BERAR FINANCE LIMITED

Partnership for Prosperity

36TH ANNUAL REPORT

2025-2026

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CORPORATE INFORMATION

CHAIRMAN EMERITUS

CS Maroti Jawanjar
(w.e.f. April 1, 2026)

BOARD OF DIRECTORS

Independent Directors
Mr. Rajesh Vasudevan - Chairman
(w.e.f. May 19, 2026)
Mr. Varun Bhalla
CA Annapurna Dubey
CA Saket Bagdia (Additional)
(w.e.f. May 19, 2026)

Non-Executive Directors
Mr. Shantaram Mahakalkar
(up to May 16, 2026)
CA Avishek Addy
Ms. Anvi Somaiya
CA Smriti Chandra
Mr. Vishal Kumar Gupta

Executive Directors
CS Maroti Jawanjar - Executive Chairman
(up to March 31, 2026)
Mr. Sandeep Jawanjal - Managing Director

KEY MANAGERIAL PERSONNEL

Chief Compliance Officer & Company Secretary
CS Deepali Balpande

Chief Financial Officer
CA Yogesh Tahalyani

AUDITORS

Statutory Auditors
M/s N. A. Shah Associates LLP, Chartered Accountants

Secretarial Auditors
Makarand M. Joshi & Co., Company Secretaries

BANKERS

Bank of Maharashtra
IDBI Bank Ltd.
Punjab National Bank
AU Small Finance Bank Ltd.
IDFC First Bank Ltd.

REGISTERED OFFICE

Berar Finance Limited
Avinisha Tower, Mehadia Chowk, Dhantoli,
Nagpur - 440 012
Phone: 0712-6663999
CIN: U65929MH1990PLC057829
Website: www.berarfinance.com
Email: investor.relations@berarfinance.com

REGISTRAR & SHARE TRANSFER AGENT

Bigshare Services Private Limited
Office No. S6-2, 6th Floor, Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road, Andheri
(East), Mumbai - 400 093
Tel: 022-62638261
Website: www.bigshareonline.com
Email: investor@bigshareonline.com

DEBENTURE TRUSTEES

IDBI Trusteeship Services Limited
Ground Floor, Universal Insurance Building, Sir
Phirozshah Mehta Road,
Fort, Mumbai - 400 001
Tel: 022-4080 7068
Website: www.idbitrustee.com
Email: itsl@idbitrustee.com

MITCON Credentia Trusteeship Services Limited
1402/1403, 14th Floor, Dalamal Tower, B-Wing,
Free Press Journal Marg, 211, Nariman Point,
Mumbai - 400 021
Tel: +91 7045590953
Website: www.mitconcredentia.in
Email: compliance@mitconcredentia.in

PUBLIC DEPOSIT TRUSTEE

Catalyst Trusteeship Limited
GDA House, First Floor, Plot No. 85, Bhusari
Colony (Right), Kothrud, Pune - 411 038
Tel: 020-6680 7200
Website: www.catalysttrustee.com
Email: dt@ctltrustee.com

EQUITY ISIN

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BOARD'S REPORT

The Board of Directors ("the Board") of Berar Finance Limited ("the Company") have pleasure in presenting the 36th Annual Report and the Audited Financial Statements of the Company for the Financial Year ended March 31, 2026 ("**FY 2025-2026 or FY 2026**").

FINANCIAL RESULTS

The operations of the Company have generated a Net Profit (after tax) of ₹ 3,622.52 lakhs (P.Y.: ₹ 3, 229.70 lakhs) for the financial year ended March 31, 2026.

The business operations of the Company continued to grow satisfactorily during the year, as evident from the following figures:

(₹ in lakhs)

Particulars	FY 2025-2026	FY 2024-2025
Loans Disbursed during the year	147,347.83	1,17,511.60
Gross Assets under Management (AUM)	**179,202.42**	**1,38,306.39**
Assets sold under Securitisation	10,827.81	7,145.94
Gross Income	**35,794.86**	**29,496.39**
Profit (before tax and extra-ordinary items)	4,371.20	4,225.86
Net Profit (after Tax)	**3,622.52**	**3,229.70**
Add: Balance Brought Forward	4,219.87	1,789.31
Add/(Less): Other Comprehensive Income	61.91	2.47
Disposable Profit	**7,904.30**	**5,021.48**
Appropriations:		
- Dividend paid during the year	(148.04)	(123.37)
- Transfer to Statutory Reserve (As per Section 45-IC of RBI Act, 1934)	(760.73)	(678.24)
- Transfer to General Reserve	-	-
Balance Carried Forward	**6,995.53**	**4,219.87**

MANAGEMENT DISCUSSION AND ANALYSIS

An analysis of the Company's performance is discussed in the Management Discussion and Analysis forming part of this Report and attached to this Report as **"Annexure I"**.

TRANSFER TO RESERVE FUND

Under section 45-IC (1) of Reserve Bank of India ("**RBI**") Act, 1934, non-banking financial companies ("**NBFCs**") are required to transfer a sum not less than 20% of its net profit every year to reserve fund before declaration of any dividend. Accordingly, the Company has transferred a sum of ₹ 760.73 lakhs to its reserve fund.

The Company, being an NBFC, is exempt from transferring any amount to debenture redemption reserve in respect of privately placed Non-Convertible Debentures. However, the Company maintains sufficient liquidity buffer and asset cover at all times to fulfil its obligations under debenture documents.

SHARE CAPITAL

i. Increase in Authorised Share Capital of the Company

The Company has increased its authorised share capital from INR 15,00,00,000 divided into 1,45,00,000 equity shares of face value INR 10 each; and 5,00,000 cumulative compulsorily convertible participating preference shares carrying a coupon rate of 0.1% per annum of face value INR 10 each To INR 17,32,00,000 divided into 1,67,00,000 equity shares of face value INR 10 each; 5,00,000 cumulative compulsorily convertible participating preference shares carrying a coupon rate of 0.1% per annum of face value INR 10 each; and 1,20,000 preference shares of face value INR 10/- each with the approval of the members of the Company at the Extra-Ordinary General Meeting ("EGM") held on October 09, 2025.

ii. Allotment of Shares:

During the FY 2025-2026, pursuant to the approval of the Board of Directors and members of the Company, the following changes have taken place in the share capital of the Company:

Sr. No	Particulars of allotment	No. of shares	Amount (₹)
1	Equity shares issued and allotted at ₹ 610.05 per share (face value @ ₹ 10/- per share) on October 18, 2025	7,00,763	42,75,00,468.15
2	Series B Cumulative non-participating compulsorily convertible preference shares issued and allotted at ₹ 610.05 per share (face value @ ₹10/- per share) on October 18, 2025	36,882	2,24,99,864.10
3	Equity shares issued and allotted at ₹ 610.05 per share (face value @ ₹ 10/- per share) on October 20,2025	14,01,525	85,50,00,326.25
4	Series B Cumulative non-participating compulsorily convertible preference shares issued and allotted at ₹ 610.05 per share (face value @ ₹ 10/- per share) on October 20,2025	73,765	4,50,00,338.25
5	Equity shares issued and allotted at ₹610.05 per share (face value @ ₹10/- per share) on January 16,2026	77,862	4,74,99,713.10
6	Series B Cumulative non-participating compulsorily convertible preference shares issued and allotted at ₹ 610.05 per share (face value @ ₹ 10/- per share) on January 16,2026	4,098	24,99,984.90

As on March 31, 2026, the paid-up share capital of the Company stood at ₹ 1463.17 lakhs consisting of 14516996 equity shares of face value of ₹ 10 each fully paid-up and 114745 Series B Cumulative non-participating compulsorily convertible preference shares (Series B CCPS) of face value of ₹ 10 each fully paid-up. The above allotments were made by way of preferential offer through private placement.

DIVIDEND

The Company has in place a Dividend Distribution Policy, which sets out the parameters and circumstances to be considered by the Board in determining the distribution of dividend to its shareholders and/or retaining profit earned. The said Policy is in accordance with the notification No. RBI/2021 22/59DOR.ACC.REC.No.23/ 21.02.067/2021-22 dated June 24, 2021 (Now been replaced with Reserve Bank of India (Non-Banking Financial Companies - Prudential Norms on Declaration of Dividends) Directions, 2025) issued by Reserve Bank of India (“RBI”).

Accordingly, your Directors recommend for consideration of the members at the ensuing Annual General Meeting (“AGM”), payment of dividend at 10% (₹ 1 per Share) for FY 2025-2026. Pursuant to the terms and conditions of Series B CCPS issued and allotted during the financial year 2025-2026, they are entitled to the entire dividend as declared on Equity Shares on a Fully Diluted Basis. Additionally, the Series B CCPS shall carry a pre-determined cumulative dividend at the rate of 0.01% (zero point zero one percent) on face value per annum.

The dividend recommended is in accordance with the principles and criteria set out in the Company’s Dividend Distribution Policy. Total dividend proposed for the year does not exceed the ceilings specified in said RBI Directions.

The dividend, if approved at the ensuing AGM, would be paid to those Members whose names appear in the Register of Members of the Company as at the date of the AGM.

The dividend, if approved at the ensuing AGM will be taxable in the hands of the members of the Company pursuant to Income Tax Act, 2025. For further details on taxability, please refer Notice of AGM.

FUNDING RESOURCES

i. **Bank Facilities** -

As on date, a consortium of bankers are providing CC facilities of ₹ 6,500.00 lakhs.

The overall outstanding balance of the consortium and non-consortium CC Limit as on March 31, 2026 is ₹ 409.89 lakhs.

