ 48,142.14 million as of December 31, 2025, primarily on account of liability against securitisation from banks to ₹ 4,579.84 million as of December 31, 2025 and higher secured term loans from banks to ₹ 37,618.95 million as of December 31, 2025, while secured term loans from financial institutions stood at ₹ 5,943.35 million as of December 31, 2025.

Subordinated liabilities

Our subordinated liabilities decreased from ₹ 4,232.79 million as of March 31, 2023 to ₹ 3,988.43 million as of March 31, 2024 on account of decrease in term loans from banks from ₹ 758.05 million as of March 31, 2023 to ₹ 505.73 million as of March 31, 2024.

Our subordinated liabilities remain stagnant at ₹ 3,996.61million and ₹ 3,988.43 million as of March 31, 2025 and March 31, 2024 respectively.

Our subordinated liabilities decreased to ₹ 2,494.07 million as of December 31, 2025, primarily due to repayment of term loans and non-convertible debentures.

Other financial liabilities

Our other financial liabilities increased from ₹ 973.34 million as of March 31, 2023 to ₹ 1,124.14 million as of March 31, 2024 on account of an increase in payable towards assignment transactions from ₹ 556.75 million as of March 31,

2023 to ₹ 657.51 million as of March 31, 2024 and an increase in employees dues from ₹ 236.83 million as of March 31, 2023 to ₹ 292.37 million as of March 31, 2024.

Our other financial liabilities decreased from ₹ 1,124.14 million as of March 31, 2024 to ₹ 733.81 million as of March 31, 2025, primarily due to a decrease in payable towards assignment transactions from ₹ 657.51 million as of March 31, 2024 to ₹ 296.40 million as of March 31, 2025 and other payables from ₹ 93.92 million as of March 31, 2024 to ₹ 47.55 million as of March 31, 2025 and lease liabilities from ₹ 80.34 million as of March 31, 2024 to ₹ 67.54 million as of March 31, 2025 which offset an increase in employees dues from ₹ 292.37 million as of March 31, 2024 to ₹ 322.32 million as of March 31, 2025.

Our other financial liabilities decreased further to ₹ 670.26 million as of December 31, 2025, mainly reflecting payable towards assignment transactions at ₹ 267.42 million as of December 31, 2025, employees dues at ₹ 271.38 million as of December 31, 2025, lease liabilities at ₹ 74.30 million as of December 31, 2025, and other payables at ₹ 57.16 million as of December 31, 2025.

Non-Financial Liabilities

Provisions

Our provisions increased from ₹ 246.83 million as of March 31, 2023 to ₹ 268.76 million as of March 31, 2024, on account of an increase in provision for compensated absences from ₹ 106.43 million as of March 31, 2023 to ₹ 124.24 million as of March 31, 2024 and provision for gratuity from ₹ 136.87 million as of March 31, 2023 to ₹ 141.70 million as of March 31, 2024.

Our provisions increased from ₹ 268.76 million as of March 31, 2024 to ₹ 389.67 million as of March 31, 2025, primarily due to an increase in provision for gratuity from ₹ 141.70 million as of March 31, 2024 to ₹ 223.95 million as of March 31, 2025 and an increase in provision for compensated absences from ₹ 124.24 million as of March 31, 2024 to ₹ 165.72 million as of March 31, 2025.

Our provisions increased further to ₹ 417.52 million as of December 31, 2025, primarily on account of provision for gratuity of ₹ 270.55 million and a decrease in provision for compensated absences to ₹ 146.97 million as of December 31, 2025

Other non-financial liabilities

Our other non-financial liabilities increased from ₹ 106.97 million as of March 31, 2023 to ₹ 174.54 million as of March 31, 2024 on account of an increase in advance from customers from ₹ 9.04 million as of March 31, 2023 to ₹ 54.62 million as of March 31, 2024, an increase in statutory dues from ₹ 79.74 million as of March 31, 2023 to ₹ 100.28 million as of March 31, 2024, and an increase in others including down payment received from customers from ₹ 18.19 million as of March 31, 2023 to ₹ 19.64 million as of March 31, 2024.

Our other non-financial liabilities marginally decreased from ₹ 174.54 million as of March 31, 2024 to ₹ 173.93 million as of March 31, 2025, primarily due to a decrease in statutory dues from ₹ 100.28 million as of March 31, 2024 to ₹ 93.97 million as of March 31, 2025, partly offset by an increase in advance from customers from ₹ 54.62 million as of March 31, 2024 to ₹ 56.95 million as of March 31, 2025 and an increase in others including down payment received from customers from ₹ 19.64 million as of March 31, 2024 to ₹ 23.01 million as of March 31, 2025.

Our other non-financial liabilities decreased further to ₹ 109.76 million as of December 31, 2025, primarily on account of a decrease in statutory dues to ₹ 75.99 million, a decrease in advance from customers to ₹ 28.58 million, and a decrease in others including down payment received from customers to ₹ 5.19 million.

Equity

Equity share capital

Equity share capital increased from ₹ 1,503.88 million as of March 31, 2023 to ₹ 1,574.12 million as of March 31, 2024, ₹ 1,589.12 million as of March 31, 2025, and ₹ 1,594.12 million as of December 31, 2025, due to issuances under employee stock option schemes and related share issuances.

Other equity

Other equity increased from ₹ 11,876.37 million as of March 31, 2023 to ₹ 17,573.44 million as of March 31, 2024, ₹ 18,662.16 million as of March 31, 2025, and ₹ 19,323.95 million as of December 31, 2025, due to retained earnings and movements in securities premium, statutory reserves and share-based payment reserves.

LIQUIDITY AND CAPITAL RESOURCES

The purpose of the liquidity management function is to ensure that we have funds available to extend loans to our customers across our various financing products, to repay principal and interest on our borrowings and to fund our working capital requirements. We endeavour to diversify our sources of capital. We have funded the growth in our operations and loan portfolio through equity issuances, debt securities, loans with various maturities raised from banks and other entities and the assignment/securitisation of loans.

CASH FLOWS

The following table sets forth our statement of cash flows for the period/years indicated:

(₹ million)

Particulars	Nine months ended December 31, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Net cash (used in)/ generated from operating activities	(1,332.20)	9,456.80	(13,953.74)	(9,738.79)
Net cash (used in)/ generated from investing activities	(2,987.45)	(1,288.03)	440.28	(715.47)
Net cash generated/ (used in) from financing activities	5,034.88	(13,193.62)	17,337.46	6,483.58
Cash and cash equivalents at the end of the period/years	5,079.99	4,364.76	9,389.61	5,565.61

Operating Activities

Nine months ended December 31, 2025

Net cash used in operating activities was ₹ 1,332.20 million for the nine months ended December 31, 2025. While our profit before tax was ₹ 792.11 million, we had an operating profit before working capital changes of ₹ (3,219.95) million. This was primarily due to addition of finance costs accrued amounting to ₹ 3,634.45 million, depreciation and amortisation amounting to ₹ 50.78 million, depreciation on right of use assets amounting to ₹ 15.51 million, impairment loss allowance on loans amounting to ₹ 2,741.62 million, and share based payments to employees amounting to ₹ 77.77 million; as well as interest on lease liability (net) of ₹ 6.25 million. This was offset by deductions comprising interest income accrued amounting to ₹ 9,797.50 million, effective interest rate adjustment for financial instruments amounting to ₹ 429.14 million, net gain on derecognition of financial instruments amounting to ₹ 232.24 million, net gain on fair value changes amounting to ₹ 29.03 million, and impairment loss allowance on security receipts amounting to ₹ 50.00 million.

Our working capital adjustments primarily comprised an increase in loans amounting to ₹ 4,231.53 million, an increase in trade receivables amounting to ₹ 5.42 million, a decrease in other financial assets amounting to ₹ 72.50 million, an increase in other non-financial assets amounting to ₹ 111.24 million, an increase in trade payables amounting to ₹ 33.30 million, a decrease in other financial liabilities amounting to ₹ 70.31 million, an increase in provisions amounting to ₹ 3.24 million, and a decrease in other non-financial liabilities amounting to ₹ 64.19 million. Cash used in operating activities was ₹ 7,593.60 million before interest and tax. Interest received was ₹ 10,134.82 million, interest paid was ₹ 3,654.87 million, and income taxes paid (net of refunds) were ₹ 218.55 million.

Fiscal 2025

Net cash generated from operating activities was ₹ 9,456.80 million in Fiscal 2025. While our profit before tax was ₹ 1,380.85 million, we had an operating profit before working capital changes of ₹ (4,150.86) million. This was primarily due to addition of finance costs accrued amounting to ₹ 5,955.77 million, depreciation and amortisation amounting to ₹ 47.67 million, depreciation on right of use assets amounting to ₹ 20.87 million, impairment loss allowance on loans amounting to ₹ 3,740.24 million, impairment loss allowance on security receipts amounting to ₹ 234.40 million, share based payments to employees amounting to ₹ 76.03 million, and interest on lease liability (net) of ₹ 7.74 million; offset by deductions including interest income accrued amounting to ₹ 15,003.97 million, effective

interest rate adjustment for financial instruments amounting to ₹ 493.70 million, and net gain on derecognition of financial instruments amounting to ₹ 116.79 million.

Our working capital adjustments primarily comprised a decrease in loans amounting to ₹ 5,331.61 million, a decrease in trade receivables amounting to ₹ 61.45 million, a decrease in other financial assets amounting to ₹ 300.70 million, an increase in other non-financial assets amounting to ₹ 44.41 million, a decrease in trade payables amounting to ₹ 5.83 million, a decrease in other financial liabilities amounting to ₹ 377.53 million, an increase in provisions amounting to ₹ 28.47 million, and a decrease in other non-financial liabilities amounting to ₹ 0.59 million. Cash generated from operating activities was ₹ 1,143.01 million. Interest received was ₹ 14,943.76 million, interest paid was ₹ 6,143.57 million, and income taxes paid (net of refunds) were ₹ 486.40 million.

Fiscal 2024

Net cash used in operating activities was ₹ 13,953.74 million in Fiscal 2024. While our profit before tax was ₹ 4,124.33 million, we had an operating profit before working capital changes of ₹ (2,530.04) million. This was primarily due to addition of finance costs accrued amounting to ₹ 5,571.95 million, depreciation and amortisation amounting to ₹ 36.42 million, depreciation on right of use assets amounting to ₹ 20.41 million, impairment loss allowance on loans amounting to ₹ 1,390.53 million, impairment loss allowance on security receipts amounting to ₹ 411.81 million, share based payments to employees amounting to ₹ 51.58 million, and interest on lease liability (net) of ₹ 6.89 million; offset by deductions including interest income accrued amounting to ₹ 13,460.91 million, effective interest rate adjustment for financial instruments amounting to ₹ 255.07 million, net gain on derecognition of financial instruments amounting to ₹ 413.26 million and impairment loss allowance on trade receivables amounting to ₹ 14.74 million.

Our working capital adjustments primarily comprised an increase in loans amounting to ₹ 19,806.36 million, a decrease in trade receivables amounting to ₹ 31.97 million, a decrease in other financial assets amounting to ₹ 341.86 million, an increase in other non-financial assets amounting to ₹ 3.90 million, an increase in trade payables amounting to ₹ 141.58 million, an increase in other financial liabilities amounting to ₹ 125.00 million, a decrease in provisions amounting to ₹ 27.53 million and an increase in other non-financial liabilities amounting to ₹ 67.56 million. Cash used in operating activities was ₹ 21,659.86 million before interest and tax. Interest received was ₹ 13,608.73 million, interest paid was ₹ 5,861.72 million and income taxes paid (net of refunds) were ₹ 40.89 million.

Fiscal 2023

Net cash used in operating activities was ₹ 9,738.79 million in Fiscal 2023. While our profit before tax was ₹ 899.54 million, we had an operating profit before working capital changes of ₹ (2,368.33) million. This was primarily due to addition of finance costs accrued amounting to ₹ 4,393.92 million, depreciation and amortisation amounting to ₹ 30.73 million, depreciation on right of use assets amounting to ₹ 16.90 million, impairment loss allowance on loans amounting to ₹ 1,916.91 million, impairment loss allowance on trade receivables amounting to ₹ 14.74 million, share based payments to employees amounting to ₹ 28.28 million and interest on lease liability (net) of ₹ 4.58 million, offset by deductions including interest income accrued amounting to ₹ 9,011.79 million, effective interest rate adjustment for financial instruments amounting to ₹ 303.51 million, and net gain on derecognition of financial instruments amounting to ₹ 358.65 million.

Our working capital adjustments primarily comprised an increase in loans amounting to ₹ 13,146.53 million, an increase in trade receivables amounting to ₹ 153.12 million, a decrease in other financial assets amounting to ₹ 142.75 million, a decrease in other non-financial assets amounting to ₹ 17.32 million, a decrease in trade payables amounting to ₹ 19.68 million, an increase in other financial liabilities amounting to ₹ 750.66 million, an increase in provisions amounting to ₹ 1.76 million and a decrease in other non-financial liabilities amounting to ₹ 99.28 million. Cash used in operating activities was ₹ 14,874.45 million before interest and tax. Interest received was ₹ 9,617.67 million, interest paid was ₹ 4,546.29 million and income taxes paid (net of refunds) were ₹ 64.28 million (net refund).

Investing Activities

Nine months ended December 31, 2025

Net cash used in investing activities was ₹ 2,987.45 million in the nine months ended December 31, 2025, primarily on account of investment in mutual fund amounting to ₹ 7,450.00 million, purchase of government securities amounting to ₹ 1,250.00 million, and purchase of property, plant and equipment amounting to ₹ 68.08 million; this

was partially offset by proceeds from mutual fund amounting to ₹ 3,113.46 million, proceeds from government securities amounting to ₹ 1,830.79 million, proceeds from fixed deposits amounting to ₹ 812.45 million, and interest received on investments and fixed deposits amounting to ₹ 576.22 million. Other movements included investment in fixed deposits amounting to ₹ 552.38 million, purchase of intangible assets amounting to ₹ 0.44 million, purchase of intangible assets under development amounting to ₹ 0.01 million, proceeds from dividend from investment of ₹ 0.44 million and proceeds from sale of property, plant and equipment amounting to ₹ 0.10 million.

Fiscal 2025

Net cash used in investing activities was ₹ 1,288.03 million in Fiscal 2025, primarily on account of purchase of government securities amounting to ₹ 4,738.01 million, investment in fixed deposits amounting to ₹ 490.45 million, and purchase of property, plant and equipment amounting to ₹ 48.08 million; this was partially offset by proceeds from government securities amounting to ₹ 1,913.07 million, proceeds from fixed deposits amounting to ₹ 1,433.89 million and interest received on investments and fixed deposits amounting to ₹ 648.77 million. Other movements included purchase of intangible assets under development amounting to ₹ 7.15 million, purchase of intangible assets amounting to ₹ 1.42 million, proceeds from sale of property, plant and equipment amounting to ₹ 0.10 million and proceeds from dividend from investments amounting to ₹ 1.25 million.

Fiscal 2024

Net cash generated from investing activities was ₹ 440.28 million in Fiscal 2024, primarily on account of proceeds from fixed deposits amounting to ₹ 527.68 million, proceeds from government securities amounting to ₹ 517.68 million, and interest received on investments and fixed deposits amounting to ₹ 517.93 million; this was partially offset by purchase of government securities amounting to ₹ 1,043.40 million, purchase of property, plant and equipment amounting to ₹ 47.90 million, purchase of other intangible assets amounting to ₹ 28.62 million, purchase of intangible assets under development amounting to ₹ 3.32 million and proceeds from sale of property, plant and equipment amounting to ₹ 0.23 million.

Fiscal 2023

Net cash used in investing activities was ₹ 715.47 million in Fiscal 2023, primarily on account of investment in fixed deposits amounting to ₹ 2,014.20 million, purchase of government securities amounting to ₹ 787.20 million, purchase of property, plant and equipment amounting to ₹ 30.17 million, purchase of intangible assets amounting to ₹ 3.44 million, and purchase of intangible assets under development amounting to ₹ 4.63 million; this was partially offset by proceeds from fixed deposits amounting to ₹ 1,801.59 million, interest received on investments and fixed deposits amounting to ₹ 322.54 million, and proceeds from sale of property, plant and equipment amounting to ₹ 0.04 million.

Financing Activities

Nine months ended December 31, 2025

Net cash generated from financing activities was ₹ 5,034.88 million in the nine months ended December 31, 2025, primarily on account of proceeds from borrowings (other than debt securities) amounting to ₹ 34,168.74 million. These were partly offset by repayment of borrowings (other than debt securities) amounting to ₹ 27,093.18 million, repayment of debt securities amounting to ₹ 520.00 million, repayment of subordinated liabilities amounting to ₹ 1,500.00 million, payment of principal on lease liabilities amounting to ₹ 14.53 million and payment of interest on lease liabilities amounting to ₹ 6.15 million.

Fiscal 2025

Net cash used in financing activities was ₹ 13,193.62 million in Fiscal 2025, primarily on account of repayment of borrowings (other than debt securities) amounting to ₹ 38,637.30 million and repayment of debt securities amounting to ₹ 1,925.00 million, together with payment of principal on lease liabilities amounting to ₹ 21.14 million and payment of interest on lease liabilities amounting to ₹ 6.67 million. These were partly offset by proceeds from borrowings (other than debt securities) amounting to ₹ 27,396.49 million. There were no proceeds from debt securities, issue of equity shares, or issue of compulsorily convertible preference shares in the year.

Fiscal 2024

Net cash generated from financing activities was ₹ 17,337.46 million in Fiscal 2024, on account of proceeds from borrowings (other than debt securities) amounting to ₹ 44,924.16 million, proceeds from debt securities amounting to ₹ 2,080.00 million, proceeds from issue of equity shares (including premium) amounting to ₹ 0.98 million, and proceeds from issue of compulsorily convertible preference shares (including premium) amounting to ₹ 2,662.12 million. These were partly offset by repayment of borrowings (other than debt securities) amounting to ₹ 31,018.06 million, repayment of debt securities amounting to ₹ 987.00 million, share issue expenses (net) amounting to ₹ 48.56 million, payment of principal on lease liabilities amounting to ₹ 19.12 million, and payment of interest on lease liabilities amounting to ₹ 7.06 million.

Fiscal 2023

Net cash generated from financing activities was ₹ 6,483.58 million in Fiscal 2023, on account of proceeds from borrowings (other than debt securities) amounting to ₹ 35,351.09 million, proceeds from debt securities amounting to ₹ 1,150.00 million, and proceeds from issue of equity shares (including premium) amounting to ₹ 0.57 million; our Company also recorded proceeds from issue of compulsorily convertible preference shares (including premium) amounting to ₹ 2,482.95 million. These were partly offset by repayment of borrowings (other than debt securities) amounting to ₹ 31,338.09 million, repayment of debt securities amounting to ₹ 994.00 million, repayment of subordinated liabilities amounting to ₹ 100.00 million, share issue expenses (net) amounting to ₹ 47.25 million, payment of principal on lease liabilities amounting to ₹ 15.72 million, and payment of interest on lease liabilities amounting to ₹ 5.97 million.

INDEBTEDNESS

Set forth below are the details of our borrowings, as of the dates indicated.

(₹ million)

Particulars	As of December 31, 2025	As of March 31,		
		2025	2024	2023
Total Borrowings[(1)]	52,194.32	47,034.03	60,158.43	45,334.90

Note:
(!) Total Borrowings represent the aggregate of debt securities, borrowings (other than debt securities) and subordinated liabilities as of the last day of the relevant period/years as per the Restated Financial Information.

CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

The table below sets forth, as of the dates indicated, the principal components of our contingent liabilities as of December 31, 2025:

(₹ million)

Particulars	As of December 31, 2025
(a) Claims against the Company not acknowledged as debt	
Demand for income tax received from income tax authorities in respect of which the Company has gone for appeal. Based on the management assessment, crystallization of liability on these items is not considered probable and hence not acknowledged as debt by the Company	49.14
(b) Guarantees excluding financial guarantee	-
(c) Other money for which our Company is contingently liable	-
Total (d = a + b + c)	**49.14**

As of December 31, 2025, our capital commitments that have been disclosed in the Restated Financial Information were as follows:

(₹ million)

Particulars	As of December 31, 2025
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	

Particulars	As of December 31, 2025
Capital commitments for purchase/ development of tangible and intangible asset (net of advances).	2.06
(b) uncalled liability on shares and other investments partly paid up.	-
(c) Other (Sanctioned loan undisbursed)	91.31

For further information, see "*Restated Financial Information – Note* 63 – *Contingent liabilities and commitments*" on page 527.

OFF-BALANCE SHEET ARRANGEMENTS

As of December 31, 2025, we did not have any off-balance sheet arrangements other than the assignment transactions undertaken in the normal course of business.

CAPITAL EXPENDITURE

In the nine months ended December 31, 2025 and Fiscals 2025, 2024 and 2023, gross carrying value of property, plant and equipment were ₹ 318.67 million, ₹ 251.33 million, ₹ 204.53 million and ₹ 160.67 million, respectively basis the capital expenditure incurred in each period/years. The following table sets forth the gross carrying value of property, plant and equipment, for the period/years indicated below:

(₹ million)

Particulars	Nine months ended December 31, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Motor Vehicle (I)	2 .15	2 .15	2 .15	-
Furniture and Fixtures (II)	59.62	59.25	47.55	39.34
Computer and accessories (III)	177.75	133.55	112.06	90.58
Office Equipment (IV)	79.15	56.38	42.77	30.75
Total (V = I + II + III + IV)	**318.67**	**251.33**	**204.53**	**160.67**

CREDIT RATINGS

As of the date of this Draft Red Herring Prospectus, we have dual credit ratings from CARE and ICRA as per the following table:

Instrument	Rating Agency	Rating
Bank facilities programme	ICRA	A(Stable)
Non-convertible debentures	ICRA	A(Stable)
Subordinated debt	ICRA	A(Stable)
Non-convertible Debenture/Subordinate Debt	CARE	A- (Stable)

CAPITAL TO RISK WEIGHTED ASSETS RATIO (CRAR) (%)

The RBI monitors capital to risk-weighted assets ratios based on financial information. The following table sets forth certain information relating to the Capital to risk weighted assets ratio (CRAR) (%) of our Company as of the period/years indicated:

(₹ million, except percentages)

Particulars	As of			
	December 31, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Tier I Capital (I)	18,747.99	18,921.42	17,355.88	10,523.68
Tier II Capital (II)	382.43	1,341.44	1,391.29	1,353.64
Total capital (III = I + II)	**19,130.42**	**20,262.86**	**18,747.17**	**11,877.32**
Total risk weighted assets	**61,306.20**	**59,438.26**	**64,632.57**	**41,320.82**

Particulars	As of			
	December 31, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Total equity	20,918.07	20,251.28	19,147.56	13,380.25
Capital to risk weighted assets ratio (CRAR) (%)	**31.20%**	**34.09%**	**29.01%**	**28.74%**
CRAR-Tier I Capital (%)	30.58%	31.82%	26.85%	25.46%
CRAR-Tier II Capital (%)	0.62%	2.27%	2.16%	3.28%

For a reconciliation of non-GAAP measures, see "*– Non-GAAP Measures*" on page 554.

RELATED PARTY TRANSACTIONS

We enter into various transactions with related parties in the ordinary course of business. These transactions principally include our Director's commission, sitting fees and remuneration, loans availed, professional/ business support fees, fixed deposit investment made and interest on fixed deposit (net of taxes including accrued interest).

For further information relating to our related party transactions, see "*Restated Financial Information – Note* 49 *– Related party transactions as required by Ind AS 24*" on page 500. Also see Also, see "*Risk Factors – We have in the past entered into related party transactions and may continue to do so in the future. Such future related party transactions may potentially involve conflicts of interest.*" on page 62.

AUDITOR'S OBSERVATIONS

Except as provided below, our Statutory Auditors have not included any reservations, qualifications, emphasis of matters or adverse remarks in their reports of our Company in relation to our Restated Financial Information for the nine months ended December 31, 2025, and Fiscals 2025, 2024 and 2023. For further information, see "*Restated Financial Information*" on page 435.

"*Restated Financial Information does not contain any qualifications requiring adjustments in the Auditor's Reports on the audited financial statements of the Company for the nine months period ended December 31, 2025 and years ended March 31, 2025, March 31, 2024 and March 31, 2023, except for March 31, 2025 where auditors qualified that the Company has used accounting softwares for maintaining its books of accounts which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares except that the feature of recording of audit trail (edit log) facility was not enabled at the database level for the software used for origination of loans for the period April 01, 2024 to April 08, 2024, to log any direct data changes. Further, where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting softwares, we did not come across any instance of the audit trail feature being tampered with. Additionally, the audit trail (edit log) has been preserved by the Company as per the statutory requirements for record retention except for the database level for software used for origination of loans.*"

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to various types of market risks during the normal course of business such as interest rate risk, liquidity risk, credit risk, portfolio risk, operational risk, foreign currency risk and inflation risk. For further details, please see "*Our Business – Risk Management*" on page 368.

Credit Risk

Credit risk is the risk of loss that may occur from defaults by our customers under our loan agreements. In order to address credit risk, we have stringent credit policies for customer selection. We follow a systematic methodology in the selection of new geographies where we open branches, which takes into account factors such as the PAR % of the proposed district, potential for micro-lending and socio-economic risk evaluation (for e.g., the risk of communal riots or natural disasters). Further, once we open a branch in a new area, our customer due diligence procedures encompass multiple levels of checks such as KYC verification, credit bureau check and physical verification, designed to assess the quality of the proposed group and to confirm that they meet our criteria. We have also implemented risk tools and techniques and data analytics, such as static pools, vintage curves, roll rates, geo-risk maps, and risk models, to

establish risk thresholds and benchmarks, which are then used for field-level reviews, business expansion plans, and our business strategy.

Interest Rate Risk

We are subject to interest rate risk, principally because we lend to customers at fixed interest rates and for periods that may differ from our funding sources, while our borrowings are at both fixed and variable interest rates for different periods. We assess and manage our interest rate risk by managing our assets and liabilities. Our Asset Liability Management Committee evaluates asset liability management, and ensures that all significant mismatches, if any, are being managed appropriately. For further information, see "*Risk Factors*" on page 21.

Liquidity Risk

Liquidity risk arises due to the unavailability of adequate funds at an appropriate cost or tenure. Our treasury department sources funds from multiple sources, including from banks, NBFCs and other financial institutions. Our treasury department is responsible for diversifying fundraising sources, managing interest rate risks and maintaining a strong relationship with banks, NBFCs, other domestic and foreign financial institutions and rating agencies. For further information, see "*Risk Factors*" and "*Our Business*" on pages 21 and 335, respectively.

Operational Risk

Operational risks arise from inadequate or failed internal processes, people or systems, or from external events. We control our operational risk by maintaining a comprehensive system of internal controls. Our dedicated operation risk management team identifies all people and process related risks and updates the operational policy accordingly. In addition, we have leveraged technology to protect us from fraud by taking measures such as verifying customer details and documentation online and using credit bureau data to get information on potential frauds. Our team also manages compliance with requirements set forth by regulatory bodies and our internal standards. For further information, see "*Risk Factors*" and "*Our Business*" on pages 21 and 335, respectively.

Cash Management Risk

Our branches collect and deposit a large amount of cash through a high volume of transactions taking place in our branch network. To address the cash management risks, we have developed advanced cash management checks that we employ at every level to track and tally accounts. We ensure that cash collected up to a certain time is deposited at local bank branches or cash drop points with our partner banks on the same day. Cash that is to be deposited is accounted for at the branch level and at a central level to avoid discrepancies. Moreover, we conduct regular internal audits to ensure the highest levels of compliance with our cash management systems. Currently, our disbursements are cashless to mitigate cash management risk. For further information, see "*Risk Factors*" and "*Our Business*" on pages 21 and 335, respectively.

Inflation Risk

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. A return of high inflation rates may result in an increase in overall interest rates which may adversely affect our results of operations. High rates of inflation in the Indian economy could impact the results of our operations, by leading to a lower demand for our loans. High inflation rates may also adversely affect growth in the Indian economy and our operating expenses.

UNUSUAL OR INFREQUENT EVENTS OR TRANSACTIONS

Except as described in this Draft Red Herring Prospectus, to our knowledge, there have been no unusual or infrequent events or transactions that have in the past or may in the future affect our business operations or future financial performance.

SIGNIFICANT ECONOMIC CHANGES THAT MATERIALLY AFFECT OR ARE LIKELY TO AFFECT INCOME FROM CONTINUING OPERATIONS

Our business has been subject, and we expect it to continue to be subject, to significant economic changes that materially affect or are likely to affect income from continuing operations identified above in "*Management's*

Discussion and Analysis of Financial Condition and Results of Operations – Significant Factors Affecting our Results of Operations and Financial Condition" and the uncertainties described in "*Risk Factors*" on pages 537 and 21, respectively.

KNOWN TRENDS OR UNCERTAINTIES

To our knowledge, except as discussed in this Draft Red Herring Prospectus, there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

FUTURE RELATIONSHIP BETWEEN COST AND INCOME

Other than as described in "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations and Financial Condition*" on pages 21, 335 and 537, respectively, to our knowledge there are no known factors that may adversely affect our business prospects, results of operations and financial condition.

NEW PRODUCTS OR BUSINESS SEGMENTS

Except as set out in this Draft Red Herring Prospectus, we have not announced and do not expect to announce in the near future any new business segments.

COMPETITIVE CONDITIONS

We operate in a competitive environment. See "*Risk Factors*", "*Industry Overview*", "*Our Business*" and on pages 21, 177 and 335, respectively, for further details on competitive conditions that we face across our various business segments.

SEGMENT REPORTING

Our Company is engaged primarily in the business of financing and there are no separate reportable segments as per Ind AS 108-"*Segment Reporting*". For further information, see "*Restated Financial Information – Note 63 – Operating Segment*" on page 527.

SIGNIFICANT DEPENDENCE ON SINGLE OR FEW CUSTOMERS/SUPPLIERS

Given the nature of our business operations, our business is not dependent on any single or a few customers.

SEASONALITY/ CYCLICALITY OF BUSINESS

Our business generally sees higher borrowings by our customers during the third and fourth quarter of each fiscal. Accordingly, we also typically have higher drawdowns under our facilities in the third and fourth quarter of each fiscal. For further information see, "*Risk Factors - Our business is subject to seasonality, which may contribute to fluctuations in our results of operations and financial condition.*" on page 61.

SIGNIFICANT DEVELOPMENTS AFTER DECEMBER 31, 2025 THAT MAY AFFECT OUR FUTURE RESULTS OF OPERATIONS

No circumstances have arisen since December 31, 2025 which may materially and adversely affect or is likely to affect, our profitability, or the value of our assets or our ability to pay our liabilities.

CAPITALIZATION STATEMENT

The following table sets forth our Company's capitalization as on December 31, 2025, derived from Restated Financial Information, and as adjusted for the Offer. This table should be read in conjunction with the sections titled "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and "*Risk Factors*" on pages 537 and 21, respectively.

Particulars*	Pre-Offer as on December 31, 2025	As adjusted for the proposed Offer[#]
	(₹ million, except ratios)	
Debt securities (A)	1,558.11	[●]
Borrowings (other than debt securities) (B)	48,142.14	[●]
Subordinated liabilities (C)	2,494.07	[●]
Total borrowings (D = A+B+C)[^]	**52,194.32**	[●]
- Equity share capital	1,594.12	[●]
- Other equity	19,323.95	[●]
Total equity (E)	**20,918.07**	[●]
Ratio: Total borrowings/Total equity (D/E)	**2.50**	[●]

#These amounts (as adjusted for the Offer) are not determinable at this stage pending the completion of the book building process and hence have not been furnished.

^Total borrowings as of the last day of the period represents aggregate of borrowings including debt securities, subordinated liabilities, borrowing other than debt securities as per the Restated Financial Information.

**Notes:*

1) *The amounts disclosed above are based on the Restated Financial Information*
2) *The above Statement should be read with the Annexure 5 to the Restated Financial Information at "Restated Financial Information—Material accounting policies and other explanatory information to Restated Financial Information" on page 435.*

FINANCIAL INDEBTEDNESS

Our Company has availed of loans in the ordinary course of business, typically for the purposes of on-lending to microfinance borrowers. For the purposes of the Offer, except as disclosed in "*Risk Factors—We have incurred indebtedness and an inability to comply with existing and future repayments and other covenants in our financing agreements could adversely affect our business, results of operations, cash flows and financial condition* " on page 28, our Company has obtained the necessary consents required under the relevant documentation for its borrowings in relation to the Offer, including for undertaking activities such as change in its capital structure, change in its shareholding pattern or change or amendment to the constitutional documents of our Company.

A brief summary of the financial indebtedness of our Company as on January 31, 2026 is disclosed below:

Nature of Borrowing	Amount Sanctioned	Amount Outstanding as of January 31, 2026[#]
	(₹ million)	
Fund Based (A)		
Secured Borrowings (A1)	94,205.00	51,824.44
Term loans	91,605.00	46,251.83
Cash credit, working capital and overdraft facilities	520.00	Nil
Non-convertible debentures	2,080.00	1,572.97
Unsecured Borrowings (A2)	2,500.00	2,494.62
Term loans	250.00	251.76
Non-convertible debentures	2,250.00	2,242.86
Total fund based (A)= A1 + A2	**96,705.00**	**54,319.06**
Non-Fund based (B)[##]		
Bank guarantee and letter of credit facilities (B)	2.50	2.50
Total fund based and non-fund based (C) = A + B	**96,707.50**	**54,321.56**

**As certified by KGRS & Co, Chartered Accountants, bearing firm registration number 310014E, pursuant to their certificate dated May 15, 2026.*

[#]Represents IND AS balance on balance sheet borrowings as on January 31, 2026 excluding balances related to securitisation.

[##]The Company has availed the bank guarantee facility of ₹2.50 million against lien of equivalent amount of fixed deposit.

Principal terms of the borrowings availed by our Company are disclosed below:

1. *Interest:* The interest rate applicable to our borrowing facilities is typically tied to the respective lender's lending rate prevailing at the time, as applicable and which may vary for each facility. The typical spread applicable to our borrowings ranges from 4.65% below to 4.80% above the relevant lender's lending rate. With respect to the outstanding non-convertible debentures issued by us, the coupon rate ranges from 10.71% to 13.65%.

2. *Tenor:* The tenor of the facilities availed by us typically ranges from 18 months to 72 months. Further, the redemption period of the non-convertible debentures issued by our Company ranges from 48 to 84 months. Our Company has also availed certain working capital facilities that may be repayable on demand.

3. *Security:* Our borrowings are typically secured by a first exclusive charge by way of hypothecation on the designated current assets, both present and future, including the designated book debts, loan instalments, receivables and underlying assets arising out of finance of the Company. The nature of the securities described is indicative and there may be additional requirements for creation of security under various borrowing arrangements entered into by our Company.

4. *Pre-payment and premature redemption:* Facilities availed by us typically have pre-payment provisions which allow for pre-payment of the outstanding loan amount, by serving a notice to the relevant lender or on receiving prior approval from the relevant lender, subject to such pre-payment penalties as may be decided by the lender at the time of such prepayment, or as set out in the facility agreements or the debenture trust deeds, as the case may be. However, we have entered into arrangements with certain lenders that do not allow prepayment of the facility prior to the due date.

Among the facilities which specify a pre-payment penalty, the penalty typically ranges from nil to 2.00% of the amount outstanding and proposed to be pre-paid in the case of our borrowing facilities and 2.00% of the amount outstanding and proposed to be redeemed prematurely in the case of non-convertible debentures issued by our Company.

5. *Events of Default:* The financing arrangements entered into by us contain standard events of default including, among others:

(i) non-payment or default of any amounts due on the facility or loan obligations;
(ii) breach of covenants and conditions stipulated in the loan documents;
(iii) failure to create security as stipulated in the loan documents;
(iv) default on amounts due to or facilities extended by any other lenders;
(v) proceedings relating to winding up, liquidation or insolvency being initiated against us;
(vi) our Company ceasing or threatening to cease to carry on its business;
(vii) cross default;
(viii) commencement of debt restructuring or rescheduling process with any of the lenders of the Company;
(ix) suspension or downgrading of rating by a credit rating agency beyond certain grades; and
(x) material misrepresentation, restructuring, winding up, sickness, insolvency (including insolvency proceedings), or cessation of business.

The details above are indicative and there may be additional terms that may amount to an event of default under the various financing arrangements entered into by us, such as any amendment to our Memorandum and Articles of Association or any change in our management or shareholding without the prior consent of the lenders.

6. *Penalty:* Facilities availed by us contain provisions prescribing penalties for delayed payment or delay in submission of documents required under such facility documents, non-creation of security and default in our repayment obligations, which typically ranges from 2.00% to 36.00% of the amounts due and payable.

7. *Restrictive Covenants:* Certain borrowing arrangements entered into by us contain restrictive covenants, including covenants restricting certain actions except with the prior approval of the lender. An indicative list of such restrictive covenants is disclosed below.

(i) lender's unconditional right to revise or cancel the terms of the facility (including the credit limits, rates of interest and repayment schedule) at its sole discretion, without notice and without assigning reasons;
(ii) lender's right to accelerate payments, recall the amount under the facility or cancel the undrawn portion of the sanctioned amount;
(iii) lender's absolute right to settle any indebtedness owed by our Company by adjusting balance of any account of our Company without prior notice;
(iv) lender's right to seek certain amendments to the constitutional documents of our Company;
(v) lender's right to seek conversion of debt into equity upon default;
(vi) restriction on assignment of our Company's obligations under the facility documents;
(vii) restriction on undertaking certain corporate actions except with the prior approval of the lender, including:

- effecting any change in our capital structure including by way of fresh issuance of Equity Shares;
- amendments to the Memorandum of Association and Articles of Association of our Company;
- undertaking guarantee obligations on behalf of any third party;
- formulating any scheme of amalgamation or reconstruction;
- change in the constitution of our Company, including shareholding pattern, ownership, controlling interest and control;

- change in the management of our Company, including changes in the composition of the Board of Directors and the Key Managerial Personnel of our Company;
- investment by way of share capital or extending loans or advances or placing deposits with any other entity (including our Group Companies and associate companies, if any);
- declaration of dividend except out of profits relating to the Financial Year;
- carrying out any change of business; and
- making any pre-payment of principal amounts due under the facilities; and
- continuance of Manojkumar N Nambiar and Vineet Chandra Rai as Managing Director and Promoter Nominee Director, respectively, in the Company

The details provided above are indicative and there may be additional terms, conditions and requirements under the specific borrowing arrangements entered into by us.

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SELECTED STATISTICAL INFORMATION

The following information is included for analytical purposes and should be read in conjunction with our "Restated Financial Information" on page 435 as well as "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 335 and 537, respectively. Unless otherwise indicated, the financial information included herein is based on our Restated Financial Information included in this Draft Red Herring Prospectus. For further information, see "Restated Financial Information" on page 435.

Certain non-GAAP measures presented in this Draft Red Herring Prospectus are a supplemental measure of our performance and liquidity that are not required by, or presented in accordance with, Ind AS, Indian GAAP, or IFRS. 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, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of financial services businesses, many of which provide such non-GAAP financial measures and other statistical and operational information when reporting their financial results. Such non-GAAP measures are not measures of operating performance or liquidity defined by generally accepted accounting principles. These non-GAAP financial measures and other 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 statistical information of similar nomenclature that may be computed and presented by banks or other financial institutions in India or elsewhere. Other companies may calculate the non-GAAP Measures differently from us, limiting its utility as a comparative measure. Further, financial and operational information for the nine months ended December 31, 2025 has not been annualised.

Significant Financial Metrics

The following table sets forth selected financial metrics for our Company for the period/years indicated:

Particulars	As of / For the Nine Months Ended December 31, 2025	As of / For the Year Ended March 31,		
		2025	2024	2023
	(₹ million, except percentages, ratios and per share data)			
Profit after tax for the period/ year	607.44	1,096.86	3,138.21	707.16
Profit after tax for the period/ year growth (%)	NA	(65.05)%	343.78%	16.02%
Total comprehensive income for the period/year [(1)]	589.02	1,027.69	3,101.20	680.89
Profit before tax (₹ million)	792.11	1,380.85	4,124.33	899.54
Adjusted pre-provision operating profit before tax[(2)]	3,483.23	5,355.99	5,911.93	2,831.19
Adjusted pre-provision operating profit before tax growth (%)	NA	(9.40)%	108.81%	29.51%
Total assets[(3)]	74,618.38	68,857.87	81,154.41	60,181.71
Average total assets[(4)]	71,738.13	75,006.14	70,668.06	56,238.83
AUM[(5)]	63,084.14	60,025.77	71,120.41	53,573.71
Average AUM[(6)]	61,554.96	65,573.09	62,347.06	47,396.43
Total equity	20,918.07	20,251.28	19,147.56	13,380.25
Net Worth [(7)]	20,918.07	20,251.28	19,147.56	13,380.25
Average Net Worth [(8)]	20,584.68	19,699.42	16,263.91	11,807.53
Total Borrowings[(9)]	52,194.32	47,034.03	60,158.43	45,334.90
Debt securities	1,558.11	2,130.37	4,090.38	3,008.48
Borrowings (other than debt securities)	48,142.14	40,907.05	52,079.62	38,093.63
Subordinated liabilities	2,494.07	3,996.61	3,988.43	4,232.79
Average Borrowings[(10)]	49,614.18	53,596.23	52,746.67	43,303.76
Net debt to equity ratio[(11)]	2.50	2.32	3.14	3.39
Average Borrowings/ Average Net Worth[(12)]	2.41	2.72	3.24	3.67
Average Net Worth/Average AUM (%)[(13)]	33.44%	30.04%	26.09%	24.91%
Basic earnings per share[(14)]	3.98	7.20	26.62	6.05
Diluted earnings per share[(14)]	3.98	7.18	26.57	5.84
Net asset value per equity share[(15)]	136.97	132.60	162.11	110.43

Notes:

(1) Total comprehensive income for the period/years represents total comprehensive income for the relevant period/years as per the Restated Financial Information.