Apart from that the Company has also availed Working Capital Demand Loan facility whose sanctioned limit is ₹ 3000 Lakhs and the outstanding balance is ₹ 3000 Lakhs as on March 31, 2026.

ii. **Fixed Deposits -**

As on March 31, 2026, total fixed deposits amounted to ₹ 13,582.77 lakhs, of which public deposits amounted to ₹ 10,287.54 lakhs. The following table provides the details of the flow of public deposits during FY 2025-2026:

Particulars	₹ in lakhs
Public Deposits at the beginning of the year	**17,875.21**
Less: Public deposits repaid/renewed during the year	-7,587.67
Add: Public Deposits accepted / renewed during the year	0.00
Public Deposits at the end of the year	**10,287.54**

₹ 40.93 lakhs of deposits (from 17 deposit accounts) matured and were unclaimed as on March 31, 2026. All these were claimed/renewed subsequently except 10 deposit accounts amounting to ₹ 25.70 lakhs. Periodic reminders are being sent to the depositors for repayment/renewal of deposits. The Company has stopped accepting fresh public deposits or renewal of existing public deposits w.e.f December 01, 2024.

iii. **Term Loans -**

Your Company has availed term loans for working capital from various lenders at favorable terms and at a reasonable rate of interest. The outstanding balance of such loans as on March 31, 2026 is ₹ 1,01,054.57 lakhs. The term loans offer ready availability, their repayments match maturity of receivables offered as security.

iv. **Assets Securitized -**

During the year your Company has raised resources through securitization of receivables. The closing balance of assets securitized as on March 31, 2026 is ₹ 10,827.81 lakhs.

v. **Non-Convertible Debentures -**

During the year under review, your Company has issued and allotted the following Non-Convertible Debentures ("**NCDs**") on Private Placement basis:

Sr. No	ISIN	Date of Allotment	No. of Debentures	Face Value (per debenture) ₹ in Lakhs	Total Amount ₹ in lakhs	Remarks
1	INE998Y07188	24.06.2025	50000	0.1	5000	Listed
2	INE998Y07196	30.06.2025	2500	1.0	2500	Listed
3	INE998Y07204	29.08.2025	30000	0.1	3000	Listed
4	INE998Y07212	25.09.2025	4000	1.0	4000	Listed

No NCDs were redeemed during the year under review. However, after the end of the financial year under review till the date of this Board report, the Company has redeemed the following Non-Convertible Debentures ("**NCDs**"):

Sr. No	ISIN	Date of Allotment	No. of Debentures	Face Value (per debenture) ₹ in Lakhs	Total Amount ₹ in lakhs	Date of Redemption	Remarks
1	INE998Y07147	23.04.2024	2500	1.0	2500	23.04.2026	Listed

The Company has been regular in the payment of principal / interest towards all the outstanding Non-Convertible Debentures. As on March 31, 2026 the total outstanding balance of Secured NCDs stood at ₹ 19,536.78 lakhs.

REVIEW OF OPERATIONS

Financing of two-wheelers continues to be the mainstay product of your Company. Additionally, your Company offers other loan products like personal loans, two-wheeler re-financing loans and Secured MSME/ Loan against property. Your Company has a strong network and presence in rural and semi-urban India which has demonstrated strong growth potential and resilience in spite of multiple macro- economic challenges during the year. Your Company has recorded satisfactory growth in business with a 25.39 % increase in disbursement and 21.35 % increase in gross income during FY 2025-2026 compared to FY 2024-2025.

BRANCH NETWORK

As on March 31, 2026, besides the Head Office situated at Nagpur, the Company had 165 branches comprising 42 in Maharashtra, 24 in Madhya Pradesh, 27 in Chhattisgarh, 18 in Telangana, 10 in Gujarat, 7 in Karnataka, 23 in Odisha, 5 in Jharkhand and 9 in Andhra Pradesh. No branch was closed during the FY 2025-2026.

After the end of the FY 2025-2026 and till the date of this report, the Company has opened 1 new branch at Anand in Gujarat. As on date of this report, the total branch count is 167 including Head Office of the Company.

Your Company plans to add more branches during the financial year 2026-2027 as it seeks to increase its geographical coverage and expand its customer reach across strategic locations in Central, Western, Northern and Southern India.

RESERVE BANK OF INDIA GUIDELINES

Your Company has been following guidelines issued by the Reserve Bank of India ("**RBI**") including those related to prudential norms for income recognition, asset classification, provisioning of bad and doubtful debts, capital adequacy and concentration of credit and investments. Your Company has a comfortable capital adequacy ratio of 25.09% (as against 15% prescribed by RBI) as on March 31, 2026. Under the regulatory framework of RBI, your Company is classified as Systemically Important Asset Finance Company.

Reserve Bank of India vide its notification no. RBI/2018-19/130 DNBR (PD) CC.No.097/03.10.001/2018-19 February 22, 2019 harmonized different categories of NBFCs. According to this notification, your Company falls under the category of NBFC - Investment & Credit Company (NBFC-ICC).

As per Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025 as amended from time to time ('RBI Scale Based Regulation'), your Company is classified as **NBFC- Middle Layer.**

Further, the Company exceeds the regulatory requirement of Liquidity Coverage Ratio ('LCR') introduced by the RBI in FY2020. As against the LCR requirement of 100%, the Company's LCR as on 31 March 2026 was 104.43 %.

The Company continues to be in compliance with RBI Scale Based Regulation as may be amended from time to time.

INTERNAL CAPITAL ADEQUACY ASSESSMENT POLICY ('ICAAP')

Pursuant to RBI Directions on Prudential Norms on Capital Adequacy, NBFCs are required to have an ICAAP in place. The objective of ICAAP is to ensure availability of adequate capital to support all risks in business and also to encourage NBFCs to develop and use better internal risk management techniques for monitoring and managing their risks. Accordingly, the Company has framed an ICAAP Policy. This Policy is developed considering the requirements of the said RBI Directions and is based on the Pillar-2 requirements under Basel III Framework developed by the Basel Committee on Banking Supervision (BCBS).

The objective of the Policy is to provide an ongoing assessment of the Company's entire spectrum of risks and the methodology to assess current and future capital, reckoning other mitigating factors and also to assist and apprise the Board on these aspects and on Company's internal capital adequacy assessment process and Company's approach to capital management. It has completed its ICAAP for FY2025 in line with its Board approved ICAAP policy. Based on assessment of all the material risks applicable to it and reviewing the controls and risk mitigation techniques, the Company is not required to maintain any additional capital.

INFORMATION TECHNOLOGY GOVERNANCE AND CYBER SECURITY

The Company continues to strengthen its Information Technology (IT) and Information Security framework in alignment with applicable regulatory guidelines and industry best practices. An IT Strategy Committee, chaired by an Independent Director, provides strategic oversight on technology initiatives, risk management, and cybersecurity preparedness. During the financial year 2025–26, the Committee convened five (5) meetings to review and guide the Company's IT roadmap and governance structure.

To further enhance the Governance, Risk, and Compliance (GRC) framework, the Company has designated key leadership roles, including the Chief Technology Officer (CTO) and Chief Information Security Officer (CISO), ensuring robust oversight of IT operations and cyber resilience.

In line with its IT Governance Framework, the Company has implemented and strengthened a comprehensive suite of policies during the year, including:

- Data Protection and Security Policy
- Business Continuity Planning (BCP) & Disaster Recovery (DR) Policy

- Cyber Crisis Management Plan
- Information Security and Cyber Security Policy
- Policy for Outsourcing of Information Technology
- Information Technology (IT) and Cyber Incident Management Policy

These initiatives collectively reinforce the Company's enterprise-wide risk management and cybersecurity posture.

The Company has implemented a Core Financial Services Solution in compliance with regulatory requirements, enabling straight-through processing (STP) of loan transactions and automated generation of critical management information systems (MIS), thereby improving operational efficiency and decision-making capabilities.

To ensure business continuity and operational resilience, the Company operates its primary Data Centre at Yotta, Noida, complemented by a fully functional Disaster Recovery (DR) site at Yotta, Navi Mumbai. Additionally, a Security Operations Centre (SOC) has been established at the Noida Data Centre to provide real-time monitoring and response capabilities, thereby enhancing the overall cybersecurity framework. Critical applications are hosted in a high-availability environment to mitigate operational risks.

The Company has also conducted periodic cybersecurity awareness programs to enhance employee vigilance and promote a culture of information security across the organization. In compliance with regulatory requirements, a secure "140 & 160" series smart telephony solution has been deployed to strengthen customer communication integrity.

Further, the Company has upgraded its enterprise collaboration and email systems to a modern, secure suite, replacing legacy communication tools. Its IT applications, supported by API integrations, enable seamless and paperless loan processing, significantly improving branch productivity and customer experience. The Loan Origination System (LOS) is integrated with leading OEM partners, facilitating efficient lead generation and streamlined processing from dealer networks.

Overall, the Company remains committed to leveraging technology as a key enabler for operational excellence, customer satisfaction, and regulatory compliance, while maintaining a strong focus on cybersecurity and data protection.

RELATED PARTY TRANSACTIONS

All transactions entered into by the Company with related parties were in the ordinary course of business and on an arm's length basis. The Company did not enter into any material transaction with related parties under Section 188 of the Companies Act, 2013 ("the Act"), during FY 2025-2026. Hence, Form AOC-2, as required under Section 134(3) (h) of the Act, read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is not applicable. The policy on materiality of related party transactions and on dealing with related party transactions is hosted on the website of the Company and can be accessed at https://www.berarfinance.com/pdf/policies/Related_Party_Transaction_Policy.pdf

Further details on the transactions with related parties are provided in the accompanying financial statements.

CREDIT RATING

The details of Credit Ratings assigned to various programmes of the Company by various agencies as on March 31, 2026 are as follows:

Sr. No.	Instrument Name	CRISIL Rating	ICRA Rating	India Ratings
1	Fixed Deposits Programme	BBB +; Stable (Triple B Plus ; Outlook: Stable)	-	-
2	Long Term Bank Facilities	BBB+; Stable (Triple B Plus; Outlook: Stable)	-	-
3	Non-Convertible Debentures	BBB+; Stable (Triple B Plus; Outlook: Stable)	1. BBB; (Stable) (Triple B; Outlook: Stable); reaffirmed and withdrawn 2. BBB (Stable) (Triple B; Outlook: Stable) reaffirmed and Withdrawn	IND BBB + (Triple B Plus; Outlook; Stable)

4	Securitisation Transactions			
	- Knight 09 2023	-	A+ (Outlook: Stable); upgraded	-
	- Hulk 2024	-	A- (Outlook: Stable); reaffirmed	-
	- Duchess 2024	-	A- (Outlook: Stable); reaffirmed	-
	Sentinel 2025	-	A- (Outlook: Stable); assigned	-
	NORTON 06 2025	-	BBB + (Outlook: Stable); assigned	-
	AKAAY 08 2025	-	A+ (Outlook: Stable); assigned	-
	DRIFT 08 2025	-	A+ (Outlook: Stable); assigned	-
	Manav 12 2025	A+ (Outlook: Stable); assigned	-	-

Note: The Company has withdrawn the ratings from CARE Ratings Limited during the financial year 2025-2026.

LISTING ON STOCK EXCHANGES

The Company has issued Non-Convertible Debentures (NCDs) on private placement basis which are listed on the Wholesale Debt Market Segment of BSE Limited.

STATUTORY AUDITORS

In compliance with the RBI Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs) issued by the Reserve Bank of India (RBI)vide notification Ref. No. DoS. CO.ARG/SEC.01/08.91.001/2021-22 dated April 27, 2021, the Members of the Company appointed M/s. N.A. Shah Associates LLP, (ICAI Firm Registration Number: 116560W / W100149), Chartered Accountants as the Statutory Auditors of your Company for a term of 3 consecutive years to hold office from conclusion of the 35th AGM till the conclusion of 38th AGM on such remuneration plus out of pocket expenses, if any, as may be mutually agreed upon between the Board of Directors of the Company and the Statutory Auditors.

The Company obtains the declaration of fulfillment of eligibility criteria in accordance with the provisions of Section 141 of the Companies Act, 2013 and guidelines issued by RBI from the Statutory Auditors on an annual basis.

AUDITORS' REPORT

The Auditors Report issued by M/s N.A. Shah Associates LLP on the financial statements of the Company for the year ended March 31, 2026 is self-explanatory and unmodified, i.e. it does not contain any qualification, reservation or adverse remark or disclaimer.

In terms of the RBI Master Direction – Non-Banking Financial Companies Auditors Report (Reserve Bank) Directions, 2016, the M/s N.A. Shah Associates LLP have also submitted an additional report dated May 19, 2026 for FY 2025-2026.

There were no comments or adverse remarks in the said report as well.

INTERNAL AUDITORS

The internal audit function provides an independent view to the Board of Directors, the Audit Committee and the senior management on the quality and efficacy of the internal controls, governance systems and processes. In line with the RBI's guidelines on Risk Based Internal Audit, the Company has adopted a Risk Based Internal Audit Policy.

At the beginning of each financial year, an audit plan is rolled out after approval of the Audit Committee & Board. Pursuant to Risk Based Internal Audit (RBIA) Framework, internal audit is aligned in such a manner that assurance is provided to the Audit Committee and Board of Directors on quality and effectiveness of the internal controls, and governance related systems and processes.

The Audit Committee of Board ("ACB") regularly reviews the RBIA reports and the adequacy and effectiveness of internal controls. Significant audit observations, corrective and preventive actions thereon are presented to the Audit Committee on a periodic basis.

The ACB reviewed the performance of the RBIA Function and the suggestions made were implemented during the year under review.

The ACB also meets with the Head of Internal Audit without the presence of Management.

SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204(1) of the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board appointed M/s. Makarand M. Joshi & Co., a peer reviewed firm of Company Secretaries in Practice, Mumbai (Firm Unique Identification Number P2009MH007000) **("Secretarial Auditor")** to conduct Secretarial Audit for FY 2025-2026.

The Secretarial Audit Report for the financial year ended March 31, 2026 in Form MR-3 is attached to this report as **"Annexure II"** and forms part of this Report.

The Secretarial Auditors, in their Report, have made an observation that in one instance the Company has not intimated record date for payment of interest within the statutory timeline as per Regulation 60 (2) of SEBI Listing Regulations.

The delay occurred due to an inadvertent error in calculation of the due date for submission of the record date intimation for payment of interest on Non-Convertible Debentures (NCDs) to BSE Ltd. However there is no default or delay in payment of interest to NCD holders.

The Company has duly remitted the fine of ₹ 10,000/- levied by BSE Limited on August 30, 2025. Further, based on the directions of the Board of Directors, the Company has strengthened its internal compliance and monitoring processes to ensure timely regulatory filings and to prevent recurrence of such inadvertent delays.

INTERNAL OMBUDSMAN

The Company has implemented the Internal Ombudsman (IO) scheme to independently review the resolution provided by the Company in cases of wholly or partially rejected complaints, as per Reserve Bank of India (Non-Banking Financial Companies - Internal Ombudsman) Directions, 2026 dated January 14, 2026 (Erstwhile Master Direction - Reserve Bank of India (Internal Ombudsman for Regulated Entities) Directions, 2023 dated December 29, 2023).

The Office of the Internal Ombudsman helps organise meetings with internal teams based on complaints and escalations received, works with internal departments and stakeholders for timely closure of identified actionable items.

The IO is permanent invitee to the Customer Service Committee of the Board.

DIRECTORS AND KEY MANAGERIAL PERSONNEL ("KMP")

The Company's Board has an optimum combination of Executive and Non-Executive Directors including Women Independent Directors.

(A) Changes in Directors and KMP during the financial year and till the date of this report:

(i) **Appointment and Resignation of Directors:**

Sr. No	Name of Director	Designation	Appointment/ Re-appointment/ Cessation	Remarks
1.	Ms. Annapurna Dubey (DIN: 08760434)	Independent Director	Appointment	Regularised as a Director effective from November 14, 2024 at the AGM held on September 16, 2025.
2.	Ms. Anvi Somaiya (DIN: 11102904)	Non-Executive Director, liable to retire by rotation.	Appointment	Appointed as an Additional Director w.e.f. May 27, 2025. Further, regularized as a Director effective from May 27, 2025 at the AGM held on September 16, 2025.
3.	Mr. Siva Vadivel Alagan (DIN: 08242283)	Non-Executive Director, liable to retire by rotation.	Cessation	Resigned from directorship with effect from June 11, 2025.
4.	*Mr. Maroti Jawanjar (DIN No. 00379916)	Executive Chairman	Cessation	Completion of term as an Executive Chairman and resigned as a Director w.e.f March 31, 2026.

5.	Mr. Sandeep Jawanjal (DIN: 01490054)	Managing Director	Re-appointment	Completion of term as Managing Director (MD) on March 31, 2026. Re-appointed as a MD w.e.f. April 01, 2026 at the Board meeting held on March 30, 2026 which was further approved at the EGM held on May 15, 2026.
6.	Ms. Smriti Chandra (DIN: 07644331)	Non-Executive Director, liable to retire by rotation.	Appointment	Appointed as an Additional Director w.e.f. March 30, 2026 at the Board meeting held on March 30, 2026. Further, regularized as a Director effective from March 30, 2026 at the EGM held on May 15, 2026.
7.	Mr. Vishal Kumar Gupta (DIN: 02368313)	Non-Executive Director, liable to retire by rotation.	Appointment	Appointed as an Additional Director w.e.f. March 30, 2026 at the Board meeting held on March 30, 2026. Further, regularized as a Director effective from March 30, 2026 at the EGM held on May 15, 2026.
8.	Mr. Rajesh Vasudevan (DIN: 02711990)	Independent Director	Appointment	Appointed as Chairman of Board at the Board meeting held on May 19, 2026.
9.	**Mr. Saket Bagdia (DIN: 07984341)	Additional Director (Non-Executive -Independent Director)	Appointment	Appointed as an Additional Director w.e.f. May 19, 2026 (Category: Non-Executive, Independent Director) of the Company.
10.	Mr. Shantaram Mahakalkar (DIN: 00379988)	Non-Executive Director, liable to retire by rotation.	Cessation	Resigned from Directorship w.e.f May 16, 2026.

Note:

*1. The term of Mr. Maroti Jawanjar as Executive Chairman concluded on March 31, 2026 and pursuant to his resignation effective from March 31, 2026, he stepped down from the Board as a Director.

The Board placed on record its sincere appreciation for the invaluable contribution and leadership of Mr. Maroti Jawanjar during his association with the Company. As the founder and promoter of the Company, he brings over 35 years of experience in the finance sector and has played a pivotal role in establishing and strengthening the Company. His vision, strategic guidance, and commitment have significantly contributed to the Company's growth, governance practices, and overall development.

In recognition of his outstanding contribution, extensive industry knowledge, and continued guidance to the management, the Board approved his appointment as Chairman Emeritus of the Company with effect from April 1, 2026.

In this honorary, non-executive, and advisory capacity, Mr. Maroti Jawanjar will continue to provide strategic counsel and mentorship to the Board and the senior management team.

**2. Mr. Saket Bagdia holds a valid registration certificate with the database of Independent Directors. The Board is of the opinion that Mr. Saket Bagdia is a person of integrity, expertise and competent experience and proficiency to serve the Company as an Independent Director that can strengthen the overall composition of the Board.

Since he has more than 10 years of experience, he is exempted from the online proficiency test pursuant to rule 6(4) of Companies (Appointment and Qualifications of Directors) Rules, 2014, as amended.

(ii) **Appointment and Resignation of KMP:**

Save and except as stated above, there were no changes in the KMP during the financial year ended on March 31, 2026.

(B) Re-appointment of Director retiring by rotation:

Mr. Avishek Addy (DIN: 07973542), Non-Executive Director's office is due for retire by rotation at the ensuing Annual General Meeting of the Company.

(C) Declaration by Directors:

Pursuant to provisions of section 149(7), all Independent Directors have submitted the declaration of independence, confirming that they meet the criteria of independence as provided under section 149(6) of the Companies Act, 2013. Further, the Independent Directors have complied with the Code applicable for Independent Directors as stipulated under Schedule IV of the Act and have registered their name in the data bank of Independent Directors and have also passed the online proficiency self-assessment test conducted by the Indian Institute of Corporate Affairs (IICA) unless otherwise exempted.

All the Directors of the Company have confirmed that they satisfy the "fit and proper" criteria as prescribed in RBI Regulations and that they are not disqualified from being appointed / continuing as Directors under the terms of Section 164 of the Act.

(D) Key Managerial Personnel:

In terms of Section 2(51) and 203 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Mr. Maroti Jawanjar, Executive Chairman, Mr. Sandeep Jawanjal, Managing Director, Mr. Yogesh Tahalyani, Chief Financial Officer and Ms. Deepali Balpande, Company Secretary & Compliance Officer are the Key Managerial Personnel of the Company as on March 31, 2026.

PERFORMANCE EVALUATION

In compliance with the provisions of the Companies Act, 2013 and relevant rules, the Board of Directors has undertaken an annual evaluation of Board, Chairman of the Board, its Committees, Managing Director and individual Directors. A structured questionnaire-cum-rating system was deployed via a secured IT platform to maintain confidentiality of the feedback.

The performance of the Board was evaluated after seeking inputs from all the directors on the basis of the criteria such as the Board composition, administration, effectiveness of control systems, and flow of information etc. The performance of the Committees was evaluated after seeking inputs from the Board Members on the basis of the criteria such as the composition of committees, amount of responsibility delegated to the Committees, independence of Committees etc. The performance of the Chairman of the Board and Managing Director was evaluated by the Board members after seeking inputs on the basis of the criteria such as attendance, leadership qualities, and compliance with policies etc. The Board of Directors reviewed the performance of the other individual Directors on the basis of the criteria such as the attendance and participation in the meetings, raising of valid concerns to the Board, relations with other Directors and Management and understanding of the Company and the external environment in which it operates and contribution to strategic direction etc.