(2) Adjusted pre-provision operating profit before tax is calculated as profit before tax after adding back impairment on financial instruments as per the Restated Financial Information for the respective period/years. For a reconciliation of non-GAAP measures, see "Management's Discussion and Analysis of our Results of Operations – Non-GAAP Measures" on page 554.

(3) Total assets represents total assets as of the last day of the relevant period/years as per the Restated Financial Information.

(4) Average total assets refers to simple average of total assets as of the last day of the relevant period/years and that as of last day of the previous period/years.

(5) AUM as of the last day of the relevant period/years represents aggregate of principal outstanding including principal overdue if any for all loans to customers held by our Company (i.e., on-balance-sheet loans) and assets transferred by way of securitisation, assignment of receivables and business correspondent receivables outstanding as of the last day of the relevant period/years.

(6) Average AUM represents simple average of our AUM as of the last day of the relevant period/years and that as of the last day of the previous period/years.

(7) Net Worth represents the aggregate value of the paid-up share capital and all reserves created out of the profits and 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. Here, Net Worth is sum of Equity share capital and Other equity. RoNW (%) is calculated as the profit after tax for the period/ years as a percentage of Net Worth in such period/years. For a reconciliation of non-GAAP measures, see "Management's Discussion and Analysis of our Results of Operations – Non-GAAP Measures" on page 554.

(8) Average Net Worth is calculated as the simple average of opening and closing Net Worth for such period / years. For a reconciliation of non-GAAP measures, see "Management's Discussion and Analysis of our Results of Operations – Non-GAAP Measures" on page 554.

(9) Total Borrowings represents the aggregate of principal carrying amount of debt securities, borrowings (other than debt securities) and subordinated liabilities as of the last day of the relevant period/ years as per the Restated Financial Information.

(10) Average Borrowings represents the simple average of net debt outstanding as of the last day of the relevant period/years and that as of the last day of the previous period/years. Net debt includes debt securities, borrowings other than debt securities, subordinated liabilities, interest accrued and net off loan processing cost. For a reconciliation of non-GAAP measures, see "Management's Discussion and Analysis of our Results of Operations – Non-GAAP Measures" on page 554.

(11) Net debt to equity ratio represents the Total Borrowings divided by total equity attributable to shareholders as of the last day of the relevant period/years as per the Restated Financial Information.

(12) Average Borrowings to Average Net Worth is calculated as Average Borrowings for the relevant period /years divided by Average Net Worth for relevant period/years. For a reconciliation of non-GAAP measures, see "Management's Discussion and Analysis of our Results of Operations – Non-GAAP Measures" on page 554.

(13) Average Net Worth/ Average AUM (%) is calculated as the Average Net Worth for the relevant period/years as a percentage of average AUM for such period/years.

(14) Basic earnings per share and diluted earnings per share calculations are done in accordance with the notified Indian Accounting Standard (Ind AS) 33 "Earnings Per Share" prescribed by the Companies (Indian Accounting Standard) Rules, 2015, as per Restated Financial Information, as follows:

$$\text{Basic Earnings per share} = \frac{\text{Net profit after tax for the period/ years, as restated, attributable to equity shareholders}}{\text{Weighted average number of equity shares outstanding during the period/years}}$$

$$\text{Diluted Earnings per share} = \frac{\text{Net profit after tax for the period/ years, as restated, attributable to equity shareholders}}{\text{Weighted average number of diluted equity shares outstanding during the period/years}}$$

(15) Net asset value per equity share is calculated as Net Worth as of the end of relevant period/years divided by weighted average number of equity shares for diluted earnings per share at the end of such period/years as per the Restated Financial Information. For a reconciliation of non-GAAP measures, see "Management's Discussion and Analysis of our Results of Operations – Non-GAAP Measures" on page 554.

For a reconciliation of non-GAAP measures, see "*Management's Discussion and Analysis of our Results of Operations – Non-GAAP Measures*" on page 554.

Financial Ratios and Other Operational and Financial Metrics

The following table sets forth certain financial ratios and other operational and financial metrics for our Company for the period/years indicated:

Particulars	As of / For the Nine Months Ended December 31, 2025	As of / For the Year Ended March 31,		
		2025	2024	2023
	(₹ million, except percentages and ratios)			
Gross disbursements[1]	44,916.84	46,356.63	67,088.91	52,992.75
Disbursement growth [2] (%)	NA	(30.90)%	26.60%	36.76%
Number of active customers ("**Active Customers**") [3] (million)	1.95	2.14	2.41	2.01

Particulars	As of / For the Nine Months Ended December 31, 2025	As of / For the Year Ended March 31,		
		2025	2024	2023
	(₹ million, except percentages and ratios)			
Number of active loan accounts[4] (million)	1.99	2.20	2.44	2.03
Branches	1,073	1,103	976	830
Employees	9,502	10,252	9,333	8,030
AUM[5]	63,084.14	60,025.77	71,120.41	53,573.71
Average AUM[6]	61,554.96	65,573.09	62,347.06	47,396.43
AUM growth (%)[7]	5.10%	(15.60)%	32.75%	29.97%
Total revenue from operations	11,281.34	16,917.48	16,286.93	10,875.34
- Interest Income	10,376.59	15,811.78	14,176.86	9,490.49
- Fees and commission Income	640.56	965.38	1,688.59	1,020.97
- Net gain on derecognition of financial instruments under amortised cost category	232.24	116.79	413.26	358.65
Other income	49.20	35.14	59.41	34.62
Total income	11,330.54	16,952.62	16,346.34	10,909.96
Total income / Average AUM	0.18	0.26	0.26	0.23
Finance costs	3,849.00	6,319.58	5,922.33	4,686.45
Net interest income ("**Net Interest Income**") [8]	6,071.99	8,590.85	7,606.32	4,419.49
Net interest margin (%)[9]	9.86%	13.10%	12.20%	9.32%
Depreciation and amortisation	66.29	68.54	56.83	47.63
Total expenses[10]	10,538.43	15,571.77	12,222.01	10,010.42
Operating expenses[11]	3,998.31	5,277.05	4,512.08	3,392.32
Operating expenses/ Average AUM (%)[12]	6.50%	8.05%	7.24%	7.16%
Impairment on financial instruments[13]	2,691.12	3,975.14	1,787.60	1,931.65
- Bad debt written off (net of recoveries)	3,113.75	3,201.72	2,581.34	3,374.68
- Impairment on loans[14]	(372.13)	538.52	(1,190.81)	(1,457.77)
- Impairment loss allowances on security receipts[14]	(50.00)	234.40	411.81	-
- Impairment loss allowance on investments[14]	(0.50)	-	-	-
- Impairment loss allowance on trade receivables[14]	-	0.50	(14.74)	14.74
Impairment on financial instruments / Average gross loans (%)[15]	4.50%	6.25%	3.02%	4.19%
Credit cost (based on Average AUM) (%)[16]	4.37%	6.06%	2.87%	4.08%
Total expenses	10,538.43	15,571.77	12,222.01	10,010.42
Adjusted expense to total income ratio (%)[17]	35.29%	31.13%	27.60%	31.09%
Total Stage 2 Gross Carrying Amount as per Ind AS (I)	678.76	1124.4	410.15	2732.04
Total Stage 3 Gross Carrying Amount as per Ind AS (II)	978.99	1641.29	1115.79	1372.13
Par>30[18] (III= I+II)	1,657.75	2,765.69	1,525.94	4,104.17
Gross loans (IV) (₹ million)	60,190.34	59,342.99	67,861.95	50,668.61
PAR>30 [19] (%) (V=III/IV)	2.75%	4.66%	2.25%	8.10%
PAR>90[20]	978.99	1,641.29	1,115.79	1,372.13
PAR>90[21] (%) (VI=II/IV)	1.63%	2.77%	1.64%	2.71%
Gross non-performing assets ("**Gross NPAs**") [22] (VII)	1,017.16	1,692.96	1,136.22	1,451.36
Gross NPAs/Gross loans (%)[23] (VIII = VII/IV)	1.69%	2.85%	1.67%	2.86%
Net non-performing assets ("**Net NPAs**") [24] (IX)	233.46	309.85	-	104.54
Net NPAs/Gross loans (%)[25] (X = IX/IV)	0.39%	0.53%	-	0.21%
Total Loss Allowances (Provisions) as required under Ind AS 109	783.70	1,383.11	1,136.22	1,346.82
Provision coverage ratio (%) [26]	77.05%	81.70%	100.00%	92.80%
Collection efficiency(%)[27]	108.67%	103.92%	108.85%	112.42%
Incremental PAR>90 / AUM (%)[28]	(1.05)%	0.88%	(0.36)%	(0.93)%
Scheduled collection[29]	40,948.73	61,208.09	51,314.50	33,246.01

Particulars	As of / For the Nine Months Ended December 31, 2025	As of / For the Year Ended March 31,		
		2025	2024	2023
	(₹ million, except percentages and ratios)			
Advance / prepayment collection[30]	6,111.44	6,045.11	6,699.52	7,745.50
Total collection[31]	47,538.14	67,712.44	58,554.17	41,820.19
Bad debt loan recoveries [32]	292.66	793.59	2,179.43	394.92

Notes:

(1) Gross disbursements represent the aggregate of all loan amounts extended to all our customers for the relevant period/years.

(2) Disbursement growth (%) represents percentage of growth in disbursements for the relevant period/years over disbursements for the previous period/years.

(3) Number of Active Customers are defined as the aggregate of borrowers who had an active loan account as of the last day of the relevant period/years.

(4) Number of active loan accounts represents the aggregate number of loan accounts of our Company, as of the last day of the relevant period/years, in respect of which loans sanctioned prior to or during the relevant period/years remain outstanding.

(5) AUM as of the last day of the relevant period/years represents aggregate of principal outstanding including principal overdue if any for all loans to customers held by our Company (i.e., on-balance-sheet loans) and assets transferred by way of securitisation, assignment of receivables and business correspondent receivables outstanding as of the last day of the relevant period/years.

(6) Average AUM represents the average of AUM as of the last day of the relevant period/years and that as of the last day of the previous period/years.

(7) AUM growth (%) represents percentage of growth in AUM as of the last day of the relevant period/years over that as of last day of the previous period/years.

(8) Net Interest Income represents interest on loan portfolio in the relevant period/years as reduced by finance costs in such period/years as per the Restated Financial Information.

(9) Net interest margin (%) represents net interest income loan portfolio for the relevant period/years as a percentage of average AUM for such period/years. For a reconciliation of non-GAAP measures, see "Management's Discussion and Analysis of our Results of Operations – Non-GAAP Measures" on page 554.

(10) Total expenses represent the aggregate of finance costs, employee benefit expenses, depreciation and amortisation, impairment on financial instruments and other expenses as per the Restated Financial Information.

(11) Operating expenses represents total expenses as reduced by finance costs and impairment on financial instruments for the relevant period/years as per the Restated Financial Information.

(12) Operating expense/ Average AUM (%) represents operating expenses for the relevant period/years as a percentage of average AUM for such period/years.

(13) Impairment on financial instruments for the relevant period/years represents such expenses as per Restated Financial Information.

(14) Incremental impairment represents sum of impairment on loans, impairment loss allowances on security receipts, impairment loss allowances on investment and impairment loss allowance on trade receivables for the relevant period/years as per the Restated Financial Information.

(15) Impairment on financial instruments/ Average gross loans (%) represents impairment on financial instruments for the relevant period/years as a percentage of average gross loans for such period/years.

(16) Credit cost (based on Average AUM)(%) represents impairment on financial instruments for the relevant period/years as per Restated Financial Information as a percentage of Average AUM.

(17) Adjusted expense to total income ratio (%) is calculated as Adjusted expense as a percentage of total income. Adjusted expense represents total expenses as reduced by finance costs and impairment on financial instruments for the relevant period / years as per the Restated Financial Information. Total income comprises revenue from operations and other income for the relevant period / years as per the Restated Financial Information. For a reconciliation of non-GAAP measures, see "Management's Discussion and Analysis of our Results of Operations – Non-GAAP Measures" on page 554.

(18) PAR>30 represents the summation of stage 2 and stage 3 assets. 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. Stage 3 (more than 90 days) includes loan assets that have objective evidence of impairment at the reporting date.

(19) PAR>30 (%) represents PAR>30 as of the last day of the relevant period/years as a percentage of loans gross of impairment allowance as per Restated Financial Information for the relevant period/years.

(20) PAR>90 represents the stage 3 assets as of the last day of the relevant period/years.

(21) PAR>90 (%) represents PAR>90 as of the last day of the relevant period/years as a percentage of loans gross of impairment allowance as per Restated Financial Information for the relevant period/years.

(22) Gross NPAs as of the last day of the relevant period/years represents gross loans as per Restated Financial Information which are required to be classified as NPA as per the income recognition, asset classification and provisioning norm issued and modified by RBI from time to time.

(23) Gross NPAs/Gross loans (%) represents Gross NPAs as of the last day of the relevant period/years as a percentage of gross loans as per Restated Financial Information for the relevant period/years.

(24) Net NPAs as of the last day of the relevant period/years represents Gross NPAs as reduced by Impairment allowance against the NPA assets as per Restated Financial Information.

(25) Net NPAs/Gross loans (%) represents Net NPAs as of the last day of the relevant period/years as a percentage of loans gross of impairment allowance reduced by the impairment allowance against NPA assets as per Restated Financial Information for the relevant period/years.

(26) Provision coverage ratio (%) represents Total Loss Allowances (Provisions) as required under Ind AS 109 held on Gross NPAs as of the last day of the relevant period/years, as a percentage of Gross NPAs as of the last day of the relevant period/years as per the Restated

Financial Information. For a reconciliation of non-GAAP measures, see "Management's Discussion and Analysis of our Results of Operations – Non-GAAP Measures" on page 554.

(27) Collection Efficiency is calculated as a ratio of total collections (including overdue, advance and prepayment collections) to billings for the relevant period/years.

(28) Incremental PAR>90 / AUM (%) represents incremental PAR>90 as a percentage of AUM as of the last day of the relevant period/years.

(29) Scheduled collection is calculated as total collections excluding overdue (which was due in past but not paid), advance (which is not yet due but would be due in future) and prepayment collections.

(30) Advance/ prepayment collection is calculated as total collections excluding overdue and scheduled collection.

(31) Total collection is calculated as sum of scheduled, overdue, advance and prepayment collections.

(32) Bad debt loan recoveries is calculated as collections from written off portfolio netted of with bad debts during relevant period/years as per Restated Financial Information.

Return Ratios and Other Ratios

Particulars	As of / For the Nine Months Ended December 31, 2025	As of / For the Year Ended March 31,		
		2025	2024	2023
Interest Income / Average AUM (%)(1)	16.86%	24.11%	22.74%	20.02%
Total income/ Average AUM (%)(2)	18.41%	25.85%	26.22%	23.02%
Finance costs/ Average AUM (%)(3)	6.25%	9.64%	9.50%	9.89%
Net total income / Average AUM (%)(4)	12.15%	16.22%	16.72%	13.13%
Net Interest Income/ Average AUM (%)(5)	10.60%	14.48%	13.24%	10.14%
Total equity	20,918.07	20,251.28	19,147.56	13,380.25
Total assets	74,618.38	68,857.87	81,154.41	60,181.71
Opex cost/Average AUM(6)	6.50%	8.05%	7.24%	7.16%
Profit before tax (₹ million)	792.11	1,380.85	4,124.33	899.54
Adjusted pre-provision operating profit before tax/ Average AUM(%)(7)	5.66%	8.17%	9.48%	5.97%
Profit before tax/ Average AUM (%)(8)	1.29%	2.11%	6.62%	1.90%
Return on Equity Ratio (%) (9)	2.95%	5.57%	19.30%	5.99%
Return on average AUM (%)(10)	0.99%	1.67%	5.03%	1.49%
Total assets	74,618.38	68,857.87	81,154.41	60,181.71
Return on Average Total Assets (%) (11)	0.85%	1.46%	4.44%	1.26%

Notes:

(1) Interest Income to average AUM represents Interest Income for the period/years to the average AUM for the period/years (for calculation of average, refer to Note 12 below).

(2) Total income to average AUM represents sum of total revenue from operations and other income for the period/years to the average AUM for the period/years (for calculation of average, refer to Note 12 below).

(3) Finance costs to average AUM represents our finance costs for the period/years to the average AUM for the period/years (for calculation of average, refer to Note 12 below).

(4) Net total income to average AUM represents total income less finance costs for the relevant period/years as per Restated Financial Information to average AUM for the relevant period/years (for calculation of average, refer to Note 12 below).

(5) Net Interest Income to average AUM represents Interest Income less interest expense to average AUM, for the relevant period/years as per Restated Financial Information (for calculation of average, refer to Note 12 below).

(6) Opex cost to average AUM represents our operating expenses for the period/years to the average AUM for the period/years (for calculation of average, refer to Note 12 below).

(7) Adjusted pre-provision operating profit to average AUM represents pre provision operating profit to the average AUM of relevant period/years as per Restated Financial Information (for calculation of average, refer to Note 12 below). For a reconciliation of non-GAAP measures, see "Management's Discussion and Analysis of our Results of Operations – Non-GAAP Measures" on page 554.

(8) Profit before tax to average AUM represents our profit/ (loss) before tax for the period/years to the average AUM for the period/years (for calculation of average, refer to Note 12 below).

(9) Return on Equity Ratio (%) is calculated as the profit after tax for the period/years as a percentage of Average Net Worth in such period/years (for calculation of average, refer to Note 12 below). For a reconciliation of non-GAAP measures, see "Management's Discussion and Analysis of our Results of Operations – Non-GAAP Measures" on page 554.

(10) Return on average AUM (%) is calculated as profit after tax for the period/ years for the relevant period/years as a percentage of average AUM for such period/years.

(11) Return on Average Total Assets (%) is calculated as the profit after tax for the period/ years as a percentage of Average Total Assets (simple average of opening total assets and closing total assets) in such period/years. (for calculation of average, refer to Note 12 below). For a reconciliation of non-GAAP measures, see "Management's Discussion and Analysis of our Results of Operations – Non-GAAP Measures" on page 554.

(12) Average, where applicable, has been arrived at by calculating the simple average of values as of the end of the period/years for the respective period/years and as of the end of the immediately preceding period/years. For example, for computing average for the twelve months ended March 31, 2025, the value has been calculated as the average of values as on March 31, 2025 and March 31, 2024.

For a reconciliation of non-GAAP measures, see "*Management's Discussion and Analysis of our Results of* on page 554.

Yield and Cost of Funds

The following table sets forth certain information related to our Company's yield and cost of funds for the period/years indicated:

Particulars	Nine Months Ended December 31, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Monthly average yield on portfolio loans outstanding (%)[(1)]	16.82%	23.35%	23.45%	19.93%
Annual average yield(%)[(2)]	16.60%	23.44%	22.83%	19.76%
Disbursement yield (%)[(3)]	22.56%	23.16%	24.49%	23.85%
Annual average cost of borrowings (%)[(4)]	7.76%	11.79%	11.23%	10.82%
Monthly average cost of borrowings (%)[(5)]	8.08%	11.52%	11.70%	11.62%
Incremental cost of borrowings (%)[(6)]	7.36%	10.11%	10.44%	10.55%
Spread (%)[(7)]	8.74%	11.83%	11.75%	8.31%

Notes:

(1) Monthly average yield on portfolio loans outstanding (%) has been calculated as interest on loan portfolio for the relevant period/years as per the Restated Financial Information on monthly moving average of aggregate of gross principal outstanding including principal overdue if any for all loans held by our company.

(2) Annual average yield has been calculated as interest on loan portfolio for relevant period/years on annual average gross loans before provision as per Restated Financial Information.

(3) Disbursement yield has been calculated as weighted average yield at the time of origination during the relevant period/years.

(4) Annual average cost of borrowings (%) represents interest cost and other related costs on borrowings for the relevant period/years as a percentage of annual average of gross principal outstanding of borrowings for such period/years.

(5) Monthly average cost of borrowings (%) represents interest cost and other related costs on borrowings for the relevant period/years as a percentage of monthly moving average of gross principal outstanding of borrowings for such period/years.

(6) Incremental cost of borrowings (%) represents weighted average rate of interest on fresh borrowings during the relevant period/years.

(7) Spread (%) represents excess of monthly average yield on portfolio loans outstanding (%) over monthly average cost of borrowings (%).

Geographical Spread of Active Customers

The following table sets forth the geographic spread of our Company based on the number of Active Customers as of the period/ears indicated:

State	As of December 31, 2025		As of March 31, 2025		As of March 31, 2024		As of March 31, 2023	
	No. of Active Customers	Percentage of Total (%)	No. of Active Customers	Percentage of Total (%)	No. of Active Customers	Percentage of Total (%)	No. of Active Customers	Percentage of Total (%)
Assam	1,53,923	7.88%	94,428	4.42%	47,936	1.99%	1,64,262	8.16%
Bihar	3,60,469	18.46%	4,44,330	20.78%	5,40,770	22.43%	4,64,133	23.06%
Chhattisgarh	22,091	1.13%	25,747	1.20%	40,497	1.68%	40,495	2.01%
Gujarat	30,075	1.54%	36,005	1.68%	23,067	0.96%	-	-
Haryana	2,091	0.11%	2,428	0.11%	1,695	0.07%	-	-
Jharkhand	1,16,037	5.94%	1,35,015	6.31%	1,69,901	7.05%	1,42,258	7.07%
Karnataka	42,552	2.18%	18,163	0.85%	53	0.00%	-	-
Madhya Pradesh	77,391	3.96%	98,575	4.61%	1,31,050	5.44%	95,363	4.74%
Maharashtra	24,041	1.23%	31,485	1.47%	20,293	0.84%	-	-
Meghalaya	9	0.00%	9	0.00%	9	0.00%	640	0.03%
Odisha	1,49,939	7.68%	2,02,571	9.47%	2,80,299	11.63%	2,39,809	11.92%
Rajasthan	17,355	0.89%	27,953	1.31%	45,057	1.87%	21,948	1.09%
Tamil Nadu	16,232	0.83%	5,229	0.24%	686	0.03%	-	-
Tripura	9,136	0.47%	10,454	0.49%	8,028	0.33%	7,030	0.35%
Uttar Pradesh	2,44,103	12.50%	3,35,728	15.70%	4,46,227	18.51%	3,16,949	15.75%
Uttarakhand	5,954	0.30%	8,586	0.40%	11,278	0.47%	3,773	0.19%
West Bengal	6,81,514	34.90%	6,61,902	30.95%	6,44,050	26.70%	5,15,844	25.63%

State	As of December 31, 2025		As of March 31, 2025		As of March 31, 2024		As of March 31, 2023	
	No. of Active Customers	Percentage of Total (%)	No. of Active Customers	Percentage of Total (%)	No. of Active Customers	Percentage of Total (%)	No. of Active Customers	Percentage of Total (%)
Total	**19,52,912**	**100.00%**	**21,38,608**	**100.00%**	**24,10,896**	**100.00%**	**20,12,504**	**100.00%**

Notes: Number of Active Customers are defined as the aggregate of borrowers who had an active loan account as of the last day of the relevant period/years.

Geographical Spread of Active Customers by Region Type

Region	As of December 31, 2025		As of March 31,					
			2025		2024		2023	
	Number of Active Customers	Percentage of Active Customers (%)	Number of Active Customers	Percentage of Active Customers (%)	Number of Active Customers	Percentage of Active Customers (%)	Number of Active Customers	Percentage of Active Customers (%)
Urban	4,52,619	23.18%	4,46,430	20.87%	4,62,410	19.18%	3,21,603	15.98%
Semi-Urban	2,01,173	10.30%	2,29,974	10.76%	2,27,479	9.44%	1,31,117	6.52%
Rural	12,99,120	66.52%	14,62,204	68.37%	17,21,007	71.38%	15,59,784	77.50%
Total	**19,52,912**	**100.00%**	**21,38,608**	**100.00%**	**24,10,896**	**100.00%**	**20,12,504**	**100.00%**

Notes: Number of Active Customers are defined as the aggregate of borrowers who had an active loan account as of the last day of the relevant period/years.

Geographical Spread of AUM

The following table sets forth the state-wise spread of our AUM for the period/years indicated:

State	As of December 31, 2025		As of March 31, 2025		As of March 31, 2024		As of March 31, 2023	
	AUM (₹ million)	Percentage of Total AUM (%)	AUM (₹ million)	Percentage of Total AUM (%)	AUM (₹ million)	Percentage of Total AUM (%)	AUM (₹ million)	Percentage of Total AUM (%)
Assam	4,483.69	7.11%	2,679.39	4.46%	1,253.24	1.76%	3,974.61	7.42%
Bihar	11,564.90	18.33%	12,559.62	20.92%	16,198.06	22.78%	12,820.61	23.93%
Chhattisgarh	683.15	1.08%	651.25	1.08%	958.61	1.35%	998.14	1.86%
Gujarat	762.33	1.20%	926.13	1.54%	860.92	1.21%	-	-
Haryana	59.81	0.09%	63.76	0.12%	62.52	0.09%	-	-
Jharkhand	3,597.74	5.70%	3,550.71	5.92%	4,732.34	6.65%	3,842.55	7.17%
Karnataka	1,611.95	2.56%	799.69	1.33%	2.43	0.00%	-	-
Madhya Pradesh	2,343.70	3.72%	2,360.15	3.93%	3,629.47	5.10%	2,415.11	4.50%
Maharashtra	493.22	0.78%	759.85	1.27%	733.21	1.03%	-	-
Meghalaya	0.10	0.00%	0.10	0.00%	0.10	0.00%	8.75	0.02%
Odisha	4,648.05	7.37%	5,372.12	8.95%	8,039.59	11.30%	6,654.42	12.42%
Rajasthan	508.76	0.81%	568.03	0.95%	1,168.98	1.64%	775.33	1.45%
Tamil Nadu	678.46	1.08%	219.00	0.36%	28.19	0.04%	-	-
Tripura	212.42	0.34%	266.08	0.44%	215.90	0.31%	145.39	0.27%
Uttar Pradesh	7,460.10	11.83%	7,990.31	13.31%	12,635.05	17.77%	8,608.78	16.07%
Uttarakhand	175.45	0.27%	163.37	0.27%	304.16	0.43%	132.07	0.25%
West Bengal^	23,800.32	37.73%	21,096.20	35.15%	20,297.63	28.54%	13,197.96	24.64%
Total	**63,084.14**	**100.00%**	**60,025.77**	**100.00%**	**71,120.41**	**100.00%**	**53,573.71**	**100.00%**

^ Includes organic business portfolio in West Bengal and inorganic business portfolio across India.

Geographical Spread of AUM by Region Type

Region	As of December 31, 2025		As of March 31,					
			2025		2024		2023	
	AUM (₹ million)	Percentage of Total AUM (%)	AUM (₹ million)	Percentage of Total AUM (%)	AUM (₹ million)	Percentage of Total AUM (%)	AUM (₹ million)	Percentage of Total AUM (%)
	(₹ million, except percentages)							
Urban	16,392.31	25.98%	14,433.34	24.05%	14,907.71	20.96%	8,860.15	16.54%
Semi-Urban	6,039.35	9.57%	5,752.09	9.58%	6,799.94	9.56%	3,457.47	6.45%
Rural	40,652.48	64.44%	39,840.34	66.37%	49,412.75	69.48%	41,256.09	77.01%
Total	**63,084.14**	**100.00%**	**60,025.77**	**100.00%**	**71,120.41**	**100.00%**	**53,573.71**	**100.00%**

Set forth below are details of our AUM distribution as of December 31, 2025 in our top 10 States in terms of AUM:

Particulars	AUM (As of December 31, 2025) (₹ million)	Percentage of Total AUM (%)
West Bengal^	23,800.32	37.73%
Bihar	11,564.90	18.33%
Uttar Pradesh	7,460.10	11.83%
Odisha	4,648.05	7.37%
Assam	4,483.69	7.11%
Jharkhand	3,597.74	5.70%
Madhya Pradesh	2,343.70	3.72%
Karnataka	1,611.95	2.56%
Gujarat	762.33	1.21%
Chhattisgarh	683.15	1.08%
Total AUM	**60,955.92**	**96.63%**

^ *Includes organic business portfolio in West Bengal and inorganic business portfolio across India.*

Geographical Spread of Disbursements by Region Type

Region	For the nine months ended December 31, 2025		For the year ended March 31,					
			2025		2024		2023	
	Disbursements (₹ million)	Percentage of Disbursements (%)	Disbursements (₹ million)	Percentage of Disbursements (%)	Disbursements (₹ million)	Percentage of Disbursements (%)	Disbursements (₹ million)	Percentage of Disbursements (%)
	(₹ million, except percentages)							
Urban	12,809.59	28.52%	11,947.75	25.77%	14,805.96	22.07%	8,757.83	16.53%
Semi-Urban	4,307.10	9.59%	4,267.62	9.21%	7,034.61	10.49%	3,591.28	6.78%
Rural	27,800.15	61.89%	30,141.27	65.02%	45,248.34	67.45%	40,643.64	76.70%
Total	**44,916.84**	**100.00%**	**46,356.63**	**100.00%**	**67,088.91**	**100.00%**	**52,992.75**	**100.00%**

Set forth below are details of our disbursements for the nine months ended December 31, 2025 in our top 10 States in terms of AUM:

Particulars	Disbursements for the nine months ended December 31, 2025 (₹ million)	Percentage of Total Disbursements (%)
West Bengal	18,200.34	40.52%
Bihar	7,293.68	16.24%
Uttar Pradesh	5,070.87	11.29%
Odisha	2,875.11	6.40%
Assam	3,650.91	8.13%
Jharkhand	2,455.07	5.47%
Madhya Pradesh	1,583.05	3.52%
Karnataka	1,304.72	2.90%
Gujarat	494.62	1.10%
Chhattisgarh	468.67	1.04%
Total Disbursement	**43,397.04**	**96.62%**

Branches

The following table sets forth our number of branches, districts and states covered as of the dates indicated:

Particulars	As of			
	December 31, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Number of States	17	17	16	13
Number of Districts	320	323	293	254
Number of Branches	**1,073**	**1,103**	**976**	**830**

Branches by State / Territory

State	As of			
	December 31, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Assam	71	77	83	86

State	As of			
	December 31, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Bihar	173	179	163	144
Chhattisgarh	23	23	24	23
Gujarat	31	33	29	-
Haryana	3	4	4	1
Jharkhand	58	58	56	43
Karnataka	70	70	3	-
Madhya Pradesh	76	76	78	58
Maharashtra	26	26	25	-
Meghalaya	1	1	1	1
Odisha	104	109	106	102
Rajasthan	32	34	37	31
Tamil Nadu	24	24	-	-
Tripura	9	9	10	10
Uttar Pradesh	173	177	170	150
Uttarakhand	7	7	7	7
West Bengal	192	196	180	174
Total	**1,073**	**1,103**	**976**	**830**

Geographical Spread of Branches by Region Type

Region	As of December 31, 2025		As of March 31,					
			2025		2024		2023	
	Number of Branches	Percentage of Branches (%)	Number of Branches	Percentage of Branches (%)	Number of Branches	Percentage of Branches (%)	Number of Branches	Percentage of Branches (%)
Urban	221	20.60%	223	20.22%	190	19.47%	156	18.80%
Semi-Urban	170	15.84%	173	15.68%	134	13.73%	77	9.27%
Rural	682	63.56%	707	64.10%	652	66.80%	597	71.93%
Total	**1,073**	**100.00%**	**1,103**	**100.00%**	**976**	**100.00%**	**830**	**100.00%**

Collection Efficiency by State / Territory

State[(1)]	As of			
	December 31, 2025	March 31, 2025	March 31, 2024	March 31, 2023
	(Percentage)			
Assam	99.69%	99.96%	93.82%	54.89%
Bihar	95.59%	95.92%	98.40%	97.06%
Chhattisgarh	95.40%	94.90%	94.23%	95.85%
Gujarat	91.61%	92.54%	99.86%	-
Haryana	95.63%	97.16%	99.45%	-
Jharkhand	95.31%	93.02%	96.13%	95.03%
Karnataka	95.86%	97.58%	-	62.75%
Madhya Pradesh	91.95%	93.63%	93.49%	94.98%
Maharashtra	87.61%	92.27%	99.90%	44.74%
Manipur	-	-	-	94.56%
Meghalaya	-	-	49.93%	57.27%
Odisha	94.86%	93.94%	96.82%	94.61%
Rajasthan	90.12%	88.64%	93.43%	99.90%
Tamil Nadu	98.59%	95.53%	92.52%	45.00%
Tripura	95.23%	99.33%	97.82%	85.17%
Uttar Pradesh	94.57%	94.21%	96.20%	96.50%
Uttarakhand	92.15%	92.78%	94.44%	100.00%
West Bengal	97.28%	97.87%	98.31%	93.33%
Total	**95.80%**	**95.58%**	**97.14%**	**93.78%**

Note: The table above represents state-wise collection efficiency calculated as sum of scheduled collection and overdue collection against the billing in the relevant period/years of loan accounts in state 1 and stage 2 in the relevant period/years.

Collection Efficiency (Excluding Overdue Payments) by State / Territory

State[1]	As of			
	December 31, 2025	March 31, 2025	March 31, 2024	March 31, 2023
	(Percentage)			
Assam	99.94%	99.99%	99.34%	77.30%
Bihar	99.37%	99.34%	99.78%	99.68%
Chhattisgarh	99.29%	99.15%	99.13%	99.33%
Gujarat	98.69%	98.74%	99.94%	-
Haryana	99.22%	99.43%	99.90%	-
Jharkhand	99.37%	98.99%	99.47%	99.43%
Karnataka	99.26%	99.08%	-	80.81%
Madhya Pradesh	98.76%	98.88%	99.03%	99.23%
Maharashtra	98.00%	98.66%	99.98%	88.97%
Manipur	-	-	-	99.56%
Meghalaya	-	-	85.64%	93.26%
Odisha	99.32%	99.02%	99.55%	99.32%
Rajasthan	98.46%	97.97%	98.84%	99.93%
Tamil Nadu	99.75%	99.09%	95.95%	98.92%
Tripura	99.22%	99.87%	99.75%	98.36%
Uttar Pradesh	99.16%	99.04%	99.41%	99.50%
Uttarakhand	98.73%	98.74%	99.03%	100.00%
West Bengal	99.56%	99.60%	99.73%	99.31%
Total	**99.37%**	**99.27%**	**99.58%**	**98.89%**

Note: The table above represents state-wise collection efficiency calculated as sum of scheduled collection of current account where current account means zero days passed dues accounts and the billing in the relevant period/years of loan accounts in zero days passed dues in the relevant period/years.

The following table sets forth our collection efficiency for stage 2 and stage 3 assets:

Collection Efficiency	As of			
	December 31, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Total Stage 2 Gross Carrying Amount as per Ind AS (I)	678.76	1,124.4	410.15	2,732.04
Total Stage 3 Gross Carrying Amount as per Ind AS (II)	978.99	1,641.29	1,115.79	1,372.13
Par>30 (III= I+II)	1,657.75	2,765.69	1,525.94	4,104.17
Gross loans (IV) (₹ million)	60,190.34	59,342.99	67,861.95	50,668.61
PAR>30 [(1)] (%) (V=III/IV)	2.75%	4.66%	2.25%	8.10%
PAR>90 [(2)] (%) (VI=II/IV)	1.63%	2.77%	1.64%	2.71%

Note:

(1) PAR>30 represents the summation of stage 2 and stage 3 assets. 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. Stage 3 (more than 90 days) includes loan assets that have objective evidence of impairment at the reporting date.

(2) PAR>90 represents the stage 3 assets as of the last day of the relevant period/years.

Assignment

The following table sets forth our total assigned assets as of the dates indicated:

Particulars	As of			
	December 31, 2025	March 31, 2025	March 31, 2024	March 31, 2023
	(₹ million)			
Total assigned assets[(1)]	3,213.91	1,129.20	3,680.88	3,319.22
Total assigned assets as a percentage of AUM	5.09%	1.88%	5.18%	6.20%

Note:

(1) Total assigned assets as of the last day of the relevant period/years represents aggregate of principal outstanding including overdue principal if any for loan accounts assigned.

Borrowing Profile

The following table sets forth our number of lenders and new lenders added as of the dates / for the period/years indicated:

Particulars	As of / For the Nine Months ended December 31, 2025	As of / For the Year ended March 31, 2025	As of / For the Year ended March 31, 2024	As of / For the Year ended March 31, 2023
Number of lenders	41	44	49	40
New lenders added	4	4	13	4

Note: New lenders added includes first time lenders as well as the lenders with whom facilities have been availed again post settlement of earlier facilities.

The following table sets forth the period of our relationship with our lenders as of the dates indicated:

Period of Relationship	As of			
	December 31, 2025	March 31, 2025	March 31, 2024	March 31, 2023
More than 5 years	25	29	29	21
Less than 5 years	16	15	20	19

Note: Period of relationship denotes the cumulative duration of our Company's borrowing relationship with each lender as at the relevant date, measured from the date of initial borrowing.

The following table sets forth our borrowing profile as of the dates indicated:

Particulars	As of							
	December 31, 2025		March 31, 2025		March 31, 2024		March 31, 2023	
	Amount (₹ million)	Percentage of Total Borrowings (%)	Amount (₹ million)	Percentage of Total Borrowings s(%)	Amount (₹ million)	Percentage of Total Borrowings (%)	Amount (₹ million)	Percentage of Total Borrowings (%)
Total Debt securities (at amortised cost)	**1,558.11**	**2.99%**	**2,130.37**	**4.53%**	**4,090.38**	**6.80%**	**3,008.48**	**6.63%**
Secured listed non-convertible debenture	-	-	-	-	1,968.61	3.27%	3,008.48	6.63%
Secured unlisted non-convertible debenture	1,558.11	2.99%	2,130.37	4.53%	2,121.77	3.53%	-	-
Total Subordinated liabilities (at amortised cost)	**2,494.07**	**4.78%**	**3,996.61**	**8.50%**	**3,988.43**	**6.63%**	**4,232.79**	**9.33%**
Unsecured non-convertible debenture	2,242.35	4.30%	3,239.50	6.89%	3,231.79	5.37%	3,224.26	7.11%
Unsecured term loans from banks	-	-	505.73	1.08%	505.73	0.84%	758.05	1.67%
Unsecured term loans from financial institution	251.72	0.48%	251.38	0.53%	250.91	0.42%	250.48	0.55%
Total Borrowings (other than debt securities) (at amortised cost)	**48,142.14**	**92.23%**	**40,907.05**	**86.97%**	**52,079.62**	**86.57%**	**38,093.63**	**84.04%**
Secured term loans from	37,618.95	72.07%	35,416.79	75.30%	37,723.95	62.71%	21,607.44	47.66%

Particulars	As of							
	December 31, 2025		March 31, 2025		March 31, 2024		March 31, 2023	
	Amount (₹ million)	Percentage of Total Borrowings (%)	Amount (₹ million)	Percentage of Total Borrowings s(%)	Amount (₹ million)	Percentage of Total Borrowings (%)	Amount (₹ million)	Percentage of Total Borrowings (%)
banks								
Secured term loans from financial institutions	5,943.35	11.39%	5,396.79	11.47%	10,214.99	16.98%	9,164.88	20.22%
Secured term loans from related party	-	-	-	-	40.84	0.07%	89.28	0.20%
Loans repayable on demand cash credit from banks	-	-	0.01	0.00%	-	-	9.04	0.02%
Liability against securitisation from banks	4,579.84	8.77%	93.46	0.20%	3,960.13	6.58%	6,730.18	14.85%
Liability against securitisation from related party	-	-	-	-	139.71	0.23%	492.81	1.09%
Total Borrowings	**52,194.32**	**100.00%**	**47,034.03**	**100.00%**	**60,158.43**	**100.00%**	**45,334.90**	**100.00%**

Type of Borrowings

Average Cost and Tenure of Borrowings

Particulars	As of / For the Nine Months ended December 31, 2025	As of/ For the year ended March 31,		
		2025	2024	2023
	(months, except percentages)			
Average tenure of borrowing[(1)]	18.60	18.61	22.32	23.58
Average cost of borrowing[(2)]	7.58%	11.54%	10.94%	10.48%
Incremental cost of borrowing[(3)]	7.36%	10.11%	10.44%	10.55%

Notes:

(1) Average tenure of borrowings represents weighted tenure based on residual tenure in months.

(2) Average cost of borrowings represents finance costs (including collateralized borrowing) for the relevant period/years as a percentage of Average Total Borrowings in such period/years. Average Total Borrowings is the simple average of our Total Borrowings outstanding as of the last day of the relevant period/years and our Total Borrowings outstanding as of the last day of the previous period/years.

(3) Incremental cost of borrowings represents weighted average rate of interest on fresh borrowings during the relevant period/years.

Number of Entities Borrowed From

Particulars	As of December 31, 2025	As of March 31,		
		2025	2024	2023
Banks	28	29	28	22
NBFCs and Financial Institutions	13	15	21	18
Total	**41**	**44**	**49**	**40**

Borrowings by Rate Method

Rate Method	As of			
	December 31, 2025	March 31, 2025	March 31, 2024	March 31, 2023
	(Percentage Share)			
Fixed rate liabilities [1] **(I)**	16.88%	17.19%	27.36%	44.30%
Variable rate liabilities [2] **(II)**	83.12%	82.81%	72.64%	55.70%
Total principal carrying borrowings [3] (III = I + II)	**100.00%**	**100.00%**	**100.00%**	**100.00%**

Note:

(1) Fixed rate liabilities are principal carrying amount of debt securities, borrowings (other than debt securities), subordinated liabilities and liability against securitisation as of the last day of the relevant period/years as per the Restated Financial Information which are at the fixed rate of interest over the tenure.

(2) Variable rate liabilities are principal carrying amount of debt securities, borrowings (other than debt securities), subordinated liabilities as of the last day of the relevant period/years as per the Restated Financial Information whose rate of interest varies over the tenure.

(3) Total principal carrying borrowings represents the aggregate of principal carrying amount of debt securities, borrowings (other than debt securities) and subordinated liabilities as of the last day of the relevant period/ years as per the Restated Financial Information.