The Nomination and Remuneration Committee reviewed the performance of all the Directors of the Company, the Board and its Committees based on the responses to the questionnaires received from all the Directors.

In a separate meeting of Independent Directors, performance of non-independent directors, performance of the Board as a whole, and performance of the Chairman were evaluated taking into account the views of Executive and Non-Executive Directors. The Board has carried out an evaluation of its own performance, its Committees, Chairman and individual directors and expressed satisfaction on the overall performance.

MEETINGS OF THE BOARD AND ITS COMMITTEES

The Board of Directors met Ten (10) times during the year and the maximum gap between any two meetings did not exceed the limit of 120 days as prescribed under the provisions of the Act and Rules made thereunder and the Secretarial Standard on Meetings of the Board of Directors (SS-1) issued by the Institute of Company Secretaries of India.

The Company has formed several Board Committees as stipulated by relevant Acts, Regulations, and Guidelines to enhance Board efficiency, aid decision-making processes, and promote robust corporate governance practices. These Committees convened meetings as necessary throughout the year to fulfill their respective roles.

The Independent Directors conducted their separate meetings on April 22, 2025 and March 28, 2026 without attendance of non-independent Directors and members of management, inter alia, to review the matters statutorily prescribed under the Act.

Details of the Board and Committee meetings, including attendance records of each member, are comprehensively described in the report on Corporate Governance forming **Annexure III** to this Board's Report.

REPORT ON CORPORATE GOVERNANCE

Your Company has been following robust governance practices since its inception and is committed to adhere to high standards of the Corporate Governance Code in words and spirit.

The report on Corporate Governance forms a part of this report and is annexed as **"Annexure III".**

STATUS OF COMPOUNDING APPLICATION FILED WITH NATIONAL COMPANY LAW TRIBUNAL ("NCLT"), MUMBAI

As informed in the previous Board's report dated August 12, 2025, the Board had *suo- moto* floated an Exit Offer Scheme where an invitation to Offer was given to the identified shareholders by Mr. Maroti Jawanjar and Mr. Sandeep Jawanjal to sell their shares at a pre-determined price, as a remediation measure against the arguable non- compliance of the regulatory requirements during the Allotments made by the Company between 1990 and 2005.

After, the successful completion of exit offer, the Company has approached the Hon'ble National Company Law Tribunal, Mumbai Bench for compounding of the aforesaid offence voluntarily. The Hon'ble Tribunal directed the Company to place on record the affidavits which was duly complied. Being satisfied with the compliance, the Hon'ble Bench directed issuance of notice to the RoC and adjourned the matter.

The matter is scheduled for hearing on July 06, 2026.

DIRECTORS' RESPONSIBILITY STATMENT

As required under Section 134(3)(c) and Section 134(5) of the Act, your Directors confirm that:

a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departure;

b) They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

c) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) They have prepared the annual accounts on a going concern basis;

e) They have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

f) They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

NOMINATION AND REMUNERATION POLICY

Your Company has adopted the Nomination and Remuneration Policy in accordance with the provisions of sub-section (4) of Section 178 of the Act. The Nomination & Remuneration Policy mainly covers the criteria for determining qualifications, positive attributes, independence of a Director and the Remuneration for Directors, Key Managerial Personnel and other senior managerial employees, functionality of Nomination & Remuneration committee, specifying the manner for effective evaluation of performance of Board, its Committees, Chairman and individual directors and to administer and supervise the Employee Stock Option Plans of the Company. The said policy was last revised on February 05, 2026. The said Policy is available on the Company's website https://www.berarfinance.com/pdf/policies/nomination_and_remuneration_policy.pdf.

COMPENSATION POLICY FOR KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

RBI has vide its circular dated 29 April 2022 issued Guidelines on Compensation of Key Managerial Personnel and Senior Management in NBFCs. These guidelines now been consolidated into Reserve Bank of India (Non-Banking Financial Companies - Governance) Directions, 2025. Accordingly, the Company has adopted a Board approved policy exclusively governing compensation payable to Key Managerial Personnel and Senior Management.

This policy lays down detailed framework, inter alia, encompassing the following:

- Principles for determination of compensation;
- Compensation components;
- Principles of variable pay;
- Deferral of variable pay;
- Compensation for control and assurance function personnel; and
- Provisions for malus and clawback and circumstances under which application of malus and clawback is to be considered.

RISK MANAGEMENT

The Company has adopted a Risk Management Policy in accordance with the provisions of the RBI Regulations. Your Company has a well-defined risk management framework in place and a robust organisational structure for managing and reporting on risks. The Risk Management Committee reviews and defines the risk tolerance levels and risk appetite in guidance of the Board of the Company.

Your Company, being in the business of retail financing has to face inherent risks like credit risk, market/ reputation risk, fraud risk, liquidity risk, interest rate risk, information technology and cyber risk and operational risk. The survival and growth of any financing entity largely depends upon effectively managing these risks. The Audit Committee, Risk Management Committee, Asset-Liability Management Committee and IT Strategy Committee review and monitor these risks at periodic intervals. The Company has also constituted Fraud Risk Management Committee (FRMC) to oversee the implementation and effectiveness of the fraud risk management framework alongwith Quarterly 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 Company manages credit risks through stringent credit norms and continues to follow the time-tested practice of personally assessing every borrower before committing credit exposure.

Liquidity risk and interest rate risk are managed through regular monitoring of the maturity profiles.

Operational risks arising from inadequate or failed internal process, people and systems or from external events are adequately addressed by the internal control system and are continuously reviewed and monitored by a dedicated team of people.

INTERNAL FINANCIAL CONTROLS

Internal Financial Controls laid down by the Company is a systematic set of controls and procedures to ensure orderly and efficient conduct of its business including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial information. Internal financial controls not only require the system to be designed effectively but also to be tested for operating effectiveness periodically.

The Company's internal audit function operates independently and adopts a risk-based approach to evaluate the effectiveness of internal controls across business and functional areas. Your Company's Internal Financial Controls are deployed that addresses material risks in your Company's operations and financial reporting objectives. Such controls have been assessed annually taking into consideration the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("ICFR") issued by The Institute of Chartered Accountants of India. The risk control matrices are reviewed annually.

The internal financial controls with reference to the financial statements were tested and reported adequate and operating effectively. The internal financial controls are commensurate with the size, scale and complexity of operations.

Statutory Auditor's certification on internal financial controls

The Statutory Auditors of your Company M/s. N.A. Shah Associates LLP, (ICAI Firm Registration Number: 116560W / W100149), Chartered Accountants have examined the internal financial controls of the Company and have submitted an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting as at 31st March 2026.

HUMAN RESOURCES AND EMPLOYEES STOCK OPTIONS PLAN:

Quality organization needs quality people. To the Company, its people are the most valuable resource. Your Company is putting a strong emphasis on attracting, training and retaining the right talent with focus on merit and performance.

Your Company takes pride in having committed and competent employees at all levels, equipped to deliver a variety of products and services to the rapidly growing customer base. The relationship with employees continues to be cordial.

In order to reward performance and elicit long term commitment of the employees towards the growth of the Company the "Berar Employee Stock Option Plan, 2019" ("**2019 ESOP Plan**"/"**Plan**") was introduced with the approval of Board & Shareholders in FY 2019-2020. The Board also introduced with the approval of shareholders dated December 10, 2025, "Berar Employee Stock Option Plan 2025" **("2025 ESOP Plan")**

During the period under review, 24,400 options were vested with the employees to whom stock options were granted under the **2019 ESOP Plan**. The Company approved 1,27,039 fresh options under the 2025 ESOP Plan.

The summary of status of **2019 ESOP Plan and 2025 ESOP Plan** as required under the Indian Accounting Standard (Ind AS) 102 - Share-based Payment is annexed as "**Annexure V**" and forms part of this report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO IN TERMS OF SECTION 134 (3) (m):

(a) Conservation of Energy

Your Company is not engaged in any manufacturing activity and thus its operations are not energy intensive. However, we always take adequate measures to ensure optimum utilization and maximum possible saving of energy. The Company has also implemented the process to install the energy saving devices in the branches such as energy savers for ACs, PLC, LED Light, etc. which runs on very nominal energy with high impact. The Company had installed the solar panel at the Head Office. This initiative aims to consume natural resources and reduce the electricity cost.

The capital investment done by the Company in energy conservation is ₹ 37.57 lakhs.

(b) Technology absorption:

The below are not applicable to the Company:

(i) the efforts made towards technology absorption;

(ii) the benefits derived like product improvement, cost reduction, product development or import substitution;

(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-

(a) the details of technology imported;

(b) the year of import;

(c) whether the technology been fully absorbed;

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

(iv) the expenditure incurred on Research and Development.

(c) Foreign Exchange Earning & Outgo:

During FY 2025-2026, the Company did not have any foreign exchange earnings but the foreign exchange outgo in terms of actual outflow amounted to ₹ 73.72 lakhs.

CORPORATE SOCIAL RESPONSIBILITY:

The Company is pursuing the CSR programs and projects as per its approved Corporate Social Responsibility Policy and Board approved Annual action plan.

The CSR Policy is uploaded on the Company's website at the web link: https://www.berarfinance.com/pdf/policies/csr/corporate_social_responsibility_policy.pdf.

In terms of the provisions of the Act, read with the CSR Rules, the Annual Report on CSR activities under the format prescribed in the amended CSR Rules is annexed to this Report as **"Annexure IV"**.

The CSR obligation of the Company for the FY 2025-2026 is ₹ 77.73 lakhs. As on March 31, 2026, total amount spent on CSR activities by the Company is ₹ 77.86 lakhs.

Further, the Chief Financial Officer has certified that the funds disbursed have been utilised for the purpose and in the manner approved by the Board for FY 2025-2026.

DISCLOSURE UNDER THE PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE POLICY

Your Company has put in place a policy for prevention, prohibition and redressal against sexual harassment of women at the workplace, to protect the women employees of the Company including any woman coming into any office premises of the Company and enable them to report sexual harassment at the workplace in line with the requirements of 'The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013' ("**POSH Act**"). An Internal Committee ("**IC**") headed by a woman employee has also been constituted for the purpose. All employees (including permanent, contractual, temporary, trainees) and any woman coming into any office premises of the Company are covered under this policy.

The Company has complied with provisions relating to constitution of Internal Committee under the POSH Act.

The number of complaints received, disposed of, and pending during FY2026 is given in the Report on Corporate Governance forming **Annexure III** to this Board's Report.

SECRETARIAL STANDARDS OF INSTITUTE OF COMPANIES SECRETARIES OF INDIA

The Company has complied with the requirements prescribed under the Secretarial Standards on Meetings of the Board of Directors (SS–1) and General Meetings (SS–2) read with MCA circulars.

MAINTENANCE OF COST RECORDS

The provisions of Section 148 of the Act are not applicable to the Company. Accordingly, there is no requirement of maintenance of cost records as specified under Section 148(1) of the Act.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS IN SECURITIES

Pursuant to Section 186(11) of the Act, the provisions of Section 186(4) of the Act requiring disclosure in the Financial Statements of the full particulars of the loans made and guarantees given or securities provided by a Non-Banking Financial Company in the ordinary course of its business and the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient of the loan or guarantee or security are exempted from disclosure in the Annual Report. Further, pursuant to the provisions of Section 186(4) of the Act, the details of investments made by the Company are given in the Notes to the Financial Statements.

INFORMATION ABOUT SUBSIDIARY/ JOINT VENTURE/ ASSOCIATE COMPANY

Your Company did not have any Subsidiary/Material Subsidiary/Joint Venture/Associate during the year under review. Hence the details of this clause are not applicable to the Company.

ANNUAL RETURN

A copy of the annual return as provided under section 92(3) of the Act, in the prescribed form, which will be filed with the Registrar of Companies/MCA, is hosted on the Company's website and can be accessed at https://www.berarfinance.com/pdf/agm/agm-26/Draft_Form_MGT_7_Annual_Return_2025_2026.pdf

CHANGE IN THE NATURE OF BUSINESS, IF ANY

There was no change in the nature of business of your Company during the FY 2025- 2026.

CHANGES TO THE CONSTITUTIONAL DOCUMENTS

During the financial year 2025-2026, the Members of the Company, at the 01/F.Y. 2025-2026 Extra-Ordinary General Meeting held on October 09, 2025, approved the increase in the authorised share capital of the Company and the consequent alteration of the Capital Clause and Object Clause of the Memorandum of Association, in accordance with the provisions of the Companies Act, 2013.

Further, in the 02/F.Y. 2025-2026 Extra-Ordinary General Meeting held on December 10, 2025, the Members approved the adoption of the Amended and Restated Articles of Association of the Company.

Details of the same can be accessed on the website of the Company at https://www.berarfinance.com/investors.html

MATERIAL CHANGES & COMMITMENTS IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

No material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this Report.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND THE COMPANY'S OPERATIONS IN FUTURE

During the period under review, there were no significant or material orders passed by any regulator or court or tribunal impacting the going concern status and Company's operations in future.

OTHER STATUTORY DISCLOSURES

- In this report, any reference to the statutory or regulatory guidelines, acts, circulars, regulations, notifications and directions, unless the context otherwise requires, be construed to include any amendments, modifications, updations or re-enactment thereof as the case may be.
- Unless otherwise specified, references to "the Act" in this report shall mean the Companies Act, 2013.
- Information pursuant to rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, containing details prescribed under Rule 5(3) of the said Rules, forms part of this report and is annexed to this report as "**Annexure VI**".
- The Company being an NBFC, the provisions relating to Chapter V of the Act, i.e., acceptance of deposit, are not applicable. Disclosures as per NBFC regulations have been made in this Annual Report.
- The auditors, i.e., statutory auditors and secretarial auditors have not reported any fraud under section 143(12) of the Act, and therefore, no details are required to be disclosed under section 134(3)(ca) of the Act.
- The Company has completed all corporate actions within the specified time limits. The securities were not suspended from trading during the year due to corporate actions or otherwise.
- The Company has not defaulted in repayment of loans from banks and financial institutions. There were no delays or defaults in payment of interest/principal of any of its debt securities.
- Your Company, being an NBFC registered with the RBI, the provisions of Section 185 of the Act are not applicable to the Company.
- No application was made under the Insolvency and Bankruptcy Code, 2016 during the year, therefore there is no requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year.
- The requirement to disclose the details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable during the year.
- Disclosures pursuant to RBI Master Directions, unless provided in the Board's Report, form part of the notes to the standalone financial statements and Report on Corporate Governance.
- The Company has in place various Board approved policies pursuant to Companies Act, 2013 and SEBI Regulations. These policies are reviewed from time to time keeping in view the operational requirements and the extant regulations.
- SEBI vide its circular no. SEBI/HO/DDHS/DDHS-RAC-1/P/CIR/2023/176 dated November 8, 2023 ('the Circular'), has prescribed the procedural framework for dealing with unclaimed interest and redemption amounts lying with entities having listed non-convertible securities and manner of claiming such amounts by investors.

  The Circular requires such companies to formulate a policy specifying the process to be followed by investors for claiming their unclaimed amounts. Accordingly, a policy titled 'Policy for filing and processing of claim for unclaimed amount by Investors of Non-Convertible Securities' has been framed by the Company. The policy can be accessed at https://www.berarfinance.com/pdf/policies/policy_for_filing_and_processing_of_claim_unclaimed_amount_of_ncs.pdf. The Company Secretary has been designated as the Nodal Officer for the purposes of this circular. As on March 31, 2026, there is no amount remaining unclaimed in respect of non-convertible debentures.
- The Company is in compliance of Maternity Benefit Act, 1961 for the year under review.

Annexures forming part of this Report:

1. Management Discussion and Analysis: **Annexure I**
2. Secretarial Audit Report: **Annexure II**
3. Report on Corporate Governance: **Annexure III**
4. Annual Report on CSR Activities: **Annexure IV**
5. Disclosure under the Indian Accounting Standard (Ind AS) 102 - Share-based Payment: **Annexure V**
6. Particulars of Employees as per Section 197 of The Companies Act, 2013 read with rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014: **Annexure VI**

ACKNOWLEDGEMENT

The Board of Directors takes the opportunity to express its sincere appreciation for the support and co-operation from its members, private equity investors, depositors, debenture holders, banks, financial institutions and the regulators.

The Board of Directors also places on record its sincere appreciation for the commitment and hard work put in by the Management and employees of the Company.

For and on behalf of Board of Directors

Rajesh Vasudevan
Chairman
DIN: 02711990

Date: May 19, 2026
Place: Nagpur

Annexure I
MANAGEMENT DISCUSSION AND ANALYSIS

Economic Overview Global Economy

The global economy remained resilient during FY 2025–2026 despite ongoing geopolitical conflicts, trade uncertainties, inflationary pressures, and evolving monetary policies across major economies. Volatility in crude oil and commodity prices, coupled with weak manufacturing activity in certain regions, continued to impact global growth sentiment. However, easing inflation, stable labour markets, and steady services sector growth supported overall economic stability.

Global GDP growth is projected to remain stable at around 3.0% during Calendar Year 2026, supported by improving domestic demand across emerging markets and gradual normalization of monetary policies. Inflationary pressures moderated during the year owing to easing supply chain constraints and softer commodity prices, improving overall market sentiment.

While geopolitical developments and global trade uncertainties continue to pose risks, the global economy demonstrated resilience through improving macroeconomic fundamentals, steady investment activity, and recovering financial conditions.

Indian Economy

The Indian economy remained resilient during FY 2025–2026 despite global uncertainties, ongoing geopolitical conflicts, volatile crude oil prices, and inflationary pressures across major economies. Economic activity continued to be supported by domestic consumption, government infrastructure spending, and improving rural demand.

India's GDP growth remained in the range of 6.5%–6.9% during FY2025–2026, maintaining its position among the fastest-growing major economies globally. Stable economic growth, moderating inflation, and improving liquidity conditions supported overall credit growth and financial stability during the year.

The overall economic environment continued to support demand for retail and MSME financing, particularly in semi-urban and rural areas. Improvement in rural cash flows, mobility requirements, and small business activities supported credit demand across the Company's operating segments.

Industry Scenario and Financing

The Non-Banking Financial Company sector continued to play an important role in providing credit access across semi-urban and rural markets during FY 2025–2026. Growth in retail and MSME financing remained steady, supported by improving economic activity, rural demand, and increasing financial inclusion.

Demand for two-wheeler financing and secured MSME loans remained stable during the year. However, the sector continued to face challenges relating to liquidity conditions, borrowing costs, regulatory changes, and increasing competition. Despite these challenges, Non-Banking Financial Companies with strong regional presence and prudent risk management practices continued to maintain stable growth.

Market Scenario

The Company primarily operates in two-wheeler and secured MSME financing segments with a strong presence in semi-urban and rural markets. During FY 2025–2026, demand for two-wheeler financing remained stable, supported by mobility requirements, improving rural sentiment, and steady economic activity.

The secured MSME segment also continued to witness healthy credit demand driven by working capital requirements, business expansion, and increasing formalization of small businesses. Continued focus on financial inclusion and credit accessibility further supported growth opportunities across the Company's target markets.

The Company continued to focus on portfolio quality, collection efficiency, customer service, and controlled expansion across its operating geographies.

Outlook

The Company's financial services cater to a growing base of around 3.61 lakh customers, reinforcing its role as a trusted financial partner across regions. As on March 31, 2026, besides its head office in Nagpur, Maharashtra, the Company operates through a robust network of 165 branches across Maharashtra, Madhya Pradesh, Chhattisgarh, Gujarat, Telangana, Karnataka, Odisha, Jharkhand, and Andhra Pradesh. Geographic expansion, and increasing adoption of digital technology continue to serve as key pillars of the Company's growth strategy.

As markets evolve and customer expectations become more dynamic, the focus will continue on strengthening customer acquisition, improving operational efficiency, and enhancing customer engagement through technology-driven initiatives. Leveraging its product portfolio comprising of two-wheeler loans and Secured MSME loans, the Company remains well-positioned to capitalize on emerging opportunities and drive meaningful growth in FY 2026-2027.

The Company enters the new fiscal year with continued focus on sustainable growth, supported by a healthy balance sheet, controlled asset quality, and a Capital Adequacy Ratio of 25.09%, comfortably above regulatory requirements. With Assets Under Management (AUM) standing at ₹179,202.42 lakhs, the Company remains focused on maintaining balanced growth through prudent risk management, operational strength, and continued commitment towards financial inclusion.

Financial Performance Overview during the Financial Year 2025-2026

During FY 2025-2026, the Company recorded growth in total income from ₹29,496.39 lakhs to ₹35,794.86 lakhs, an increase of 21.35%, mainly on account of growth in the loan portfolio, expansion of operations and increase in the customer base, supported by an improvement in the incremental yield (IRR) on the loan book. Total expenses increased from ₹ 25,270.53 lakhs to ₹ 31,423.66 lakhs, thus increased by 24.35%, primarily due to higher finance costs, higher impairment on financial instruments in line with loan book growth, and higher employee benefit expenses on account of branch expansion.