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Asset Liability Management

The following table sets forth the maturity pattern of certain interest bearing assets and interest bearing liabilities as at the end of the relevant period or year:

Particulars		1 day to 30/31 (1 month)	Over 1 month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 to 3 years	Over 3 to 5 years	Over 5 years	Total
		(₹ million)								
Liabilities										
Borrowings (A)	As of December 31, 2025	3,282.62	3,134.47	4,358.49	8,813.14	13,262.90	19,342.70	-	-	52,194.32
	As of March 31, 2025	3,809.31	2,622.87	3,545.32	8,434.43	12,104.23	16,517.87	-	-	47,034.03
	As of March 31, 2024	2,771.77	3,040.04	3,502.24	9,360.71	15,156.28	21,889.14	4,438.25	-	60,158.43
	As of March 31, 2023	2,913.20	1,818.09	2,791.27	6,089.47	12,205.14	15,875.11	3,642.62	-	45,334.90
Assets										
Deposits (with bank) (B)	As of December 31, 2025	4,777.84	-	408.32	248.84	729.24	533.57	23.02	2.88	6,723.71
	As of March 31, 2025	3,744.85	39.80	15.34	289.60	793.66	730.56	21.83	2.76	5,638.40
	As of March 31, 2024	5,705.96	546.15	36.41	221.58	864.54	1,277.75	381.96	2.57	9,036.92
	As of March 31, 2023	5,557.33	254.03	46.86	511.94	955.40	1,736.37	125.11	-	9,187.04
Advances (micro finance portfolio), advances (other than micro finance) and investments (C)	As of December 31, 2025	9,333.38	3,892.13	3,811.06	11,782.65	16,568.16	19,995.23	315.10	-	65,697.71
	As of March 31, 2025	4,960.40	5,463.27	3,894.28	11,240.65	17,812.01	16,906.37	407.56	-	60,684.54
	As of March 31, 2024	4,720.57	3,894.75	3,833.22	11,281.67	20,447.28	21,979.89	901.11	0.50	67,058.99
	As of March 31, 2023	3,464.97	2,761.52	2,696.71	7,944.45	14,534.34	16,305.43	114.78	787.70	48,609.90
Positive/ (Negative) mismatch of assets over liabilities [(1)] **(D=B+C-A)**	As of December 31, 2025	10,828.60	757.66	(139.11)	3,218.35	4,034.50	1,186.10	338.12	2.88	20,227.10
	As of March 31, 2025	4,895.94	2,880.20	364.30	3,095.82	6,501.44	1,119.06	429.39	2.76	19,288.91
	As of March 31, 2024	7,654.76	1,400.86	367.39	2,142.54	6,155.54	1,368.50	(3,155.18)	3.07	15,937.48
	As of March 31, 2023	6,109.10	1,197.46	(47.70)	2,366.92	3,284.60	2,166.69	(3,402.73)	787.70	12,462.04
Cumulative mismatch of assets over liabilities[(2)]	As of December 31, 2025	10,828.60	11,586.26	11,447.15	14,665.50	18,700.00	19,886.10	20,224.22	20,227.10	20,227.10
	As of March 31, 2025	4,895.94	7,776.14	8,140.44	11,236.26	17,737.70	18,856.76	19,286.15	19,288.91	19,288.91
	As of March 31, 2024	7,654.76	9,055.62	9,423.01	11,565.55	17,721.09	19,089.59	15,934.41	15,937.48	15,937.48
	As of March 31, 2023	6,109.10	7,306.56	7,258.86	9,625.78	12,910.38	15,077.07	11,674.34	12,462.04	12,462.04

Note:

(1) Positive/(negative) mismatch of assets over liabilities for the relevant period/years is calculated by aggregating deposits with banks, advances comprising the micro finance portfolio, advances other than micro finance, and investments, less the borrowings.

(2) Cumulative mismatch of assets and liabilities has been calculated as the sum of the positive/ (negative) mismatch of assets over liabilities in each of the successive individual time buckets.

Asset Quality

We follow a three-stage model for impairment based on changes in credit quality since initial recognition, as set forth below:

- Stage 1 (0-30 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;

- 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 at the reporting date;

- Stage 3 (> 90 days): Includes loan assets that have objective evidence of impairment at the reporting date.

As an MFI, we are required to adopt the asset classification and provisioning norms as set forth below:

(i) A "current 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) "Special mention accounts 0" means the accounts where the principal or interest payment is overdue for less than 31 days;

(iii) "Special mention accounts 1" means the accounts where the principal or interest payment is overdue between 31 to 60 days;

(iv) "Special mention accounts 2" means the accounts where the principal or interest payment is overdue between 61 to 90 days; and

(v) A "non-performing asset" means an asset for which interest or principal payment has remained overdue for a period of 91 days or more. Once an NPA will be an NPA unless all dues are cleared to be captured as per Master Direction - Reserve bank of India (Non- banking Financial Company- Scale Based Regulation) Directions, 2023 as modified from time to time.

For our assets, ECL allowance is as per the ECL model duly approved by our Board, in compliance with RBI Circular No. DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020.

For further information, see "*Key Regulations and Policies*" on page 379 and "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Significant Accounting Policies*" on page 537.

The following table sets forth the details of the loan assets, including standard and NPAs of the Company as of the dates indicated:

Asset Classification	**As of**			
	December 31, 2025	**March 31, 2025**	**March 31, 2024**	**March 31, 2023**
	(₹ million)			
Gross carrying amount as per IND AS				
Standard (Stage 1 and 2) [(1)]	59,173.18	57,650.03	66,725.73	49,217.25
Total Stage 1 Gross Carrying Amount as per Ind AS (I)	58,532.59	56,577.30	66,336.01	46,564.44
Total Stage 2 Gross Carrying Amount as per Ind AS (II)	678.76	1,124.40	410.15	2,732.04
Total Stage 3 Gross Carrying Amount as per Ind AS (III)	978.99	1,641.29	1,115.79	1,372.13
Total gross (IV = I + II + III)	**60,190.34**	**59,342.99**	**67,861.95**	**50,668.61**

Asset Classification	As of			
	December 31, 2025	March 31, 2025	March 31, 2024	March 31, 2023
	(₹ million)			
Loss Allowances (Provisions) as required under Ind AS 109				
Standard (Stage 1 and 2) [(1)]	1,079.78	908.80	568.35	1,499.59
Total Stage 1 Gross Carrying Amount as per Ind AS (I)	790.34	561.00	412.92	459.32
Total Stage 2 Gross Carrying Amount as per Ind AS (II)	304.26	361.73	175.86	1,107.26
Total Stage 3 Gross Carrying Amount as per Ind AS (III)	768.88	1,369.18	1,115.79	1,279.83
Total (IV = I + II + III)	**1,863.48**	**2,291.91**	**1,704.57**	**2,846.41**
Net Carrying Amount				
Standard Assets (Stage 1 and 2) [(1)]	58,093.40	56,741.23	66,157.38	47,717.66
Total Stage 1 Gross Carrying Amount as per Ind AS (V)	57,742.25	56,016.30	65,923.09	46,105.12
Total Stage 2 Gross Carrying Amount as per Ind AS (VI)	374.50	762.67	234.29	1,624.78
Total Stage 3 Gross Carrying Amount as per Ind AS (VII)	210.11	272.11	0.00	92.30
Total (VIII = V + VI + VII)	**58,326.86**	**57,051.08**	**66,157.38**	**47,822.20**

Note:

(1) Standard Asset (Stage 1 and 2) represents summation of stage 1 and stage 2 for relevant period/years as per the Restated Financial Information.

Impairment on Financial Instruments

The Company has adopted Ind AS, which requires impairment on financial instruments to be computed using the ECL methodology. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Significant Accounting Policies*" on page 537. Impairment on financial instruments calculated under the ECL methodology may differ materially from calculated under the Income Recognition, Asset Classification and Provisioning ("**IRACP**") norms applicable under Indian GAAP.

The following table sets forth the difference between impairment on financial instruments calculated using the ECL methodology and provisions calculated using the IRACP norms as of the dates indicated:

Particulars	As of			
	December 31, 2025	March 31, 2025	March 31, 2024	March 31, 2023
	(₹ million)			
(A) Loss allowances (provisions) as required under Ind AS 109	1,863.48	2,291.91	1,704.57	2,846.41
(B) Provisions required as per IRACP norms[(1)]	727.53	770.43	624.49	831.69
Difference between Ind AS 109 provisions and IRACP norms ((A) – (B))	1,135.95	1,521.48	1,080.08	2,014.72

Note:

(1) The amount of the securitisation is off-balance sheet under IRACP norms and on-balance sheet under Ind AS for the purpose of computing provisions.

Breakdown of Borrowers by Indebtedness

The following table sets forth details of our borrowers, classified according to their indebtedness:

Particulars	As of			
	December 31, 2025	March 31, 2025	March 31, 2024	March 31, 2023
	AUM (₹ million)			
<=50,000	19,071	18,149	22,913	18,655
50,000 to <=1,00,000	21,531	19,304	21,140	16,316
1,00,000 to <=1,50,000	10,825	11,711	14,311	8,273
1,50,000 to <=2,00,000	3,089	3,383	6,058	2,361
>2,00,000	344	521	2,010	717
Total	**54,859**	**53,067**	**66,432**	**46,322**
	PAR>90 (%)			
<=50,000	2.99%	2.97%	1.73%	0.55%
50,000 to <=1,00,000	2.19%	3.17%	1.71%	0.41%
1,00,000 to <=1,50,000	1.60%	3.65%	1.39%	0.23%
1,50,000 to <=2,00,000	1.14%	4.80%	1.17%	0.16%
>2,00,000	2.79%	14.66%	1.53%	0.21%
Total	**2.30%**	**3.42%**	**1.59%**	**0.41%**

Note:

*(1) The data presented excludes the restructured portfolio and considers only the organic portfolio comprising Saral, micro enterprise loans ("**MEL**") and Arohan Privilege products. Disbursements made on or after July 1, 2021 (post-Covid period) have been included. Closed and written-off accounts have been excluded from the scrub data. Customer footprint information is based on the latest primary account data obtained from the CRIF Highmark Bureau.*

Breakdown of Borrowers by Number of Lenders

The following table sets forth details of our borrowers, classified according to number of lenders:

Particulars	As of			
	December 31, 2025	March 31, 2025	March 31, 2024	March 31, 2023
	AUM (%)			
Unique	39.29%	33.83%	33.35%	37.48%
Company +1	33.51%	29.53%	28.56%	31.50%
Company +2	22.16%	21.63%	19.55%	18.76%
Company +3	4.29%	10.71%	10.86%	7.91%
Company +>=4	0.75%	4.30%	7.68%	4.35%
Total	**100.00%**	**100.00%**	**100.00%**	**100.00%**
	PAR>90 (%)			
Unique	1.69%	2.07%	1.25%	0.38%
Company +1	1.94%	2.38%	1.41%	0.42%
Company +2	2.44%	3.30%	1.64%	0.45%
Company +3	6.76%	5.55%	1.97%	0.47%
Company +>=4	20.04%	16.61%	3.10%	0.44%
Total	**2.30%**	**3.42%**	**1.59%**	**0.41%**

Note:

(1) The data presented excludes the restructured portfolio and considers only the organic portfolio comprising Saral, MEL and Arohan Privilege products. Disbursements made on or after July 1, 2021 (post-Covid period) have been included. Closed and written-off accounts have been excluded from the scrub data. Customer footprint information is based on the latest primary account data obtained from the CRIF Highmark Bureau.

Breakdown of Borrowers by Vintage of Borrowers

The following table sets forth details of our borrowers, classified according to vintage of borrowers:

Particulars	As of			
	December 31, 2025	March 31, 2025	March 31, 2024	March 31, 2023
	AUM (₹ million)			
<= 2 years	32,863.83	33,419.00	45,719.67	26,996.44
2 years to <=4 years	16,521.23	12,574.24	7,459.16	11,039.65
4 years to <=6 years	4,201.45	5,808.70	12,223.21	11,759.21
>6 years	9,497.62	8,223.83	5,718.37	3,778.41
Total	**63,084.14**	**60,025.77**	**71,120.41**	**53,573.71**
	PAR>90 (%)			
<= 2 years	1.11%	2.98%	1.47%	0.36%
2 years to <=4 years	4.08%	4.65%	2.39%	3.98%
4 years to <=6 years	2.71%	2.50%	2.22%	6.42%
>6 years	2.45%	2.76%	3.88%	7.35%
Total	**2.19%**	**3.25%**	**1.89%**	**2.93%**

Breakdown of Borrowers by Age

The following table sets forth details of our borrowers, classified according to age, as of December 31, 2025:

Borrower Age	Number of Borrowers	Percentage of Total Borrowers (%)
<40 years	12,50,127	64.01%
> 40 years	7,02,741	35.99%
Total	**19,52,868**	**100.00%**

Breakdown of Borrowers by Loan Cycle

The following table sets forth details of our borrowers, classified according to the loan cycle, as of as of December 31, 2025:

Loan Cycle	Number of Borrowers	Percentage of Total Borrowers (%)
1st cycle	10,45,371	53.53%
2nd cycle	4,27,902	21.91%
3rd cycle	1,85,725	9.51%
> 3rd cycle	2,93,914	15.05%

Restructuring of Loans

A restructured account is one where for economic or legal reasons relating to the borrower's financial difficulty, the Company grants to the borrower concessions that the Company would not otherwise consider. Restructuring would normally involve modification of terms of the loans, which would generally include, among others, alteration of repayment period/repayable amount/ the amount of instalments/ rate of interest (due to reasons other than competitive reasons).

The Company implemented the guidelines issued by the RBI vide the Resolution Framework for COVID-19-related stress as per RBI circular dated May 5, 2021 ("**Resolution Framework 2.0**"). Under Resolution Framework 2.0, the RBI has provided a framework to lending institutions (including NBFC-MFIs) for the implementation of resolution plans to address the economic fallout due to the COVID-19 pandemic.

The Company has implemented the Guidelines for Relief Measures by NBFCs in areas affected by Natural Calamities issued by the RBI vide RBI/2016-17/28 DNBR (PD) CC.No.083/03.10.001/2016-17. Our restructured accounts were eventually written off in March 31, 2024.

The details of restructured accounts are as follows:

Particulars	As of			
	December 31, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Restructured portfolio (₹ million)	-	-	-	5,307.41
Number of restructured accounts	-	-	-	2,81,932

Capital to risk weighted assets ratio (CRAR) (%)

Our Company is subject to the Capital to risk weighted assets ratio (CRAR) (%) requirements prescribed by the RBI. For the period/years presented, our Company was required to maintain a minimum Capital to risk weighted assets ratio (CRAR) (%) of 15%, based on the total capital to risk-weighted assets.

Capital to risk weighted assets ratio (CRAR) (%) has been computed as addition of Tier I Capital and Tier II Capital divided by total risk weighted assets. The following table sets forth certain information relating to the Capital to risk weighted assets ratio (CRAR) (%) of our Company as of the period/years indicated:

Particulars	As of			
	December 31, 2025	March 31, 2025	March 31, 2024	March 31, 2023
	(₹ million, except percentages)			
Tier I Capital (I)	18,747.99	18,921.42	17,355.88	10,523.68
Tier II Capital (II)	382.43	1,341.44	1,391.29	1,353.64
Total Capital (III = I + II)	**19,130.42**	**20,262.86**	**18,747.17**	**11,877.32**
Total risk weighted assets	**61,306.20**	**59,438.26**	**64,632.57**	**41,320.82**
CRAR-Tier I Capital (%)	30.58%	31.82%	26.85%	25.46%
CRAR-Tier II Capital (%)	0.62%	2.27%	2.16%	3.28%
Total equity	20,918.07	20,251.28	19,147.56	13,380.25
Capital to risk weighted assets ratio (CRAR) (%)	**31.20%**	**34.09%**	**29.01%**	**28.74%**

For a reconciliation of non-GAAP measures, see "*Management's Discussion and Analysis of our Results of Operations – Non-GAAP Measures*" on page 554.

Digital Adoption

Set forth below are details relating to the adoption of digital methods our Company:

Particulars	For the Nine Months ended December 31, 2025	For the Year Ended March 31,		
		2025	2024	2023
	(₹ million, except percentages and unless stated otherwise)			
Cashless disbursement	44,916.84	46,356.63	67,088.91	52,992.75
Cashless disbursement, as a percentage of total disbursement (%)	100.00%	100.00%	100.00%	100.00%
Digital collection[(1)]	6,478.11	8,481.62	6,513.97	2,929.34
Digital collection, as a percentage of total collection (%)	13.53%	12.37%	10.78%	6.89%

Note:

(1) Digital Collection for the financial period/years represents the amount collected through various digital channels during the relevant financial period/years.

Productivity Ratios

The following table sets forth certain productivity ratios for our Company as of the dates indicated:

Particulars	As of			
	December 31, 2025	March 31, 2025	March 31, 2024	March 31, 2023
Number of branches[(1)]	1,073	1,103	976	830
Growth in branches	(30)	127	146	80
Number of employees[(2)]	9,502	10,252	9,333	8,030
Growth in employees	(750)	919	1,303	870
Number of Active Customers[(3)]	19,52,912	21,38,608	24,10,896	20,12,504
Growth in Active Customers	(1,85,696)	(2,72,288)	3,98,392	1,48,110
New Active Customers added	5,61,164	5,09,765	9,39,073	6,98,859
Number of new to credit customers[(4)]	3,75,931	4,60,818	5,68,399	4,17,096
Percentage of new to credit customers to Active Customers (%)	19.25%	21.55%	23.58%	20.73%
Customer per branch[(5)]	1,820.05	1,938.90	2,470.18	2,424.70
Number of active loan accounts[(6)]	19,89,999	21,99,801	24,36,964	20,26,206
Number of loan officers[(7)]	5,723	6,359	5,680	4,793
Active Customer per loan officer[(8)]	341.24	336.31	424.45	419.88
Active Customers per employee[(9)]	205.53	208.62	258.33	250.84
AUM per branch[(10)] (₹ million)	58.79	54.42	72.87	64.55
AUM per employee[(11)] (₹ million)	6.64	5.86	7.62	6.67
AUM per loan officer (₹ million)	11.02	9.44	12.52	11.18
AUM per Active Customer[(12)]	32,302.60	28,067.68	29,499.58	26,620.42
Disbursement per branch[(13)] (₹ million)	41.86	42.03	68.74	63.85
Disbursement per employee[(14)] (₹ million)	4.73	4.52	7.19	6.60
Disbursement per loan officer[(15)] (₹ million)	7.85	7.29	11.81	11.06
Average ticket size[(16)]	55,551.67	52,028.15	45,092.85	39,524.71

Notes:

(1) Number of branches represents aggregate number of branches of our Company as of the last day of the relevant period/years.

(2) Number of employees represents aggregate number of employees of our Company as of the last day of the relevant period/years.

(3) Number of Active Customers are defined as the aggregate of borrowers who had an active loan account as of the last day of the relevant period/years.

(4) New to credit customers refers to the customers availing loan for the first time having no credit history.

(5) Customers per branch is calculated as the ratio of Active Customers to total branches for a relevant period/years.

(6) Number of active loan accounts represents the aggregate number of loan accounts of our Company, as of the last day of the relevant period/years, in respect of which loans sanctioned prior to or during the relevant period/years remain outstanding.

(7) Number of loan officers represents aggregate number of customer sales representative of the company as of the last day of the relevant period/years.

(8) Active Customers per loan officer is calculated as the ratio of Active Customers to customer service representatives for a relevant period/years.

(9) Active Customers per employee is calculated as the ratio of Active Customers to total employees for a relevant period/years.

(10) AUM per branch represents AUM as of last day of the relevant period/years divided by number of branches.

(11) AUM per employee represents AUM as of the last day of the relevant period/years divided by Number of employees as of the last day of such period/years.

(12) AUM per Active Customer represents AUM as of the last day of the period/years divided by number of customers as of the last day of such period/years.

(13) Disbursement per branch represents disbursements in the relevant period/years divided by number of branches.

(14) Disbursement per employee represents disbursements in the relevant period/years divided by number of employees as of the last day of such period/years.

(15) Disbursement per loan officer represents disbursements in the relevant period/years divided by number of loan officers as of the last day of such period/years.

(16) Average ticket size represents Gross MFI disbursement divided by number of MFI loan accounts disbursed during the relevant period/years.

Branch Productivity by Vintage

Set forth below are details of our branch productivity, based on the number of years since the respective branch commenced operations:

Branch Vintage	As of December 31, 2025		As of March 31,					
			2025		2024		2023	
	Number of Branches	Active Customers per Branch	Number of Branches	Active Customers per Branch	Number of Branches	Active Customers per Branch	Number of Branches	Active Customers per Branch
Less than 1 year	2.00	411.00	139.00	656.45	138.00	1,006.58	110.00	647.92
1 – 3 years	324.00	1,022.42	260.00	1,354.59	152.00	1,930.33	54.00	2,710.07
More than 3 years	747.00	2,169.78	704.00	2,407.91	686.00	2,884.22	666.00	2,695.03
Total	**1,073.00**	**1,820.05**	**1,103.00**	**1,938.90**	**976.00**	**2,470.18**	**830.00**	**2,424.70**

Notes: Number of Active Customers are defined as the aggregate of borrowers who had an active loan account as of the last day of the relevant period/years.

Branch Vintage	As of December 31, 2025		As of March 31,					
			2025		2024		2023	
	AUM per Branch	Disbursement per Branch	AUM per Branch	Disbursement per Branch	AUM per Branch	Disbursement per Branch	AUM per Branch	Disbursement per Branch
	(₹ million)							
Less than 1 year	19.33	20.44	20.89	18.81	33.75	34.92	21.22	23.07
1 – 3 years	31.78	23.24	31.36	21.59	55.16	54.38	73.45	75.53
More than 3 years	70.62	49.99	69.56	54.16	84.66	78.72	70.98	69.63
Total	**58.79**	**41.86**	**54.42**	**42.03**	**72.87**	**68.74**	**64.55**	**63.85**

SECTION VI: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as stated below, there are no (i) outstanding criminal proceedings (including matters which are at the FIR stage even if no cognizance has been taken by any court), (ii) outstanding actions taken by regulatory and statutory authorities, including notices by such authorities, (iii) outstanding claims related to direct and indirect taxation matters; and (iv) any other pending litigation (including arbitration or other civil proceedings), involving our Company, our Promoters and our Directors (together, the "**Relevant Parties**"), which are determined to be material in accordance with the Litigation Materiality Policy. Further, except as disclosed below, there are no (a) disciplinary actions including penalty imposed by the SEBI or stock exchanges against our Promoters in the last five Fiscals (including any outstanding action); (b) outstanding criminal proceedings (including matters which are at the FIR stage even if no cognizance has been taken by any court or judicial authority), involving our Key Managerial Personnel and members of Senior Management; and (c) outstanding actions by regulatory authorities and statutory authorities, including notices by such authorities, against our Key Managerial Personnel and members of Senior Management.*

For the purpose of identification of material litigation in (iii) and (iv) above, our Board has considered and adopted the following policy on materiality with regard to outstanding litigation involving the Relevant Parties to be disclosed by our Company in this Draft Red Herring Prospectus pursuant to their resolution dated May 13, 2026:

All outstanding litigation or arbitration proceedings, involving the Relevant Parties (other than criminal proceedings or actions taken by statutory or regulatory authorities) shall be disclosed:

a. *if the monetary amount of claim by or against the entity or person in any such pending proceeding exceeds the lower of the following (i) 2% of the turnover, as per the latest restated annual financial statements of our Company; (ii) 2% of the net worth, as per the latest restated annual financial statements of our Company, except in case the arithmetic value of the net worth is negative; or (iii) 5% of the average of the absolute value of the profit or loss after tax, as per the last three restated annual financial statements of our Company, being ₹82.37 million (i.e., lower of: (i) ₹339.05 million, being 2% of the turnover of our Company; (ii) ₹405.03 million, being 2% of the net worth of our Company, each as per the last annual restated financial information of our Company; and (iii) ₹82.37 million, being 5% of the average of the absolute value of the profit or loss after tax, as per the last three annual restated financial information of our Company) ("**Materiality Amount**"); or*

b. *where the monetary liability is not determinable or quantifiable for any other outstanding litigation or arbitration proceedings, but the outcome of any such pending proceedings may have a material bearing on the business, operations, performance, prospects or reputation of our Company or where a decision in one case is likely to affect the decision in similar cases even though the amount involved in the individual cases may not exceed the Materiality Amount.*

In relation to (i) above, (a) all outstanding criminal complaints filed by our Company inter alia under Sections 356, 379, 382, 392, 394, 398, 406, 408, 409, 420, 465, 467, 468 and 471 of the IPC (now repealed by the BNS) before various authorities against certain persons; and (b) all outstanding criminal complaints filed by the Company under the Negotiable Instruments Act, 1881, have been disclosed in this Draft Red Herring Prospectus in a consolidated manner.

In relation to (iii) above, (a) all outstanding claims related to direct and indirect taxation matters have been disclosed in a consolidated manner, giving the number of cases and total amount; (b) in the event any tax matter involves an amount exceeding the Materiality Amount in relation to each of the Relevant Party, individual disclosures of such tax matters have been included.

Pre-litigation notices received by the Relevant Parties from third parties (excluding notices from governmental, statutory, regulatory, judicial, quasi-judicial, tax authorities or notices threatening criminal action) shall not be evaluated for materiality until the Relevant Parties are impleaded as defendants or respondents in proceedings before any judicial forum, arbitrator, tribunal or governmental authority.

There are no outstanding legal proceedings involving our Group Companies that have a material impact on our Company.

Further, pursuant to a Board resolution dated May 13, 2026, our Board has considered and adopted the Creditors Materiality Policy, according to which all creditors of our Company to whom the amount due from our Company exceeds 5% of the total trade payables of our Company as per the latest Restated Financial Information disclosed in this Draft Red Herring Prospectus are material creditors (i.e., 5% of ₹308.45 million, which is ₹15.42 million based on the Restated Financial Information as of December 31, 2025).

*Further, for outstanding dues to any party which is a micro, small or a medium enterprise ("**MSME**"), the disclosure will be based on information available with our Company regarding status of the creditor as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006, as amended, as has been relied upon by the Statutory Auditors.*

Unless otherwise specified, the terms defined in the description of a particular litigation matter pertain to such matter only. Unless otherwise specified, the information provided below is as of the date of this Draft Red Herring Prospectus.

I. Litigation involving our Company

(a) Criminal proceedings against our Company

As of the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated against our Company, other than as disclosed below and in "*—Criminal proceedings by our Company*" on page 607.

1. An FIR dated January 9, 2021 was filed by Pratima Nayak, a customer of our Company, under Section 294, Section 341, Section 323, Section 354 and Section 506 of the IPC with the police station at Sarankul, Nayagarh, alleging assault, criminal intimidation, wrongful restraint and use of obscene language by Sibaram Behera, an agent of our Company. The matter is currently pending.

(b) Criminal proceedings by our Company

1. Our Company (including through our employees) has, in the ordinary course of its business, filed 374 complaints *inter alia* under Sections 356, 379, 382, 392, 394, 398, 406, 408, 409, 420, 465, 467, 468 and 471 of the IPC (now repealed by the BNS) before various authorities alleging offences relating to, among others, theft, robbery, criminal breach of trust, cheating, forgery and dishonest misappropriation, by certain persons, including the borrowers who had availed loans from our Company and have defaulted in repayment thereof. The aggregate amount involved in these matters is ₹77.54 million. These proceedings are currently pending at various stages of adjudication.

2. Our Company has filed 808 complaints under Section 138 of the Negotiable Instruments Act, 1881, as amended. The aggregate amount involved in these proceedings is ₹641.71 million. These proceedings are pending at various stages of adjudication.

   Further, with reference to the certain of the above cases filed by our Company against defaulting customers ("**Customers**"), the following petitions have been filed by the customers:

   (i) A criminal writ petition has been filed against Intellecash (which merged with and into our Company pursuant to the Scheme) (**"Respondent"**) under Section 482 of the CrPC by Shadab Samad (the "**Petitioner**") in the High Court of Bombay, Maharashtra ("**Petition**"). The Petitioner was arraigned in the criminal complaint filed by the Respondent in the Court of Metropolitan Magistrate, Borivali, Mumbai ("**Metropolitan Magistrate**"), under section 138 of the Negotiable Instruments Act, 1881. The Petition was filed challenging the order dated July 8, 2016 passed by Metropolitan Magistrate, Borivali, Mumbai ("**Order**"). Pursuant to the Order, the Metropolitan Magistrate found that *prima facie*, an offence under Section 138 of the Negotiable Instruments Act, 1881, could be made against MN&C Supply Links Retail

Private Limited, the Petitioner and others ("**Borrowers**"). Subsequent to the Order, the Petitioner filed a criminal revision petition before the Sessions Court, Borivali, which was dismissed by way of order dated February 9, 2017. Further, the Petitioner had filed a discharge application under Section 245(2) of the CrPC before the Metropolitan Magistrate on December 4, 2018, which was subsequently dismissed by the Metropolitan Magistrate. In the Petition, the Petitioner has challenged the maintainability of the Order and alleged that the Petitioner did not sign the loan agreement and had ceased to be a director of the MN&C Supply Links Retail Private Limited. The Petitioner has prayed, *inter alia*, to (i) quash and set aside the Order, and (ii) pending the disposal of the Petition, grant a stay on the proceedings of the Metropolitan Magistrate ("**Stay**"). The High Court of Bombay, Maharashtra pursuant to an order dated August 7, 2019 granted an ad-interim relief, *i.e.*, the Stay until the next date of hearing. On January 4, 2024, the Stay was extended until the next date of hearing. The aggregate amount involved in the proceedings is ₹5.99 million. This matter is currently pending.

(ii) A criminal revision petition has been filed against our Company under Sections 401 and 482 of the CrPC by Antal Infotech Private Limited, Vinay Murthy and Joseph Devasia (collectively, the "**Petitioners**") in the High Court at Calcutta, West Bengal ("**Petition**"), challenging the order dated January 16, 2021, passed by the Court of Metropolitan Magistrate, Calcutta ("**Metropolitan Magistrate**") ("**Order**"). Pursuant to the Order, the Metropolitan Magistrate had initiated proceedings under Section 138 and 141 of the Negotiable Instruments Act, 1881 against Antal Infotech Private Limited. In the Petition, the Petitioners have alleged that Antal Infotech Private Limited had entered the insolvency process, pursuant to the order of the National Company Law Tribunal dated September 23, 2020, and was subsequently directed to initiate liquidation proceedings vide order delivered on August 13, 2021 which was not taken into consideration by the Metropolitan Magistrate in the Order, and prayed, *inter alia*, to dispose of the Order. The aggregate amount involved in the proceedings is ₹0.21 million. The matter is currently pending.

(iii) Two criminal revision applications, under case numbers 1715/SS/2019 and 1716/SS/2019, have been filed against our Company by Rajesh Bansraj Chauhan ("**Applicant**") before the Court of Sessions for Greater Bombay, Mumbai ("**Applications**"), challenging the orders passed by the Metropolitan Magistrate, Dadar, Mumbai ("**Orders**"), each dated July 5, 2019. The Applicant, along with others, (together, the "**Borrowers**") was arraigned in two criminal complaints filed by the Respondent in the Court of Metropolitan Magistrate, Court, Bhojwada ("**Metropolitan Magistrate**"), under sections 138 and 141 of the Negotiable Instruments Act, 1881. Pursuant to the Orders, the Metropolitan Magistrate had initiated proceedings under Section 138 of the Negotiable Instruments Act, 1881 against the accused therein, including the Applicant. The Applicant has alleged that he has been fraudulently identified as one of the directors of Conquista Hospitality Private Limited, one of the Borrowers, by forging his signature without his consent or knowledge and prayed, *inter alia,* to quash and set aside the two Orders. The aggregate amount involved in the proceedings is ₹3.17 million. The matters are currently pending.

(iv) A criminal transfer petition has been filed by Venagro Nutrifoods Private Limited ("**Petitioner**") under Section 406 of the CrPC before the Supreme Court of India to transfer the case proceedings from the Metropolitan Magistrate, Calcutta (the "**Current Jurisdiction**") to Court of 2nd Additional Junior Civil Judge cum 9th Additional Metropolitan Magistrate, at Medchal, Malkajgiri, Telangana, on the ground that the Petitioner's business activities being located in Hyderabad, Telangana, the process for loan documentation has taken place in Hyderabad, Telangana and the onerous nature of maintaining the proceedings in the Current Jurisdiction. The aggregate amount involved in the proceedings is ₹0.91 million. The matter is currently pending.

(c) Actions and proceedings initiated by statutory/regulatory authorities involving our Company

As of the date of this Draft Red Herring Prospectus, there are no outstanding actions and proceedings initiated by statutory/regulatory authorities involving our Company, other than as disclosed below and in "*—Material civil litigation by our Company*" on page 611.

1. Our Company received a notice dated March 9, 2026 from Kudligi Police Station, Vijayanagar District, Karnataka, under Section 3(2) of the Karnataka Public Safety Act, 2017, instructing our Company to install CCTVs in our establishment for the purpose of public safety, and to ensure the storage of the footage is

preserved for a minimum period of 90 days. Our Company installed the CCTV cameras. No further communication has been received from the Kudligi Police Station in this regard.

2. Our Company received a show cause notice dated March 20, 2026 from Labour Inspector Office, Malavalli, Karnataka in relation to a complaint filed by Ramesh G, a former employee of our Company, alleging non-payment of salary for the period of October, 2025 and non-payment of overtime pay. Our Company was directed to submit registers and records, as required under Karnataka Shops and Commercial Establishments Act, 1961, Minimum Wages Act, 1948 and Payment of Wages Act, 1936, and rules thereunder. Our Company is yet to submit the required registers and records. The matter is currently pending.

3. Our Company received three notices, each dated March 11, 2026, from the Office of Deputy Labour Commissioner, Muzaffarpur, Bihar ("**Notices**") in relation to complaints filed by (i) Bhanu Pratap Singh; (ii) Rahul Kumar; and (iii) Ankit Kumar, each a former employee of our Company, under the provisions of the Industrial Disputes Act, 1947, alleging illegal termination by our Company, and illegally holding their salary and suspension allowance during the course of suspension. The matter is currently pending.

4. A complaint dated March 25, 2024 was filed by the Mohan Prakash Maurya ("**Complainant**") against our Company and others ("**Accused**") before the Deputy Labour Commissioner, Varanasi Zone, Varanasi, Uttar Pradesh alleging unfair and illegal deduction from the wages of the Complainant. The Deputy Labour Commissioner issued an order under the Payment of Wages Act, 1936 on March 30, 2026, directing our Company to pay ₹0.04 million to the Complainant within 15 days of the Order. The matter is currently pending.

5. A complaint was filed by the Labour Enforcement Officer, Unnao ("**Complainant**") against our Company, Manojkumar N Nambiar, our Managing Director and Vishnu Kumar, manager at our Company (collectively, the "**Accused**") before the Court of the Chief Judicial Magistrate, Unnao, Uttar Pradesh pursuant to an inspection dated July 30, 2024 ("**Inspection Note**"), under the Payment of Bonus Act, 1965, alleging *inter alia* non-payment of bonus to eligible employees and failure to produce prescribed bonus records, which is a punishable offence under Section 28 of the Payment of Bonus Act, 1965. The Labour Enforcement Officer, Unnao, has requested the court to take cognizance, prosecute the accused, and direct production of the Inspection Note. The matter is currently pending.

6. A complaint was filed by the Labour Enforcement Officer, Unnao ("**Complainant**") against our Company, Dinesh Kumar Mittal, our Chairman and Non-Executive Independent Director and Manojkumar N Nambiar, our Managing Director (collectively, the "**Accused**") before the Court of the Chief Judicial Magistrate, Unnao, Uttar Pradesh pursuant to an inspection dated October 25, 2024 under the Uttar Pradesh Shops and Commercial Establishments Act, 1962 ("**Act**") and Uttar Pradesh Shops and Commercial Establishments Rules, 1963 alleging that *inter alia* the establishment was not registered, forms relating to attendance, payment of wages, deductions and leave, and the inspection book was not maintained which is a punishable offence under Section 35 of the Act. Thereafter, on February 28, 2025, the court directed registration and issuance of summons for appearance of the Accused on March 7, 2025. The matter is currently pending.

7. A complaint was filed by the Labour Enforcement Officer, Unnao ("**Complainant"**) against our Company, Dinesh Kumar Mittal, our Chairman and Non-Executive Independent Director and Manojkumar N Nambiar, our Managing Director (collectively, the "**Accused**") before the Court of the Chief Judicial Magistrate, Unnao, Uttar Pradesh pursuant to an inspection dated October 25, 2024 under the Minimum Wages Act, 1948 alleging that the establishment is responsible for inter alia non-maintenance of the wage register and muster roll, non-issuance of pay slips in the required forms, and failure to display prescribed notices and information in the required forms, that is a violation and a punishable offence under Section 22A of the Minimum Wages Act, 1948. Thereafter, on February 28, 2025, the court directed registration and issuance of summons for appearance of the Accused on March 7, 2025. The matter is currently pending.

8. A complaint was filed by the State ("**Complainant**") against our Company, Manojkumar N Nambiar, our Managing Director and Vishnu Kumar, manager at our Company (collectively, the "**Accused** before the Court of the Chief Judicial Magistrate, Unnao, Uttar Pradesh pursuant to an inspection dated July 30, 2024 under the Uttar Pradesh Shops and Commercial Establishments Act, 1962 and Uttar Pradesh Shops and

Commercial Establishments Rules, 1963, alleging that *inter alia* the establishment had been operating for years without registration and without maintaining prescribed records which is a punishable offence under Section 35 of the Uttar Pradesh Shops and Commercial Establishments Act, 1962. On November 11, 2024, the court directed registration and issuance of summons for appearance of the Accused on December 11, 2024. The matter is currently pending.

9. A complaint was filed by the Labour Enforcement Officer ("**Complainant**") against our Company, Manojkumar N Nambiar, our Managing Director and Vishnu Kumar, manager at our Company (collectively, the "**Accused**") before the Court of the Chief Judicial Magistrate, Unnao, Uttar Pradesh pursuant to an inspection dated July 30, 2024 under the Minimum Wages Act, 1948 alleging that inter alia non-payment of overtime, failure to maintain the overtime register in the relevant forms, failure to maintain the wage register, non-display of prescribed notices/forms, and failure to preserve records, with the complaint stating that such violations are punishable under Section 22A of the Minimum Wages Act, 1948. On November 11, 2024, the Court directed registration and issuance of summons for appearance of the Accused on December 11, 2024. The matter is currently pending.

10. A complaint was filed by the Labour Enforcement Officer ("**Complainant**") against our Company, Manojkumar N Nambiar, our Managing Director and Vishnu Kumar, manager at our Company (collectively, the "**Accused**") before the Court of the Chief Judicial Magistrate, Unnao, Uttar Pradesh pursuant to an inspection dated July 30, 2024 under the Payment of Wages Act, 1936 alleging that inter alia failure to maintain the register of wages, register of fines, register of deductions, non-display of prescribed notices/forms, and failure to preserve records, with the complaint stating that such violations are punishable under Section 20(3) of the Payment of Wages Act, 1936. On November 11, 2024, the Court directed registration and issuance of summons for appearance of the Accused on December 11, 2024. The matter is currently pending.

11. A complaint was filed by the Labour Inspector, Nanjangud Circle, Nanajangud ("**Complainant**") against our Company and Manojkumar N Nambiar, our Managing Director (collectively, the "**Accused**") on July 21, 2025 before the Court of the IInd Additional Civil Judge and Judicial Magistrate of First Class, Nanjangud, Karnataka under Section 31 of the Karnataka Shops and Commercial Establishments Act, 1961, read with Section 223 of the Bharatiya Nagarik Suraksha Sanhita pursuant to an inspection dated January 28, 2025 alleging *inter alia* failure to notify changes in registration particulars, failure to maintain the visit book, failure to maintain leave with wages register in the relevant forms, failure to issue appointment orders in the relevant forms, and failure to maintain the combined muster roll-cum-register of wages in the relevant forms. Further, despite the inspection and a subsequent show cause notice dated March 20, 2025, the violations were not rectified, and an approval for prosecution approval was obtained on July 14, 2025. This matter is currently pending.

12. Our Company through Sandeep Kaushik, branch manager at our Company, received a notice dated May 12, 2026, from the Office of the Assistant Labor Commissioner, Bilaspur, Chhattisgarh ("**Assistant Labor Commissioner**"), in relation to complaint filed by Anchal Kumar ("**Applicant**"), a former employee of our Company, alleging termination from service without notice or reason and non-payment of the Applicant's outstanding salary. We have directed to appear before the Assistant Labor Commissioner on May 15, 2026. The matter is currently pending.

13. Our Company, through our employees, received a notice dated December 12, 2024, from the Presiding Officer, Labour Court, Lucknow, Uttar Pradesh ("**Court**"), in relation to an application for certain dues filed by Menka Singh under Section 33-C(2) of the Industrial Disputes Act, 1947 and directing appearance before the Court. The matter is currently pending.

(d) Material civil litigation against our Company

As of the date of this Draft Red Herring Prospectus, there are no outstanding material civil proceedings initiated against our Company, other than as disclosed below.

(e) Material civil litigation by our Company

As of the date of this Draft Red Herring Prospectus, there are no outstanding material civil proceedings initiated by our Company, other than as disclosed below.