Standalone Financial Performance

(₹ in lakhs)

Particulars	**FY 2025-2026**	**FY 2024-2025**	**% Change**
Interest income	33,485.91	27,324.49	22.55%
Finance costs	15,567.91	13,018.42	19.58%
Net Interest Income (NII)	17,918.00	14,306.07	25.25%
Fee, commission and other income	2,308.95	2,171.90	6.31%
Net Total Income (NTI)	20,226.95	16,477.97	22.75%
Employee benefit expenses	7,804.58	5,589.65	39.63%
Depreciation, amortisation and impairment	576.41	495.56	16.31%
Other expenses	3,331.87	3,043.25	9.48%
Pre-impairment operating profit	8,514.09	7,349.51	15.85%
Impairment on financial instruments	4,142.89	3,123.65	32.63%
Profit Before Tax (PBT)	4,371.20	4,225.86	3.44%
Tax expense	748.68	996.16	(24.84)%
Profit After Tax (PAT)	3,622.52	3,229.70	12.16%
Earnings per Share (₹) — Basic	27.26	26.18	4.13%
Earnings per Share (₹) — Diluted	27.07	26.09	3.76%

Key Financial Ratios

Ratio	FY 2025-2026	FY 2024-2025
Net Interest Margin (NII / Average loans)	11.29%	11.44%
Return on Average Assets (ROA)	2.28%	2.58%
Return on Average Equity (ROE)	8.77%	10.36%
Capital to Risk-weighted Assets Ratio (CRAR)	25.09%	22.28%
Gross NPA (%)	3.72%	4.43%
Net NPA (%)	2.32%	2.89%
Provisioning Coverage Ratio (PCR)	38.60%	35.84%

Analysis of Financial Performance and Key Ratios

Income and Margins

Interest income increased by 22.55%, from ₹27,324.49 lakhs to ₹33,485.91 lakhs, mainly on account of growth in the loan portfolio, expansion of operations and increase in the customer base, coupled with an improvement in the incremental yield (IRR) on the loan book. Finance costs increased by 19.58%, from ₹13,018.42 lakhs to ₹15,567.91 lakhs, mainly on account of an increase in base borrowings to fund the growing loan book, notwithstanding a reduction in the Company's overall cost of funds as compared to the previous financial year. As interest income grew faster than finance costs, Net Interest Income grew by 25.25%, from ₹14,306.07 lakhs to ₹17,918.00 lakhs.

Asset Quality and Provisioning

Impairment on financial instruments increased by 32.63%, from ₹3,123.65 lakhs to ₹4,142.89 lakhs, in line with the growth in the loan book. Notwithstanding this increase in absolute provisioning, the Company's asset quality improved during the year, with Gross NPA reducing to 3.72% (from 4.43%) and Net NPA reducing to 2.32% (from 2.89%). The Provisioning Coverage Ratio also improved to 38.60% (from 35.84%), indicating that the Company carries a higher level of provisioning cover against its Gross NPA assets.

Operating Expenses

Employee benefit expenses increased by 39.63%, from ₹5,589.65 lakhs to ₹7,804.58 lakhs, mainly on account of expansion of the Company's branch network across multiple states and the consequant increase in headcount to support this growth. Other expenses increased by a modest 9.48%, from ₹3,043.25 lakhs to ₹3,331.87 lakhs , well below the growth in income and the loan book is reflecting the Company's ability to manage a larger loan book with operating leverage, without a proportionate increase in overhead costs.

Profitability and Capital Adequacy

Profit Before Tax increased moderately by 3.44%. Profit After Tax increased by 12.16%, from ₹3,229.70 lakhs to ₹3,622.52 lakhs. Return on Average Assets declined to 2.28% (from 2.58%) and Return on Average Equity declined to 8.77% (from 10.36%), primarily due to the equity infusion during the year, which increased the Company's average net worth and asset base, as well as continued investments in the MSME product line and branch network expansion; these ratios are expected to normalise as the incremental capital is deployed into the loan book and the investments in MSME and branch infrastructure begin yielding returns over subsequent periods. Correspondingly, the Capital to Risk-weighted Assets Ratio improved significantly to 25.09% (from 22.28%), mainly on account of this equity infusion, further strengthening the Company's capital adequacy well above the regulatory minimum requirement.

Risk Management

The Company fosters a strong and proactive risk culture that is embedded across all levels of the organization. At the highest governance level, the Board of Directors is supported by the Risk Management Committee (RMC), which oversees the Company's risk management framework, including formulation and review of risk strategies, policies, risk appetite, and control mechanisms. The Company's risk management framework is supported by a strong internal control environment and addresses key risks including credit risk, operational risk, liquidity risk, market risk, regulatory risk, interest rate risk, information technology risk, and cyber security risk through a structured governance mechanism and periodic reviews.

The framework enables identification, assessment, monitoring, and mitigation of risks across business verticals. Policies and procedures are periodically reviewed and approved by the Board and its Committees to ensure responsiveness to the evolving risk environment. The Company continues to focus on maintaining portfolio quality, improving collection efficiency, managing asset-liability mismatches, and ensuring adequate liquidity through prudent risk management practices. The Risk Management Committee and Asset Liability Management Committee continue to work in coordination to support sustainable growth and financial stability.

Customer Service

The Company continues to place customers at the center of its operations, guided by the philosophy “Once a Berar customer – always a Berar customer.” A consistent focus on convenience, transparency, and responsiveness has helped the Company to build lasting customer relationships and trust across its operating regions. Customer data and loan status are accessible across branches, enabling efficient service delivery and timely customer support.

The Company remains committed to providing transparent and customer-friendly financial services through prompt loan processing, disbursement, and post-disbursement support. The Company has established a grievance redressal mechanism for effective resolution of customer complaints and queries at branch and Head Office levels. In line with the RBI Integrated Ombudsman Scheme and Reserve Bank of India (Non-Banking Financial Companies - Internal Ombudsman) Directions, 2026, the Company continues to strengthen its customer grievance redressal framework. A Customer Service Committee is also in place to monitor and improve customer service and grievance resolution processes.

Internal Control Systems and Their Adequacy

The Company has established an adequate internal control framework designed to ensure operational efficiency, safeguard assets, ensure accuracy of financial reporting, and compliance with applicable statutory and regulatory requirements. The framework is supported by well-defined policies, standard operating procedures, authority matrix, and periodic monitoring mechanisms.

The Company follows a risk-based internal audit approach wherein key business processes and controls are periodically reviewed for operational effectiveness, policy adherence, and regulatory compliance. Audit observations and corrective actions are periodically reviewed by the Audit Committee of the Board. The internal control environment is continuously strengthened in line with evolving business requirements and regulatory expectations to support sustainable growth and operational efficiency.

Material Developments in Human Resources and People Employed

Human Resources continued to play a strategic role in supporting the Company’s business objectives during FY 2025–2026 through focused efforts on talent management, employee capability building, productivity enhancement, performance alignment, and statutory compliance. The Company continued to emphasize development of a performance-driven and accountable work culture supported by defined role clarity, continuous supervision, and improved coordination across business and support functions.

The Company maintained focus on learning and development through functional, behavioral, and compliance-oriented training programs aimed at enhancing employee effectiveness and supporting evolving business requirements. Particular emphasis was placed on customer service, credit discipline, collections, internal controls, risk awareness, and regulatory compliance relevant to the financial services sector. The Company continued to uphold fair employment practices and maintained cordial industrial relations throughout the year.

Going forward, the Company intends to further strengthen its human resource framework through continued focus on talent development, employee engagement, leadership pipeline building, automation, and process-driven people management practices.

As of March 31, 2026, the Company employed 2,735 individuals compared to 2,243 in the previous year, reflecting net increase of 492 employees driven by branch network expansion and scaling of operations.

The workforce is deployed across the Head Office and 165 branches in Maharashtra, Madhya Pradesh, Chhattisgarh, Gujarat, Telangana, Karnataka, Odisha, Andhra Pradesh and Jharkhand.

Annexure II

FORM NO. MR.3

SECRETARIAL AUDIT REPORT

for the Financial Year ended March 31, 2026

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

To,
The Members,
Berar Finance Limited
Avinisha Tower Mehadia Chowk Dhantoli,
Nagpur 440012, Maharashtra India

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Berar Finance Limited** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/ statutory compliances and expressing our opinion thereon.

Auditor's Responsibility:

Our responsibility is to express an opinion on the compliance of the applicable laws and the maintenance of records based on audit. We have conducted the audit in accordance with the applicable Auditing Standards issued by The Institute of Company Secretaries of India. The Auditing Standards requires that the Auditor shall comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

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

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

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

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

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

(iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment; **(Overseas Direct Investment, and External Commercial Borrowings is not applicable to the Company during the Audit Period)**

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

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

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

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

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

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

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

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

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

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments made thereunder. ('Listing Regulations')

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards etc. made there under *except that in one instance the listed entity has not intimated record date for payment of interest within the statutory timeline as per Regulation 60 (2) of Listing Regulations*

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

A. Reserve Bank of India Master Direction/Guidelines, as applicable to Non-Banking Financial Companies, including the following:

   i. The Reserve Bank of India Act, 1934.

   ii. Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025.

   iii. Reserve Bank of India (Non-Banking Financial Companies – Governance) Directions, 2025.

   iv. Reserve Bank of India (Non-Banking Financial Companies – Acceptance of Public Deposits) Directions, 2025.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, and Independent Directors. The changes in the composition of the Board of Directors that took place during the audit period were carried out in compliance with the provisions of the Act and Listing Regulations.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance except in few instances where the meetings were held in shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

We further report that during the audit period

1. The company has increased its authorised capital from INR 15,00,00,000/- (Indian Rupees Fifteen Crore Only) divided into 1,45,00,000 (One Crore Forty Five Lakhs) equity shares of face value INR 10 (Indian Rupees Ten only) each; and 5,00,000 (five lakhs) cumulative compulsorily convertible participating preference shares carrying a coupon rate of 0.1% (zero point one percent) per annum of face value INR 10 (Indian Rupees Ten only) each To INR 17,32,00,000 (Indian Rupees Seventeen Crores Thirty two lakhs only) divided into 1,67,00,000 (one crore sixty seven lakhs) equity shares of face value INR 10 (Indian Rupees Ten only) each; 5,00,000 (five lakhs) cumulative compulsorily convertible participating preference shares carrying a coupon rate of 0.1% (zero point one percent) per annum of face value INR 10 (Indian Rupees Ten only) each; and 1,20,000 (one lakh twenty thousand) preference shares of face value INR 10/- (Indian Rupees Ten only) each.