1. Pursuant to the order dated March 9, 2018 by the National Company Law Tribunal, Mumbai and the order dated March 26, 2018 by the National Company Law Tribunal, Kolkata, the scheme of arrangement was approved and Intellecash was merged with and into our Company ("**Scheme**"). For details in relation to the Scheme, see *"History and Certain Corporate Matters—Details regarding Acquisition or Divestment of Business/Undertakings, Mergers, Amalgamations and Revaluation of Assets—Scheme of arrangement with Intellecash"* on 397. Subsequently, on March 18, 2024, our Company received an order from the Office of the Collector of Kolkata ("**Relevant Authority**"), assessing the stamp duty for the transfer of equity shares pursuant to the Scheme at 7% of the total amount of shares transferred, amounting to ₹142.10 million ("**Assessed Stamp Duty**"). On April 16, 2024, our Company submitted a reply to the Relevant Authority, asserting the interpretation of the relevant provisions of the Stamp Act, 1899 (under which stamp duty at 0.05% of the shares allotted was assessed by the Company), and requesting the Relevant Authority to reconsider the Assessed Stamp Duty. Subsequently, the Relevant Authority issued an order dated May 7, 2024, and re-directed our Company to pay the Assessed Stamp Duty. Subsequently, our Company filed a writ petition dated July 18, 2024 with the High Court of Calcutta, under Article 226 of the Constitution of India, contending that the declaration of the orders issued by the Relevant Authority is *ultra vires* and *de hors* the Indian Stamp Act, 1899 (as applicable to West Bengal) and is illegal and unconstitutional, among other submissions. The aggregate amount involved in these proceedings is ₹142.10 million This matter is currently pending.

II. Litigation involving our Directors

(a) Criminal proceedings against our Directors

As of the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated against any of our Directors, other than as disclosed below.

1. A criminal complaint bearing number CC No. 21/SW/2017 ("**Complaint**") was filed in the court of the Metropolitan Magistrate's court at Bandra at Mumbai ("**Criminal Court**") against Volkswagen Finance Pvt. Ltd. ("**Volkswagen**") and others by Asha Prakash Mandavia, Prakash Prabhudas Mandavia and others ("**Complainants**"). Volkswagen had sanctioned a loan facility in favour of Siddharth Prakash Mandavia ("**Borrower**"), with his father, Prakash Prabhudas Mandavia, acting as a co-borrower. Upon the Borrower's non-payment of certain monthly instalments, arbitration proceedings were initiated and an arbitral award was passed against the Borrower and there was no arbitral award or decree passed against the co-borrower, Prakash Prabhudas Mandavia. Subsequently, Volkswagen initiated execution proceedings and sought attachment of a property described as the Borrower's residential address in the loan documentation. However, upon examination of the title documents, it was found that the said property was owned by the Borrower's parents and Volkswagen was unable to produce any documentary evidence establishing the Borrower's title or interest to the attached property.

   Subsequently, the Borrower along with his parents, namely Asha Prakash Mandavia and Prakash Prabhudas Mandavia, filed the aforesaid Complaint under Section 156(3) of the Code of Criminal Procedure, 1973 alleging offences punishable under Sections 384, 387, 388, 409, 420 and 500 read with Section 120B of the Indian Penal Code, 1860. The Complainants alleged that the Borrower had defrayed amounts to Volkswagen, resulting in Volkswagen wrongfully retaining an excess amount of ₹0.54 million. The Complainants also alleged that Volkswagen made false representations during the execution proceedings with an intent to extort money and defraud the Borrower. Rupa Rajul Vora, an erstwhile independent director on the board of Volkswagen (who was not involved in the day to day operations of Volkswagen and has since retired from its board upon

completion of two terms on November 7, 2024), was arrayed as Respondent No. 2 in the said complaint solely in her capacity as a director of Volkswagen at the time of the impugned transaction. The Complainants have failed to appear for any of the hearings and the matter is presently at a pre-cognizance stage. This matter is currently pending.

(b) Criminal proceedings by our Directors

As of the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated by any of our Directors.

(c) Actions and proceedings initiated by statutory/regulatory authorities involving our Directors

Other than the regulatory cases involving our Company, to which Dinesh Kumar Mittal (our Chairman and Non-Executive Independent Director) and Manojkumar N Nambiar (our Managing Director) are a party, details of which have been included under *"Litigation involving our Company—Actions and proceedings initiated by statutory/regulatory authorities involving our Company"*, on page 608, as of the date of this Draft Red Herring Prospectus, there are no actions or proceedings initiated by statutory/regulatory authorities involving any of our Directors.

(d) Material civil litigation against our Directors

As of the date of this Draft Red Herring Prospectus, there are no outstanding material civil proceedings initiated against any of our Directors, other than as disclosed below.

1. The proceedings under IA No. 4254 of 2025 in Company Petition (IB) No. 526 of 2024, filed by Feedback Highways Omt (P) Ltd and Sayam Shares and Securities (P) Ltd ("**Sayam Shares**") before the National Company Law Tribunal, Delhi (the "**NCLT IA**"); and (ii) Writ Petition (St.) No. 19074 of 2025 by Sayam Shares before the Bombay High Court (the "**Writ Petition**") relate to an assignment agreement dated 17 October 2018, between ArcelorMittal India Private Limited ("**Arcelor**"), as the assignee, State Bank of India as distribution agent and twelve lenders (including JM Financial Asset Reconstruction Company Limited ("**JMFARC**")) for the assignment of amounts overdue and payable by KSS Petron (P) Ltd ("**KSSPL**") to its lenders ("**Assignment Agreement**").

   Rupa Vora, an independent director of JMFARC since March 31, 2015, has been named as a party in NCLT IA and Writ Petition solely by virtue of being on the board of JMFARC. Rupa Vora had no direct involvement in the underlying transaction under the Assignment Agreement and the NCLT IA and Writ Petition do not contain any specific allegations against her. The grounds and prayers in both proceedings are generic in nature and are directed broadly against all the assignors, including JMFARC.

   One of the reliefs claimed by Sayam Shares against the directors of JMFARC (including Ms. Vora) in the Writ Petition is to seek directions to compel the Reserve Bank of India to declare the directors and officers of the involved banks and ARCs (including JMFARC) as not 'fit and proper' to remain in the financial services or financial intermediation industry. Rupa Vora has, in her affidavit in reply, denied all allegations, averments, contentions, submissions and insinuations made against her, and has stated that she has at all times acted in good faith during the bona fide performance of her duties as an independent director, having had no role in the day to day operations of JMFARC or in the impugned transactions under the Assignment Agreement, and that not a single material fact or specific averment has been pleaded by the petitioner demonstrating her alleged involvement.

   The NCLT IA and Writ Petition have a common applicant i.e., Sayam Shares, and the maintainability of the NCLT IA and Writ Petition is currently under challenge on the ground that both the proceedings have been filed by third-party interlopers having no locus standi more than seven years after the conclusion of the impugned assignment transaction. This matter is currently pending.

   In the event that the transaction is set aside, the assignment would effectively be reversed. JMFARC would be required to refund the consideration of Rs. 93.28 crore received from Arcelor in October 2018.

Correspondingly, the underlying debt would be reinstated in JM's books. Accordingly, the financial impact, if any, would be limited to JMFARC to the extent of returning the amount received from Arcleor in 2018, with a simultaneous restoration of the debt. There would be no personal liability on Ms. Vora in this regard.

(e) Material civil litigation by our Directors

As of the date of this Draft Red Herring Prospectus, there are no outstanding material civil proceedings initiated by any of our Directors.

III. Litigation involving our Promoters

(a) Criminal proceedings against our Promoters

As of the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated against any of our Promoters.

(b) Criminal proceedings by our Promoters

As of the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated by any of our Promoters.

(c) Actions and proceedings initiated by statutory/regulatory authorities involving our Promoters

As of the date of this Draft Red Herring Prospectus, there are no outstanding actions or proceedings by statutory/regulatory authorities involving any of our Promoters.

(d) Disciplinary action imposed by SEBI or stock exchanges against our Promoters in the last five Fiscals including outstanding action

As of the date of this Draft Red Herring Prospectus, there are no disciplinary actions imposed by SEBI or stock exchanges against any of our Promoters in the last five Fiscals.

(e) Material civil litigation against our Promoters

As of the date of this Draft Red Herring Prospectus, there are no outstanding material proceedings initiated against any of our Promoters.

(f) Material civil litigation by our Promoters

As of the date of this Draft Red Herring Prospectus, there are no outstanding material proceedings initiated by any of our Promoters.

IV. Litigation involving our Key Managerial Personnel and members of Senior Management

(a) Criminal proceedings against our Key Managerial Personnel and members of Senior Management

As of the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated against any of our Key Managerial Personnel and members of Senior Management, other than as disclosed below:

1. A first information report in relation to the complaint dated December 30, 2009, was filed by Tapabrata Moitra, the legal manager, of Global Trade Finance Limited ("**Complainant**") before the Superintendent of Police, the Central Bureau of Investigation under the Economic Offences Wing, Mumbai, under section 120-B read with Sections 420, 467, 468, and 471 of the Indian Penal Code, 1860 ("**IPC**"), and Section 13(2) read with Section 13(1)(d) of the Prevention of Corruption Act, 1988, against Sudarshan Overseas Limited along with Anirudh Singh Thakur, who was the deputy general manager (legal) and

company secretary of the Complainant Company until his resignation in October 2009, along with its directors and others ("**Accused**"). During the year 2008, the Accused was alleged to have entered into a criminal conspiracy to cheat the Complainant by submitting forged domestic factoring invoices, forged reverse factoring invoices, forged lorry receipts, forged purchase orders, forged bank letters, forged powers of attorney and forged affidavits. The Complainant had sanctioned export/import factoring facilities in favour of the Accused of up to ₹150 million on June 21, 2007, that was later enhanced to ₹280 million by May 2008, including by way of domestic factoring, export factoring and reverse factoring facilities. The Accused allegedly conspired to defraud the Complainant Company, resulting in a wrongful loss of approximately ₹261.16 million. Additionally, Anirudh Singh Thakur, who was the deputy general manager (legal) and company secretary of the Complainant Company until his resignation in October 2009, was issued summons dated August 2, 2012 by the Court of Sessions for Greater Mumbai. The matter is at the cross-examination stage and is currently pending.

(b) Criminal proceedings by our Key Managerial Personnel and members of Senior Management

As of the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated by any of our Key Managerial Personnel and members of Senior Management.

(c) Actions and proceedings initiated by statutory/regulatory authorities involving our Key Managerial Personnel and members of Senior Management

As of the date of this Draft Red Herring Prospectus, there are no outstanding actions or proceedings by statutory/regulatory authorities involving any of our Key Managerial Personnel and members of Senior Management.

V. Tax Proceedings involving our Company, Directors and Promoters

Details of outstanding tax proceedings involving our Company, Directors and Promoters as of the date of this Draft Red Herring Prospectus are disclosed below:

Nature of Proceedings	Number of Proceedings	Amount involved (₹ million)
Direct Tax*		
Company	4	95.66
Directors	1	0.34
Promoters	1	1.15
Sub-Total (A)	**6**	**97.15**
**Such amount excludes any interest or penalty in relation to such direct tax proceedings*		
Indirect Tax		
Company	1	13.03
Directors	Nil	Nil
Promoters	2	11.56
Sub-Total (B)	**3**	**24.59**
**Such amount excludes any interest or penalty in relation to such indirect tax proceedings*		
TOTAL (A+B)	**9**	**121.74**

VI. Outstanding Dues to Creditors

In accordance with the SEBI ICDR Regulations, our Company, pursuant to a resolution dated May 13, 2026 of our Board, considers all creditors to whom the amount due by our Company exceeds 5% of the total trade payables as of the date of the latest statement of assets and liabilities included in the Restated Financial Information disclosed in this Draft Red Herring Prospectus as material creditors (*i.e.*, ₹15.42 million, which is 5% of ₹308.45 million based on the Restated Financial Information as of December 31, 2025). Details of outstanding dues owed to material creditors, MSME creditors and other creditors of our Company based on such determination are disclosed below.

Types of Creditors	Number of Creditors	Amount (₹ million)
Material creditors	-	-

MSME creditors	-	-
Other creditors	54	308.45
Total	**54**	**308.45**

The details of the outstanding dues to our material creditors have been made available on the website of our Company at https://www.arohan.in/investor-relations/arohan-for-investors/. It is clarified that such details available on our website do not form a part of this Draft Red Herring Prospectus.

VII. Material Developments since the Last Balance Sheet

Other than as disclosed in "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 537, in the opinion of our Board, no circumstances have arisen since the date of our last balance sheet as disclosed in this Draft Red Herring Prospectus which materially and adversely affect, or are likely to affect, our operations or profitability, or the value of our assets, or our ability to pay our liabilities within the next 12 months.

VIII. Other Confirmations

As of the date of this Draft Red Herring Prospectus, there are no findings/observations of any of the inspections by SEBI or any other regulator which are material and which needs to be disclosed or non-disclosure of which may have bearing on the investment decision.

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GOVERNMENT AND OTHER APPROVALS

*We have set forth below a list of approvals, consents, licenses and permissions from various governmental and regulatory authorities required to be obtained by our Company which are considered material and necessary for the purpose of undertaking our business activities and operations (such approvals, the "**Material Approvals**"). In addition, certain of our Material Approvals may have lapsed or expired or may lapse in their normal course and our Company has either already made applications to the appropriate authorities for renewal of such Material Approvals or is in the process of making such renewal applications in accordance with applicable requirements and procedures. Unless otherwise stated, Material Approvals as set out below, are valid as at date of this Draft Red Herring Prospectus. For details of risks associated with not obtaining or delay in obtaining the requisite approvals, see "Risk Factors—We are subject to stringent regulations governing the banking and financial services industry in India. We may fail to obtain, maintain or extend our statutory and regulatory approvals to operate or expand our business in a timely manner or at all, or to comply with the terms and conditions of our existing regulatory approvals and licenses, which may impede our operations" on page 42. For further details in connection with the applicable regulatory and legal framework in India within which we operate, see "Key Regulations and Policies" on page 379.*

I. Approvals in Relation to the Offer

For details in relation to the approvals and authorizations in relation to the Offer, see "*Other Regulatory and Statutory Disclosures—Authority for the Offer*" on page 622.

II. Material corporate approvals obtained by our Company

1. Certificate of incorporation dated September 27, 1991 was issued to our Company by the Registrar of Companies.

2. Fresh certificate of incorporation dated October 20, 1995 consequent upon conversion into a public limited company was issued to our Company by the Registrar of Companies.

3. Fresh certificate of incorporation dated March 25, 2008 consequent upon change of name was issued to our Company by the Registrar of Companies.

4. Fresh certificate of incorporation dated September 28, 2010 consequent upon conversion into a private limited company was issued to our Company by the Registrar of Companies.

5. Fresh certificate of incorporation dated May 25, 2018 consequent upon conversion into a public limited company was issued to our Company by the Registrar of Companies.

III. Material approvals in relation to our Company's business and operations

(a) Regulatory Approvals

1. Certificate of registration as an NBFC (not accepting public deposits) dated May 16, 2011 issued by the RBI, bearing no. B.05.02932 with endorsement of conversion to NBFC-MFI status with effect from January 10, 2014 and with further endorsement as on June 28, 2018 reflecting the change in the status of our Company from a 'private' to 'public' company.

2. Approval to act as a 'Corporate Agent' in terms of the Insurance Regulatory and Development Authority of India (Registration of Corporate Agents) Regulations, 2015, issued by the Insurance Regulatory and Development Authority of India to our Company bearing no. CA0891, and valid until January 3, 2027.

(b) Tax Registrations

1. The permanent account number of our Company, issued by the Income Tax Department, Government of India is AAECA6121D.

2. Tax deduction account number of our Company, issued by the Income Tax Department, Government of India, is CALA02400G.

3. Our Company has obtained goods and services tax registrations under the Central Goods and Service Tax Act, 2017, in the following states in India:

S. No	State	GSTIN
1.	Assam	18AAECA6121D1Z5
2.	Bihar	10AAECA6121D1ZL
3.	Chhattisgarh	22AAECA6121D2ZF
4.	Gujarat	24AAECA6121D1ZC
5.	Haryana	06AAECA6121D1ZA
6.	Jharkhand	20AAECA6121D1ZK
7.	Karnataka	29AAECA6121D1Z2
8.	Madhya Pradesh	23AAECA6121D1ZE
9.	Maharashtra	27AAECA6121D3Z4
10.	Meghalaya	17AAECA6121D2Z6
11.	Odisha	21AAECA6121D1ZI
12.	Rajasthan	08AAECA6121D1Z6
13.	Tamil Nadu	33AAECA6121D1ZD
14.	Telangana	36AAECA6121D1Z7
15.	Tripura	16AAECA6121D1Z9
16.	Uttarakhand	05AAECA6121D1ZC
17.	Uttar Pradesh	09AAECA6121D1Z4
18.	West Bengal	19AAECA6121D1Z3
19.	West Bengal (Input Service Distributor)	19AAECA6121D2Z2

4. Professional tax registrations issued for the states in India where the Company operates, as applicable.

(c) Labour and commercial approvals

1. Registration under the West Bengal Shops and Establishments Act, 1963 read with the West Bengal Shops and Establishments Rules, 1964 for our Registered and Corporate Office bearing registration no. NP04672N2020000015.

2. Registration under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 bearing registration no. WBCAL40046510000.

3. Registrations issued by the Employees' State Insurance Corporation, India under the Employees State Insurance Act, 1948 (which has now been repealed and replaced by the Code on Social Security, 2020) for the states in India where we carry our business operations, as applicable.

4. Certificate of registration under the erstwhile Contract Labour (Regulation and Abolition) Act, 1970, now repealed and replaced by the Occupational Safety, Health and Working Conditions Code, 2020, dated December 13, 2016 bearing no. BNG20/CLR/000028 issued by the Office of the Assistant Labour Commissioner, Bidhannagar, Government of West Bengal.

IV. Material approvals applied for but not received

As on the date of this Draft Red Herring Prospectus, there are no material approvals which our Company has applied for, but which have not been received, except as disclosed below.

1. Trade License for our Registered and Corporate Office in the state of West Bengal.

V. Material approvals expired and renewal to be applied for

Other than licences for our branches and regional offices which may have lapsed in their normal course, as on the date of this Draft Red Herring Prospectus, there are no material approvals of our Company that have expired, and for which renewal is to be applied for.

VI. Material approvals required but not obtained or applied for

As on the date of this Draft Red Herring Prospectus, there are no material approvals of our Company that have expired, and for which renewal is to be applied for.

VII. Material approvals for our branches

Our Company has obtained registrations in the ordinary course of business for our branches and regional offices across various states in India, including registrations under applicable shops and establishments legislation and trade licenses, as applicable, of the states in India in which the Company operates its branches.

Certain licences may have lapsed in their normal course and our Company has made applications to the appropriate authorities for fresh registrations or for renewal of existing registrations. For further details, please see "*Risk Factor—We are subject to stringent regulations governing the banking and financial services industry in India. We may fail to obtain, maintain or extend our statutory and regulatory approvals to operate or expand our business in a timely manner or at all, or to comply with the terms and conditions of our existing regulatory approvals and licenses, which may impede our operations*" on page 42.

VIII. Intellectual Property

(a) Registrations Obtained by our Company

Trademarks

As on the date of this Draft Red Herring Prospectus, our Company has registered the trademarks disclosed below in India.

S. No.	Description	Class	Trademark Number	Valid up to
1.	arohan An Intellecap Enterprise	36 (Colour)	2919722	March 11, 2035
2.	AROHAN AN INTELLECAP ENTERPRISE	36 (Colour)	2994090	June 26, 2035

(b) Applications Filed by our Company

As on the date of this Draft Red Herring Prospectus, our Company has filed applications to register the trademark disclosed below in India.

S. No.	Description	Class	Trademark Number	Date of application	Status
1.	AROHAN AAVISHKAAR GROUP	36 (Colour)	7032229	May 28, 2025	Passed information check

Also see, *"Risk Factors—Our inability to protect or use our intellectual property rights may adversely affect our business."* on page 56.

OUR GROUP COMPANIES

In terms of the SEBI ICDR Regulations and pursuant to the resolution passed by our Board at its meeting held on May 13, 2026, group companies of our Company include (i) companies (other than the Promoters) with which there were related party transactions as per the Restated Financial Information included in this Draft Red Herring Prospectus; and (ii) other companies as considered material by the Board.

For the purposes of (i) above, all such companies with which there were party transactions in accordance with Indian Accounting Standard (Ind AS) 24, during the period covered in the Restated Financial Information in this Draft Red Herring Prospectus, shall be considered Group Companies in terms of the SEBI ICDR Regulations.

In addition, for the purposes of (ii) above, pursuant to the Group Companies Materiality Policy a company (other than companies categorized under (i) above) shall be considered "material" and will be disclosed as a "group company" if such company forms part of members of the Promoter Group and with which there were one or more transactions during the periods covered in the Restated Financial Information in this Draft Red Herring Prospectus, which individually or in the aggregate, exceed the lower of, 10% of the revenue from operations of our Company as calculated in the Restated Financial Information for the most recent financial year and the relevant stub period, as applicable, included in this Draft Red Herring Prospectus, would be considered material.

Accordingly, based on the parameters for (i) and (ii) as outlined above, the following companies have been identified as our group companies ("**Group Companies**"), as on the date of this Draft Red Herring Prospectus:

1. Ashv Finance Limited;
2. Bharti Airtel Limited;
3. Intellecap Advisory Services Private Limited;
4. Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden N.V.;
5. Shivalik Small Finance Bank Limited; and
6. Aavishkaar Foundation.

Details of our Group Companies

In accordance with the SEBI ICDR Regulations, the financial information based on the audited statement for last three fiscals and with respect to: (i) reserves (excluding revaluation reserve); (ii) sales; (iii) profit after tax; (iv) basic earnings per share; (v) diluted earnings per share; and (vi) net asset value, in relation to our top five Group Companies, extracted from their respective audited standalone financial statements (as applicable) are available at the websites indicated below.

Our Company is providing links to such websites solely to comply with the requirements specified under the SEBI ICDR Regulations. Such financial information/ details of the Group Companies provided on the websites do not constitute a part of this Draft Red Herring Prospectus. None of our Company, the BRLMs or any of the Company's or the BRLMs' respective directors, employees, affiliates, associates, advisors, agents or representatives have verified the information available on the websites indicated below. Anyone placing reliance on any other source of information, would be doing so at their own risk.

S. No.	Name	Registered Office Address	Website for Information
1.	Ashv Finance Limited	YesssWorks Spaces, 1st Floor, 271 Business Park, Model industrial estate, Vishweshwar Nagar, Goregaon (East), Mumbai 400 063, Maharashtra *(Previously situated at 12B, 3rd Floor, Techniplex-II IT Park, Off. Veer Savarkar Flyover, Goregaon (West), Mumbai 400 062, Maharashtra)*	www.ashvfinance.com

S. No.	Name	Registered Office Address	Website for Information
2.	Bharti Airtel Limited	Airtel Center, Plot No. 16, Udyog Vihar, Phase-IV, Gurugram 122 015, Haryana	https://www.airtel.in/about-bharti/equity/results/annual-results
3.	Intellecap Advisory Services Private Limited	Unit No. 201, 2nd Floor, Naman Centre, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051, Maharashtra, India	www.intellecap.com
4.	Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden N.V.	Anna van Saksenlaan 71, 2593 HW The Hague, The Netherlands	www.fmo.nl/about-fmo
5.	Shivalik Small Finance Bank Limited	501, Salcon Aurum Jasola District Centre, South Delhi, New Delhi, India, 110 025.	https://shivalik.bank.in/
6.	Aavishkaar Foundation	Unit No. 202, 203, 204, 2nd Floor, Naman Centre, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051, Maharashtra, India	N.A.

Nature and extent of interest of Group

Companies

In the promotion of our Company

As on the date of this Draft Red Herring Prospectus, none of our Group Companies has any interest in the promotion of our Company.

In the properties acquired by our Company in the three years preceding the date of filing of this Draft Red Herring Prospectus or proposed to be acquired by our Company

None of our Group Companies are interested in the properties acquired by our Company in the three years preceding the date of filing of this Draft Red Herring Prospectus or proposed to be acquired by our Company.

In the transactions for acquisition of land, construction of building and supply of machinery

None of our Group Companies are interested in the transactions for acquisition of land, construction of building and supply of machinery entered into by our Company.

Related business transactions within our Group Companies and significance on the financial performance of our Company

There are no business transactions within or with our Group Companies, which impact the financial performance of our Company, except as otherwise disclosed in "*Summary of Related Party Transactions"*, on page 85.

Common pursuits

There are no common pursuits between our Company and our Group Companies as on the date of this Draft Red Herring Prospectus. We shall adopt necessary procedures and practices as permitted by law to address any conflict situations, as and when they may arise.

Business and other interests

Other than as disclosed below and in "*Summary of Related Party Transactions"*, on page 85, none of our other Group Companies have any business or other interest in our Company.

Intellecap Advisory Services Private Limited has been engaged by our Company to provide investment banking services for fund raising.

Litigation

As on the date of this Draft Red Herring Prospectus, our Group Companies are not a party to any pending litigation which may have a material impact on our Company.

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OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

Our Board has approved the Offer pursuant to a resolution dated March 2, 2026 and our Shareholders have approved the Fresh Issue pursuant to a special resolution dated March 25, 2026, in accordance with Section 62(1)(c) of the Companies Act, 2013. This Draft Red Herring Prospectus has been approved by our Board pursuant to the resolution dated May 15, 2026. The Draft Abridged Prospectus has been approved by our Board pursuant to the resolution dated May 15, 2026.

Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement aggregating up to ₹1,200.00 million prior to filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue, *i.e.*, ₹1,200.00 million. Details of the Pre-IPO Placement, if undertaken, shall be included in the Red Herring Prospectus. Prior to the completion of the Offer and if the Pre-IPO Placement is undertaken, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result in listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and Prospectus and intimated to the Stock Exchanges within 24 hours of such Pre-IPO placement, in accordance with the SEBI ICDR Regulations.

The Offer for Sale has been authorized by the Selling Shareholders as disclosed in "*The Offer*" on page 76.The details of such authorizations and consent letters of each of the Selling Shareholders in relation to its respective portion of the Offered Shares are provided in "*Annexure A*" on page 722.

Our Board has taken on record the participation of Selling Shareholders in the Offer for Sale, pursuant to a resolution dated May 15, 2026.

The Equity Shares being offered by the Selling Shareholders in the Offer for Sale are eligible to be offered for sale in accordance with Regulation 8 of the SEBI ICDR Regulations.

Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●] respectively.

In terms of the Reserve Bank of India (Non-Banking Financial Companies - Acquisition of Shareholding or Control) Directions, 2025, our Company is required to obtain prior written permission of RBI for 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. Accordingly, our Company had filed an application dated March 6, 2026 with the RBI seeking prior approval of the RBI in connection with the Offer. Our Company received the approval from RBI on April 8, 2026, which is subject to the conditions set out below.

1. The Company shall draft/modify the Draft Red Herring Prospectus to clarify that acquisition of 26% or more of the paid-up equity share capital of the Company by any single person/entity would require prior approval of the RBI. Alternately, the allotment of shares shall be made in such a way that it shall not lead to the acquisition of 26% or more of the paid-up equity capital by a person and further acquisition (by the person), is conditional upon prior approval of RBI if the (foregoing) threshold is breached.

2. Similarly, for the Company's proposed private placements to select investors *i.e.*, Pre-IPO Placement (before filing of DRHP) any allotment of 26% or more of the paid-up equity share capital of the Company would require prior approval of the RBI.

3. The Company shall confirm the percentage of change in shareholding post IPO, within seven calendar days of completion of allotment of the Equity Shares.

Prohibition by the SEBI, RBI or Other Governmental Authorities

Our Company, each of the Selling Shareholders, our Promoters, members of our Promoter Group, our Directors and the persons in control of our Company and of our Promoters are not prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by the SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

None of the companies with which our Promoters and Directors are promoters, directors or persons in control have been debarred from accessing capital markets under any order or direction passed by SEBI or any other authorities.

None of our Directors are associated with the securities market in any manner. See "*Our Management*" on page 401. No outstanding action has been initiated against them by SEBI in the past five years preceding the date of this Draft Red Herring Prospectus.

Our Company, Promoters or Directors have not been declared as Wilful Defaulters or Fraudulent Borrowers.

Our Individual Promoters or Directors have not been declared as fugitive economic offenders under Section 12 of the Fugitive Economic Offenders Act, 2018.

Confirmation under Companies (Significant Beneficial Owners) Rules, 2018

Our Company, each of the Selling Shareholders, our Promoters and members of our Promoter Group have confirmed that they are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent applicable, as on the date of this Draft Red Herring Prospectus.

Other Confirmations

As on the date of this Draft Red Herring Prospectus, there are no conflict of interest between the third-party service providers (crucial for operations of our Company) and our Company, Promoters, Promoter Group, Key Managerial Personnel, Directors, Group Companies and its directors.

As on the date of this Draft Red Herring Prospectus, there are no conflict of interest between the lessors of immovable properties (crucial for operations of our Company) and our Company, Promoters, Promoter Group, Key Managerial Personnel, Directors, Group Companies and its directors.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with Regulation 6(1) of the SEBI ICDR Regulations, as disclosed below.

- Our Company has net tangible assets of at least ₹30 million, calculated on a restated basis, in each of the preceding three full years (of 12 months each), *i.e.,* as on and for the Fiscals 2025, 2024 and 2023. While more than fifty per cent of the net tangible assets were held in monetary assets as on March 31, 2024, such monetary assets held in excess of fifty percent as on March 31, 2024 were utilised by our Company for its business subsequent to March 31, 2024;

- Our Company has an average operating profit of ₹150 million, calculated on a restated basis, during the preceding three years (of 12 months each), *i.e.,* Fiscals 2025, 2024 and 2023with operating profit in each of these preceding three years;

- Our Company has a net worth of at least ₹10 million, calculated on a restated basis in each of the preceding three full years (of 12 months each), *i.e.,* Fiscals 2025, 2024 and 2023; and

- Our Company has not changed its name during the preceding one year.

Our Company's net tangible assets, monetary assets, monetary assets as a percentage of the net tangible assets, operating profit and net worth derived from the Restated Financial Information included in this Draft Red Herring Prospectus as on, and for the three immediately preceding Financial Years are disclosed below.

Derived from the Restated Financial Information

Particulars	As on, and for the Fiscals ended on March 31,		
	2025	2024	2023
	(₹ million, except % data)		
Net tangible assets (A)[(1)]	20,209.39	19,100.62	13,354.33
Operating Profit (B)[(2)]	7,665.29	9,987.25	5,551.37
Net worth (C)[(3)]	20,251.28	19,147.56	13,380.25
Total monetary assets (D)[(4)]	8,216.43	9,651.31	6,072.31
Monetary assets as a percentage of the net tangible assets (%) (D)/(A)^[(5)]	40.66	50.53	45.47

Source: Restated statement of assets and liabilities and restated statement of profit and loss of the Company as included in the Draft Red Herring Prospectus under the section "Financial Information"

^The monetary assets held are more than fifty percent of Net Tangible Assets for the financial year ended 31 March 2024. Such monetary assets held in excess of fifty percent of Net Tangible Assets as on March 31, 2024 have been utilised by the Company for its business subsequent to March 31, 2024.

(1) Net Tangible Assets, as restated, mean the sum of all net assets of the Company and excluding other intangible assets and intangible assets under development, each on restated basis and as defined in Indian Accounting Standard 38.

(2) Restated Operating Profit has been calculated as restated profit before tax excluding other income and finance costs each on a restated basis.

(3) Restated Net Worth has been defined as the aggregate value of the paid-up capital and all reserves created out of the profits and securities premium account and credit balance of restated statement of profit and loss, as per the restated statement of assets and liabilities.

(4) Restated Monetary Assets = Cash on hand + balance with banks in current accounts – bank account earmarked + balance with banks in deposit accounts (deposits for original maturity of less than 3 months and deposits for original maturity of more than 3 months) + Investment in G Sec + Investment in T-bills.

(5) Monetary Assets as restated as a percentage of the Net Tangible Assets' as restated means Monetary Assets as restated divided by Net Tangible Assets, as restated, expressed as a percentage.

We are currently eligible to undertake the Offer as per Rule 19(2)(b) of the SCRR read with Regulation 6(1) of the SEBI ICDR Regulations, to the extent applicable.

Our Company has operating profit in each of the Fiscals 2025, 2024 and 2023 as indicated in the table above. Our average restated operating profit for Fiscals 2025, 2024 and 2023 is ₹7,734.64 million.

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted shall not be less than 1,000, failing which the entire application monies shall be refunded in accordance with the SEBI ICDR Regulations and timelines specified under other applicable laws. None of the Selling Shareholders shall be liable to reimburse our Company for any interest paid by it on behalf of the Selling Shareholders on account of any delay with respect to Allotment of the respective portion of the Offered Shares offered by such Selling Shareholder in the Offer for Sale, or otherwise.

Our Company is in compliance with conditions specified in Regulations 5 and 7(1) of the SEBI ICDR Regulations to the extent applicable and will ensure compliance with Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable.

a. None of our Company, our Promoters, members of our Promoter Group, the Selling Shareholders or our Directors are debarred from accessing the capital markets by the SEBI;
b. None of our Promoters or Directors are promoters or directors of companies which are debarred from accessing the capital markets by the SEBI;
c. Neither our Company nor our Promoters or Directors are categorised as a Wilful Defaulter or a Fraudulent Borrower;
d. Neither our Individual Promoters nor our Directors have been declared a fugitive economic offender (in accordance with Section 12 of the Fugitive Economic Offenders Act, 2018);
e. Except for the options granted under the ESOP Schemes, there are no outstanding convertible securities of our Company or any other right which would entitle any person with any option to receive Equity Shares of our Company as at the date of filing of this Draft Red Herring Prospectus;

f. Our Company has entered into the following tripartite agreements for dematerialization of the Equity Shares:

   a. tripartite agreement dated February 1, 2010 among our Company, NSDL and the Registrar to the Offer; and

   b. tripartite agreement dated February 19, 2010 among our Company, CDSL and the Registrar to the Offer.

g. The Equity Shares of our Company held by our Promoters, members of our Promoter Group, Selling Shareholders, Directors, Key Managerial Personnel, members of Senior Management and employees (as defined in Regulation 7 of SEBI ICDR Regulations), qualified institutional buyers and entities regulated by Financial Sector Regulators (as defined in Regulation 7 of SEBI ICDR Regulations), as applicable, are in dematerialised form;
h. The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as at the date of filing of this Draft Red Herring Prospectus; and
i. There is no requirement for us to make firm arrangements of finance under Regulation 7(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance.

Disclaimer Clause of SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS DRAFT RED HERRING PROSPECTUS TO 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 OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGERS, BEING DAM CAPITAL ADVISORS LIMITED, MOTILAL OSWAL INVESTMENT ADVISORS LIMITED AND SBI CAPITAL MARKETS LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI ICDR REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS AND THE SELLING SHAREHOLDERS ARE, SEVERALLY AND NOT JOINTLY, RESPONSIBLE ONLY FOR THE STATEMENTS SPECIFICALLY CONFIRMED OR UNDERTAKEN BY THEM IN THIS DRAFT RED HERRING PROSPECTUS IN RELATION TO THEMSELVES OR THE RESPECTIVE PORTION OF THE EQUITY SHARES BEING OFFERED BY THEM IN THE OFFER FOR SALE, THE BOOK RUNNING LEAD MANAGERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND THE SELLING SHAREHOLDERS DISCHARGE THEIR RESPECTIVE RESPONSIBILITIES ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BRLMS, BEING DAM CAPITAL ADVISORS LIMITED, MOTILAL OSWAL INVESTMENT ADVISORS LIMITED AND SBI CAPITAL MARKETS LIMITED, HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED MAY 15, 2026 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013, OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGERS ANY IRREGULARITIES OR LAPSES IN THIS DRAFT RED HERRING PROSPECTUS.

All legal requirements pertaining to the Offer will be complied with at the time of filing of the Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act, 2013. All legal requirements pertaining to the Offer will be complied with at the time of filing of the Prospectus with the RoC in terms of Sections 26, 32, 33(1) and 33(2) of the Companies Act, 2013.

Caution - Disclaimer from our Company, Promoters, our Directors and the BRLMs

Our Company, our Promoters, our Directors and the BRLMs accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance. Anyone placing reliance on any other source of information, including our Company's website, www.arohan.in or any website of any affiliates of our Company would be doing so at their own risk.

All information, to the extent required in relation to the Offer, shall be made available by our Company and the BRLMs to the public and investors at large and no selective or additional information would be made available by our Company and the BRLMs for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at Bidding Centers or elsewhere.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, the BRLMs and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Underwriters, the BRLMs and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The BRLMs and their respective associates and affiliates in their capacity as principals or agents may engage in transactions with, and perform services for, our Company, the Promoters, Promoter Group, the Selling Shareholders, the Group Companies and their respective directors and officers, affiliates, associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, the Promoters, the Promoter Group, the Selling Shareholders, the Group Companies and their respective directors and officers, affiliates, associates or third parties, for which they have received, and may in the future receive, compensation.

Disclaimer from the Selling Shareholders

The Selling Shareholders, severally or jointly, accept no responsibility for statements made otherwise in this Draft Red Herring Prospectus in relation to itself and in relation to its respective portion of Offered Shares or in the advertisements or any other material issued by or at our Company's instance in relation to itself and in relation to its respective portion of Offered Shares and anyone placing reliance on any other source of information, including our Company's website www.arohan.in, or the respective websites of any affiliate of our Company or the Selling Shareholders would be doing so at his or her own risk. Each Selling Shareholder accepts no responsibility for any statements made in this Draft Red Herring Prospectus other than those specifically made or confirmed by such Selling Shareholder in relation to itself as a Selling Shareholder or its respective portion of Offered Shares.

Bidders will be required to confirm and will be deemed to have represented to each Selling Shareholder and its respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. The Selling Shareholders, severally or jointly, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

Neither the delivery of this Draft Red Herring Prospectus nor the offer of the Equity Shares in the Offer shall, under any circumstances, create any implication that there has been no change in the affairs of our Company or the Selling Shareholders since the date of this Draft Red Herring Prospectus or that the information contained herein is correct as of any time subsequent to this date.

Disclaimer in respect of jurisdiction

The Offer is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, as amended, including Indian nationals resident in India, HUFs, companies, other corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, domestic Mutual Funds registered with the SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), systemically important NBFCs registered with the RBI or trusts under applicable trust law and who are authorized under their constitution to hold and invest in equity shares, insurance companies registered with the IRDAI, permitted provident funds and pension funds fulfilling the minimum corpus requirements under the SEBI ICDR Regulations, National Investment Fund, insurance funds set up and managed by the army, navy and air force of the Union of India, insurance funds set up and managed by the Department of Posts, Government of India and to NBFC-SI registered with RBI, Eligible FPIs, AIFs, FVCIs (under Schedule I of the FEMA Rules), public financial institutions as specified in Section 2(72) of the Companies Act, 2013 state industrial development corporations, registered multinational and bilateral development financial institutions, Eligible NRIs and other eligible foreign investors.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in accordance with any applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in 'offshore transactions' in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where such offers and sales are made.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

This Draft Red Herring Prospectus shall not constitute an offer to sell or an invitation to subscribe to or purchase Equity Shares offered hereby in any jurisdiction including India. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform themselves about, and to observe, any such restrictions. Invitations to subscribe to or purchase the Equity Shares in the Offer will be made only pursuant to the Red Herring Prospectus, if the recipient is in India or the preliminary offering memorandum for the Offer, which comprises the Red Herring Prospectus and the preliminary international wrap for the Offer, if the recipient is outside India.

Bidders are advised to ensure that any Bid from them should not exceed investment limits or the maximum number of Equity Shares that could be held by them under applicable law.

Any dispute arising out of the Offer will be subject to the jurisdiction of appropriate court(s) in Kolkata, West Bengal, India only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus has been filed with the SEBI for its observations. Accordingly, the Equity Shares represented hereby may not be offered, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction.

Disclaimer Clause of BSE

As required, a copy of this Draft Red Herring Prospectus shall be submitted to BSE. The disclaimer clause as intimated by BSE to our Company, after scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to filing with the RoC.

Disclaimer Clause of NSE

As required, a copy of this Draft Red Herring Prospectus shall be submitted to NSE. The disclaimer clause as intimated by NSE to our Company, after scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to filing with the RoC.

Disclaimer Clause of the RBI

Our Company holds a valid certificate of registration dated May 16, 2011 issued by the RBI under Section 45-IA of the Reserve Bank of India Act, 1934, with endorsement of conversion to NBFC-MFI status with effect from January 10, 2014 and with further endorsement as on June 28, 2018 reflecting the change in the status of our Company from a 'private' to 'public' company. However, the RBI does not accept any responsibility or guarantee about the present position as to the financial soundness of our Company or for the correctness of any of the statements or representations made or opinions expressed by our Company and for deposit/discharge of liabilities by our Company. Neither is there any provision in law to keep, nor does our Company keep any part of the deposits with the RBI and by issuing the certificate of registration to our Company, the RBI neither accepts any responsibility nor guarantee for the payment of the deposit amount to any depositor.

Listing

The Equity Shares issued through the Red Herring Prospectus and the Prospectus are proposed to be listed on BSE and NSE. Applications will be made to the Stock Exchanges for obtaining listing and trading permission to deal in and for an official quotation of the Equity Shares being issued and sold in the Offer. [●] will be the Designated Stock Exchange with which the Basis of Allotment will be finalized.

If the permission to deal in and for an official quotation of the Equity Shares is not granted by the Stock Exchanges, our Company shall forthwith repay, without interest, all monies received from the applicants in pursuance of the Red Herring Prospectus in accordance with applicable law. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of Equity Shares at the Stock Exchanges are taken within such time prescribed by the SEBI. If our Company does not allot Equity Shares pursuant to the Offer within such timeline as prescribed by the SEBI, it shall repay without interest all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period or such other rate prescribed by SEBI. For avoidance of doubt, no liability to make any payment of interest shall accrue to any of the Selling Shareholders.

Consents

Consents in writing of each of the Selling Shareholders, our Directors, our Company Secretary and Chief Compliance Officer, the legal counsel to our Company as to Indian law, the Bankers to our Company, the BRLMs, our Statutory Auditor, the Registrar to the Offer, the Syndicate Members, CARE, the Escrow Collection Bank(s), the Refund Bank(s), the Public Offer Account Bank(s), the Sponsor Banks and the Monitoring Agency to act in their respective capacities, have been obtained/will be obtained prior to filing of the Red Herring Prospectus with the RoC and filed (as applicable) along with a copy of the Red Herring Prospectus with the RoC as required under the Companies Act, 2013 and such consents that have been obtained have not been withdrawn as on the date of this Draft Red Herring Prospectus.

Experts

Our Company has not obtained any expert opinions other than as disclosed below.

Our Company has received written consent from the Statutory Auditor, namely, B S R & Co. LLP, Chartered Accountants, holding a valid peer review certificate from ICAI, to include its name as required under the Companies Act in this Draft Red Herring Prospectus and as an "expert" as defined under Section 2(38) of the Companies Act in respect to the (i) examination report dated May 13, 2026 on the Restated Financial Information; and (ii) report dated May 15, 2026 on the statement of possible special tax benefits, included in this Draft Red Herring Prospectus and such consent has not been withdrawn until the filing of this Draft Red Herring Prospectus.

Our Company has received written consent dated May 15, 2026 from KGRS & Co., Chartered Accountants, holding a valid peer review certificate from ICAI, to include their name in this Draft Red Herring Prospectus and be named as the independent chartered accountant as required under Section 26(1) of the Companies Act read with the SEBI ICDR Regulations and as an "expert" as defined under Section 2(38) of the Companies Act, 2013 in respect of their certificates in connection with the Offer and such consent has not been withdrawn until the filing of this Draft Red Herring Prospectus.

Our Company has received written consent dated May 15, 2026 from M/S DVD & Associates, independent practicing company secretary to include their name in this Draft Red Herring Prospectus and be named as the practicing company secretary as required under Section 26(1) of the Companies Act read with the SEBI ICDR Regulations and as an "expert" as defined under Section 2(38) of the Companies Act, 2013 in respect of their certificates in connection with the Offer and such consent has not been withdrawn until the filing of this Draft Red Herring Prospectus.

Particulars regarding capital issues during the previous three years by our company and listed group companies, subsidiaries or associate entities during the last three years

Our Company has not made any public issue of Equity Shares during the three years immediately preceding the date of this Draft Red Herring Prospectus. For details of capital issuances during the previous three years by our Company, see "*Capital Structure—Notes to Capital Structure—Share Capital History of our Company*" on page 103.

Our Company does not have any subsidiaries or associate entities. Our Company has one listed Group Company, Bharti Airtel Limited, and no capital issue has been made by Bharti Airtel Limited during the last three years.

Commission and Brokerage paid on previous issues of the Equity Shares in the last five years

Since this is the initial public offer of Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares in the five years preceding the date of this Draft Red Herring Prospectus.

Performance vis-à-vis objects – Details of Public or Rights Issues by our Company

Our Company has not made public issues or rights issues during the last five years immediately preceding the date of this Draft Red Herring Prospectus.

Performance vis-à-vis objects – Details of Public or Rights Issues by listed subsidiaries/listed Promoter of our Company

Our Company does not have any listed subsidiaries or listed corporate promoters.

The non-convertible debentures of our Company are listed on the wholesale debt segment of the BSE.

Price Information of Past Issues Handled by the BRLMs

1. DAM Capital Advisors Limited

1. Price information of past issues (during current Financial Year and two Financial Years preceding the current Financial Year) handled by DAM Capital Advisors Limited*:*

Sr. No.	Issue name	Issue size (₹ millions)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar day from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar day from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar day from listing
1	Park Medi World Limited(1)	9,200.00	162.00	December 17, 2025	158.80	-7.61%, [-0.59%]	+14.29%, [-9.33%]	Not Applicable
2	Midwest Limited(1)	4,510.00	1,065.00@@	October 24, 2025	1,165.00	+13.67%, [+1.06%]	+25.26%, [-2.47%]	+25.07%, [-4.72%]
3	TruAlt Bioenergy Limited(2)	8,392.80	496.00	October 3, 2025	550.00	-9.79%, [+3.36%]	-18.50%, [+4.94%]	-19.12%, [-11.40%]
4	Jain Resource Recycling Limited(1)	12,500.00	232.00	October 1, 2025	265.05	+71.37%, [+4.19%]	+69.48%, [+4.45%]	+99.98%, [-8.12%]
5	Anand Rathi Share and Stock Brokers Limited(1)	7,450.00	414.00^^	September 30, 2025	432.00	+24.03%, [+5.86%]	+52.00%, [+5.82%]	+5.98%, [-7.28%]
6	Ganesh Consumer Products Limited(2)	4,087.98	322.00$$	September 29, 2025	295.00	-12.05%, [+5.30%]	-32.14%, [+5.82%]	-48.37%, [-8.44%]
7	Saatvik Green Energy Limited(2)	9,000.00	465.00##	September 26, 2025	460.00	+9.26%, [+4.71%]	-17.84%, [+6.19%]	-20.72%, [-7.91%]
8	Euro Pratik Sales Limited(1)	4,513.15	247.00&&	September 23, 2025	272.10	+4.35%, [+2.78%]	+20.26%, [+3.17%]	-13.10%, [-8.16%]
9	JSW Cement Limited(1)	36,000.00	147.00	August 14, 2025	153.50	+1.17%, [+1.96%]	-16.64%, [+4.32%]	-16.03%, [+5.02%]
10	All Time Plastics Limited(2)	4,006.03	275.00**	August 14, 2025	314.30	-0.67%, [+1.62%]	+1.82%, [+4.06%]	-10.93%, [+4.30%]

Source: www.nseindia.com and www.bseindia.com
*** A discount of ₹ 26 per equity share was provided to eligible employees bidding in the employee reservation portion.*
&& A discount of ₹ 13 per equity share was provided to eligible employees bidding in the employee reservation portion.
A discount of ₹ 44 per equity share was provided to eligible employees bidding in the employee reservation portion.
$$ A discount of ₹ 30 per equity share was provided to eligible employees bidding in the employee reservation portion.
^^ A discount of ₹ 25 per equity share was provided to eligible employees bidding in the employee reservation portion.
@@A discount of ₹ 101 per equity share was provided to eligible employees bidding in the employee reservation portion
(1) NSE was the designated stock exchange for the said issue.
(2) BSE was the designated stock exchange for the said issue.

Notes:

(a) Issue size derived from prospectus / basis of allotment advertisement, as applicable
(b) Price on NSE or BSE is considered for the above calculations as per the designated stock exchange disclosed by the respective issuer at

the time of the issue, as applicable

(c) % of change in closing price on 30th / 90th / 180th calendar day from listing day is calculated vs issue price. % change in closing benchmark index is calculated based on closing index on listing day vs closing index on 30th/ 90th / 180th calendar day from listing day.

(d) Wherever 30th/ 90th / 180th calendar day from listing day is a holiday, the closing data of the previous trading day has been considered.

(e) The Nifty 50 or S&P BSE SENSEX index is considered as the benchmark index as per the designated stock exchange disclosed by the respective issuer at the time of the issue, as applicable

(f) Not Applicable – Period not completed

2. Summary statement of price information of past issues (during current Financial Year and two Financial Years preceding the current Financial Year) handled by DAM Capital Advisors Limited:

Financial Year	Total no. of IPOs	Total funds raised (₹ in millions)	Nos. of IPOs trading at discount - as on 30th calendar days from listing date			Nos. of IPOs trading at premium - as on 30th calendar days from listing date			Nos. of IPOs trading at discount - as on 180th calendar days from listing date			Nos. of IPOs trading at premium - as on 180th calendar days from listing date		
			Over 50%	Between 25%-50%	Less than 25 %	Over 50%	Between 25%-50%	Less than 25 %	Over 50%	Between 25%-50%	Less than 25 %	Over 50%	Between 25%-50%	Less than 25 %
2026-27	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2025-26	11	106,159.96	-	-	4	1	-	6	-	1	6	1	1	1
2024-25	5	80,371.02	-	-	-	2	1	2	-	-	2	2	1	-

Source: www.nseindia.com and www.bseindia.com

Notes:

a. The information is as on the date of this offer document

b. The information for each of the financial years is based on issues listed during such financial year.

Since 30 or 180 calendar days from listing date has not elapsed for few issues, hence data for same is not available.

2. Motilal Oswal Investment Advisors Limited

1. Price information of past issues (during current financial year and two financial years preceding the current financial year) overseen by Motilal Oswal Investment Advisors Limited:

S. No.	Issue name	Designated Stock Exchange	Issue Size (₹ million)	Issue price (₹)	Listing Date	Opening price on Listing Date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark] - 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 180th calendar days from listing
1.	GSP Crop Science Limited	BSE	4,000.00	320.00	March 24, 2026	332.30	30.00% [6.01%]	Not applicable	Not applicable
2.	ICICI Prudential Asset Management Company Limited	NSE	1,06,026.53	2165.00	December 19, 2025	2,600.00	35.59% [-1.05%]	39.49% [-7.46%]	Not applicable
3.	Fujiyama Power Systems Limited	BSE	8,280.00	228.00	November 20, 2025	218.40	-14.45% [-0.82%]	-8.27% [-1.74%]	Not applicable
4.	Billionbrains Garage Ventures Ltd	NSE	66,323.01	100.00	November 12, 2025	112.00	45.45% [0.09%]	66.18% [-0.12%]	104.59% [-6.65%]
5.	Midwest Ltd[##]	NSE	4,510.00	1065.00	October 24, 2025	1165.00	13.67% [1.06%]	25.26% [-3.49%]	25.07% [-5.72%]

S. No.	Issue name	Designated Stock Exchange	Issue Size (₹ million)	Issue price (₹)	Listing Date	Opening price on Listing Date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark] - 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 180th calendar days from listing
6.	Canara HSBC Life Insurance Company Ltd[$$]	NSE	25,159.50	106.00	October 17, 2025	106.00	13.50% [0.78%]	34.92% [-0.94%]	36.73% [-7.98%]
7.	Jain Resource Recycling Ltd	NSE	12,500.00	232.00	October 01, 2025	265.05	71.37% [4.19%]	69.48% [0.25%]	99.98% [-11.82%]
8.	Epack Prefab Technologies Ltd	NSE	5,040.00	204.00	October 01, 2025	183.85	29.77% [4.19%]	34.58% [0.25%]	-31.80% [-11.82%]
9.	Jaro Institute of Technology Management & Research Ltd	NSE	4,500.00	890.00	September 30, 2025	890.00	-32.12% [5.86%]	-43.52% [-0.04%]	-51.87% [-12.41%]
10.	Atlanta Electricals Limited[&&]	BSE	6,873.41	754.00	September 29, 2025	858.10	27.82% [5.30%]	24.79% [5.82%]	64.53% [-8.44%]

Source: www.nseindia.com and www.bseindia.com

Notes:

1. *The S&P CNX NIFTY or S&P BSE SENSEX is considered as the Benchmark Index, depending upon the designated stock exchange.*
2. *Price is taken from NSE or BSE, depending upon Designated Stock Exchange for the above calculations.*
3. *The 30th, 90th and 180th calendar day computation includes the listing day. If either of the 30th, 90th or 180th calendar days is a trading holiday, the previous trading day is considered for the computation. We have taken the issue price to calculate the % change in closing price as on 30th, 90th and 180th day. We have taken the closing price of the applicable benchmark index as on the listing day to calculate the % change in closing price of the benchmark as on 30th, 90th and 180th days*
4. *Not applicable – Period not completed.*

[##] *A discount of ₹ 101 per equity share was provided to eligible employees bidding in the employee reservation portion.*

[$$] *A discount of ₹ 10 per equity share was provided to eligible employees bidding in the employee reservation portion.*

[&&] *A discount of ₹ 70 per equity share was provided to eligible employees bidding in the employee reservation portion.*

2. Summary statement of price information of past issues handled by Motilal Oswal Investment Advisors Limited:

Financial Year	Total no. of IPOs	Total funds raised (₹ Millions)	Nos. of IPOs trading at discount on as on 30th calendar days from listing date			Nos. of IPOs trading at premium on as on 30th calendar days from listing date			Nos. of IPOs trading at discount as on 180th calendar days from listing date			Nos. of IPOs trading at premium as on 180th calendar days from listing date		
			Over 50%	Between 25% - 50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2026-2027	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2025-2026	21	4,92,981.69	-	1	5	3	7	5	1	3	3	3	2	5
2024-2025	7	1,08,359.23	-	-	2	1	-	4	-	1	1	-	1	4

The information for each of the financial years is based on issues listed during such financial year.

Notes: Since 30 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.

Data for number of IPOs trading at premium/discount taken at closing price on NSE or BSE on the respective date, depending upon the Designated Stock Exchange.

3. SBI Capital Markets Limited

1. Price information of past public issues (during the current Fiscal and the two Fiscals immediately preceding the current Financial Year) handled by SBI Capital Markets Limited:

S. No.	Issue Name**	Issue Size (₹ Mn.)	Issue Price (₹)	Listing Date	Opening Price on Listing Date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1	OnEMI Technology Solutions Limited#	9,259.20	171.00	May 08, 2026	190.00	-	-	-
2	Central Mine Planning & Design Institute Limited# (1)	18,414.50	172.00	March 30, 2026	160.00	10.72% [7.45%]	-	-
3	Clean max Enviro Energy Solutions Limited# (2)	30,798.84	1,053.00	March 02, 2026	960.00	-26.90% [-10.19%]	3.51% [-2.77%]	-
4	ICICI Prudential Asset Management Company Limited#	1,06,026.50	2,165.00	December 19, 2025	2,600.00	+35.59% [-1.05%]	+39.49% [-8.43%]	-
5	Fujiyama Power Systems Limited@	8,280.00	228.00	November 20, 2025	218.40	-14.45% [-0.82%]	-8.27% [-2.55%]	-
6	Canara HSBC Life Insurance Company Limited#(3)	25,159.5	106.00	October 17, 2025	106.00	+13.50% [+0.78%]	+34.92% [-0.17%]	+36.73% [-7.26%]
7	Canara Robeco Asset Management Company Limited#	13,261.26	266.00	October 16, 2025	300.45	+9.81% [+1.27%]	+5.62% [+0.57%]	-3.07% [-6.81%]
8	Rubicon Research Limited# (4)	13,775.00	485.00	October 16, 2025	628.20	+47.18% [+1.27%]	+39.61% [+0.57%]	+69.02% [-6.81%]
9	Tata Capital Limited#	1,55,118.70	326.00	October 13, 2025	330.00	-0.11% [+1.85%]	+10.43% [+1.81%]	+0.18% [-4.66%]
10	Trualt Bioenergy Limited @	8,392.80	496.00	October 03, 2025	550.00	-9.79% [+3.36%]	-18.50% [+4.94%]	-19.12% [-11.40%]

Source: www.nseindia.com and www.bseindia.com

Notes:

** The 30th, 90th and 180th calendar day computation includes the listing day. If either of the 30th, 90th or 180th calendar days isa trading holiday, the previous trading day is considered for the computation. We have taken the issue price to calculate the % change in closing price as on 30th, 90th and 180th day. We have taken the closing price of the applicable benchmark index as on the listing day to calculate the % change in closing price of the benchmark as on 30th, 90th and 180th day.*

** *The information is as on the date of this document.*
* *The information for each of the financial years is based on issues listed during such financial year.*
@ *The S&P BSE SENSEX index is considered as the Benchmark Index, BSE being the designated stock exchange*
# *The Nifty 50 index is considered as the Benchmark Index, NSE being the designated stock exchange*

1. *Price for eligible employee was ₹ 164.00 per Equity Share*
2. *Price for eligible employee was ₹ 953.00 per Equity Share*
3. *Price for eligible employee was ₹ 96.00 per Equity Share*
4. *Price for eligible employee was ₹ 439.00 per Equity Share*
5. *Price for eligible employee was ₹ 383.00 per Equity Share*

2. Summary statement of price information of past public issues (during the current Fiscal and the two Fiscals immediately preceding the current Financial Year):

Financial Year	Total no. of IPOs#	Total amount of funds raised (₹ Mn.)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50 %	Between 25-50%	Less than 25%	Over 50 %	Between 25-50%	Less than 25%	Over 50 %	Between 25-50%	Less than 25%	Over 50 %	Between 25-50%	Less than 25%
2026-27*	1	9,259.20	-	-	-	-	-	-	-	-	-	-	-	-
2025-26	15	5,24,867.38	-	1	7	1	2	4	1	1	4	2	1	2
2024-25	16	4,00,550.30	-	-	6	6	3	1	-	1	5	5	1	4

* *The information is as on the date of this Offer Document.*
# *Date of Listing for the issue is used to determine which financial year that particular issue falls into.*

Track record of past issues handled by the BRLMs

For details regarding the track record of the BRLMs, as specified in the SEBI circular dated January 10, 2012, bearing reference number CIR/MIRSD/1/2012, please see the websites of the BRLMs, as provided in the table below.

S. No.	Name of the BRLM	Website
1.	DAM Capital Advisors Limited	www.damcapital.in
2.	Motilal Oswal Investment Advisors Limited	www.motilaloswalgroup.com
3.	SBI Capital Markets Limited	www.sbicaps.com

Stock Market Data of Equity Shares

This being an initial public offer of Equity Shares of our Company, the Equity Shares are not listed on any stock exchange as on the date of this Draft Red Herring Prospectus, and accordingly, no stock market data is available for the Equity Shares.

Mechanism for Redressal of Investor Grievances

The Registrar Agreement provides for the retention of records with the Registrar to the Offer for a period of at least eight years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

In terms of the SEBI ICDR Master Circular and the SEBI RTA Master Circular, and subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares.

SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs in accordance with the SEBI ICDR Master Circular in the events of delayed unblock for cancelled/withdrawn/deleted applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/partially-allotted applications, for the stipulated period.

Further, in the event there are any delays in resolving the investor grievance beyond the date of receipt of the complaint from the investor, for each day delayed, the post-Offer BRLM shall be liable to compensate the investor at the rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher. The compensation shall be payable for the period ranging from the day on which the investor grievance is received till the date of actual unblock.

All Offer-related grievances may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder DP ID, Client ID, UPI ID, PAN, date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder.

Further, Bidders shall also enclose a copy of the Acknowledgment Slip or specify the application number duly received from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

All grievances relating to Bids submitted with Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer. The Registrar to the Offer shall obtain the required information from the SCSBs and the Sponsor Banks for addressing any clarifications or grievances of ASBA Bidders. Our Company, the Selling Shareholders, the BRLMs and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs or the Sponsor Banks including any defaults in complying with its obligations under applicable SEBI ICDR Regulations.

Our Company has also appointed Anirudh Singh Thakur, Company Secretary of our Company, as the Chief Compliance Officer for the Offer. For details, see "*General Information—Company Secretary and Chief Compliance Officer*" on page 92.

The Selling Shareholders have, severally and not jointly, authorized the Company Secretary and Chief Compliance Officer of our Company, and the Registrar to the Offer to redress, on their behalf, any complaints or investor grievances received from Bidders in respect of their respective portion of the Offered Shares.

Investors can contact our Company Secretary and Chief Compliance Officer or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations and non-receipt of funds by electronic mode.

Anchor Investors are required to address all grievances in relation to the Offer to the BRLMs, giving full details such as the name of the sole or First Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on

submission of the Bid cum Application Form and the name and address of the Book Running Lead Managers where the Bid cum Application Form was submitted by the Anchor Investor.

Disposal of Investor Grievances by Our Company

Our Company shall, after the filing of this Draft Red Herring Prospectus, apply for the authentication on the SCORES in terms of the SEBI circular bearing number SEBI/HO/OIAE/IGRD/CIR/P/2023/156 dated September 20, 2023 read with SEBI circular bearing reference number SEBI/HO/OIAE/IGRD/CIR/P/2023/183 dated December 1, 2023, issued by SEBI in relation to redressal of investor grievances through SCORES.

Our Company estimates that the average time required by our Company or the Registrar to the Offer or the relevant Designated Intermediary for the redressal of routine investor grievances shall be 10 Working Days days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has not received any investor grievances during the three years preceding the date of this Draft Red Herring Prospectus and there are no investor complaints pending as on the date of this Draft Red Herring Prospectus.

Our Company has constituted a Stakeholders' Relationship Committee comprising, John Arunkumar Diaz, Non-Executive Independent Director (chairperson), Anurag Agrawal, Promoter Nominee Director and Manojkumar N Nambiar, Managing Director as members to review and redress shareholder and investor grievances. See "*Our Management—Committees of the Board—Stakeholders' Relationship Committee*" on page 417.

Disposal of investor grievances by listed group companies

Our listed Group Company, Bharti Airtel Limited has received 49 complaints out of which the Bharti Airtel Limited has satisfactorily responded to 47 complaints and their status is closed at the SEBI SCORES Portal. However, against the remaining 2 complaints, Bharti Airtel Limited has duly submitted the action taken report (ATR) to the concerned investor, which is pending for review and relevant action by the designated stock exchange / SEBI, as of the date of this Draft Red Herring Prospectus.

Exemption from complying with any provisions of securities laws granted by the SEBI

Our Company has not applied for or received any exemption from complying with any provisions of securities laws from SEBI.

SECTION VII: OFFER RELATED INFORMATION

TERMS OF THE OFFER

The Equity Shares being offered and Allotted pursuant to the Offer shall be subject to the provisions of the Companies Act, the SEBI ICDR Regulations, the SCRA, the SCRR, our Memorandum of Association and our Articles of Association, the SEBI Listing Regulations, the terms of the Red Herring Prospectus, the Prospectus, the Abridged Prospectus, the Bid cum Application Form, the Revision Form, the CAN, Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advice and other documents/certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the issue of capital, transfer of securities and listing and trading of securities issued from time to time by the SEBI, the Government of India, the Stock Exchanges, the RBI, the RoC and/or any other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by the SEBI, the RBI, the Government of India, the Stock Exchanges, the RoC and/or any other authorities while granting its approval for the Offer.

The Offer

The Offer comprises a Fresh Issue by our Company and an Offer for Sale by the Selling Shareholders. The expenses for the Offer shall be shared amongst our Company and the Selling Shareholders in the manner specified in the section "*Objects of the Offer—Offer Related Expenses"* on page 142.

Ranking of the Equity Shares

The Equity Shares being offered and Allotted pursuant to the Offer shall rank *pari passu* in all respects with the existing Equity Shares, including in respect of the right to receive dividend and voting. The Allottees, upon Allotment of Equity Shares, will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, see "*Description of Equity Shares and Terms of the Articles of Association*" on page 674.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to our Shareholders in accordance with the provisions of Companies Act, our Memorandum of Association, our Articles of Association and provisions of the SEBI Listing Regulations and other applicable law. Dividends, if any, declared by our Company after the date of Allotment (pursuant to the transfer of Equity Shares from the Offer for Sale), will be payable to the Bidders who have been Allotted Equity Shares in the Offer, for the entire year, in accordance with applicable law. For further details in relation to dividends, see "*Dividend Policy*" and "*Description of Equity Shares and Terms of the Articles of Association*" on pages 433 and 674, respectively.

Face Value, Offer Price, Floor Price and Price Band

The face value of each Equity Share is ₹10 and the price at the lower end of the Price Band is ₹[●] per Equity Share ("**Floor Price**") and at the higher end of the Price Band is ₹[●] per Equity Share ("**Cap Price**"). The Offer Price is ₹[●] per Equity Share. The Anchor Investor Offer Price is ₹[●] per Equity Share.

The Offer Price, Price Band (including Employee Discount, if any) and the minimum Bid Lot will be decided by our Company, in consultation with the BRLMs and advertised in [●] editions of [●], an English national daily newspaper, [●] editions of [●], a Hindi national daily newspaper, and Kolkata edition of [●], a Bengali daily newspaper (Bengali being the regional language of West Bengal, where our Registered and Corporate Office is located), each with wide circulation, at least two Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available on the websites of the Stock Exchanges. The Offer Price shall be determined by our Company, in consultation with the BRLMs, after the Bid/Offer Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of the Book Building Process.

At any given point of time, there shall be only one denomination of Equity Shares.

Compliance with Disclosure and Accounting Norms

Our Company shall comply with all disclosure and accounting norms as specified by the SEBI from time to time.

Rights of Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and our Articles of Association, our Shareholders shall have the following rights:

- right to receive dividends, if declared;
- right to attend general meetings and exercise voting rights, unless prohibited by law;
- right to vote on a poll either in person or by proxy and e-voting, in accordance with the provisions of the Companies Act;
- right to receive offers for rights Equity Shares and be allotted bonus Equity Shares, if announced;
- right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- right of free transferability, subject to applicable law including any RBI rules and regulations; and
- such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the SEBI Listing Regulations, our Articles of Association and other applicable laws.

For a detailed description of the main provisions of our Articles of Association relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, see "*Description of Equity Shares and Terms of the Articles of Association*" on page 674.

Allotment only in Dematerialized Form

Pursuant to Section 29 of the Companies Act, 2013 and the SEBI ICDR Regulations, the Equity Shares shall be allotted only in dematerialized form. The trading of the Equity Shares shall only be in the dematerialized segment of the Stock Exchanges. In this context, the following agreements have been signed among our Company, the respective Depositories and the Registrar to the Offer:

- tripartite agreement dated February 1, 2010 among our Company, NSDL and the Registrar to the Offer; and
- tripartite agreement dated February 19, 2010 among our Company, CDSL and the Registrar to the Offer.

Market Lot and Trading Lot

Since trading of the Equity Shares is in dematerialized form, the tradable lot is one Equity Share. Allotment in the Offer will be only in dematerialized form in multiples of [●] Equity Shares of face value of ₹10 each subject to a minimum Allotment of [●] Equity Shares of face value of ₹10 each. For details of basis of allotment, see "*Offer Procedure*" on page 650.

Employee Discount

Employee discount, if any, may be offered to Eligible Employees Bidding in the Employee Reservation Portion respectively. Eligible Employees Bidding in the Employee Reservation Portion at a price within the Price Band can make payment at Bid Amount, that is, Bid Amount (net of Employee Discount, if any, as applicable), if any, as applicable at the time of making a Bid. Eligible Employees Bidding in the Employee Reservation Portion respectively at the Cut-Off Price have to ensure payment at the Cap Price, less employee discount, if any, as applicable, at the time

of making a Bid.

Joint Holders

Subject to the provisions contained in our Articles of Association, where two or more persons are registered as the holders of the Equity Shares, they shall be deemed to hold the same as joint tenants with benefits of survivorship.

Jurisdiction

Exclusive jurisdiction for the purpose of the Offer is with the competent courts/authorities in Kolkata, West Bengal, India.

Nomination Facility to Bidders

In accordance with Section 72 of the Companies Act, 2013 and the relevant rules notified thereunder, the sole Bidder, or the First Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of Equity Share(s) by the person nominating. A nomination may be cancelled or varied by nominating any other person in place of the present nominee by the holder of the Equity Shares who has made the nomination by giving a notice of such cancellation. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered and Corporate Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by our Board, elect either:

a) to register himself or herself as the holder of the Equity Shares; or

b) to make such transfer of the Equity Shares, 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 Equity Shares, and if the notice is not complied with within a period of 90 days, our Board may thereafter withhold payment of all dividends, bonuses, interest or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Offer 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 Bidder would prevail. If the Bidders wish to change the nomination, they are requested to inform their respective Depository Participant.

Bid/Offer Programme

BID/OFFER OPENS ON	[●][(1)]
BID/OFFER CLOSES ON	[●][(2) (3)]

(1) *Our Company may, in consultation with the BRLMs, consider participation by Anchor Investors. The Anchor Investor Bid/Offer Date shall be [●], i.e., one Working Day prior to the Bid/Offer Opening Date in accordance with the SEBI ICDR Regulations.*

(2) *Our Company may, in consultation with the BRLMs, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.*

(3) *The UPI mandate end time and date shall be 5:00 p.m. on the Bid / Offer Closing Date.*

An indicative timetable in respect of the Offer is disclosed below.

Event	Indicative Date
Finalization of Basis of Allotment with the Designated Stock Exchange	On or about [●]
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA*	On or about [●]
Allotment of Equity Shares/ Credit of Equity Shares to dematerialized accounts of Allottees	On or about [●]
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about [●]

**In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Offer Closing Date for cancelled / withdrawn / deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15 % per annum of the of the Bid Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked; (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate ₹100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked until the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked until the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Bids, exceeding two Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding two Working Days from the Bid/Offer Closing Date by the SCSB responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The Bidder shall be compensated in the manner specified in the SEBI ICDR Master Circular, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of our Company with the SCSBs and relevant intermediaries, to the extent applicable.*

The processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with the SEBI ICDR Master Circular.

The above timetable, other than the Bid/Offer Closing Date, is indicative and does not constitute any obligation on our Company, the Selling Shareholders or the BRLMs.

While our Company shall ensure that all steps for the completion of the necessary formalities for the listing and commencement of trading of the Equity Shares on the Stock Exchanges within three Working Days from the Bid/Offer Closing Date or such other period as may be prescribed by the SEBI are taken, the timetable may be extended due to various factors, such as extension of the Bid/Offer Period by our Company, in consultation with the BRLMs, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws.

Any circulars or notifications from the SEBI after the date of this Draft Red Herring Prospectus may result in changes to the above-mentioned timelines. Further, the offer procedure is subject to change to any revised circulars issued by the SEBI to this effect.

SEBI, through the SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, had reduced the post issue timeline for initial public offerings. The revised timeline of T+3 days had been made applicable mandatorily for all public issues opening on or after December 1, 2023. Accordingly, the Offer will be made under UPI Phase III on a mandatory T+3 days listing basis, subject to the timing of the Offer and any circulars, clarification or notification issued by the SEBI from time to time, including with respect to the SEBI ICDR Master Circular.

In terms of the UPI Circulars, in relation to the Offer, the BRLMs will be required to submit reports of compliance with listing timelines and activities prescribed by the SEBI in connection with the allotment and listing procedure within three Working Days from the Bid/ Offer Closing Date, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

Submission of Bids (Other than Bids from Anchor Investors)

Bid/Offer Period (except the Bid/Offer Closing Date)	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time ("**IST**")
Bid/Offer Closing Date*	
Submission of electronic applications (online ASBA through 3-in-1 accounts) – For RIBs, Eligible Employees Bidding in the Employee Reservation Portion	Only between 10.00 a.m. and up to 5.00 p.m. IST

Submission of electronic application (bank ASBA through online channels like internet banking, mobile banking and syndicate ASBA applications through UPI as a payment mechanism where Bid Amount is up to ₹500,000)	Only between 10.00 a.m. and up to 4.00 p.m. IST
Submission of electronic applications (syndicate non-retail, non-individual applications of QIBs and NIIs)	Only between 10.00 a.m. and up to 3.00 p.m. IST
Submission of physical applications (direct bank ASBA)	Only between 10.00 a.m. and up to 1.00 p.m. IST
Submission of physical applications (syndicate non-retail, non-individual applications where Bid Amount is more than ₹500,000)	Only between 10.00 a.m. and up to 12.00 p.m. IST
Modification/Revision/cancellation of Bids	
Upward Revision of Bids by QIBs and Non-Institutional Bidders categories[#]	Only between 10.00 a.m. and up to 4.00 p.m. IST on Bid/ Offer Closing Date
Upward or downward Revision of Bids or cancellation of Bids by RIBs, and Eligible Employee Bidding in the Employee Reservation Portion	Only between 10.00 a.m. and up to 5.00 p.m. IST

**UPI mandate end time and date shall be at 5:00 p.m. on the Bid/Offer Closing Date.*

 # QIBs and Non-Institutional Bidders can neither revise their bids downwards nor cancel/withdraw their Bids.

On the Bid/Offer Closing Date, the Bids shall be uploaded until:

(i) 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and

(ii) until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Bidders and Eligible Employees Bidding under the Employee Reservation Portion.

On the Bid/Offer Closing Date, extension of time may be granted by Stock Exchanges only for uploading Bids received from Retail Individual Bidders and Eligible Employees Bidding under the Employee Reservation Portion after taking into account the total number of Bids received and as reported by the BRLMs to the Stock Exchanges.

The Registrar to the Offer shall submit the details of cancelled/ withdrawn/ deleted applications to the SCSBs on a daily basis within 60 minutes of the Bid closure time from the Bid/ Offer Opening Date until the Bid/ Offer Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLMs and the RTA on a daily basis, in accordance with the format prescribed in the SEBI ICDR Master Circular.

It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism would be rejected.

Due to limitation of time available for uploading the Bids on the Bid/Offer Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Offer Closing Date and in any case no later than 12:00 p.m. IST on the Bid/Offer Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/Offer Closing Date, as is typically experienced in public offerings, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Offer. Bids and any revision in Bids will be accepted only during Working Days during the Bid/ Offer Period and revision shall not be accepted on Saturdays, Sundays and public holidays. The Designated Intermediaries shall modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period until 5.00 pm on the Bid/Offer Closing Date after which the Stock Exchange(s) send the Bid information to the Registrar to the Offer for further processing. Further, as per letter no. list/SMD/SM/2006 dated July 3, 2006 and letter no. NSE/IPO/25101-6 dated July 6, 2006 issued by BSE and NSE, respectively, Bids and any revision in Bids shall not be accepted on Saturdays, Sundays and public/bank holidays as declared by the Stock Exchanges. Bids by ASBA Bidders shall be uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchanges.

In case of any discrepancy in the data entered in the electronic book *vis-a-vis* data contained in the physical Bid cum Application Form, for a particular Bidder, the details of the Bid file received from the Stock Exchanges may be taken as the final data for the purpose of Allotment.

To avoid duplication, the facility of re-initiation provided to Syndicate Members shall preferably be allowed only once per bid/batch and as deemed fit by the Stock Exchanges, after closure of the time for uploading Bids.

Our Company, in consultation with the BRLMs, reserve the right to revise the Price Band during the Bid/Offer Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. Further, the Cap price shall be at least 105% of the Floor Price. The revision in the Price Band shall not exceed 20% on either side, *i.e.,* the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price shall not be less than the face value of the Equity Shares.

In case of any revision in the Price Band, the Bid/Offer Period will be extended by at least three additional Working Days following such revision of the Price Band, subject to the Bid/Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar unforeseen circumstances, our Company may, in consultation with the BRLMs, for reasons to be recorded in writing, extend the Bid/Offer Period for a minimum of one Working Day, subject to the Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the respective websites of the BRLMs and the terminals of the Syndicate Members and by intimation to SCSBs, other Designated Intermediaries and the Sponsor Banks, as applicable.

In case of discrepancy in the data entered in the electronic book *vis-à-vis* the data contained in the physical Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges may be taken as the final data for the purpose of Allotment.

Minimum Subscription

If our Company does not receive the minimum subscription in the Offer as specified under Rule 19(2)(b) of the SCRR or the minimum subscription of 90% of the Fresh Issue on the Bid/Offer Closing Date; or subscription level falls below aforesaid minimum subscription after the Bid/Offer Closing Date due to withdrawal of Bids or technical rejections or any other reason; or in case of devolvement of Underwriting, aforesaid minimum subscription is not received after closure of the Offer, as on date of Bid/Offer Closing Date or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares in the Offer, our Company shall forthwith refund the entire subscription amount received in accordance with applicable law including the SEBI ICDR Master Circular. If there is a delay beyond the prescribed time after our Company becomes liable to pay the amount, our Company and every Director of our Company, who are officers in default, shall pay interest at the rate of 15% per annum or such other amount prescribed under applicable law, including the SEBI ICDR Master Circular.

The requirement of minimum subscription is not applicable to the Offer for Sale. After achieving the above minimum subscription, if however, there is under-subscription in achieving the total Offer size, subject to receiving minimum subscription for 90% of the Fresh Issue and compliance with Rule 19(2)(b) of the SCRR, the Allotment for the valid Bids will be made as follows:

(i) in the first instance towards subscription for 90% of the Fresh Issue;
(ii) next, all Offered Shares offered for sale by DSDG, FMO and TIAA, in proportion to the Equity Shares offered for sale by each of DSDG, FMO and TIAA;
(iii) next, towards all Offered Shares offered for sale by each of the Investor Selling Shareholders (other than DSDG, FMO and TIAA) in proportion to the Equity Shares offered for sale by each of such Investor Selling Shareholder (other than DSDG, FMO and TIAA);
(iv) next, towards the Offered Shares offered for sale by the Corporate Selling Shareholders and Individual Selling Shareholders; and
(v) lastly, the remaining 10% of the Fresh Issue.

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted shall be not less than 1,000, failing which the entire application money shall be unblocked in the respective ASBA Accounts of the Bidders.

In case of delay, if any, in unblocking the ASBA Accounts within such timeline as prescribed under applicable laws, our Company shall be liable to pay interest on the application money in accordance with applicable laws. None of the Selling Shareholders shall be liable to reimburse our Company for any interest paid by it on behalf of the Selling Shareholders on account of any delay with respect to Allotment of the respective portion of the Offered Shares offered by such Selling Shareholder in the Offer for Sale, or otherwise.

Arrangements for Disposal of Odd Lots

Since our Equity Shares will be traded in dematerialized form only and the market lot for our Equity Shares will be one Equity Share, no arrangements for disposal of odd lots are required.

New Financial Instruments

Our Company is not issuing any new financial instruments through this Offer.

Restrictions on Transfer and Transmission of Equity Shares

Except for: (i) the lock-in of the pre-Offer Equity Share capital of our Company, the Anchor Investor lock-in and lock-in of Promoters' contribution as provided in "*Capital Structure*" on page 101and (ii) as provided under our Articles of Association, there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of Equity Shares and on their consolidation/splitting, except as provided in our Articles of Association. For details, see "*Description of Equity Shares and Terms of the Articles of Association*" on page 674.

Option to receive Equity Shares in Dematerialized Form

Allotment of Equity Shares to successful Bidders will only be in the dematerialized form. Bidders will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only in the dematerialized segment of the Stock Exchanges.

OFFER STRUCTURE

Initial public offering of up to [●] Equity Shares of face value of ₹10 each for cash at a price of ₹[●] per Equity Share (including a share premium of ₹[●] per Equity Share) aggregating up to ₹[●] million, comprising a Fresh Issue of up to [●] Equity Shares of face value of ₹10 each aggregating up to ₹6,000.00 million by our Company and an Offer for Sale of up to 40,437,529 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million by the Selling Shareholders. The details of such authorizations of each of the Selling Shareholders in relation to its respective portion of the Offered Shares are provided in "*Annexure A*" on page 722.

The Offer includes an Employee Reservation Portion of up to [●] Equity Shares of face value of ₹10 each aggregating up to ₹[●] million, for subscription by Eligible Employees. The Employee Reservation Portion shall not exceed 5% of our post-Offer paid-up Equity Share capital. The Offer less the Employee Reservation Portion is the Net Offer. The Offer and the Net Offer shall constitute [●]% and [●]%, respectively of the post-Offer paid-up Equity Share capital of our Company. The face value of our Equity Shares is ₹10 each.

Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement aggregating up to ₹1,200.00 million prior to filing of the Red Herring Prospectus. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue, *i.e.*, ₹1,200.00 million. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement, if undertaken, shall be appropriately made in the relevant sections of the RHP and the Prospectus and intimated to the Stock Exchanges within 24 hours of such Pre-IPO placement, in accordance with the SEBI ICDR Regulations.

The Offer is being made through the Book Building Process and in compliance with Regulation 32(1) of the SEBI ICDR Regulations.

Particulars	Eligible Employees#	QIBs[(3) (5)]	Non-Institutional Bidders[(5)]	Retail Individual Bidders[(5)]
Number of Equity Shares available for Allotment/allocation[(1)]	Up to [●] Equity Shares of face value of ₹10 each	Not more than [●] Equity Shares of face value of ₹10 each	Not less than [●] Equity Shares of face value of ₹10 each available for allocation or the Offer less allocation to QIB Bidders and RIBs	Not less than [●] Equity Shares of face value of ₹10 each available for allocation or the Offer less allocation to QIB Bidders and Non-Institutional Bidders
Percentage of Offer Size available for allocation	The Employee Reservation Portion shall constitute up to [●]% of the post-Offer paid-up Equity Share capital of our Company and up to [●]% of the Offer size	Not more than 50% of the Net Offer being available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion will be available for allocation on a proportionate basis to Mutual Funds only. Mutual Funds participating in the	Not less than 15% of the Net Offer, subject to the following: The allotment to each Non-Institutional Bidder shall not be less than the Minimum NIB Application Size, subject to availability of Equity Shares in the Non-Institutional Portion and the remaining available Equity Shares, if any, shall be available for allocation out of which:	Not less than 35% of the Net Offer or the Offer less allocation to QIB Bidders and Non-Institutional Bidders will be available for allocation

Particulars	Eligible Employees#	QIBs[3] [5]	Non-Institutional Bidders[5]	Retail Individual Bidders[5]
		Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be available for allocation to other QIBs in the remaining Net QIB Portion.	(i) one-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹200,000 and up to ₹1,000,000; and (ii) two-thirds of the portion available to Non-Institutional Bidders shall be reserved for applicants with application size of more than ₹1,000,000. Provided that the unsubscribed portion in either of the sub-categories specified above may be allocated to applicants in the other sub-category of Non-Institutional Bidders	
Basis of Allotment/allocation if respective category is oversubscribed	Proportionate, unless the Employee Reservation Portion is undersubscribed, the value of allocation to an Eligible Employee shall not exceed ₹200,000. In the event of undersubscription in the Employee Reservation Portion, the unsubscribed portion may be allocated, on a proportionate basis, to Eligible Employees Bidding in the Employee Reservation Portion for value exceeding ₹200,000, subject to total Allotment to an Eligible Employee not exceeding ₹500,000	Proportionate as follows (excluding the Anchor Investor Portion): (a) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) Balance [●] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above Up to [●] Equity Shares may be allocated on a discretionary basis to Anchor Investors of which 40% shall be reserved in the following manner: (i) 33.33% of the	(a) One-third of the Non-Institutional Portion shall be reserved for Bidders with application size of more than ₹200,000 and up to ₹1,000,000; and (b) two-thirds of the Non-Institutional Portion shall be reserved for Bidders with application size of more than ₹1,000,000, provided that the unsubscribed portion in either of such sub-categories may be allocated to Bidders in the other sub-category of Non-Institutional Bidders. For further details, see "*Offer Procedure*" on page 650.	The allotment to each RIB shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be allotted on a proportionate basis. For further details, see *Offer Procedure* on page 650.