2. Issued and allotted 7,00,763 equity shares and 36,882 Series B cumulative non-participating compulsorily convertible preference shares ("Series B CCPS") by way of preferential offer through private placement basis.
3. Issued and allotted 14,01,525 equity shares and 73,765 Series B cumulative non-participating compulsorily convertible preference shares ("Series B CCPS") by way of preferential offer through private placement basis.
4. Issued and allotted 77,862 equity share and 4,098 Series B cumulative non-participating compulsorily convertible preference shares ("Series B CCPS") by way of preferential offer through private placement basis.
5. The Company has issued and allotted Non-Convertible Debentures on Private Placement basis in various tranches the details of which are as follows:

Sr. No.	Particulars	Quantity	Face Value per Debenture (Amount in Rs.)
1.	Fully paid Senior, Secured, Rated, Listed,Taxable, Redeemable, Transferrable, Non ConvertibleDebentures	50,000	10,000/-
2.	Fully paid Senior, Secured, Rated, Listed, Taxable Redeemable, Transferrable, Non-Convertible Debentures	2,500	1,00,000/-
3	Fully paid Senior, Secured, Rated, Listed, Taxable, Redeemable, Transferrable, Non-Convertible Debentures	30,000	10,000/-
4.	Fully paid Senior, Secured, Rated, Listed, Taxable Redeemable, Transferrable, Non-ConvertiblDebentures	4,000	1,00,000/-

For Makarand M. Joshi & Co.
Company Secretaries
ICSI UDIN: P2009MH007000
Peer Review Cert. No.: 6832/2025

Deepti Kulkarni
Partner
ACS: **34733**
CP No.: 22502
UDIN: A034733H000402045

Date: May 19, 2026
Place: Mumbai

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

'Annexure A'

To,
The Members,
Berar Finance Limited
Avinisha Tower Mehadia Chowk Dhantoli,
Nagpur 440012, Maharashtra India.
Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Makarand M. Joshi & Co.
Company Secretaries
ICSI UDIN: P2009MH007000
Peer Review Cert. No.: 6832/2025

Deepti Kulkarni
Partner
ACS: **34733**
CP No.: 22502
UDIN: A034733H000402045

Date: May 19, 2026
Place: Mumbai

Annexure III
REPORT ON CORPORATE GOVERNANCE

Corporate Governance is the framework by which the Company ensures transparency in all its dealings and whereby various stakeholders' interests are balanced. The Company's philosophy on Corporate Governance is to achieve business excellence by enhancing the long term welfare of all its stakeholders. The Company recognises its role as a corporate citizen and endeavors to adopt the best practices and the highest standards of Corporate Governance through transparency in business ethics and accountability to its customers, government and others.

This report outlines compliance with requirements of the Companies Act, 2013 as amended ('the Act'), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('SEBI Listing Regulations') and the Regulations of the Reserve Bank of India ('RBI') for Non-Banking Financial Companies (the 'RBI Regulations'), as applicable to the Company.

Company's Philosophy on Corporate Governance:

Corporate governance aims at facilitating effective monitoring and efficient control of business. With a steadfast dedication to integrity and values, your Company ensures that its operations adhere to the highest standards of corporate governance behavior. This dedication extends to all stakeholders, including members, customers, employees, and the environment.

Key elements of Company's Corporate Governance:

- Compliance with applicable laws.
- Frequency and number of Board and Committee meetings exceeds the statutory requirement, including meetings dedicated for discussing strategy, operating plans, and risks.
- Directors from diverse backgrounds and substantial experience, who are able to provide appropriate guidance to the executive management as required.
- Meeting of independent directors without presence of non-independent directors or Executive Management.
- Independent discussions by the Audit Committee members with Head of Internal Auditor and Chief Compliance officer without presence of Managing Director and Senior Management
- Comprehensive Board evaluation process where each Board member evaluates the performance of every Director, Committees of the Board, the Chairman of the Board and the Board as a whole.
- Complete and detailed information provided to the Board members in advance to enable them to evaluate the matters placed before the Board and to participate in meaningful discussion.
- Adoption of key governance policies in line with the best practices, which are made available to stakeholders for downloading from the Company's website https://www.berarfinance.com/investors.html under Policies Section.

1) Board of Directors:

The composition of the Board is in compliance with the provisions of the Companies Act, 2013, the rules made thereunder and the applicable regulations and directions issued by the Reserve Bank of India, from time to time. The Board comprises an appropriate balance of Executive and Non-Executive Directors, possessing diverse experience and expertise in the fields of finance, banking, technology, legal and regulatory compliance, and academics. The Company benefits from the collective knowledge, experience and skills of the Directors in guiding its affairs and strategic direction. As on March 31, 2026, the Board comprised 10(Ten) Directors, consisting of 3 (Three) Independent Directors, 5(Five) Non-Executive Directors including Nominee Directors and 2 (two) Executive Directors. The Independent Directors of the Company are duly registered on the Independent Directors databank and have submitted their annual disclosures/declarations with respect to the criteria of independence as stipulated under the Act, and confirmed that they are independent of the management and meet the criteria of independence laid down thereunder.

i. The composition of the Board of Directors as on March 31, 2026 alongwith the details of attendance of Directors at the Board Meetings held during the financial year under review are as under:

Sl. No.	Name of Director	Director since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter / nominee/ Independent)	DIN	Number of Board Meetings		No. of other Directorships as on March 31,2026	Remuneration (Rs. in Lakh)			No. of shares held in the Company
					Entitled to attend	Attended		Salary and other compensation	Sitting Fee (Gross)	Commission	
i.	Mr. Maroti Jawanjar	22/08/1990	Promoter and Executive Chairman	00379916	10	10	0	189.97	-	51	10,22,894
ii.	Mr. Shantaram Mahakalkar	25/09/2002	Non- Executive Director	00379988	10	9	0	-	3.7	-	29,900
iii.	Mr. Avishek Addy	19/01/2021	Non- Executive Director	07973542	10	8	2	-	-	-	-
iv.	Mr.Siva Vadivel Alagan (upto June 11, 2025)	21/03/2022	Non-Executive Director	08242283	2	2	-	-	-	-	-
v.	Mr. Rajesh Vasudevan	23/05/2024	Independent Director	02711990	10	10	0	-	10.5	-	-
vi.	Mr. Varun Bhalla	20/09/2024	Independent Director	09687552	10	9	0	-	10.5	-	-
vii.	Ms. Annapurna Dubey	14/11/2024	Independent Director	08760434	10	10	2	-	5.7	-	-
viii.	Ms. Anvi Somaiya	27/05/2025	Non-Executive Director	11102904	8	7	-	-	-	-	-
ix.	Ms. Smriti Chandra	30/03/2026	Non-Executive Director	07644331	0	0	3	-	-	-	-
x.	Mr. Vishal Kumar Gupta	30/03/2026	Non-Executive Director	02368313	0	0	3	-	-	-	-
xi.	Mr. Sandeep Jawanjal	01/04/2007	Promoter and Managing Director	01490054	10	10	0	86.44	-	49	3,31,218

Note:

1. The term of Mr. Maroti Jawanjar as an Executive Chairman concluded on March 31, 2026 and he tendered his resignation from Board of Directors effective on same date. He is appointed as Chairman Emeritus w.e.f April 01, 2026. The Board records its deepest appreciation for contribution by Mr. Maroti Jawanjar during his tenure on the Board of the Company.
2. Mr. Avishek Addy has been appointed as a Non-Executive Director representing Amicus Capital Private Equity I LLP, private equity investor in the Company.
3. Mr. Siva Vadivel Alagan ceased to act as a Non-Executive Director representing Maj Invest Financial Inclusion Fund III K/S, private equity investor in the Company.
4. Ms. Anvi Somaiya has been appointed as a Non-Executive Director representing Maj Invest Financial Inclusion Fund III K/S, private equity investor in the Company.
5. Ms. Smriti Chandra has been appointed as a Non-Executive Director representing Abler Nordic Fund V KS, private equity investor in the Company.
6. Mr. Vishal Kumar Gupta has been appointed as a Non-Executive Director representing First Bridge India Growth Fund, private equity investor in the Company.
7. The Commission will be paid post adoption of the financial statements at the ensuing Annual General Meeting.
8. The shares includes equity shares and does not include the Series B CCPS issued by the Company during the financial year 2025-2026.

Details of Directorship of Director(s) in other entities of as on March 31, 2026 (except Berar Finance Limited):

Name of Director	Directorships and category	Number of Committee positions held	
		Chairman	Member
Mr. Avishek Addy	Non-Executive Director at: 1. D2C Insurance Broking Private Limited;	-	-
	2. Altum Credo Home Finance Private Limited	-	4
Ms. Annapurna Dubey	Independent Director at : 1. Unified Data-tech Solutions Limited	2	1
	2. J L Morison (India) Limited	2	2
Ms. Smriti Chandra	Nominee Director at 1. Credright Private Limited	-	3
	2. Credright Finance Private Limited	-	2
	3. Ergos Business Solutions Private Limited	-	2
Mr. Vishal Kumar Gupta	1. Nominee Director at Mahaveer Finance India Limited	-	2
	2. Non-Executive Director at Bagzone Lifestyles Private Limited	-	-
	3. Independent Director at First Bridge Investment Managers Private Limited	-	-

Notes:

i. During the financial year 2025-2026, the Company has issued and allotted Series B CCPS but none of the Directors hold Series B CCPS.

ii. All the independent directors confirmed that they meet the criteria of independence and all the directors provided fit and proper declaration as per the Reserve Bank of India (Non-Banking Financial Companies - Governance) Directions dated November 28, 2025.

iii. Except Mr. Maroti Jawanjar, who is the father of Mr. Sandeep Jawanjal, no other directors are related to each other.

iv. None of the Key Managerial Personnel of the Company holds any office (including Directorship) in any other NBFC [NBFC-Middle Layer (‘NBFC-ML‘) or NBFC-Upper Layer (‘NBFC-UL‘)].

v. The independent directors have also confirmed that they are not on the Board of more than three NBFCs [NBFC-ML or NBFC-UL] at the same time in line with Reserve Bank of India (Non-Banking Financial Companies - Governance) Directions dated November 28, 2025.

vi. The Company endeavors that the gap between the approval of financial results by the Audit Committee and the Board is kept to minimum, as required under the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015.

vii. Except Mr. Rajesh Vasudevan, Ms. Anvi Somaiya and Mr. Avishek Addy, all the other Directors attended the Annual General Meeting (“AGM”) held on September 16, 2025.