Particulars	Eligible Employees#	QIBs[3] [5]	Non-Institutional Bidders[5]	Retail Individual Bidders[5]
		Anchor Investor Portion shall be reserved for domestic Mutual Funds; and (ii) 6.67% of the Anchor Investor Portion shall be reserved for Life Insurance Companies and Pension Funds, subject to valid Bid received from Mutual Funds, Life Insurance Companies and Pension Funds, as applicable at or above the Anchor Investor Allocation Price. Any under-subscription in the portion for Life Insurance Companies and Pension Funds as specified in (ii) above may be allocated to domestic Mutual Funds, in accordance with the SEBI ICDR Regulations.[4]		
Mode of Bidding[2]	Only through the ASBA process (including the UPI Mechanism, as applicable) (except for Anchor Investors) SEBI through the SEBI ICDR Master Circular, has prescribed that all individual investors applying in initial public offerings, where the application amount is up to ₹500,000, shall use UPI. Individual investors bidding under the Non-Institutional Portion bidding for more than ₹200,000 and up to ₹500,000 shall be required to use the UPI Mechanism			
Minimum Bid	[●] Equity Shares	Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds ₹200,000	Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds ₹200,000	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Maximum Bid	Such number of Equity Shares and in multiples of [●] Equity Shares, so that the maximum Bid Amount by each Eligible Employee in the Employee Reservation	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Offer, (excluding the Anchor Portion) subject to	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Offer (excluding the QIB Portion), subject to applicable limits to Bidder	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹200,000

Particulars	Eligible Employees#	QIBs[3] [5]	Non-Institutional Bidders[5]	Retail Individual Bidders[5]
	Portion does not exceed ₹500,000 (which will be less Employee Discount, if any)	applicable limits to each Bidder		
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter			
Allotment Lot	[●] Equity Shares and in multiples of one Equity Share thereafter	[●] Equity Shares and in multiples of one Equity Share thereafter	The Allotment to NIBs shall not be less than the minimum non institutional application size (*i.e.*, ₹2,00,000)	[●] Equity Shares and in multiples of one Equity Share thereafter subject to availability in the Retail Portion
Trading Lot		One Equity Share		
Mode of Allotment		Compulsory in dematerialized form		
Who can apply[6]	Eligible Employees	Public financial institutions as specified in Section 2(72) of the Companies Act, 2013, scheduled commercial banks, mutual funds registered with SEBI, eligible FPIs (other than individuals, corporate bodies and family offices), VCFs, AIFs, FVCIs registered with the SEBI, multilateral and bilateral development financial institutions, state industrial development corporation, insurance company registered with IRDAI, provident fund with minimum corpus of ₹250.00 million, pension fund with minimum corpus of ₹250.00 million registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund	Resident Indian individuals, Eligible NRIs, HUFs (in the name of *karta*), companies, corporate bodies, scientific institutions, societies, trusts and any individuals, corporate bodies and family offices including FPIs which are individuals, corporate bodies and family offices which are re-categorized as Category II FPIs and registered with SEBI.	Resident Indian individuals, Eligible NRIs and HUFs (in the name of *karta*).

Particulars	Eligible Employees#	QIBs[3] [5]	Non-Institutional Bidders[5]	Retail Individual Bidders[5]
		Regulatory and Development Authority Act, 2013, National Investment Fund set up by the Government, insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important NBFCs.		
Terms of Payment	**In case of Anchor Investors:** Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids[7] **In case of other Bidders**: Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Banks through the UPI Mechanism (for RIBs or individual investors Bidding under the Non-Institutional Portion for an amount of more than ₹200,000 and up to ₹500,000) that is specified in the ASBA Form at the time of submission of the ASBA Form.			

 # Eligible Employees Bidding in the Employee Reservation Portion can Bid up to a Bid Amount of ₹500,000 (net of Employee Discount, if any, as applicable). However, a Bid by an Eligible Employee in the Employee Reservation Portion will be considered for allocation, in the first instance, for a Bid Amount of up to ₹200,000 (net of Employee Discount, if any, as applicable). In the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation, proportionately to all Eligible Employees who have Bid in excess of ₹200,000 (net of Employee Discount, if any, as applicable), subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹500,000 (net of Employee Discount, if any, as applicable). An Eligible Employee Bidding in the Employee Reservation Portion can also Bid in the Non-Institutional Portion or the Retail Portion and such Bids will not be treated as multiple Bids. The unsubscribed portion, if any, in the Employee Reservation Portion shall be added back to the Net Offer. In case of under-subscription in the Net Offer, spill-over to the extent of such under-subscription shall be permitted from the Employee Reservation Portion.

(1) Assuming full subscription in the Offer.

(2) Pursuant to the SEBI ICDR Master Circular ASBA applications in the Offer will be processed only after the Bid Amounts are blocked in the bank accounts of the investors. Accordingly, Stock Exchanges shall, for all categories of investors and all modes through which the applications are processed, accept ASBA Forms in their electronic book building platform only with a mandatory confirmation on the Bid Amounts blocked.

(3) The Offer is being made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Net Offer shall be available for allocation on a proportionate basis to QIBs. Such number of Equity Shares representing 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to all QIBs. Further, not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Offer shall be available for allocation to RIBs in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price.

(4) Our Company, in consultation with the BRLMs, may allocate up to 60% of the Net QIB Portion to Anchor Investors on a discretionary basis, in accordance with SEBI ICDR Regulations of which 40% shall be reserved in the following manner: (i) 33.33%. of the Anchor Investor Portion shall be reserved for domestic Mutual Funds; and (ii) 6.67% of the Anchor Investor Portion shall be reserved for Life Insurance Companies and Pension Funds, subject to valid Bids being received, from domestic Mutual Funds, Life Insurance Companies and Pension Funds, as applicable, at or above the Anchor Investor Allocation Price, which price shall be determined by our Company in consultation with the BRLMs. Any under-subscription in the portion for Life Insurance Companies and Pension Funds as specified in (ii) above, may be allocated to domestic Mutual Funds, in accordance with the SEBI ICDR Regulations. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the Net QIB Portion. For further details, see "Offer Procedure" on page 650.

(5) Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company,

in consultation with the Book Running Lead Managers and the Designated Stock Exchange, on a proportionate basis. However, undersubscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. For further details, see "Terms of the Offer" on page 637.

(6) If the Bid is submitted in joint names, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the depository account held in joint names. The signature of only the first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, the members of the Syndicate, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

(7) Anchor Investors are not permitted to use the ASBA process. Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Offer Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN. In case the Offer Price is lower than the Anchor Investor Allocation Price, the amount in excess of the Offer Price paid by the Anchor Investors shall not be refunded to them.

Under-subscription, if any, in any category except the QIB Portion, would be met with spill-over from the other categories at the discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange. Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares in the Offer.

Employee Discount, if any, will be offered to Eligible Employees Bidding in the Employee Reservation Portion. Eligible Employees Bidding in the Employee Reservation Portion at a price within the Price Band can make payment based on Bid Amount net of Employee Discount, at the time of making a Bid. Eligible Employees Bidding in the Employee Reservation Portion at the Cut-Off Price have to ensure payment at the Cap Price, less Employee Discount, if any, at the time of making a Bid.

OFFER PROCEDURE

*All Bidders should read the General Information Document for investing in public offers prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars (the "**General Information Document**"), which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the Abridged Prospectus. The General Information Document is also available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer, including in relation to the process for Bids through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.*

Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of CAN and Allotment in the Offer; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) submission of Bid cum Application Form; (viii) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (ix) applicable provisions of the Companies Act, 2013 relating to punishment for fictitious applications; (x) mode of making refunds; (xi) Designated Date; (xii) disposal of applications; and (xiii) interest in case of delay in Allotment or refund.

*The SEBI by its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 (read with the SEBI ICDR Master Circular), has introduced an alternate payment mechanism using Unified Payments Interface ("**UPI**") and consequent reduction in timelines for listing in a phased manner. Further, SEBI by the SEBI ICDR Master Circular, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. The provisions of the SEBI ICDR Master Circular are deemed to form part of this Draft Red Herring Prospectus. Furthermore, pursuant to the SEBI ICDR Master Circular, all individual bidders in initial public offerings whose application sizes are up to ₹500,000 are required to use the UPI Mechanism.*

*Pursuant to the SEBI ICDR Master Circular, the time period for listing of equity shares pursuant to a public issue has been reduced from six Working Days to three Working Days, and as a result, the final reduced timeline of T+3 days has been made effective using the UPI Mechanism for applications by UPI Bidders ("**UPI Phase III**"). Accordingly, subject to any circulars, clarification or notification issued by the SEBI from time to time, this Offer will be undertaken pursuant to the processes and procedures prescribed under UPI Phase III, subject to any circulars, clarifications or notifications which may be issued by the SEBI.*

Pursuant to the SEBI ICDR Master Circular, applications made using the ASBA facility in initial public offerings shall be processed by the Registrar along with the SCSBs only after application monies are blocked in the bank accounts of ASBA Bidders. Accordingly, Stock Exchanges shall, for all categories of investors and other reserved categories and also for all modes through which the applications are processed, accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked.

In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in the SEBI ICDR Master Circular shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and lead managers shall continue to coordinate with intermediaries involved in the said process. In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the application amount for the entire duration of delay exceeding two Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking.

The information herein is subject to any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or

maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and the Prospectus, when filed.

The BRLMs shall be the nodal entity for any issues arising out of public issuance process.

Book Building Procedure

The Offer is being made in terms of Rule 19(2)(b) of the SCRR read with Regulations 31 and 32(1) of the SEBI ICDR Regulations, through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Net Offer shall be available for allocation on a proportionate basis to QIBs, provided that our Company may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which 40% shall be reserved in the following manner: (i) 33.33% of the Anchor Investor Portion shall be reserved for domestic Mutual Funds; and (ii) 6.67% of the Anchor Investor Portion shall be reserved for Life Insurance Companies and Pension Funds, subject to valid Bids being received from domestic Mutual Funds, Life Insurance Companies and Pension Funds, as applicable, at or above the Anchor Investor Allocation Price. Any under-subscription in the Life Insurance Companies and Pension Funds category specified in (ii) above, may be allocated to domestic Mutual Funds In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and spill-over from the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Net Offer shall be available for allocation to Non-Institutional Bidders in accordance with the SEBI ICDR Regulations, out of which (a) one-third of such portion shall be reserved for applicants with application size of more than ₹200,000 and up to ₹1,000,000; and (b) two-third of such portion shall be reserved for applicants with application size of more than ₹1,000,000, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders and not less than 35% of the Net Offer shall be available for allocation to RIBs in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price, net of Employee Discount, if any.

The Offer includes a reservation of up to [●] Equity Shares of face value of ₹10 each, aggregating up to ₹[●] million, for subscription on a proportionate basis by Eligible Employees. The Employee Reservation Portion shall not exceed 5% of our post-Offer paid up Equity Share capital.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category, including the Employee Reservation Portion, except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories of Bidders at the discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Offer Price. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from any other category or a combination of categories. Further, in the event of an under-subscription in the Employee Reservation Portion, such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹200,000, subject to the total Allotment to an Eligible Employee not exceeding ₹500,000. The unsubscribed portion, if any, in the Employee Reservation Portion shall be added to the Net Offer.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

All potential Bidders (except Anchor Investors) are required to mandatorily utilize the ASBA process providing details of their respective ASBA accounts, and UPI ID (in case of UPI Bidders) if applicable, in which the corresponding Bid Amounts will be blocked by the SCSBs or under the UPI Mechanism, as applicable.

Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialized form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, the PAN and UPI ID, for UPI Bidders using the UPI Mechanism, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical

form. However, they may get their Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Offer, subject to applicable laws.

Investors must ensure that their PAN is linked with Aadhaar and are in compliance with Central Board of Direct Taxes notification dated February 13, 2020 and the press releases dated June 25, 2021, September 17, 2021, March 30, 2022 and March 28, 2023.

Phased implementation of Unified Payments Interface

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of *inter alia*, equity shares. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIBs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. The SEBI by circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, read with the SEBI ICDR Master Circular, has reduced the time period for listing of equity shares pursuant to a public issue from six Working Days to three Working Days. This Offer will be undertaken pursuant to the processes and procedures prescribed under UPI Phase III, subject to any circulars, clarifications or notifications which may be issued by the SEBI.

Pursuant to the SEBI ICDR Master Circular, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the SEBI ICDR Master Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one day from the date on which the Basis of Allotment is finalized. Failure to unblock the accounts within the timeline would result in the SCSBs being penalized under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the post–Offer BRLM will be required to compensate the concerned investor.

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 Sponsor Banks to act as conduits between the Stock Exchanges and NPCI in order to facilitate collection of requests and/ or payment instructions of the UPI Bidders using the UPI.

Further, pursuant to the SEBI ICDR Master Circular, all individual investors applying in public issues where the application amount is up to ₹500,000 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:

a) a syndicate member;
b) a stock broker recognised with a registered stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity);
c) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for this activity);
d) 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)

Further, in accordance with the SEBI ICDR Master Circular, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLMs, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

For further details, refer to the "*General Information Document*" available on the websites of the Stock Exchanges and the BRLMs.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the Abridged Prospectus will be available with the Designated Intermediaries at the Bidding Centres and our Registered and Corporate Office. An electronic copy of the Bid cum Application Form will also be available for download on the websites of NSE (www.nseindia.com) and BSE (www.bseindia.com) at least one day prior to the Bid/Offer Opening Date.

For Anchor Investors, copies of the Anchor Investor Application Form will be available at the offices of the BRLMs.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

UPI Bidders using the UPI Mechanism must provide the valid UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain the UPI ID are liable to be rejected.

ASBA Bidders (other than UPI Bidders using UPI Mechanism) must provide bank account details and authorization to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details are liable to be rejected. The ASBA Bidders shall ensure that they have sufficient balance in their bank accounts to be blocked through ASBA for their respective Bid as the application made by a Bidder shall only be processed after the Bid amount is blocked in the ASBA account of the Bidder pursuant to the SEBI ICDR Master Circular.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. UPI Bidders using UPI Mechanism, may submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, sub-Syndicate Members, Registered Brokers, RTAs or CDPs. RIBs authorizing an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. ASBA Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Banks, as applicable at the time of submitting the Bid. In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked/ unblocked including details as prescribed in the SEBI ICDR Master Circular.

Since the Offer is made under Phase III (on a mandatory basis), ASBA Bidders may submit the ASBA Form in the manner below:

(i) RIBs (other than UPI Bidders) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

(ii) UPI Bidders using the UPI Mechanism, may submit their ASBA Forms with the Syndicate, sub-Syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

(iii) QIBs and NIBs not using the UPI Mechanism may submit their ASBA Forms with SCSBs, Syndicate, sub-Syndicate members, Registered Brokers, RTAs or CDPs.

The prescribed color of the Bid cum Application Form for the various categories is as disclosed below.

Category	Color of Bid cum Application Form*
Resident Indians, including resident QIBs, Non-Institutional Bidders, Retail Individual Bidders and Eligible NRIs applying on a non-repatriation basis	[●]
Non-Residents including Eligible NRIs, FVCIs, FPIs, registered multilateral and bilateral development financial institutions applying on a repatriation basis	[●]

Category	Color of Bid cum Application Form*
Anchor Investors	[●]
Eligible Employees Bidding in the Employee Reservation Portion	[●]

** Excluding electronic Bid cum Application Form*

Notes:

(1) Electronic Bid Cum Application Forms and the Abridged Prospectus will also be available for download on the website of NSE (www.nseindia.com) and BSE (www.bseindia.com).

(2) Bid cum Application Forms for Anchor Investors will be made available at the office of the BRLMs.

(3) Bid cum Application Forms for Eligible Employees will be available only at our Registered and Corporate Office.

In case of ASBA forms, the relevant Designated Intermediaries shall upload the relevant Bid details in the electronic bidding system of the Stock Exchanges. For ASBA Forms (other than through UPI Mechanism) Designated Intermediaries (other than SCSBs) shall submit/ deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank. In accordance with the SEBI ICDR Master Circular, all the ASBA applications in public issues shall be processed only after the application monies are blocked in the investor's bank accounts. Stock Exchanges shall accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked. The SEBI ICDR Master Circular shall be applicable for all categories of investors viz. RIB, QIB and NIB and also for all modes through which the applications are processed.

For UPI Bidders using the UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Banks on a continuous basis to enable the Sponsor Banks to initiate the UPI Mandate Request to UPI Bidders for blocking of funds. The Sponsor Banks shall initiate request for blocking of funds through NPCI to UPI Bidders, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchanges bidding platform, and the liability to compensate UPI Bidders (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (*i.e.*, the Sponsor Banks, NPCI or the Bankers to the Offer) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the Bankers to the Offer. The BRLMs shall also be required to obtain the audit trail from the Sponsor Banks and the Bankers to the Offer for analyzing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts as specified in the SEBI ICDR Master Circular.

Pursuant to NSE circular dated July 22, 2022 with reference no. 23/2022 and BSE circular dated July 22, 2022 with reference no. 20220722-30, has mandated that trading members, Syndicate Members, RTA and Depository Participants shall submit Syndicate ASBA bids above ₹500,000 and NIB and QIB bids above ₹200,000, through SCSBs only.

For all pending UPI Mandate Requests, the Sponsor Banks shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 p.m. on the Bid/Offer Closing Date ("**Cut-Off Time**"). Accordingly, UPI Bidders Bidding through the UPI Mechanism should accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. Further, pursuant to the NSE circular dated August 3, 2022 with reference no. 25/ 2022, there shall be no T+1 mismatch modification session for PAN-DP mismatch and bank/ location code on T+1 day for already uploaded bids. The dedicated window provided for mismatch modification on T+1 day shall be discontinued. Further, bid entry and modification/ cancellation (if any) shall be allowed in parallel to the regular bidding period up to 5:00 p.m. on the Bid/Offer Closing Date.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the SCSBs only after such banks provide a written confirmation on compliance with the UPI Circulars.

The Sponsor Banks will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Banks will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the BRLMs in the format and within the timelines as specified under the UPI Circulars. Sponsor Banks and issuer banks shall download UPI settlement files

and raw data files from the NPCI portal after every settlement cycle and do a three way reconciliation with UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Banks on a continuous basis.

The Sponsor Banks shall host a web portals for intermediaries (closed user group) from the date of Bid/Offer Opening Date until the date of listing of the Equity Shares with details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, down-time/network latency (if any) across intermediaries and any such processes having an impact/bearing on the Offer Bidding process.

Electronic registration of Bids

a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the Offer.

b) On the Bid/Offer Closing Date, the Designated Intermediaries may upload the Bids until such time as may be permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus.

c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given until 5:00 p.m. for Retail Individual Bidders and 4:00 p.m. for NIB and QIB on the Bid/Offer Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period after which the Stock Exchange(s) send the Bid information to the Registrar to the Offer for further processing.

d) QIBs and Non-Institutional Bidders can neither revise their bids downwards nor cancel/withdraw their bids.

Participation by the Promoters, the members of the Promoter Group, the BRLMs, the Syndicate Members and persons related to Promoters/the members of the Promoter Group/the BRLMs

The BRLMs and the Syndicate Members shall not be allowed to purchase the Equity Shares in any manner, except towards fulfilling their underwriting obligations. However, the respective associates and affiliates of the BRLMs and the Syndicate Members may Bid for the Equity Shares in the Offer, either in the QIB Portion or in the Non-Institutional Portion, as may be applicable to such Bidders, and such subscription may be on their own account or on behalf of their clients. All categories of investors, including respective associates or affiliates of the BRLMs and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Neither the BRLMs nor any associate of the BRLMs can apply in the Offer under the Anchor Investor Portion, except for:

(i) mutual funds sponsored by entities which are associates of the BRLMs;
(ii) insurance companies promoted by entities which are associates of the BRLMs;
(iii) AIFs sponsored by the entities which are associates of the BRLMs;
(iv) FPIs (other than individuals, corporate bodies and family offices) which are associates of the BRLMs; or
(v) pension funds sponsored by entities which are associates of the BRLMs

Further, an Anchor Investor shall be deemed to be an associate of the BRLMs, if: (a) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (b) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (c) there is a common director, excluding a nominee director, among the Anchor Investor and the BRLMs.

Our Promoters, the members of the Promoter Group shall not participate by applying for Equity Shares in the Offer. Further, persons related to the Promoter and Promoter Group shall not apply in the Offer under the Anchor Investor Portion.

A QIB who has any of the following rights in relation to our Company shall be deemed to be a person related to our Promoters or the members of the Promoter Group of our Company:

(i) rights under a shareholders' agreement or voting agreement entered into with our Promoters or the members of the Promoter Group of our Company;
(ii) veto rights; or
(iii) right to appoint any nominee director on the Board.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, reserves the right to reject any Bid without assigning any reason thereof, subject to applicable law.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its NAV in equity shares or equity-related instruments of any single company, provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by HUFs

Bids by Hindu Undivided Families or HUFs, should be made in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*". Bids/Applications by HUFs will be considered at par with Bids/Applications from individuals.

Bids by Eligible NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Eligible NRI Bidders Bidding on a repatriation basis by using the Non-Resident Forms should authorise their respective SCSB (if they are Bidding directly through the SCSB) or confirm or accept the UPI Mandate Request (in case of UPI Bidders) to block their Non- Resident External ("**NRE**") accounts, or Foreign Currency Non-Resident ("**FCNR**") accounts, and eligible NRI Bidders Bidding on a non-repatriation basis by using Resident Forms should authorize their respective SCSBs (if they are Bidding directly through SCSB) or confirm or accept the UPI Mandate Request (in case of UPI Bidders) to block their Non-Resident Ordinary ("**NRO**") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form. Eligible NRIs applying on a non-repatriation basis in the Offer through the UPI Mechanism are advised to enquire with their relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form.

Participation of Eligible NRIs in the Offer shall be subject to compliance with the FEMA NDI Rules. In accordance with the FEMA NDI Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up Equity Share capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is adopted by the general body of the Indian company.

NRIs will be permitted to apply in the Offer through Channel I or Channel II (as specified in the UPI Circulars). Further, subject to applicable law, NRIs may use Channel IV (as specified in the UPI Circulars) to apply in the Offer, provided the UPI facility is enabled for their NRE/ NRO accounts.

NRIs applying in the Offer using UPI Mechanism are advised to enquire with the relevant bank whether their bank account is UPI linked prior to making such application. For details of investment by NRIs, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 672.

Bids by FPIs

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) must be below 10% of our post-Offer Equity Share capital. Further, in terms of the FEMA Non-debt Instruments Rules, with effect from April 1, 2020, the aggregate FPI investment limit is the sectoral cap applicable to an Indian company as prescribed in the FEMA Non-debt Instruments Rules with respect to its paid-up equity capital on a fully diluted basis. Currently, the sectoral cap for NBFCs is 100% under the automatic route and accordingly, the applicable limit with respect to our Company is 100%.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time. In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for Non-Residents ([●] in colour).

In terms of the FEMA, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included. FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalization of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Offer to ensure there is no breach of the investment limit, within the timelines for issue procedure, as prescribed by SEBI from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments(as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by, or on behalf of it subject to, *inter alia*, the following conditions:

(i) such offshore derivative instruments are transferred to persons subject to fulfilment of SEBI FPI Regulations; and

(ii) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred are pre-approved by the FPI.

Bids by FPIs which utilise the multi investment manager structure in accordance with the SEBI FPI Master Circular submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids ("**MIM Bids**"). FPIs bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected, except for Bids from FPIs that utilise the multi investment manager structure in accordance with the Operational FPI Guidelines (such structure referred to as "**MIM Structure**"). In order to ensure valid Bids, FPIs making MIM Bids using the same PAN and with different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM Structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected.

Further, in the following cases, the bids by FPIs will not be considered as multiple Bids: involving (i) the MIM Structure and indicating the name of their respective investment managers in such confirmation; (ii) offshore derivative instruments ("**ODI**") which have obtained separate FPI registration for ODI and proprietary derivative investments; (iii) sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration; (iv) FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager; (v) multiple branches in different jurisdictions of foreign bank registered as FPIs; (vi) Government and Government related investors registered as Category 1 FPIs; and (vii) Entities registered as Collective Investment Scheme having multiple share classes.

Please note that in terms of the General Information Document, the maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under applicable laws. Further, MIM Bids by an FPI Bidder utilising the MIM Structure shall be aggregated for determining the permissible maximum Bid. Further, please note that as disclosed in this Draft Red Herring Prospectus read with the General Information Document, Bid Cum Application Forms are liable to be rejected in the event that the Bid in the Bid cum Application Form "*exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Red Herring Prospectus.*"

For example, an FPI must ensure that any Bid by a single FPI and/ or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) (collectively, the "**FPI Group**") shall be below 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis. Any Bids by FPIs and/ or the FPI Group (including but not limited to (a) FPIs Bidding through the MIM Structure; or (b) FPIs with separate registrations for offshore derivative instruments and proprietary derivative instruments) for 10% or more of our total paid-up post Offer Equity Share capital shall be liable to be rejected.

Bids by SEBI-registered AIFs, VCFs and FVCIs

Participation of AIFs, VCFs or FVCIs in the Offer shall be subject to the FEMA NDI Rules. The SEBI FVCI Regulations, SEBI VCF Regulations and the SEBI AIF Regulations prescribe, *inter alia*, the investment restrictions on the FVCIs, VCFs and AIFs registered with SEBI respectively. While the SEBI VCF Regulations have since been repealed, the funds registered as VCFs under the SEBI VCF Regulations continue to be regulated by such regulations until the existing fund or scheme managed by the fund is wound up. FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering. Category I AIF and Category II AIF cannot invest more than 25% of the investible funds in one investee company directly or through investment in the units of other AIFs, subject to the conditions prescribed by SEBI. A Category III AIF cannot invest more than 10% of the investible funds in one investee company directly or through investment in the units of other AIFs, subject to the conditions prescribed by SEBI. AIFs which are authorized under the fund documents to invest in units of AIFs are prohibited from offering their units for subscription to other AIFs. Additionally, a VCF that has not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations (and accordingly shall not be allowed to participate in the Offer) until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

There is no reservation for Eligible NRIs, AIFs, FPIs and FVCIs, and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

The Company, the Selling Shareholders or the BRLMs will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Bids by Limited Liability Partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, reserves the right to reject any Bid without assigning any reason thereof.

Bids by Banking Companies

In case of Bids made by banking companies registered with RBI, certified copies of: (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 Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, reserves the right to reject any Bid without assigning any reason thereof. The investment limit for banking companies in non-financial services companies are set out under the Banking Regulation Act and the Reserve Bank of India (Commercial Banks – Undertaking of Financial Services) Directions, 2025, as amended, including as set out below:

A bank group may make an aggregate investment of less than 20% (with or without investment by the bank) in the equity share capital of an entity without prior approval, subject to the following conditions:

(i) The bank's CRAR shall not be less than the minimum prescribed capital (including capital conservation buffer) post the investment; and
(ii) The bank should have reported net profit in each of the preceding two financial years.

Equity investment by a banking company in any entity, including its group entity, individually, shall not exceed 10 per cent of the banking company's paid-up share capital and reserves as per the last audited balance sheet or audited/unaudited balance sheet of the latest quarter, whichever is lower.

The aggregate equity investments made in any entity, including group entities of the banking company and overseas investments, shall not exceed 20% of the bank's paid-up share capital and reserves as per the last audited balance sheet or audited/unaudited balance sheet of the latest quarter, whichever is lower.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the SEBI ICDR Master Circular. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. 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 such applications.

Bids by Systemically Important NBFCs

In case of Bids made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) the last audited financial statements on a standalone basis, (iii) a net worth certificate from its statutory auditors, and (iv) such other approval as may be required by the Systemically Important NBFCs are required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, reserves the right to reject any Bid, without assigning any reason thereof.

Systemically Important NBFCs participating in the Offer shall comply with all applicable regulations, directions, guidelines and circulars issued by the RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

Bids by Insurance Companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, reserves the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers are prescribed under the IRDAI Investment Regulations, based on investments in equity shares of the investee company, the entire group of the investee company and the industry sector in which the investee company operates. Insurance companies participating in the Offer are advised to refer to the IRDAI Investment Regulations for specific investment limits applicable to them and comply with all applicable regulations, guidelines and circulars issued by the IRDAI from time to time.

Bids by Provident Funds/Pension Funds

In case of Bids made by pension funds registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013, subject to applicable laws, with minimum corpus of ₹250 million and provident funds with minimum corpus of ₹250 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, reserves the right to reject any Bid, without assigning any reason thereof.

Bids by Eligible Employees

The Bid must be for a minimum of [●] Equity Shares of face value of ₹10 each and in multiples of [●] Equity Shares thereafter so as to ensure that the Bid Amount payable by the Eligible Employee does not exceed ₹500,000 (which will be less Employee Discount, if any). The Allotment in the Employee Reservation Portion will be on a proportionate basis. However, the initial allocation to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹2,00,000. Only in the event of an under-subscription in the Employee Reservation Portion post the initial allocation, such unsubscribed portion may be allocated on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹200,000, subject to the total Allotment to an Eligible Employee not exceeding ₹500,000. Subsequent undersubscription, if any, in the Employee Reservation Portion shall be added back to the Net Offer. Eligible Employees under the Employee Reservation Portion may Bid at Cut-off Price provided that their Bid does not exceed ₹500,000. For the method of proportionate basis of Allotment see "*Offer Procedure*" on page 650.

Bids under Employee Reservation Portion by Eligible Employees shall be:

(a) made only in the prescribed Bid cum Application Form or Revision Form (*i.e.*, [●] colour form);

(b) the Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter so as to ensure that the Bid Amount payable by the Eligible Employee does not exceed ₹500,000. The maximum Bid in this category by an Eligible Employee cannot exceed ₹500,000. However, the initial allocation to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹200,000. In the event of under-subscription in the Employee Reservation Portion upon the initial allocation, such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion for a value in excess of ₹200,000, subject to the maximum value of Allotment made to an Eligible Employee not exceeding ₹500,000;

(c) Eligible Employees should mention their employee number at the relevant place in the Bid cum Application Form;

(d) the Bidder should be an Eligible Employee. In case of joint bids, the First Bidder shall be an Eligible Employee;

(e) only Eligible Employees (as defined in this Draft Red Herring Prospectus) would be eligible to apply in the Offer under the Employee Reservation Portion;

(f) only those Bids, which are received at or above the Offer Price (net of Employee Discount, if any, as applicable), would be considered for Allotment under this category;

(g) Eligible Employees can apply at Cut-off Price;

(h) Bid by Eligible Employees can be made also in the Retail Portion or the Non-Institutional Portion and such Bids shall not be treated as multiple Bids; and

(i) if the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Offer Price, full allocation shall be made to the Eligible Employees to the extent of their demand.

In the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹200,000 (net of Employee Discount, if any, as applicable), subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹500,000 (net of Employee Discount, if any, as applicable). If the aggregate demand in this category is greater than [●] Equity Shares at or above the Offer Price, the allocation shall be made on a proportionate basis.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, eligible FPIs, Mutual Funds, Systemically Important NBFCs, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India, or the National Investment Fund, pension funds with a minimum corpus of ₹250 million registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013 and provident funds with a minimum corpus of ₹250 million (subject to applicable law), a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, reserves the right to accept or reject any Bid in whole or in part, in either case without assigning any reason therefor.

Our Company, in consultation with the BRLMs, in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company, in consultation with the BRLMs may deem fit.

In accordance with existing regulations issued by the RBI, OCBs cannot participate in this Offer.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Red Herring Prospectus, or as will be specified in the Red Herring Prospectus and the Prospectus.

Bids by Anchor Investors

In accordance with the SEBI ICDR Regulations, the key terms for participation by Anchor Investors are provided below.

(i) Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the offices of the BRLMs.

(ii) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹100 million. A Bid cannot be submitted for more than 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹100 million.

(iii) Out of 40% of the Anchor Investor Portion, 33.33% shall be reserved for allocation to domestic Mutual Funds; and 6.67% shall be reserved for Life Insurance Companies and Pension Funds, subject to valid Bids being received from domestic Mutual Funds, Life Insurance Companies and Pension Funds, as applicable, at or above the Anchor Investor Allocation Price. Any under-subscription in the portion for Life Insurance Companies and Pension Funds specified above may be allocated to domestic Mutual Funds.

(iv) Bidding for Anchor Investors will open one Working Day before the Bid/ Offer Opening Date.

(v) Our Company, in consultation with the BRLMs may finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than:

(a) where the allocation under the Anchor Investor Portion is more than ₹2,500 million, a minimum of two Anchor Investors and maximum of 15 such Anchor Investors, subject to minimum allotment of ₹50.00 million per Anchor Investor; and

(b) where the allocation under the Anchor Investor Portion is more than ₹2,500 million, a minimum of five Anchor Investors and a maximum of 15 Anchor Investors for allocation up to ₹2,500 million and an additional 15 Anchor Investors for every additional ₹2,500.00 million or part thereof, subject to a minimum allotment of ₹50.00 million per Anchor Investor.

(vi) Allocation to Anchor Investors will be completed on the Anchor Investor Bid/ Offer Date. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made, will be made available in the public domain by the BRLMs before the Bid/Offer Opening Date, through intimation to the Stock Exchanges.

(vii) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.

(viii) If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Offer Price will be payable by the Anchor Investors on the Anchor Investor Pay-in Date specified in the CAN. If the Offer Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price.

(ix) 50% of the Equity Shares allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 90 days from the date of Allotment and the remaining 50% of the Equity Shares shall be locked-in for a period of 30 days from the date of Allotment.

(x) Neither the BRLMs(s), any associate of the BRLMs (other than mutual funds sponsored by entities which are associate of the BRLMs or insurance companies promoted by entities which are associate of the BRLMs or Alternate Investment Funds (AIFs) sponsored by the entities which are associates of the BRLMs or FPIs (other than individuals, corporate bodies and family offices) which are associates of the BRLMs or pension funds sponsored by entities which are associates of the BRLMs), the Promoters, Promoter Group or any person related to the Promoter or member of the Promoter Group shall apply under the Anchor Investors Portion.

Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

For more information, please read the General Information Document.

Information for Bidders

The relevant Designated Intermediary will enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder's responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she shall surrender the earlier Acknowledgement Slip and may request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid. In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding 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 Selling Shareholders and/or the BRLMs are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of 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 Red Herring Prospectus, the Red Herring Prospectus or the Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

General Instructions

Do's:

A. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;

B. Ensure that you have Bid within the Price Band;

C. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;

D. Ensure that you (other than the Anchor Investors) have mentioned the correct details of your ASBA Account (*i.e.*, bank account number) in the Bid cum Application Form if you are not a UPI Bidder using the UPI Mechanism in the Bid cum Application Form and if you are a UPI Bidder using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;

E. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Center (except in case of electronic Bids) within the prescribed time. Bidders (other than Anchor Investors) shall submit the Bid cum Application Form in the manner set out in the General Information Document;

F. Investors must ensure that their PAN is linked with Aadhaar and are in compliance with the notification dated February 13, 2020 issued by the Central Board of Direct Taxes and the press release dated June 25, 2021, September 17, 2021, March 30, 2022 and March 28, 2023.

G. Bidders Bidding shall ensure that they use only their own ASBA Account or only their own bank account linked UPI ID (for UPI Bidders using the UPI Mechanism) to make an application in the Offer which is UPI 2.0 certified by NPCI and not ASBA Account or bank account linked UPI ID of any third party;

H. UPI Bidders Bidding using the UPI Mechanism shall make Bids only through the SCSBs, mobile applications and UPI handles whose name appears in the list of SCSBs which are live on UPI, as 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;

I. Ensure that you have funds equal to or more than the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to any of the Designated Intermediaries;

J. UPI Bidders using UPI Mechanism, may submit their ASBA Forms with the Syndicate Member, Registered Brokers, RTAs or CDPs and should ensure that the ASBA Form contains the stamp of such Designated Intermediary;

K. The ASBA Bidders shall ensure that bids above ₹500,000, are uploaded only by the SCSBs;

L. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms. If the First Bidder is not the ASBA Account holder, ensure that the Bid cum Application Form is signed by the ASBA Account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;

M. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application

Form should contain the name of only the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;

N. Ensure that you request for and receive a stamped Acknowledgment Slip in the form of a counterfoil or acknowledgment specifying the application number as a proof of having accepted the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;

O. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed, and obtain a revised Acknowledgment Slip;

P. Bidders not using the UPI Mechanism, should submit their Bid cum Application Form directly with SCSBs and/or the designated branches of SCSBs or the relevant Designated Intermediary, as applicable;

Q. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the circular (no. MRD/DoP/Cir-20/2008) dated June 30, 2008 issued by the SEBI, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of the SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the Income Tax Act. The exemption for the Central or the 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. All other applications in which PAN is not mentioned will be rejected;

R. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;

S. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;

T. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trusts, etc., the relevant documents, including a copy of the power of attorney, if applicable, are submitted;

U. Ensure that Bids submitted by any person outside India is in compliance with applicable foreign and Indian laws;

V. Since the Allotment will be in demat form only, ensure that the depository account is active, the correct DP ID, Client ID, the PAN, and UPI ID (for UPI Bidders Bidding through UPI Mechanism) and PAN are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, UPI ID (for UPI Bidders bidding through UPI Mechanism) and the PAN entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, UPI ID (for UPI Bidders bidding through UPI Mechanism) and PAN available in the Depository database;

W. In case of QIBs and NIBs, ensure that while Bidding through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at www.sebi.gov.in);

X. Bidders (except UPI Bidders Bidding through the UPI Mechanism) should instruct their respective banks to release the funds blocked in the ASBA account under the ASBA process.

Y. In case of UPI Bidders, once the Sponsor Banks issues the Mandate Request, the UPI Bidders would be required to proceed to authorize the blocking of funds by confirming or accepting the UPI Mandate Request to authorize the blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;

Z. UPI Bidders Bidding using the UPI Mechanism should mention valid UPI ID of only the Bidder (in case of single account) and of the First Bidder (in case of joint account) in the Bid cum Application Form;

AA. Ensure that when applying in the Offer using the UPI Mechanism, the name of your SCSB appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, also ensure that the name of the app and the UPI handle being used for making the application is also appearing in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019;

BB. UPI Bidders who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which UPI Bidders should ensure acceptance of the UPI Mandate Request received from the Sponsor Banks to authorize blocking of funds equivalent to the revised Bid Amount in the UPI Bidder's ASBA Account;

CC. Anchor Investors should submit the Anchor Investor Application Forms to the BRLMs;

DD. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM Structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected;

EE. Bids received from FPIs bearing the same PAN shall not be treated as multiple Bids in the event such FPIs utilise the MIM Structure and such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs;

FF. UPI Bidders Bidding through UPI Mechanism shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her/its UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, a UPI Bidder may be deemed to have verified the attachment containing the application details of the UPI Bidder in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorizes the Sponsor Banks to block the Bid Amount mentioned in the Bid cum Application Form;

GG. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Banks prior to 5:00 p.m. on the Bid/ Offer Closing Date;

HH. Bids by Eligible NRIs, HUFs and any individuals, corporate bodies and family offices who are FPIs and registered with SEBI for a Bid Amount of less than ₹200,000 would be considered under the Retail Portion for the purposes of allocation and Bids for a Bid Amount exceeding ₹200,000 would be considered under the Non-Institutional Portion for allocation in the Offer;

II. Ensure that you have correctly signed the authorization/undertaking box in the Bid cum Application Form, or have otherwise provided an authorization to the SCSB or the Sponsor Banks, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of UPI Bidders submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorize the UPI Mandate Request raised by the Sponsor Banks for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;

JJ. Ensure that the Demographic Details are updated, true and correct in all respects; and

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

Don'ts:

A. Do not Bid for lower than the minimum Bid size;

B. Do not submit a Bid using UPI ID, if you are not a UPI Bidder;

C. Do not Bid/revise the Bid Amount to an amount calculated at less than the Floor Price or higher than the Cap Price;

D. Do not Bid for a Bid Amount exceeding ₹200,000 (for Bids by Retail Individual Bidders) and ₹500,000 (for Bids by Eligible Employees Bidding in the Employee Reservation Portion, (net of Employee Discount, if any, as applicable));

E. Do not Bid for a Bid Amount exceeding ₹200,000 (for Bids by Retail Individual Bidders)

F. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);

G. Do not pay the Bid Amount in cheques, demand drafts, cash, money order, postal order or by stock invest;

H. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;

I. Do not submit the Bid for an amount more than funds available in your ASBA account;

J. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidders or an Eligible Employee bidding in the Employee Reservation Portion. Retail Individual Bidders can revise or withdraw their Bids on or before the Bid/Offer Closing Date

K. Do not submit your Bid after 3.00 p.m. on the Bid/Offer Closing Date;

L. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediary;

M. If you are a QIB, do not submit your Bid after 3 p.m. on the Bid/Offer Closing Date for QIBs;

N. In case of ASBA Bidders (other than 3 in 1 Bids) Syndicate Members shall ensure that they do not upload any bids above ₹500,000;

O. Do not Bid for Equity Shares in excess of what is specified for each category;

P. In case of ASBA Bidders and UPI Bidders using UPI mechanism, do not submit more than one Bid cum Application Form per ASBA Account or UPI ID, respectively;

Q. Do not make the Bid cum Application Form using a third party bank account or using third party linked bank account UPI ID;

R. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;

S. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a color prescribed for another category of Bidder;

T. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;

U. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);

V. Do not fill up the Bid cum Application Form such that the number of Equity Shares Bid for exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations, or under the terms of the Red Herring Prospectus;

W. Do not submit the General Index Register (GIR) number instead of the PAN;

X. Do not submit incorrect details of the DP ID, Client ID, the PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;

Y. Do not submit the ASBA Forms to any Designated Intermediary that is not authorized to collect the relevant ASBA Forms or to our Company;

Z. Do not submit the ASBA Forms to any non-SCSB Banks or to our Company or at a location other than the Bidding Centers;

AA. Do not submit Bids to a Designated Intermediary at a location other than at the relevant Bidding Centres. If you are RIB and are using UPI mechanism, do not submit the ASBA Form directly with SCSBs;

BB. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA account;

CC. Anchor Investors should not Bid through the ASBA process;

DD. Do not Bid on a Bid cum Application Form that does not have the stamp of a Designated Intermediary;

EE. 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 Bidders using the UPI Mechanism;

FF. UPI Bidders Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB or a bank which is not mentioned in the list provided in the SEBI website is liable to be rejected; and

GG. Do not Bid if you are an OCB.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Further, in case of any pre-Offer or post-Offer related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out to the Company Secretary and Chief Compliance Officer. For details of the Company Secretary and Chief Compliance Officer, see "*General Information*" on page 91.

Grounds for Technical Rejection

In addition to the grounds for rejection of Bids on technical grounds as provided in the General Information Document, Bidders are requested to note that Bids maybe rejected on the following additional technical grounds:

1. Bids submitted without instruction to the SCSBs to block the entire Bid Amount;
2. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;
3. Bids submitted on a plain paper;
4. Bids submitted by UPI Bidders using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;
5. Bids under the UPI Mechanism submitted by UPI Bidders using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Banks);
6. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
7. Bids submitted without the signature of the First Bidder or sole Bidder;
8. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;
9. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are "suspended for credit" in terms of SEBI circular no. CIR/MRD/DP/ 22 /2010 dated July 29, 2010;
10. GIR number furnished instead of PAN;
11. Bids by RIBs Bidding in the Retail Portion with Bid Amount of a value of more than ₹200,000;
12. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
13. Bids by Eligible Employees Bidding in the Employee Reservation Portion with Bid Amount of a value of more than ₹500,000;
14. Bids accompanied by stock invest, money order, postal order or cash; and
15. Bids by QIBs uploaded after 4.00 pm on the QIB Bid/ Offer Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/ Offer Closing Date, and Bids by RIBs uploaded after 5.00 p.m. on the Bid/ Offer Closing Date, unless extended by the Stock Exchanges.

Further, Bidders shall be entitled to compensation in the manner specified in the SEBI ICDR Master Circular and the SEBI RTA Master Circular, as applicable to the RTAs in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

Further, in case of any pre-issue or post issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out the Company Secretary and Chief Compliance Officer. For details of the Company Secretary and Chief Compliance Officer, see "*General Information*" and "*Our Management*" on pages 91 and 401, respectively.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorized employees of the Designated Stock Exchange, along with the BRLMs and the Registrar, shall ensure that the Basis of Allotment is finalized in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

Method of allotment as may be prescribed by SEBI from time to time

Our Company will not make any allotment in excess of the Equity Shares through the Red Herring Prospectus and the Prospectus except in case of oversubscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange.

The allotment of Equity Shares to Bidders other than to the RIBs, NIBs and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The Allotment of Equity Shares to each Retail Individual Investor shall not be less than the minimum Bid Lot, subject to the availability of shares in Retail Individual Investor category, and the remaining available shares, if any, shall be allotted on a proportionate basis. Not less than 15% of the Net Offer shall be available for allocation to Non-Institutional Bidders. The Equity Shares available for allocation to Non-Institutional Bidders under the Non-Institutional Portion, shall be subject to the following: (i) one-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹200,000 and up to ₹1,000,000, and (ii) two-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹1,000,000, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders. The allotment to each Non-Institutional Bidder shall not be less than the Minimum NIB Application Size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares.

The allotment of Equity Shares to each Retail Individual Bidder and Non-Institutional Bidder shall not be less than the Minimum Bid Lot, subject to the availability of shares in the Retail Portion and Non-Institutional Bidder, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis.

Payment into Escrow Accounts for Anchor Investors

Our Company, in consultation with the BRLMs, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. Anchor Investors should transfer the Bid Amount (through direct credit, RTGS, NACH or NEFT) to the Escrow Account(s). For Anchor Investors, the payment instruments for payment into the Escrow Account(s) should be drawn in favor of:

(a) In case of resident Anchor Investors: "[●]"; and

(b) In case of Non-Resident Anchor Investors: "[●]".

Anchor Investors should note that the escrow mechanism is not prescribed by the SEBI and has been established as an arrangement between our Company, the Selling Shareholders, the Syndicate, the Escrow Collection Bank and the Registrar to the Offer to facilitate collections of Bid amounts from Anchor Investors.

Pre-Offer and price band advertisement

Subject to Section 30 of the Companies Act, 2013, our Company shall, after filing the Red Herring Prospectus with the RoC, publish a pre-Offer and price band advertisement, in the form prescribed by the SEBI ICDR Regulations, in: [●] editions of [●], an English national daily newspaper, [●] editions of [●], a Hindi national daily newspaper, and Kolkata edition of [●], a Bengali daily newspaper (Bengali being the regional language of West Bengal, where our Registered and Corporate Office is located), each with wide circulation.

In the pre-Offer and price band advertisement, we shall state the Bid/Offer Opening Date and the Bid/Offer Closing Date. The advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

Allotment advertisement

The Allotment Advertisement shall be uploaded on the websites of our Company, BRLMs and Registrar to the Offer, before 9:00 p.m. IST, on the second Working Day after the Bid/ Offer Closing Date, provided such final listing and trading approval from each of BSE and NSE is received prior to 9:00 p.m. IST on such day. In the event that the final listing and trading approval from each of BSE and NSE is received post 9:00 p.m. IST on the second Working Day after the Bid/ Offer Closing Date, then the Allotment Advertisement shall be uploaded on the websites of our Company, BRLMs and Registrar to the Offer, following the receipt of final listing and trading approval from each of BSE and NSE.

Our Company, the BRLMs and the Registrar shall publish an allotment advertisement not later than one Working Day after the date of commencement of trading, disclosing the date of commencement of trading in all editions of [●], an English national daily newspaper and all editions of [●], a Hindi national daily newspaper and Kolkata edition of [●], a Bengali daily newspaper (Bengali being the regional language of West Bengal, where our Registered and Corporate Office is located), each with wide circulation.

Signing of the Underwriting Agreement and the RoC Filing

(a) Our Company, the Selling Shareholders and the Underwriters intend to enter into an Underwriting Agreement on or immediately after the finalization of the Offer Price but prior to the filing of Prospectus.

(b) After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with applicable law, which then would be termed as the 'Prospectus'. The Prospectus will contain details of the Offer Price, the Anchor Investor Offer Price, Offer size, and underwriting arrangements and will be complete in all material respects.

Impersonation

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 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.*"**

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹1 million or 1% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹1 million or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹5 million or with both.

Undertakings by our Company

Our Company undertakes the following:

- adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders;
- the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;
- all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed within three Working Days of the Bid/Offer Closing Date or such other time as may be prescribed by the SEBI or under any applicable law shall be taken;
- if Allotment is not made within the prescribed time period under applicable law, the entire Bid amount received will be refunded/unblocked within the time prescribed under applicable law, failing which interest will be due to be paid to the Bidders at the rate prescribed under applicable law for the delayed period;
- the funds required for making refunds (to the extent applicable) to unsuccessful Bidders as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;
- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the Bidder within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- except for the exercise of options vested pursuant to ESOP Schemes and the Pre-IPO Placement, no further issue of the Equity Shares shall be made until the Equity Shares issued through the Red Herring Prospectus are listed or until the Bid monies are unblocked in ASBA Account/refunded on account of non-listing, under-subscription, etc.;
- it shall not have any recourse to the proceeds of the Fresh Issue until final listing and trading approvals have been received from the Stock Exchanges; and
- if our Company, in consultation with the BRLMs withdraws the Offer after the Bid/ Offer Closing Date and thereafter determines that it will proceed with an issue of the Equity Shares, it shall be required to file a fresh draft red herring prospectus with the SEBI.

Undertakings by the Selling Shareholders

The Selling Shareholders, severally and not jointly, undertake the following:

- their portion of the Offered Shares are eligible for being offered in the Offer for Sale in terms of Regulation 8 of the SEBI ICDR Regulations;
- they are the legal and beneficial owners of the respective Equity Shares offered by them in the Offer for Sale; and
- they shall not have any recourse to the proceeds of the Offer for Sale until final listing and trading approvals have been received from the Stock Exchanges.

Utilization of Net Proceeds

Our Board certifies that:

- all monies received out of the Fresh Issue shall be credited/transferred to a separate bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013;

- details of all monies utilized out of the Net Proceeds shall be disclosed, and continue to be disclosed until the time any part of the proceeds of the Net Proceeds remains unutilized, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized; and
- details of all unutilized monies out of the Net Proceeds, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilized monies have been invested.

Withdrawal of the Offer

Our Company, in consultation with the BRLMs, reserve the right to not proceed with the Offer, in whole or part thereof, after the Bid/Offer Opening Date but before the Allotment. In the event that our Company, in consultation with the BRLMs, decide not to proceed with the Offer, our Company shall issue a public notice in the newspapers in which the pre-Offer and price band advertisement were published, within two days of the Bid/Offer Closing Date or such other time as may be prescribed by the SEBI, providing reasons for not proceeding with the Offer. In such event, the BRLMs through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Banks, as applicable, to unblock the Bid Amounts in the bank accounts of the ASBA Bidders and the BRLMs shall notify the Escrow Collection Bank to release the Bid Amounts of the Anchor Investors and any other investors, as applicable, within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which the Equity Shares are proposed to be listed.

If our Company, in consultation with the BRLMs, withdraws the Offer after the Bid/Offer Closing Date and thereafter determine that they will proceed with a fresh issue or offer for sale of Equity Shares, our Company shall file a fresh draft red herring prospectus with the SEBI. Notwithstanding the foregoing, the Offer is also subject to obtaining (i) the final RoC approval of the Prospectus after it is filed with the RoC and (ii) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment.

The Government of India has from time to time made policy pronouncements on foreign direct investment ("**FDI**") through press notes and press releases. 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) ("**DPIIT**"), issued the FDI Policy, which, with effect from October 15, 2020 consolidated, subsumed and superseded all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on and prior to October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that: (i) the activities of the investee company are under the automatic route under the FDI Policy and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI. For details of the aggregate limit for investments by NRIs and FPIs in our Company, see "*Offer Procedure—Bids by Eligible NRIs*" and "*Offer Procedure—Bids by FPIs*" on page 656 and 657, respectively.

In accordance with existing regulations issued by the RBI, OCBs cannot participate in this Offer.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country ("**Restricted Investors**"), will require prior approval of the Government, as prescribed in the FDI Policy and the FEMA Rules. Subsequently, in accordance with Press Note No. 2 (2026 Series), dated March 15, 2026 issued by the DPIIT, the FDI Policy has been further amended to, *inter alia,* define the expression "beneficial owner" and to provide that prior approval of the Government of India shall be required only where citizen(s) and/or entity(ies) of a country sharing a land border with India hold, directly or indirectly, individually or cumulatively, more than 10% of the shares, capital or profits of the investor entity, or exercise control over such investor entity, or exercise ultimate effective control over the investee entity. The amendments under Press Note. 2 (2026 Series) came into effect from May 2, 2026, *i.e.*, the date of notification of the corresponding amendments to the FEMA Non-debt Instruments Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Rules. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank or fund in India.

Foreign investment in NBFCs, carrying on activities approved for FDI, is subject to the conditions specified in Paragraph 3.8.3.1 of the FDI Policy. Pursuant to the FDI Policy, FDI of up to 100% is permitted under the automatic route in our Company. Further, in terms of the FEMA Non-debt Instruments Rules, the aggregate FPI investment limit is the sectoral cap applicable to Indian company as prescribed in the FEMA Non-debt Instruments Rules with respect to its paid-up equity capital on a fully diluted basis. See "*Offer Procedure*" on page 650.

Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Offer in writing about such approval along with a copy thereof within the Bid/Offer Period.

For further details, see "*Offer Procedure*" on page 650.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in accordance with any applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in 'offshore transactions' as defined in and in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where such offers and sales are made.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

SECTION VIII: DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION

Capitalized terms used in this section have the meanings that have been given to such terms in the Articles of Association of our Company. The main provisions of the Articles of Association of our Company are detailed below. No material clause of the Articles of Association having bearing on the Offer or the disclosures required in this Draft Red Herring Prospectus has been omitted.

These Articles are divided into Parts A and B which parts shall, unless the context otherwise requires, co-exist with each other. In case of inconsistency or contradiction, conflict or overlap between Part A and Part B, the provisions of Part B shall be applicable. However, Part B will automatically terminate and cease to be in force and effect immediately from the date of listing of the Equity Shares of the Company on a recognized stock exchange in India pursuant to an initial public offering of the Equity Shares, without any further action by the Company or its shareholders.

Part A

1.	***Applicability of Table F***	:	The regulations contained in Table "F" in the First Schedule to the Companies Act, 2013, as far as the same are applicable to a public company except provisions which are applicable only to a One Person Company, shall apply to the Company except in so far as they are contradictory to, or inconsistent with, the operative provisions of the Act or specifically excluded hereunder or modified or altered by these Articles. The regulations for the management of the Company and for the observance of the Members thereto and their representatives, shall, subject to any exercise of the statutory powers of the Company with reference to the repeal of, alteration of, or addition to, its regulations by resolution, as prescribed or permitted by the Companies Act, 2013, be such as are contained in these Articles.

Interpretation

I. (*1*) In these regulations—

(a) "The Act" means the Companies Act, 2013, as amended and the rules enacted thereunder, as applicable.

(b) "Company" or "the company" means Arohan Financial Services Limited.

(c) "Securities" means securities as defined under Section 2(h) of the Securities Contracts (Regulation) Act, 1956, as amended.

(*2*) 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.

(3) At any point of time from the date of adoption of these Articles of Association, if the Articles of Association are or become contrary to the provisions of the Act or any other applicable laws, the provisions of such

applicable laws shall prevail over the Articles of Association to such extent and the Company shall discharge all of its obligations as prescribed under the applicable laws, from time to time. Upon listing of the Shares on a recognized stock exchange, if the Articles of Association are or become contrary to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "**SEBI Listing Regulations**"), the provisions of the SEBI Listing Regulations shall prevail over the Articles of Association to such extent and the Company shall discharge all of its obligations as prescribed under the SEBI Listing Regulations.

Share capital and variation of rights

II. 1. The authorized share Capital of the Company shall be as stated in Clause V of the Memorandum of Association of the Company, as altered from time to time.

2. (*i*) Each Member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in the name of such Member, or if the Board so approves (upon paying such fee as the Board may from time to time determine), to several certificates, each for one or more of such Shares and the Company shall complete and have ready for delivery such certificates within two months from the date of allotment, or within one month from the receipt of an application for registration of a transfer, transmission, sub-division, consolidation or renewal of any of its Shares, as the case may be, unless the conditions of issue thereof otherwise provide or unless prohibited by applicable law. Every certificate of Shares shall specify the shares to which it relates and the amount paid-up thereon and shall be signed by two directors or by a director and the company In respect of Shares held jointly by several persons, the Company shall not be required to issue more than one certificate and delivery of a certificate of Shares to one of several joint holders shall be sufficient delivery to all such holder.

(*ii*) Notwithstanding anything contained herein, the Company shall be entitled to dematerialise, pursuant to the provisions of the Depositories Act, 1996 its Shares, debentures and other securities, and offer Securities for subscription in dematerialised form.

(*iii*) The Company shall maintain a register of members with the details of members holding physical Shares in such form and any manner as permitted by applicable law in accordance with the provisions of the Act and the applicable rules thereunder.

(*iv*) Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears on the register of members as the holder of Shares or whose name appears as the beneficial owner of Shares in the records of a depository of the Company as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or as may be required by applicable law) be bound to recognise any holding of any Share upon any trust or equity or equitable, contingent, future, partial or other claim or interest in such Share on the part of any other person, whether or not it shall have express or implied notice thereof.

(*v*) The Company shall be entitled to maintain in any country outside India a part of the register of members or holders of other Securities containing the names and particulars of such Members or holders of other Securities resident in that country.

3. (*i*) If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer or in case of sub-division or consolidation of Shares, then upon production and surrender of the relevant certificates to the Company, new certificates 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 deems adequate being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under this Article shall be issued without payment of fees if the Board so decides, or on payment of such fees (not exceeding such limits as may be prescribed under applicable law) as the Board shall prescribe, provided that no fee shall be charged for issue of new certificates in replacement of those which are old, worn out or where there is no further space on the back thereof for endorsement of transfer or in case of sub-division or consolidation of Shares.

Notwithstanding Article 3(i) above, the Board shall comply with applicable law including the rules or regulations or requirements of any stock exchange, the rules made under the Act and the rules made under the Securities Contracts (Regulation) Act, 1956, as amended.

The provisions of this Article shall *mutatis mutandis* apply to any Securities of the Company.

4. No fee shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or other similar document.

5. Except as required by law, no person shall be recognized 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 recognize (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.

6. The company may exercise the powers of paying commissions in connection with the subscription to its securities conferred by sub- section (*6*) of section 40 of the Act and rules framed under the Act, provided that the rate or amount of the commission shall not exceed the rate or amount prescribed under the Act or rules framed thereunder. 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. The Company may also, subject to applicable laws, including the provisions of the Act and rules framed thereunder, pay brokerage in connection with any issue of its securities.

7. (*i*) 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 of the Act, 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.

(*ii*) 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.

8. 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 share ranking *pari passu* therewith.

9. Subject to the provisions of section 55 of the Act, 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.

Further Issue of Shares

10. 1. The Board and/or the Company, as the case may be, may in accordance with the Act, the rules thereunder and these Articles, issue further Shares to:

(i) persons who, at the date of the offer, are holders of the Shares of the Company, in proportion, as nearly as circumstances admit, to the capital paid up on those Shares at the date by sending a letter of offer subject to the following conditions:

(a) such offer shall be made by a notice specifying the number of shares offered and limiting a time not less than fifteen (15) days or such lesser number of days as may be prescribed, and not exceeding thirty (30) days from the date of the offer, within which the offer, if not accepted, will be deemed to have been declined;

(b) such offer shall be deemed to include a right exercisable by the person concerned to renounce the Shares offered to such person in favour of any other person and the notice referred to in Article 10(1)(i)(a) above shall contain a statement of this right, provided that the Board may decline, without assigning any reason therefor, to allot any Shares to any person in whose favour any member may renounce the Shares offered to such member; and

(c) after expiry of the time specified in the aforesaid notice or on receipt of earlier intimation from the person to whom such notice was given that he declines to accept the Shares offered, the Board may dispose of them in such manner, which is not disadvantageous to the Company and the Members;

(ii) employees under a scheme of employees' stock option, subject to special resolution passed by the Company and subject to the Act, the rules and such other conditions as may be prescribed under applicable law; or

(iii) any persons, if such offer is authorized by a special resolution (whether or not those persons include the persons referred to in Article 10(1)(i) or Article 10(1)(ii) above) either for cash or for a consideration other than cash, at such price as may be determined in compliance with the Act and the rules thereunder and in accordance with applicable laws.

(iv) The notice referred to in Article 10(1)(i)(a) shall be dispatched through registered post or speed post or through electronic mode, having a proof of delivery, to all the existing holders of Shares of the Company at least three (3) days before the opening of the issue.

(v) Nothing in Article 10(1)(b) shall be deemed to:

(a) extend the time within which such offer should be accepted; or

(b) authorize any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to accept the Shares comprised in such renunciation.

2. Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option attached to the debentures issued or loans raised by the Company to convert such debentures or loans into Shares of the Company, provided that the terms of issue of such debentures or loans containing such an option have been approved prior to the issue of debentures or raising of loans by way of a special resolution passed by the Company in a general meeting.

3. The provisions contained in this Article shall be subject to applicable laws, including the provisions of the Act and the rules thereunder.

4. Except in so far as otherwise provided as existing capital by the conditions of issue or by these Articles, any share capital raised by the creation of new Shares, shall be considered as part of the existing share capital and shall be subject to the provisions herein contained with reference to the payment of calls and instalments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise. Unless otherwise stated, all new Shares of the same class shall rank *pari passu* with existing Shares of the same class.

Shares at the Disposal of the Board

11. Subject to the provisions of the Act, applicable rules and these Articles, the Shares for the time being shall be under the control of the Board, which may issue, allot or otherwise dispose of the Shares or any of them to such persons, in such proportion, on such terms and conditions, either at a premium or at par or at a discount (subject to compliance with the provisions of the Act), at such time as it may from time to time deem fit, and with the sanction of the Company in a general meeting, to give to any person or persons the option or right to call for any Shares, either at par or premium during such time and for such consideration as the Board deems fit, and

may issue and allot Shares on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business. Any Shares so allotted may be issued as fully paid up Shares and if so issued, shall be deemed to be fully paid up Shares. Notwithstanding the foregoing, the option or right to call for Shares shall not be given to any person or persons without the sanction of the Company in a general meeting.

Terms of Issue of Securities

12. Subject to and in accordance with applicable law, any Securities may be issued by the Company, at a discount, premium or otherwise and may be issued by the Company on condition that they may be converted into Shares of any denomination and with privileges and conditions with respect to redemption, surrender, drawing, allotment of shares, attending (but not voting) at general meetings and appointment of directors and otherwise securities with the right of conversion into or allotment of shares shall be issued only with the approval of the Company in a general Meeting by way of a special resolution.

Lien

13. The Company shall have a first and paramount lien upon all the Shares/Debentures (other than fully paid up Shares/Debentures) registered in the name of each holder of such securities (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such securities and no equitable interest in any Share shall be created except upon the basis and condition that this Article will have full effect. Such lien shall extend to all dividends and bonuses from time to time declared in respect of such Shares/Debentures. Unless otherwise agreed, the registration of a transfer of securities/Debentures shall operate as a waiver of the Company's lien, if any, on such securities. The Board may at any time declare any securities wholly or in part to be exempt from the provisions of this Article. The Company shall have no lien on its fully paid-up Shares and in case of partly paid-up Shares, the Company's lien will be restricted to moneys called or payable at a fixed time in respect of such Shares.

14. 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 unless a sum in respect of which the lien exists is presently payable; or until the expiration of fourteen (14) 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.

15. To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares comprised in any such transfer. 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. 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. 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

16. (*i*) The Board may, from time to time, make calls upon the Members in respect of any moneys unpaid on the shares held by them and not by the conditions of allotment thereof made payable at fixed times, provided that no call shall exceed twenty five per cent (25%) of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the immediately preceding call.

(*ii*) Each Member shall, subject to receiving at least fourteen (14) 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 such Member's shares.

(*iii*) A call may be revoked or postponed at the discretion of the Board.

17. 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.

18. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

19. (*i*) If a sum called in respect of a share 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 (10%) per annum or at such lower rate, if any, as the Board may determine.

(ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.

20. (*i*) Any sum, which by the terms of issue of a Share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the Share or by way of premium, shall, for the purposes of these Articles, be deemed to be a call duly made and payable on the date on which, by the terms of issue, such sum becomes payable.

(*ii*) In case of non-payment of such sum, all the relevant provisions of these Articles 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.

21. (*i*) The Board may, if it deems fit, subject to the provisions of Section 50 of the Act agree to and receive from any Member willing to advance the whole or any part of the moneys due upon the shares held by such member beyond the sums actually called for. Upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate as may be agreed upon between the Member paying such sum in advance and the Board, provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Board may at any time repay the amount so advanced.

(*ii*) The concerned Member shall not be entitled to any voting rights in respect of the moneys so paid by such Member until the same would but for such payment, become presently payable.

(*iii*) The provisions of this Article shall *mutatis mutandis* apply to the calls on any Security.

Transfer of Shares

22. (*i*) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.

(*ii*) There shall be a common form of transfer of shares in use. The instrument of transfer shall be in writing and the provisions of Section 56 of the Act in respect of transfer of shares and registration thereof shall be duly complied with.

(*iii*) 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.

23. The Board may, subject to the right of appeal conferred by section 58 of the Act decline to register—

(a) The transfer of a share, not being a fully paid share, to a person of whom they do not approve; or

(b) Any transfer of shares on which the company has a lien.

24. Subject to the provisions of the Act, applicable rules, these Articles, any listing agreement entered into with any recognized stock exchange and other applicable law, the Board may refuse, whether in pursuance of any power of the Company under these Articles or otherwise, to register the transfer of, or the transmission by operation of law of the right to or interest in any shares or any other securities. The Company shall, within thirty (30) days from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to the Company, send a notice of refusal to the transferee and transferor or to the person

giving notice of such transmission, as the case may be, giving reasons for such refusal. Provided that registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever, except where the Company has a lien on the shares or other Securities, provided however, that the Board may decline to register or acknowledge any transfer, whether fully paid up or not, if the transfer results in, or is perceived to or may result in, a contravention or violation of any foreign investment limit or restriction under applicable law as applicable to the Company, and further, that the decision of the Board or any persons designated by the Board with respect to whether the transfer results in, or is perceived to or may result in, a contravention or violation of any foreign investment limit or restriction under applicable law as applicable to the Company shall be final and binding in all respects.

Transmission of shares

25. (*i*) 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 shareholder, shall be the only persons recognized by the company as having any title to his interest in the shares.

(*ii*) Nothing in clause (*i*) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by such holder with other persons.

26. (*i*) Any person becoming entitled to a share 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—

(a) To be registered themselves as holder of the share; or

(b) To make such transfer of the share as the deceased or insolvent member could have made.

(*ii*) 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.

27. (*i*) If the person so becoming entitled shall elect to be registered as holder of the share themselves, they shall deliver or send to the company a notice in writing signed by them stating that they so elect.

(ii) If the person aforesaid shall elect to transfer the share, they shall testify their election by executing a transfer of the share.

(iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares 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.

28. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which such person would be entitled if they were the registered holder of the share, except that such person shall not, before being registered as a member in respect of the share, 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 themselves or to transfer the share, 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 complied with.

Forfeiture of shares

29. If a member fails to pay any call, or installment 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 installment remains unpaid, serve a notice on such member requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.

30. 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.

31. If the requirements of any such notice as aforesaid are not complied with, any share 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.

32. (*i*) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

(*ii*) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

33. (*i*) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by such person to the company in respect of the shares.

(*ii*) 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.

34. (*i*) A duly verified declaration in writing that the declarant is a, the manager or the secretary, of the company, and that a share 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;

(*ii*) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;

(*iii*) The transferee shall thereupon be registered as the holder of the share; and

(*iv*) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

35. The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, 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

36. 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.

37. Subject to the provisions of section 61 of the Act, 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.

38. 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.

39. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorized and consent required by law,—

(a) Its share capital;

(b) Any capital redemption reserve account; or

(c) Any share premium account.

Capitalization of Profits

40. (*i*) The Company in General Meeting may, upon the recommendation of the Board, resolve:

(a) that it is desirable to capitalize any part of the amount 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 at any time; and

(b) that such sum be accordingly set free for distribution in the manner specified in Article 41 below amongst the Members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

41. The sum aforesaid shall not be paid in cash but shall be applied, subject to the provisions contained in these Articles below, either in or towards:

(a) paying up any amounts for the time being unpaid on any shares held by such Members respectively;

(b) 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;

(c) partly in the way specified in Article 41(a) above and partly in that specified in Article 41(b) above;

(d) securities premium account and capital redemption reserve account may, for the purposes of this Article,

be applied in the paying up of unissued shares to be issued to Members of the Company as fully paid up bonus shares.

The Board shall give effect to the resolution passed by the Company in pursuance of this Article.

42. Whenever such a resolution as aforesaid shall have been passed, the Board shall:

(a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid up shares if any; and

(b) generally do all acts and things required to give effect thereto.

43. The Board shall have the power:

(a) 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;

(b) 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. Any agreement made under such authority shall be effective and binding on such Members.

Buy-back of shares

44. Notwithstanding anything contained in these Articles, pursuant to the resolution of the Board or a special resolution of the Shareholders as required under the Act and 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 equity shares or other specified securities by way of a buy-back arrangement.

General meetings

45. All general meetings other than annual general meeting shall be calledextraordinary general meeting.

46. (*i*) The Board may, whenever it thinks fit, call an extraordinary general meeting.

(*ii*) 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

47. (*i*) 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.

(*ii*) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103 of the Act and other applicable law.

48. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.

49. If there is no such Chairperson, or if he or she 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.

50. 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

51. (*i*) 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.

(*ii*) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(*iii*) 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.

(*iv*) 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

52. 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.

53. A member may exercise their vote at a meeting by electronic means in accordance with section 108 of the Act and shall vote only once.

54. (*i*) 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.
(*ii*) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

55. 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 their committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

56. Any business other than that upon which a poll has been demanded may be preceded with, pending the taking of the poll.

57. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by such member in respect of shares in the company have been paid.

58. (*i*) 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.

(*ii*) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

Proxy

59. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours (or such other earlier time if required under applicable law) 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 (or such other earlier time if required under applicable law) before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

60. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105 of the Act.

61. 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

62. Subject to compliance with applicable laws, the number of the directors shall not be less than 3 (Three) or more than 15 (Fifteen) which maximum number may be further increased in accordance with applicable laws.

First Directors

1. Arun Kumar Goenka
2. Sunita Goenka
3. Gopi Kishan Agarwal

Casual Vacancy

Any casual vacancy occurring on the board of directors may be filled up by the directors.

Appointment of Alternate Director

(a) Subject to Section 161 of the Act, the Board shall be entitled to nominate an alternate director to act for a director of the Company during such director's absence for a period of not less than 3 (three) months from India.

(b) The Board may appoint such a person as an Alternate Director to act for a Director (hereinafter called "the Original Director") (subject to such person being acceptable to the Chairperson) during the Original Director's absence.

(c) An Alternate Director appointed under this Article shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India.

(d) If the term of the office of the Original Director is determined before he so returns to India, any provisions in the Act or in these Articles for automatic re-appointment shall apply to the Original Director and not to the Alternate Director.

Nominee Director

(a) The Board may appoint any person as a Director nominated by any Public Financial Institution/Public Sector Undertaking/ Lending Institution in pursuance of the provisions of any Law for the time being in force or by any agreement.

(b) Subject as aforesaid, Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Directors of the Company.

Debenture Nominee Director

The Board of Directors may empower debenture –holders or any finance or credit corporation or any collaborator or central or any State government to appoint one or more Directors and Managing Directors of the company, but so that the number of such Directors and Managing Directors shall not exceed in the aggregate 1/3rd of the total number of Directors for the time being in force. Such Directors shall not be liable to retire by rotation.

In terms of Regulation 15(1)(e) of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993 (DT Regulations, 1993) and applicable provisions of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended from time to time, the debenture trustee(s) shall have a right to appoint a nominee director on the Board of the Company in the event of:

(i) two consecutive defaults in payment of interest to the debenture holders; or
(ii) default in creation of security for debentures; or
(iii) default in redemption of debentures.

The Nominee Director appointed in accordance with the above regulations of the Securities and Exchange Board of India shall not be liable to retire by rotation nor be required to hold any qualification shares. The Company shall appoint the person nominated by the debenture trustee in terms of the above regulatory requirements, 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.

63. (*i*) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

(*ii*) 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—

(a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or

(b) In connection with the business of the company.

64. The Board may pay all expenses incurred in getting up and registering the company.

65. The company may exercise the powers conferred on it by section 88 of the Act 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 think fit respecting the keeping of any such register.

66. 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.

67. Every director present at any meeting of the Board or of a committee thereof shall sign their name in a book to be kept for that purpose.

68. (*i*) Subject to the provisions of section 149 of the Act, 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 these Articles.

(*ii*) 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

69. (*i*) The Board of Directors may, subject to applicable laws, including the Act and rules framed thereunder, meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit. Subject to applicable law, Board meetings shall be held at least once in every 3 (three) month period and there shall be at least 4

(four) Board Meetings in any year and there should not be a gap of more than 120 (one hundred twenty) days between two consecutive Board meetings. Meetings shall be held at the Registered Office, or such a place as may be decided by the Board.

(*ii*) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board in the manner prescribed under and in accordance with the Act and the rules framed thereunder.

(*iii*) The participation of Directors in a meeting of the Board may be either in person or through video conferencing or other audio visual means, as may be prescribed, which are capable of recording and recognising the participation of the Directors and of recording and storing the proceedings of such meetings along with date and time subject to and in accordance with the Companies (Meetings of Board and its Powers) Rules, 2014.

(*iv*) Subject to the provisions of Act, the quorum for each Board Meeting shall be in accordance with the requirements of the Act or any other applicable law. If any duly convened Board Meeting cannot be held for want of a quorum, then such a meeting shall automatically stand adjourned in accordance with the requirements of the Act or any other applicable law. Provided however, the adjourned meeting may be held on such other date and such other place as may be unanimously agreed to by all the Directors in accordance with the provisions of the Act and other applicable law.

70. (*i*) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
(*ii*) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

71. 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.

72. (*i*) The Board may elect a Chairperson of its meetings and determine the period for which such person is to hold office.
(*ii*) 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 numbers to be Chairperson of the meeting.

73. (*i*) 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.
(*ii*) 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.

74. (*i*) A committee may elect a Chairperson of its meetings.
(*ii*) 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.

75. (*i*) A committee may meet and adjourn as it thinks fit.
(*ii*) 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.

76. 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.

77. 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.

Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer

78. Subject to the provisions of the Act
(*i*) 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 think 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;
(*ii*) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
(iii) The Board may, from time to time, appoint any individual as Secretary of the Company to perform such functions, which by the Act or these Articles for the time being of the Company are to be performed by the Secretary and to execute any other duties which may from time to time be assigned to him by the Board.

79. A provision of the Act or these regulations requiring or authorizing 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.

80. Managing Director/s not liable to retire by rotation

A Managing Director shall not while they continue to hold that office, be subject to retirement by rotation and such person shall not be reckoned as a director for the purpose of determining the rotation of retirement of directors or in fixing the number of directors to retire but they shall be subject to the same provisions as to resignation and removal as the other Directors of the company and they shall, ipso facto and immediately, cease to be a managing director if they cease to hold the office of director from any cause.

81. Remuneration of Managing Director/s

The Remuneration of Managing Director, shall subject to the provisions of any contract between such person and the company from time to time, be fixed by the directors in accordance with and within the limits prescribed by law and may be by way of fixed salary and/or commission on profit of the company and such person may be paid any gratuity, pension or allowance on retirement and may be given benefit of any provident fund or bonus or allowance or any perquisites or benefits.

82. Powers of Managing Director/s

The Director may from time to time entrust to and confer upon the Managing Director or the Managing Directors for the time being such of the powers exercisable by them as they may think fit and confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as they think expedient and they confer such powers either collaterally with, or to the exclusion of and in substitution for all or any of the powers of the directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any of such powers.

83. Compensation for loss of office

Payment may be made by the company to the Managing Director or Whole Time Director by way of compensation for loss of office or as consideration for retirement from office or in connection with such loss or retirement only as permitted by section 202 of the Act or other relevant provisions of law for the time being in force.

84. Re –appointment of Managing Director/s

The board of Directors of the Company may subject to the provisions of the Act and from time to time re-appoint, re-employ, or extend the term of office of all or any of the managing Directors for a period not exceeding five years on one occasion.

Dividends and Reserve

85. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board. However, the Company in General Meeting may declare a lesser dividend.

86. Subject to the provisions of section 123 of the Act and other applicable law, 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.

87. (*i*) 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 equalizing 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.

(*ii*) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

88. (*i*) 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.

(*ii*) 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.

(*iii*) 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.

(iv) 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.

89. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by such member to the company on account of calls or otherwise in relation to the shares of the company.

90. (*i*) Any dividend, interest or other monies payable in cash in respect of shares maybe 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.

(*ii*) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

91. 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.

92. 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.

93. No dividend shall bear interest against the company.

94. (*i*) Where the Company has declared a dividend but which has not been paid or claimed within thirty (30) days from the date of declaration, or the dividend warrant in respect thereof has not been posted within thirty (30) days from the date of declaration to any Member entitled to the payment of the dividend, the Company shall within seven (7) days from the date of expiry of the said period of thirty (30) days, open a special account in that behalf in any scheduled bank called the "Unpaid Dividend Account of Arohan" (or such other name as approved by the Board) and transfer to the said account, the total amount of dividend, which remains unpaid or unclaimed or in relation to which no dividend warrant has been posted.

(*ii*) Any amounts transferred to the "Unpaid Dividend Account of Arohan" (or such other name as approved by the Board) specified above, which remain unpaid or unclaimed for a period of seven (7) years from the date on which they first became due for payment, shall be transferred along with the interest accrued, if any, by the Company to a fund known as the 'Investor Education and Protection Fund' established under Section 125 of the Act, and send a statement to the authority which administers the relevant fund, from who the company shall receive a receipt as evidence of such transfer.

(*iii*) No unclaimed or unpaid dividend shall be forfeited by the Board.

Accounts and Audit

95. (i) The Directors shall, as required by the Act, cause to be prepared and laid before the Company in Annual General Meeting to be held as provided in these Articles hereof such Profit and Loss Account, Balance Sheet and Directors' and Auditors' Reports as are referred to in those provisions.

(ii) The financial statements, books of accounts and other relevant books and papers of the Company shall be examined and audited in accordance with the provisions of the Act and the rules.
(*iii*) 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.

(*iv*) 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 authorized by the Board or by the company in a general meeting.

Winding up

96. Subject to the provisions of Chapter XX of the Act and rules made thereunder—
(*i*) 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.

(*ii*) 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.

(*iii*) 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 and Insurance

97. Director's and Others' Right to Indemnity:

(a) Subject to the provisions of the Act, every director, managing director, whole-time director, manager, chief executive officer, chief financial officer, company secretary and other officer(s) of the Company shall be indemnified by the Company out of the funds of the Company, to pay all costs, losses and expenses (including travelling expense) which such director, manager, chief executive officer, chief financial officer, company secretary and officer(s) may incur or become liable for by reason of any contract entered into or act or deed done by him in his capacity as such

director, manager, company secretary or officer(s) or in any way in the discharge of his duties in such capacity including expenses.

(b) Subject as aforesaid, every director, managing director, manager, chief executive officer, chief financial officer, company secretary or other officer(s) of the Company shall be indemnified against any liability incurred by him in defending any proceedings, whether civil or criminal in which judgement is given in his favour or in which he is acquitted or discharged or in connection with any application under applicable provisions of the Act in which relief is given to him by the Court/Tribunal.

(c) The Company shall take and maintain any insurance as the Board may think fit on behalf of its present and/or former directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.

Powers

98. **Power of the Board**

In accordance with section 179 of the Act, the Board of Directors of the company shall be entitled to exercise all such powers, and to do all such acts and things, as the company is authorized to exercise and do:

Provided that in exercising such power or doing such act or thing, the Board shall be subject to the provisions contained in that behalf in the Act, or in the memorandum or Articles, or in any regulations not inconsistent therewith and duly made thereunder, including regulations made by the company in general meeting.

Provided further that:

(1) the Board shall not exercise any power or do any act or thing which is directed or required, whether under the Act or by the memorandum or Articles of the company or otherwise, to be exercised or done by the company in general meeting.
(2) No regulation made by the company in general meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.
(3) The Board of Directors of a company shall exercise the following powers on behalf of the company by means of resolutions passed at meetings of the Board, namely:—
    (a) to make calls on shareholders in respect of money unpaid on their shares;
    (b) to authorise buy-back of securities under section 68 of the Act;
    (c) to issue securities, including debentures, whether in or outside India;
    (d) to borrow monies;
    (e) to invest the funds of the company;
    (f) to grant loans or give guarantee or provide security in respect of loans;
    (g) to approve financial statement and the Board's report;
    (h) to diversify the business of the company;
    (i) to approve amalgamation, merger or reconstruction;
    (j) to take over a company or acquire a controlling or substantial stake in another company;
    (k) any other matter which may be prescribed in pursuance to the Act:

Provided that the Board may, by a resolution passed at a meeting, delegate to any Committee of directors, the managing director, the manager or any other officer of the company as permitted by applicable law or authorized by the Company or in the case of a branch office of the company, the principal officer of the branch office, the powers specified in clauses (*d*) to (*f*) on such conditions as it may specify:

In respect of dealings between the company and its bankers the exercise by the company of the powers specified in clause (d) shall mean the arrangement made by the company with its bankers for the borrowing of money by way of overdraft or cash credit or otherwise and not the actual day to day operation on overdraft, cash credit or other accounts by means of which the arrangement so made is actually availed of.

99. Restrictions on powers of Board

(1) Subject to the provisions of the Act and other applicable law, the Board of Directors of a company shall exercise the following powers only with the consent of the company by a special resolution, namely:—

(a) to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the company or where the company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings.
(b) to invest otherwise in trust securities the amount of compensation received by it as a result of any merger or amalgamation;
(c) to borrow money, where the money to be borrowed, together with the money already borrowed by the company will exceed aggregate of its paid-up share capital, free reserves and securities premium, apart from temporary loans obtained from the company's bankers in the ordinary course of business:
(d) to remit, or give time for the repayment of, any debt due from a director.

(2) Every special resolution passed by the company in general meeting in relation to the exercise of the powers referred to in clause (*c*) of sub-section (*1*) shall specify the total amount up to which monies may be borrowed by the Board of Directors.

(3) Nothing contained in clause (*a*) of sub-section (*1*) shall affect—
(a) the title of a buyer or other person who buys or takes on lease any property, investment or undertaking as is referred to in that clause, in good faith; or
(b) the sale or lease of any property of the company where the ordinary business of the company consists of, or comprises, such selling or leasing.
(4) Any special resolution passed by the company consenting to the transaction as is Referred to in clause (*a*) of sub-section (*1*) may stipulate such conditions as may be specified in such resolution, including conditions regarding the use, disposal or investment of the sale proceeds which may result from the transactions:

Provided that this sub-section shall not be deemed to authorize the company to effect any reduction in its capital except in accordance with the provisions contained in the Act.

(5) No debt incurred by the company in excess of the limit imposed by clause (*c*) of sub- section (*1*) shall be valid or effectual, unless the lender proves that they advanced the loan in good faith and without knowledge that the limit imposed by that clause had been exceeded.

100. **Registers**

(a) The Company shall keep and maintain at its registered office all statutory registers as may be prescribed for such duration as the Board may, unless otherwise prescribed, decide, and in such manner and containing such particulars as prescribed by the Act.

(b) The registers and copies of annual return shall be open for inspection during 11.00 A.M. to 1.00 P.M. on all Working Days, at the registered office of the Company by the persons entitled thereto on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Act.

Part-B

Part B of the Articles of Association shall automatically stand deleted, not have any force and be deemed to have been deleted from the Articles of Association upon the commencement of listing and trading of the Equity Shares on the Stock Exchanges; and Part A of the Articles of Association shall automatically come in effect and be in force, without any further corporate or other action by the Company, its Directors or its Shareholders.

SECTION IX: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of the Red Herring Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Red Herring Prospectus which will be filed with the RoC, and also the documents for inspection referred to hereunder, may be inspected at the Registered and Corporate Office between 10 a.m. and 5:00 p.m. on all Working Days and will also be available for inspection on our website at www.arohan.in from the date of the Red Herring Prospectus until the Bid/Offer Closing Date except for such documents or agreements executed after the Bid/ Offer Closing Date.

A. Material Contracts for the Offer

1. Offer Agreement dated May 15, 2026 entered into among our Company, the Selling Shareholders and the BRLMs.

2. Registrar Agreement dated May 15, 2026 entered into among our Company, the Selling Shareholders and the Registrar to the Offer.

3. Cash Escrow and Sponsor Bank Agreement dated [●] entered into among our Company, the Selling Shareholders, the BRLMs, the Syndicate Members, the Bankers to the Offer and the Registrar to the Offer.

4. Syndicate Agreement dated [●] entered into among our Company, the Selling Shareholders, the BRLMs, the Syndicate Members and the Registrar to the Offer.

5. Share Escrow Agreement dated [●] entered into among our Company, the Selling Shareholders and the Share Escrow Agent.

6. Monitoring Agency Agreement dated [●] entered into between our Company and the Monitoring Agency.

7. Underwriting Agreement dated [●] entered into among our Company, the Selling Shareholders and the Underwriters.

B. Material Documents

1. Certified copies of the updated Memorandum of Association and Articles of Association of our Company, updated from time to time.

2. Certificate of incorporation dated September 27, 1991 issued to our Company by the Registrar of Companies.

3. Fresh certificate of incorporation dated October 20, 1995 consequent upon conversion into a public limited company issued to our Company by the Registrar of Companies.

4. Fresh certificate of incorporation dated March 25, 2008 consequent upon change of name issued to our Company by the Registrar of Companies.

5. Fresh certificate of incorporation dated September 28, 2010 consequent upon conversion into a private limited company issued to our Company by the Registrar of Companies.

6. Fresh certificate of incorporation dated May 25, 2018 consequent upon conversion into a public limited company issued to our Company by the RoC.

7. Certificate of registration as an NBFC (not accepting public deposits) dated May 16, 2011 issued by the RBI, with endorsement of conversion to NBFC-MFI status with effect from January 10, 2014 and with further endorsement as on June 28, 2018 reflecting the change in the status of our Company from a 'private' to 'public' company.

8. Resolutions of our Board dated March 2, 2026 in relation to the Offer and other related matters.

9. Resolutions of our Shareholders dated March 25, 2026 in relation to the Offer and other related matters.

10. Resolution of our Board dated May 15, 2026 approving this Draft Red Herring Prospectus.

11. Resolution of our Board dated May 15, 2026 approving the Draft Abridged Prospectus.

12. Resolution of the Audit Committee dated May 15, 2026 approving the key performance indicators for disclosure.

13. Certificate relating to key performance indicators dated May 15, 2026 issued by KGRS & Co, Chartered Accountants.

14. Consent letters of the Selling Shareholders for participation in the Offer for Sale, as detailed in "*The Offer*" on page 76.

15. Copies of the annual reports of our Company as on and for the Financial Years 2025, 2024 and 2023.

16. Engagement letter for industry report on "*Micro Finance Industry*" dated January 19, 2026 with CARE.

17. Report titled "*Research Report on Micro Finance Industry*" dated May 15, 2026 issued by CARE and consent dated May 15, 2026 issued by CARE with respect to the report

18. Amended and restated shareholders agreement dated May 2, 2023 by and amongst our Company, AVMS, I-Cap, Vineet Chandra Rai, Manojkumar N Nambiar, Tano, AG II, MSDF, Maj Invest, TR Capital, TIAA, FMO, DSDG and Arohan ESOP Trust.

19. Deed of adherence dated June 28, 2024 entered into by TMF and TFSF in favour of our Company, TIAA, AG II, MSDF, TR Capital, AVMS, Manojkumar N Nambiar, Arohan ESOP Trust, Tano, Maj Invest, Vineet Chandra Rai, I-Cap, FMO and DSDG.

20. Amendment and termination agreement dated May 15, 2026 to the SHA.

21. Scheme of merger under Sections 230 to 232 and other relevant provisions of the Companies Act, 2013 between our Company and Intellecash.

22. Valuation report dated July 25, 2017 issued by KGRS & Co, Chartered Accountants in relation to valuation of equity shares of Intellecash.

23. Valuation report dated July 25, 2017 issued by KGRS & Co, Chartered Accountants in relation to valuation of equity shares of our Company.

24. Report on share exchange ratio dated July 25, 2017 issued by KGRS & Co, Chartered Accountants in relation to our Company and Intellecash.

25. Business transfer agreement dated February 10, 2021 between our Company and Ashv in connection with transfer of our MSME business undertaking on a slump sale basis.

26. Valuation report dated February 8, 2021 issued by BDO Valuation Advisory LLP in relation to the slump sale of our MSME business to Ashv.

27. Employment agreement dated February 13, 2026 in relation to the remuneration of Manojkumar N Nambiar as the Managing Director of our Company.

28. Consents of our Directors, the BRLMs, the Legal Advisors to our Company as to Indian Law, the Registrar to the Offer, the Bankers to our Company, the Company Secretary and Chief Compliance Officer, the Syndicate Members and the Bankers to the Offer in their respective capacities.

29. Written consent from the Statutory Auditor, namely, B S R & Co. LLP, Chartered Accountants, holding a valid peer review certificate from ICAI, to include its name as required under the Companies Act in this Draft Red Herring Prospectus and as an "expert" as defined under Section 2(38) of the Companies Act in respect to the (i) examination report dated May 13, 2026 on the Restated Financial Information; and (ii) report dated May 15, 2026 on the statement of possible special tax benefits, included in this Draft Red Herring Prospectus and such consent has not been withdrawn until the filing of this Draft Red Herring Prospectus.

30. Written consent dated May 15, 2026 from KGRS & Co., Chartered Accountants, holding a valid peer review certificate from ICAI, to include their name in this Draft Red Herring Prospectus and be named as the independent chartered accountant as required under Section 26(1) of the Companies Act read with the SEBI ICDR Regulations and as an "expert" as defined under Section 2(38) of the Companies Act, 2013 in respect of their certificates in connection with the Offer and such consent has not been withdrawn until the filing of this Draft Red Herring Prospectus.

31. Written consent dated May 15, 2026 from M/S DVD & Associates, independent practicing company secretary to include their name in this Draft Red Herring Prospectus and be named as the practicing company secretary as required under Section 26(1) of the Companies Act read with the SEBI ICDR Regulations and as an "expert" as defined under Section 2(38) of the Companies Act, 2013 in respect of their certificates in connection with the Offer and such consent has not been withdrawn until the filing of this Draft Red Herring Prospectus.

32. The report dated May 15, 2026 of the Statutory Auditor, on the statement of possible special tax benefits available to our Company and our shareholders.

33. Tripartite agreement dated February 1, 2010 among our Company, NSDL and the Registrar to the Offer.

34. Tripartite agreement dated February 19, 2010 among our Company, CDSL and the Registrar to the Offer.

35. Approval dated April 8, 2026, received from the Reserve Bank of India, in connection with the Offer.

36. Due diligence certificate dated May 15, 2026 addressed to the SEBI from the BRLMs.

37. In-principle listing approvals dated [●] and [●] issued by the BSE and the NSE, respectively.

38. Final observation letter number bearing [●] dated [●] from the SEBI.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to our Shareholders, subject to compliance with the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India and the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules or regulations made thereunder or the guidelines issued, as the case may be. I further certify that all statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY:

_____

Dinesh Kumar Mittal

Chairman and Non-Executive Independent Director

Place: Noida

Date: May 15, 2026

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India and the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules or regulations made thereunder or the guidelines issued, as the case may be. I further certify that all statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY:

_____

Manojkumar N Nambiar

Managing Director

Place: Kolkata

Date: May 15, 2026

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India and the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules or regulations made thereunder or the guidelines issued, as the case may be. I further certify that all statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY:

_____

Vineet Chandra Rai
Vice Chairman and Promoter Nominee Director

Place: Mumbai

Date: May 15, 2026

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India and the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules or regulations made thereunder or the guidelines issued, as the case may be. I further certify that all statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY:

_____

Ulhas S Deshpande
Non-Executive Independent Director

Place: Mumbai

Date: May 15, 2026

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India and the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules or regulations made thereunder or the guidelines issued, as the case may be. I further certify that all statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY:

_____

John Arunkumar Diaz
Non-Executive Independent Director

Place: Mumbai

Date: May 15, 2026

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India and the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules or regulations made thereunder or the guidelines issued, as the case may be. I further certify that all statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY:

_____

Jose J Kattoor
Non-Executive Independent Director

Place: Mumbai

Date: May 15, 2026

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India and the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules or regulations made thereunder or the guidelines issued, as the case may be. I further certify that all statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY:

_____

Kummamuri Narasimha Murthy
Non-Executive Independent Director

Place: Hyderabad

Date: May 15, 2026

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India and the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules or regulations made thereunder or the guidelines issued, as the case may be. I further certify that all statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY:

_____

Anurag Agrawal
Promoter Nominee Director

Place: Mumbai

Date: May 15, 2026

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India and the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules or regulations made thereunder or the guidelines issued, as the case may be. I further certify that all statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY:

_____

Sri Radha Ramana Saripalli
Non-Executive Nominee Director

Place: Mumbai

Date: May 15, 2026

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India and the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules or regulations made thereunder or the guidelines issued, as the case may be. I further certify that all statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY:

_____

Karina Isabel Alva Alfaro
Non-Executive Nominee Director

Place: Copenhagen, Denmark

Date: May 15, 2026

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India and the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules or regulations made thereunder or the guidelines issued, as the case may be. I further certify that all statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY:

_____

Wilhelmus Marthinus Maria Van Der Beek
Non-Executive Nominee Director

Place: Amsterdam

Date: May 15, 2026

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India and the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules or regulations made thereunder or the guidelines issued, as the case may be. I further certify that all statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY:

_____

Rupa Rajul Vora
Non-Executive Nominee Director

Place: Mumbai

Date: May 15, 2026

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India and the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules or regulations made thereunder or the guidelines issued, as the case may be. I further certify that all statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY:

_____

Nitish Chawla
Non-Executive Nominee Director

Place: New Delhi, India

Date: May 15, 2026

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India and the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules or regulations made thereunder or the guidelines issued, as the case may be. I further certify that all statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY:

_____

Milind Ramchandra Nare
Deputy Chief Executive Officer and Chief Financial Officer

Place: Kolkata

Date: May 15, 2026

DECLARATION BY INVESTOR SELLING SHAREHOLDER

We, Danish Sustainable Development Goals Investment Fund K/S, hereby confirm that all statements, undertakings and disclosures specifically made or confirmed by us in this Draft Red Herring Prospectus about or in relation to us, as a Selling Shareholder and our portion of the Offered Shares are true and correct. We assume no responsibility or liability for any other statements, disclosures and undertakings, including any statements, disclosures and undertakings, made or confirmed by or relating to the Company or any other Selling Shareholder(s) or any other person(s) in this Draft Red Herring Prospectus.

FOR AND ON BEHALF OF DANISH SUSTAINABLE DEVELOPMENT GOALS INVESTMENT FUND K/S

_____

Name: Dave Smit

Designation: Managing Director & Co-Head of Financial Service

Place: Copenhagen, Denmark

Date: May 15, 2026

DECLARATION BY INVESTOR SELLING SHAREHOLDER

We, Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden N.V., hereby confirm that all statements, undertakings and disclosures specifically made or confirmed by us in this Draft Red Herring Prospectus about or in relation to us, as a Selling Shareholder and our portion of the Offered Shares are true and correct. We assume no responsibility or liability for any other statements, disclosures and undertakings, including any statements, disclosures and undertakings, made or confirmed by or relating to the Company or any other Selling Shareholder(s) or any other person(s) in this Draft Red Herring Prospectus.

FOR AND ON BEHALF OF NEDERLANDSE FINANCIERINGS-MAATSCHAPPIJ VOOR ONTWIKKELINGSLANDEN N.V.

_____	_____
Name: R. Ziadah	Name: F.C. van Aerssen
Designation: Legal Manager	Designation: Manager Private Equity
Place: The Hague, Netherlands	Place: The Hague, Netherlands
Date: May 15, 2026	Date: May 15, 2026

DECLARATION BY INVESTOR SELLING SHAREHOLDER

We, MAJ Invest Financial Inclusion Fund II K/S, hereby confirm that all statements, undertakings and disclosures specifically made or confirmed by us in this Draft Red Herring Prospectus about or in relation to us, as a Selling Shareholder and our portion of the Offered Shares are true and correct. We assume no responsibility or liability for any other statements, disclosures and undertakings, including any statements, disclosures and undertakings, made or confirmed by or relating to the Company or any other Selling Shareholder(s) or any other person(s) in this Draft Red Herring Prospectus.

FOR AND ON BEHALF OF MAJ INVEST FINANCIAL INCLUSION FUND II K/S

_____

Signed for and on behalf of MAJ Invest Financial Inclusion Fund II K/S

Name: Emil Sierczynski

Designation: Partner

Place: Copenhagen

Date: May 15, 2026

DECLARATION BY INVESTOR SELLING SHAREHOLDER

We, Michael & Susan Dell Foundation, hereby confirm that all statements, undertakings and disclosures specifically made or confirmed by us in this Draft Red Herring Prospectus about or in relation to us, as a Selling Shareholder and our portion of the Offered Shares are true and correct. We assume no responsibility or liability for any other statements, disclosures and undertakings, including any statements, disclosures and undertakings, made or confirmed by or relating to the Company or any other Selling Shareholder(s) or any other person(s) in this Draft Red Herring Prospectus.

FOR AND ON BEHALF OF MICHAEL & SUSAN DELL FOUNDATION

_____

Signed for and on behalf of Michael & Susan Dell Foundation

Name: Benjamin Campbell

Designation: Head of Finance & Operations

Place: Austin, Texas (United States)

Date: May 15, 2026

DECLARATION BY INVESTOR SELLING SHAREHOLDER

We, Tano India Private Equity Fund II, hereby confirm that all statements, undertakings and disclosures specifically made or confirmed by us in this Draft Red Herring Prospectus about or in relation to us, as a Selling Shareholder and our portion of the Offered Shares are true and correct. We assume no responsibility or liability for any other statements, disclosures and undertakings, including any statements, disclosures and undertakings, made or confirmed by or relating to the Company or any other Selling Shareholder(s) or any other person(s) in this Draft Red Herring Prospectus.

FOR AND ON BEHALF OF TANO INDIA PRIVATE EQUITY FUND II

_____

Signed for and on behalf of Tano India Private Equity Fund II

Name: Ouma Shankar Ochit

Designation: Administrator

Place: Port Louis, Mauritius

Date: May 15, 2026

DECLARATION BY INVESTOR SELLING SHAREHOLDER

We, Teachers Insurance and Annuity Association of America, hereby confirm that all statements, undertakings and disclosures specifically made or confirmed by us in this Draft Red Herring Prospectus about or in relation to us, as a Selling Shareholder and our portion of the Offered Shares are true and correct. We assume no responsibility or liability for any other statements, disclosures and undertakings, including any statements, disclosures and undertakings, made or confirmed by or relating to the Company or any other Selling Shareholder(s) or any other person(s) in this Draft Red Herring Prospectus.

FOR AND ON BEHALF OF TEACHERS INSURANCE AND ANNUITY ASSOCIATION OF AMERICA

_____

Signed for and on behalf of Teachers Insurance and Annuity Association of America

Name: Ted Maa

Designation: Managing Director

Place: New York, United States

Date: May 15, 2026

DECLARATION BY INVESTOR SELLING SHAREHOLDER

We, TR Capital III Mauritius, hereby confirm that all statements, undertakings and disclosures specifically made or confirmed by us in this Draft Red Herring Prospectus about or in relation to us, as a Selling Shareholder and our portion of the Offered Shares are true and correct. We assume no responsibility or liability for any other statements, disclosures and undertakings, including any statements, disclosures and undertakings, made or confirmed by or relating to the Company or any other Selling Shareholder(s) or any other person(s) in this Draft Red Herring Prospectus.

FOR AND ON BEHALF OF TR Capital III Mauritius

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Signed for and on behalf of TR Capital III Mauritius

Name: Rathee Jugessur

Designation: Director

Place: Mauritius

Date: May 15, 2026

DECLARATION BY INVESTOR SELLING SHAREHOLDER

We, legal owner Triodos Funds B.V. in its capacity as legal owner of Triodos Fair Share Fund represented by Triodos Investment Management B.V., hereby confirm that all statements, undertakings and disclosures specifically made or confirmed by us in this Draft Red Herring Prospectus about or in relation to us, as a Selling Shareholder and our portion of the Offered Shares are true and correct. We assume no responsibility or liability for any other statements, disclosures and undertakings, including any statements, disclosures and undertakings, made or confirmed by or relating to the Company or any other Selling Shareholder(s) or any other person(s) in this Draft Red Herring Prospectus.

FOR AND ON BEHALF OF LEGAL OWNER TRIODOS FUNDS B.V. IN ITS CAPACITY AS LEGAL OWNER OF TRIODOS FAIR SHARE FUND REPRESENTED BY TRIODOS INVESTMENT MANAGEMENT B.V.

_____

Signed for and on behalf of Legal owner Triodos Funds B.V. in its capacity as legal owner of Triodos Fair Share Fund represented by Triodos Investment Management B.V.

_____	_____
Name: Casper Sprokel	Name: F Streppel
Designation: Head of Private Equity	Designation: Head of Credit
Place: Driebergen-Zeist, Netherlands	Place: Driebergen-Zeist, Netherlands
Date: May 15, 2026	Date: May 15, 2026

DECLARATION BY INVESTOR SELLING SHAREHOLDER

We, Triodos Sicav II (acting on behalf of and for the benefit of its Sub-Fund Triodos Microfinance Fund represented by Triodos Investment Management B.V.), hereby confirm that all statements, undertakings and disclosures specifically made or confirmed by us in this Draft Red Herring Prospectus about or in relation to us, as a Selling Shareholder and our portion of the Offered Shares are true and correct. We assume no responsibility or liability for any other statements, disclosures and undertakings, including any statements, disclosures and undertakings, made or confirmed by or relating to the Company or any other Selling Shareholder(s) or any other person(s) in this Draft Red Herring Prospectus.

FOR AND ON BEHALF OF TRIODOS SICAV II ACTING ON BEHALF OF AND FOR THE BENEFIT OF ITS SUB-FUND TRIODOS MICROFINANCE FUND REPRESENTED BY TRIODOS INVESTMENT MANAGEMENT B.V.

_____

Signed for and on behalf of Triodos Sicav II (acting on behalf of and for the benefit of its Sub-Fund Triodos Microfinance Fund represented by Triodos Investment Management B.V.)

_____	_____
Name: Casper Sprokel	Name: F Streppel
Designation: Head of Private Equity	Designation: Head of Credit
Place: Driebergen-Zeist, Netherlands	Place: Driebergen-Zeist, Netherlands
Date: May 15, 2026	Date: May 15, 2026

DECLARATION BY INVESTOR SELLING SHAREHOLDER

We, Aavishkaar Goodwell India Microfinance Development Company-II Limited, hereby confirm that all statements, undertakings and disclosures specifically made or confirmed by us in this Draft Red Herring Prospectus about or in relation to us, as a Selling Shareholder and our portion of the Offered Shares are true and correct. We assume no responsibility or liability for any other statements, disclosures and undertakings, including any statements, disclosures and undertakings, made or confirmed by or relating to the Company or any other Selling Shareholder(s) or any other person(s) in this Draft Red Herring Prospectus.

FOR AND ON BEHALF OF AAVISHKAAR GOODWELL INDIA MICROFINANCE DEVELOPMENT COMPANY-II LIMITED

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Name: Els Boeshof

Designation: Director

Place: Amsterdam

Date: May 15, 2026

DECLARATION BY CORPORATE SELLING SHAREHOLDERS AND INDIVIDUAL SELLING SHAREHOLDERS

I, Manojkumar N Nambiar, on behalf of each of the Corporate Selling Shareholders and Individual Selling Shareholders, hereby certify and confirm that all statements, undertakings and disclosures specifically made or confirmed by them in this Draft Red Herring Prospectus about or in relation to them, as the Selling Shareholder and their portion of the Offered Shares are true and correct. None of the Corporate Selling Shareholder and Individual Selling Shareholder assumes any liability for any other statements, including any statements made or confirmed by or relating to the Company, any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

SIGNED FOR AND ON BEHALF OF THE CORPORATE SELLING SHAREHOLDERS AND INDIVIDUAL SELLING SHAREHOLDERS

_____

Name: Manojkumar N Nambiar

Designation: The duly constituted power of attorney holder of the Corporate Selling Shareholders and Individual Selling Shareholders

Place: Kolkata

Date: May 15, 2026

ANNEXURE A

Set out below are the details of (i) Shareholders participating in the Offer for Sale, including the number of Equity Shares offered by each of the Selling Shareholders, along with the details of the authorisations of each of the Selling Shareholders in relation to its respective portion of the Offered Shares; (ii) the pre-Offer shareholding of the Selling Shareholders, as on the date of this Draft Red Herring Prospectus; (iii) the post-Offer shareholding of the Selling Shareholders; (iv) the respective weighted average costs of acquisition per Equity Share of each of the Selling Shareholders; (v) weighted average cost of acquisition per Equity Share; (vi) weighted average cost of acquisition per Equity Shares acquired in last one year; and (vii) weighted average cost of acquisition per Equity Shares acquired in last three years.

S. No.	Name of the Selling Shareholder	Pre-Offer (as on the date of this Draft Red Herring Prospectus)^		Number of Equity Shares offered in the Offer for Sale by the Selling Shareholder / Amount (₹ in million)	Post-Offer^		Date of board resolution / corporate authorization	Date of consent letter	Weighted average cost of acquisition per Equity Share of face value of ₹10 each (in ₹)[(1)]	Weighted average cost of acquisition per Equity Shares of face value of ₹10 each acquired in last one year[(1)]	Weighted average cost of acquisition per Equity Shares of face value of ₹10 each acquired in last three years[(1)]
		Number of Equity Shares of face value of ₹10 each	Percentage of the pre-Offer paid-up Equity Share capital (%) #		Number of Equity Shares of face value of ₹10 each	Percentage of the post-Offer paid-up Equity Share capital (%)					
Investor Selling Shareholders											
1.	Teachers Insurance and Annuity Association of America	19,220,332	12.06	Up to 9,733,309 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	[●]	[●]	May 14, 2026	May 15, 2026	134.04	Nil	134.41
2.	Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden N.V.	15,728,114	9.87	Up to 6,241,091 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	[●]	[●]	May 7, 2026	May 15, 2026	137.65	Nil	138.26
3.	Aavishkaar Goodwell India Microfinance Development Company-II Limited	18,539,529	11.63	Up to 4,957,208 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	[●]	[●]	May 13, 2026	May 15, 2026	45.68	Nil	Nil
4.	Tano India Private Equity Fund II	16,687,029	10.47	Up to 4,461,875 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	[●]	[●]	May 14, 2026	May 15, 2026	35.27	Nil	Nil
5.	Maj Invest Financial Inclusion Fund II K/S	15,401,267	9.66	Up to 4,118,081 Equity Shares of face value of ₹10 each aggregating	[●]	[●]	April 30, 2026	May 15, 2026	86.11	Nil	Nil

S. No.	Name of the Selling Shareholder	Pre-Offer (as on the date of this Draft Red Herring Prospectus)^		Number of Equity Shares offered in the Offer for Sale by the Selling Shareholder / Amount (₹ in million)	Post-Offer^		Date of board resolution / corporate authorization	Date of consent letter	Weighted average cost of acquisition per Equity Share of face value of ₹10 each (in ₹)[(1)]	Weighted average cost of acquisition per Equity Shares of face value of ₹10 each acquired in last one year[(1)]	Weighted average cost of acquisition per Equity Shares of face value of ₹10 each acquired in last three years[(1)]
		Number of Equity Shares of face value of ₹10 each	Percentage of the pre-Offer paid-up Equity Share capital (%) #		Number of Equity Shares of face value of ₹10 each	Percentage of the post-Offer paid-up Equity Share capital (%)					
				up to ₹[●] million							
6.	Danish Sustainable Development Goals Investment Fund K/S	13,481,631	8.46	Up to 3,994,607 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	[●]	[●]	January 9, 2023 and May 13, 2026	May 15, 2026	148.35	Nil	148.35
7.	TR Capital III Mauritius	9,718,722	6.10	Up to 2,598,649 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	[●]	[●]	May 8, 2026	May 15, 2026	115.24	Nil	Nil
8.	Michael & Susan Dell Foundation	3,270,980	2.05	Up to 874,614 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	[●]	[●]	May 7, 2026	May 15, 2026	20.06	Nil	Nil
9.	Legal owner Triodos Funds B.V. in its capacity as legal owner of Triodos Fair Share Fund represented by Triodos Investment Management B.V	2,891,282	1.81	Up to 772,027 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	[●]	[●]	April 24, 2026	May 15, 2026	123.79	Nil	123.79
10.	Triodos Sicav II (acting on behalf of and for the benefit of its Sub-	2,883,349	1.81	Up to 772,028 Equity Shares of face value of ₹10 each aggregating	[●]	[●]	April 24, 2026	May 15, 2026	123.79	Nil	123.79

S. No.	Name of the Selling Shareholder	Pre-Offer (as on the date of this Draft Red Herring Prospectus)^		Number of Equity Shares offered in the Offer for Sale by the Selling Shareholder / Amount (₹ in million)	Post-Offer^		Date of board resolution / corporate authorization	Date of consent letter	Weighted average cost of acquisition per Equity Share of face value of ₹10 each (in ₹)[(1)]	Weighted average cost of acquisition per Equity Shares of face value of ₹10 each acquired in last one year[(1)]	Weighted average cost of acquisition per Equity Shares of face value of ₹10 each acquired in last three years[(1)]
		Number of Equity Shares of face value of ₹10 each	Percentage of the pre-Offer paid-up Equity Share capital (%) #		Number of Equity Shares of face value of ₹10 each	Percentage of the post-Offer paid-up Equity Share capital (%)					
	Fund Triodos Microfinance Fund represented by Triodos Investment Management B.V.)			up to ₹[●] million							
TOTAL (A)		117,822,235	73.92	-	[●]	[●]	-	-	-	-	-
Corporate Selling Shareholders											
11.	Alakris Partners LLP	45,455	0.03	Up to 45,455 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	[●]	[●]	March 30, 2026	May 15, 2026	220.00	Nil	220.00
12.	Asian Star Company Ltd	100,000	0.06	Up to 100,000 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	[●]	[●]	April 7, 2026	May 15, 2026	220.00	Nil	Nil
13.	Bhabani Pigments Private Limited	44, 444	0.03	Up to 20,000 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	[●]	[●]	April 1, 2026	May 15, 2026	225.00	Nil	Nil
14.	Consolidated Technical Services India LLP	22,727	0.01	Up to 11,363 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	[●]	[●]	March 30, 2026	May 15, 2026	220.00	Nil	Nil
15.	DSS Enterprises Private Limited	22,222	0.01	Up to 11,111 Equity Shares of face value of ₹10 each aggregating	[●]	[●]	March 28, 2026	May 15, 2026	225.0	Nil	Nil

S. No.	Name of the Selling Shareholder	Pre-Offer (as on the date of this Draft Red Herring Prospectus)^		Number of Equity Shares offered in the Offer for Sale by the Selling Shareholder / Amount (₹ in million)	Post-Offer^		Date of board resolution / corporate authorization	Date of consent letter	Weighted average cost of acquisition per Equity Share of face value of ₹10 each (in ₹)[(1)]	Weighted average cost of acquisition per Equity Shares of face value of ₹10 each acquired in last one year[(1)]	Weighted average cost of acquisition per Equity Shares of face value of ₹10 each acquired in last three years[(1)]
		Number of Equity Shares of face value of ₹10 each	Percentage of the pre-Offer paid-up Equity Share capital (%) #		Number of Equity Shares of face value of ₹10 each	Percentage of the post-Offer paid-up Equity Share capital (%)					
				up to ₹[●] million							
16.	Kotak Mahindra Trusteeship Services Limited (acting in its capacity as trustee of Broadway Private Trust)	44,444	0.03	Up to 44,444 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	[●]	[●]	April 2, 2026	May 15, 2026	220.0	Nil	Nil
17.	Malpani Holdings LLP	44,444	0.03	Up to 22,222 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	[●]	[●]	March 30, 2026	May 15, 2026	225.00	Nil	Nil
18.	Sharadha Terry Products Private Limited	177,750	0.11	Up to 88,875 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	[●]	[●]	February 16, 2026	May 15, 2026	225.00	Nil	Nil
19.	Vicco Products (Bombay) Private Limited	44,444	0.03	Up to 44,444 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	[●]	[●]	March 28, 2026	May 15, 2026	225.00	Nil	Nil
TOTAL (B)		545,930	0.34	-	[●]	[●]	-	-	-	-	-
Individual Selling Shareholders											
20.	Aanvi Somany	45,455	0.03	Up to 45,455 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	[●]	[●]	N.A.	May 15, 2026	220.00	Nil	Nil

S. No.	Name of the Selling Shareholder	Pre-Offer (as on the date of this Draft Red Herring Prospectus)^		Number of Equity Shares offered in the Offer for Sale by the Selling Shareholder / Amount (₹ in million)	Post-Offer^		Date of board resolution / corporate authorization	Date of consent letter	Weighted average cost of acquisition per Equity Share of face value of ₹10 each (in ₹)[1]	Weighted average cost of acquisition per Equity Shares of face value of ₹10 each acquired in last one year[1]	Weighted average cost of acquisition per Equity Shares of face value of ₹10 each acquired in last three years[1]
		Number of Equity Shares of face value of ₹10 each	Percentage of the pre-Offer paid-up Equity Share capital (%) #		Number of Equity Shares of face value of ₹10 each	Percentage of the post-Offer paid-up Equity Share capital (%)					
21.	Abhishek Prakash Sharma	17,000	0.01	Up to 17,000 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	[●]	[●]	N.A.	May 15, 2026	225.17	Nil	Nil
22.	Ameya Somany	45,455	0.03	Up to 45,455 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	[●]	[●]	N.A.	May 15, 2026	220.00	Nil	Nil
23.	Amit Prakash Sharma	44,444	0.03	Up to 44,444 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	[●]	[●]	N.A.	May 15, 2026	225.00	Nil	Nil
24.	Anjana Somany	45,455	0.03	Up to 45,455 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	[●]	[●]	N.A.	May 15, 2026	220.00	Nil	Nil
25.	Anju Singh	136,364	0.09	Up to 68,182 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	[●]	[●]	N.A.	May 15, 2026	220.00	Nil	Nil
26.	Atul Ramsharan Gupta	44,444	0.03	Up to 44,444 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	[●]	[●]	N.A.	May 15, 2026	225.00	Nil	Nil
27.	Devendra Mohan Gupta	44,444	0.03	Up to 22,222 Equity Shares of face value of ₹10 each	[●]	[●]	N.A.	May 15, 2026	225.00	Nil	Nil

S. No.	Name of the Selling Shareholder	Pre-Offer (as on the date of this Draft Red Herring Prospectus)^		Number of Equity Shares offered in the Offer for Sale by the Selling Shareholder / Amount (₹ in million)	Post-Offer^		Date of board resolution / corporate authorization	Date of consent letter	Weighted average cost of acquisition per Equity Share of face value of ₹10 each (in ₹)[(1)]	Weighted average cost of acquisition per Equity Shares of face value of ₹10 each acquired in last one year[(1)]	Weighted average cost of acquisition per Equity Shares of face value of ₹10 each acquired in last three years[(1)]
		Number of Equity Shares of face value of ₹10 each	Percentage of the pre-Offer paid-up Equity Share capital (%) #		Number of Equity Shares of face value of ₹10 each	Percentage of the post-Offer paid-up Equity Share capital (%)					
				aggregating up to ₹[●] million							
28.	Dharmesh D Shah	45,455	0.03	Up to 45,455 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	[●]	[●]	N.A.	May 15, 2026	220.00	Nil	Nil
29.	Gaurav Sharma	17,000	0.01	Up to 17,000 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	[●]	[●]	N.A.	May 15, 2026	225.17	Nil	Nil
30.	Indresh Batra	44,444	0.03	Up to 44,444 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	[●]	[●]	N.A.	May 15, 2026	225.00	Nil	Nil
31.	K S Manian	113,636	0.07	Up to 113,636 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	[●]	[●]	N.A.	May 15, 2026	220.00	Nil	Nil
32.	Keki M Mistry	49,900	0.03	Up to 49,900 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	[●]	[●]	N.A.	May 15, 2026	225.00	Nil	Nil
33.	Khushbu Singh	11,364	0.01	Up to 5,682 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	[●]	[●]	N.A.	May 15, 2026	220.00	Nil	Nil
34.	Manish Satyanarayan Nuwal	44,444	0.03	Up to 44,444 Equity Shares of face value of ₹10 each	[●]	[●]	N.A.	May 15, 2026	225.00	Nil	Nil

S. No.	Name of the Selling Shareholder	Pre-Offer (as on the date of this Draft Red Herring Prospectus)^		Number of Equity Shares offered in the Offer for Sale by the Selling Shareholder / Amount (₹ in million)	Post-Offer^		Date of board resolution / corporate authorization	Date of consent letter	Weighted average cost of acquisition per Equity Share of face value of ₹10 each (in ₹)[(1)]	Weighted average cost of acquisition per Equity Shares of face value of ₹10 each acquired in last one year[(1)]	Weighted average cost of acquisition per Equity Shares of face value of ₹10 each acquired in last three years[(1)]
		Number of Equity Shares of face value of ₹10 each	Percentage of the pre-Offer paid-up Equity Share capital (%) #		Number of Equity Shares of face value of ₹10 each	Percentage of the post-Offer paid-up Equity Share capital (%)					
				aggregating up to ₹[●] million							
35.	Manu Anand	44,444	0.03	Up to 22,000 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	[●]	[●]	N.A.	May 15, 2026	225.00	Nil	Nil
36.	Mehul Shantilal Modi	44,444	0.03	Up to 44,444 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	[●]	[●]	N.A.	May 15, 2026	225.00	Nil	Nil
37.	Naveen Philip	44,444	0.03	Up to 44,444 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	[●]	[●]	N.A.	May 15, 2026	225.00	Nil	Nil
38.	Neha Singh	22,727	0.01	Up to 11,364 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	[●]	[●]	N.A.	May 15, 2026	220.00	Nil	Nil
39.	Nishant Agarwal	53,096	0.03	Up to 53,096 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	[●]	[●]	N.A.	May 15, 2026	154.55	Nil	108.00
40.	Pankaj Bajaj (in his capacity as trustee of Mannat Family Trust)	53,333	0.03	Up to 26,500 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	[●]	[●]	N.A.	May 15, 2026	225.00	Nil	Nil
41.	Paresh Jaswantrai Mehta	113,636	0.07	Up to 56,818 Equity Shares of face value of ₹10 each aggregating	[●]	[●]	N.A.	May 15, 2026	220.00	Nil	Nil

S. No.	Name of the Selling Shareholder	Pre-Offer (as on the date of this Draft Red Herring Prospectus)^		Number of Equity Shares offered in the Offer for Sale by the Selling Shareholder / Amount (₹ in million)	Post-Offer^		Date of board resolution / corporate authorization	Date of consent letter	Weighted average cost of acquisition per Equity Share of face value of ₹10 each (in ₹)[(1)]	Weighted average cost of acquisition per Equity Shares of face value of ₹10 each acquired in last one year[(1)]	Weighted average cost of acquisition per Equity Shares of face value of ₹10 each acquired in last three years[(1)]
		Number of Equity Shares of face value of ₹10 each	Percentage of the pre-Offer paid-up Equity Share capital (%) #		Number of Equity Shares of face value of ₹10 each	Percentage of the post-Offer paid-up Equity Share capital (%)					
				up to ₹[●] million							
42.	Parnika Rathi	22,222	0.01	Up to 11,111 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	[●]	[●]	N.A.	May 15, 2026	225.00	Nil	Nil
43.	Rajesh Mannalal Agrawal	68,182	0.04	Up to 68,182 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	[●]	[●]	N.A.	May 15, 2026	220.00	Nil	Nil
44.	Sandeep Neema	44,444	0.03	Up to 44,444 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	[●]	[●]	N.A.	May 15, 2026	225.00	Nil	Nil
45.	Shalini Jyoti Singh	22,727	0.01	Up to 11,364 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	[●]	[●]	N.A.	May 15, 2026	220.00	Nil	Nil
46.	Smita Rajesh Shah	11,112	0.01	Up to 5,556 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	[●]	[●]	N.A.	May 15, 2026	225.00	Nil	Nil
47.	Sudhir Anil Hirani	45,000	0.03	Up to 22,500 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	[●]	[●]	N.A.	May 15, 2026	220.00	Nil	Nil
48.	Sunil Gangadhar Rohokale	46,512	0.03	Up to 46,512 Equity Shares of face value of ₹10 each aggregating	[●]	[●]	N.A.	May 15, 2026	215.00	Nil	Nil

S. No.	Name of the Selling Shareholder	Pre-Offer (as on the date of this Draft Red Herring Prospectus)^		Number of Equity Shares offered in the Offer for Sale by the Selling Shareholder / Amount (₹ in million)	Post-Offer^		Date of board resolution / corporate authorization	Date of consent letter	Weighted average cost of acquisition per Equity Share of face value of ₹10 each (in ₹)[(1)]	Weighted average cost of acquisition per Equity Shares of face value of ₹10 each acquired in last one year[(1)]	Weighted average cost of acquisition per Equity Shares of face value of ₹10 each acquired in last three years[(1)]
		Number of Equity Shares of face value of ₹10 each	Percentage of the pre-Offer paid-up Equity Share capital (%) #		Number of Equity Shares of face value of ₹10 each	Percentage of the post-Offer paid-up Equity Share capital (%)					
				up to ₹[●] million							
49.	Sumesh Mehra	181,818	0.11	Up to 90,909 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	[●]	[●]	N.A.	May 15, 2026	220.00	Nil	Nil
50.	Sundeep Kattamuri	44,444	0.03	Up to 44,444 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	[●]	[●]	N.A.	May 15, 2026	225.00	Nil	Nil
51.	Sunil Anil Hirani	80,000	0.05	Up to 40,000 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	[●]	[●]	N.A.	May 15, 2026	220.00	Nil	Nil
52.	Tejas Goenka	44,444	0.03	Up to 22,222 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	[●]	[●]	N.A.	May 15, 2026	225.00	Nil	Nil
53.	Tinaz Mistry	17,100	0.01	Up to 17,100 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	[●]	[●]	N.A.	May 15, 2026	Nil	Nil	Nil
54.	Trivikrama Prasad Pinnamaneni	66,667	0.04	Up to 33,333 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	[●]	[●]	N.A.	May 15, 2026	225.00	Nil	Nil
55.	Vimal Kanubhai Patel	44,444	0.03	Up to 44,444 Equity Shares of face value of ₹10 each aggregating up to ₹[●]	[●]	[●]	N.A.	May 15, 2026	225.00	Nil	Nil

S. No.	Name of the Selling Shareholder	Pre-Offer (as on the date of this Draft Red Herring Prospectus)^		Number of Equity Shares offered in the Offer for Sale by the Selling Shareholder / Amount (₹ in million)	Post-Offer^		Date of board resolution / corporate authorization	Date of consent letter	Weighted average cost of acquisition per Equity Share of face value of ₹10 each (in ₹)[(1)]	Weighted average cost of acquisition per Equity Shares of face value of ₹10 each acquired in last one year[(1)]	Weighted average cost of acquisition per Equity Shares of face value of ₹10 each acquired in last three years[(1)]
		Number of Equity Shares of face value of ₹10 each	Percentage of the pre-Offer paid-up Equity Share capital (%) #		Number of Equity Shares of face value of ₹10 each	Percentage of the post-Offer paid-up Equity Share capital (%)					
				million 44,444							
56.	Vinod Kumar Mahindra	22,222	0.01	Up to 22,222 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	[●]	[●]	N.A.	May 15, 2026	225.00	Nil	Nil
57.	Yadama Muralidhar	44,444	0.03	Up to 44,444 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	[●]	[●]	N.A.	May 15, 2026	225.00	Nil	Nil
58.	Yogesh Mannalal Agrawal	45,455	0.03	Up to 45,455 Equity Shares of face value of ₹10 each aggregating up to ₹[●] million	[●]	[●]	N.A.	May 15, 2026	220.00	Nil	Nil
TOTAL (C)		1,976,665	1.24	-	[●]	[●]	-	-	-	-	-
TOTAL (D = A + B + C)		120,344,830	75.50	-	[●]	[●]	-	-	-	-	-

**Assuming exercise of vested options, as applicable.*

^ The percentage of the Equity Share capital on a fully diluted basis has been calculated on the basis of total Equity Shares held and such number of Equity Shares which will result upon conversion of vested options under the ESOP Schemes, as applicable.

(1) Weighted average cost of acquisition per Equity Share of face value ₹10, as certified by KGRS & Co, Chartered Accountants, bearing firm registration number 310014E, pursuant to their certificate dated May 15, 2026.