Changes in the composition of Board during FY2025 and FY2026

Details of change in composition of the Board during the year under review and previous year i.e., from April 01, 2024 to March 31, 2026 are given below:

Sl. No.	Name of Director	Capacity (i.e., Executive / Non-Executive / Chairman / Promoter/nominee / Independent)	Nature of change (resignation, appointment)	Date of Event
1.	Mr. Rajesh Vasudevan (DIN: 02711990)	Additional Director (Category: Non-Executive, Independent Director)	Appointment	May 23, 2024
2.	Mr. Himanshu Joshi (DIN: 07214254)	Independent Director	Cessation on completion of 1st term as Independent Director	May 31,2024
3.	Mr. Vishwas Pathak (DIN: 00452917)	Independent Director	Cessation on completion of 2nd and final term as Independent Director	September 20, 2024
4.	Mr. Atul Sarda (DIN: 02161209)	Independent Director	Cessation on completion of 2nd and final term as Independent Director	September 20, 2024
5.	Mr. Rajesh Vasudevan (DIN: 02711990)	Independent Director	Regularized as an Independent Director	September 20, 2024
6.	Mr. Varun Bhalla (DIN: 09687552)	Independent Director	Appointed as an Independent Director	September 20, 2024
7.	Mr. Harishchandra Sukhdeve (DIN: 09289094)	Non-Executive Director	Resignation	October 17, 2024
8.	Ms. Rashmi Mitkary (DIN: 08960192)	Independent Director	Cessation on completion of 2nd and final term as Independent Director	November 12, 2024
9.	Ms. Annapurna Dubey (DIN: 08760434)	Additional Director (Category: Non-Executive, Independent Director)	Appointment	November 14, 2024
10.	Ms. Anvi Somaiya (DIN: 11102904)	Additional Director (Category: Non-Executive, Non-Independent Director)	Appointment	May 27, 2025
11.	Mr. Siva Vadivel Alagan (DIN: 08242283)	Non-Executive Director	Resignation	June 11, 2025
12.	Ms. Annapurna Dubey (DIN: 08760434)	Independent Director	Regularized as an Independent Director	September 16,2025
13.	Ms. Anvi Somaiya (DIN: 11102904)	Non-Executive Director	Regularized as an Non-Executive Director	September 16,2025
14.	Ms. Smriti Chandra (DIN: 07644331)	Additional Director (Category: Non-Executive, Non-Independent director)	Appointment	March 30,2026
15.	Mr. Vishal Kumar Gupta (DIN: 02368313)	Additional Director (Category: Non-Executive, Non-Independent director)	Appointment	March 30,2026

16.	Mr. Maroti Gendaru Jawanjar (DIN: 00379916)	Executive Chairman	Cessation on completion of term	March 31,2026
17.	Mr. Sandeep Marotrao Jawanjal (DIN: 01490054)	Managing Director	Completion of term as Managing Director. The Board approved the reappointment w.e.f April 01, 2026 which was duly approved at the Extra – Ordinary General Meeting ("EGM")held on May 15, 2026	March 31,2026

ii. The brief description consisting of skills and domain expertise of the Board of Directors of the Company as on March 31,2026 are as under:

The brief profile of Board members of the Company is hosted on website of the Company and can be accessed at https://www.berarfinance.com/management.html.

The table summarizes the key skills and attributes to identify, select and nominate the candidate to serve on the Board of the Company

Sl. No.	Particulars	Description
1.	Business	Experience and understanding of the industry, business environment economic conditions, strategic thinking, etc.
2.	Corporate Governance	Maintaining Board and management accountability, environmental awareness, ethical behavior, policies adoption for governance, etc.
3.	Financial	Knowledge and understanding of finance management, ability to read and understand financial statements, etc.
4.	Leadership	Leadership ability in regular and complex business environment management, decision making, strategy formulation abilities, etc.
5.	Risk Oversight	Risk oversight comprising the ability to understand and oversee various risks facing by the Company and ensure that appropriate policies and procedures are in place to effectively manage risk.
6.	Information Technology	Knowledge about technology and innovation.

Name/skill and Expertise	Leadership	Business	Financial	Corporate Governance	Risk Oversight	Information Technology
Mr. Maroti Jawanjar	Yes	Yes	Yes	Yes	Yes	-
Mr. Shantaram Mahakalkar	Yes	Yes	-	Yes	-	-
Mr. Avishek Addy	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Rajesh Vasudevan	Yes	Yes	Yes	Yes	Yes	-
Mr. Varun Bhalla	Yes	Yes	Yes	Yes	Yes	Yes
Ms. Annapurna Dubey	Yes	Yes	Yes	Yes	Yes	-
Mr. Sandeep Jawanjal	Yes	Yes	Yes	Yes	Yes	Yes
Ms. Anvi Somaiya	Yes	Yes	Yes	Yes	Yes	Yes
Ms. Smriti Chandra	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Vishal Kumar Gupta	Yes	Yes	Yes	Yes	Yes	Yes

iii. Remuneration of Directors:

The Nomination and Remuneration Committee (“NRC”) reviews and assesses Board composition and recommends the appointment/ re- appointment of Directors. Based on recommendations of the NRC, the Board evaluates the candidate(s) and decide on the selection of the appropriate member.

The NRC while determining the remuneration of the Directors ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate the person to ensure the quality required to run the Company successfully. The criteria of making payments to Directors has been stipulated in NRC Policy of the Company. The said Policy is available on the Company’s website https://www.berarfinance.com/pdf/policies/nomination_and_remuneration_policy.pdf. The Non-executive Directors are entitled to receive sitting fees for attending Board Meetings and Committee meetings as determined by the Board of Directors, from time to time. The remuneration to the Managing Director and Whole-Time Director(s) is paid as per the agreement executed between them and the Company and reviewed by the NRC/Board of Directors and also approved by the shareholders at the General Meeting.

Details of Remuneration paid to all the Directors and Key Managerial Personnel during the Financial Year 2025-2026 is also provided in Annual Return in form ‘MGT- 7’ as available on the website of the Company and can be accessed at https://www.berarfinance.com/pdf/agm/agm-26/Draft_Form_MGT_7_Annual_Return_2025_2026.pdf

Board Meeting

The Board of Directors formulate the broad business and operational Policies, periodically review the performance and engages itself with strategic issues concerning the Company.

10 (Ten) Board Meetings were held during the financial year ended March 31, 2026. The dates of the Board meetings held are as under:

Sr. No.	Date of Board Meeting	Sr. No.	Date of Board Meeting
1.	April 23,2025	**6.**	September 10,2025
2.	May 27,2025	**7.**	November 13,2025
3.	June 13,2025	**8.**	January 13,2026
4.	July 22,2025	**9.**	February 05,2026
5.	August 12,2025	**10.**	March 30,2026

Besides, the Directors of the Company have passed resolutions by circulation viz. June 24, 2025, June 30,2025, August 29,2025, September 25,2025, October 18,2025, October 20,2025, January 16,2026 and March 20, 2026.

2) Committees of the Board and their composition

The Board has established the following Committees in line with the Companies Act, 2013 and Rules made thereunder and circulars and regulations issued by RBI from time to time. The Committees constituted by the Board focus on specific areas and take informed decisions within the framework of delegated authority and make specific recommendations to the Board on matters within their areas or purview. The decisions and recommendations of the Committees are placed before the Board for information or for approval, as the case may be.

i. Audit Committee:

The Board has set up an Audit Committee pursuant to Section 177 of the Companies Act, 2013 and the RBI Regulations. All the Members of the Committee are financially literate and possess strong accounting and related financial management expertise.

The broad terms of reference of the Audit Committee, inter alia, include:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Reviewing the financial statements and auditor's report thereon before submission to the Board for approval.
3. Reviewing the quarterly financial statements before submission to the Board for approval;
4. To review Management discussion and analysis of financial condition and results of operations;
5. Monitoring of end use of funds raised through issue of securities;
6. Scrutiny of inter-corporate loans and investments;
7. Evaluation of internal financial controls and risk management systems/risk controls;
8. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
9. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
10. Review and monitor the auditor's independence and performance and effectiveness of statutory and internal audit process;
11. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
12. Approval or any subsequent modification of transactions of the Company with related parties;
13. Review at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approval given;
14. 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;
15. Discussion with internal auditors of any significant findings and follow up there on;
16. Oversight of Company's internal audit function, including recommendation of policy, approving annual plan and maintenance of quality assurance and improvement program;
17. Meet at least on a quarterly basis with the Head-Internal Audit and CCO without the presence of the senior management (including the MD & CEO/WTD) to foster open communication;
18. Overseeing of the vigil mechanism along with making provision for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases. To review the functioning of the Whistle Blower mechanism;
19. Quarterly review of incident of frauds;
20. To review quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of SEBI Listing Regulations, 2015.
21. To review compliance with the provisions of Regulation 9 of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 at least once in a financial year and verify that the systems for internal control are adequate and are operating effectively;
22. Review periodic reports on compliance failures/ breaches and results of compliance testing and will guide the Senior Management in taking appropriate remedial measures;

In accordance with the circular dated January 7, 2026 issued by the National Financial Reporting Authority and upon recommendation of the Audit Committee in consultation with the Statutory Auditors, the Board adopted a framework to ensure effective two-way communication between 'Those Charged with Governance' ("TCWG") and the Statutory Auditors.

During the year under review, the Committee met Eight (8) times viz. April 23, 2025, May 23, 2025, May 27, 2025, August 12, 2025, November 12, 2025, November 13, 2025, February 05, 2026 and March 30, 2026.

The particulars of Members of the Committee and the number of meetings attended by them during the year are as follows:

Sl. No.	Name of Member	Member of Committee since	Capacity	Number of Committee Meetings		No. of Equity shares held in the Company
				Entitled to attend	Attended	
1.	Ms. Annapurna Dubey	November 14, 2024	Independent Director as Chairperson of the Committee (Appointed as Chairperson of the Committee w.e.f June 13, 2025)	8	8	-
2.	Mr. Avishek Addy	January 19, 2021	Non-Executive Director as Member	8	6	-
3.	Mr. Rajesh Vasudevan	June 01,2024	Independent Director as Member (Ceased to be Chairman of the Committee w.e.f June 13,2025)	8	8	-
4.	Mr. Siva Vadivel Alagan	March 31, 2022	Non-Executive Director as Member	3	1	-
5.	Mr. Varun Bhalla	October 17, 2024	Independent Director as Member	8	8	-
6.	Ms. Anvi Somaiya	June 13,2025	Non-Executive Director as Member	5	5	-

Besides, the Committee has passed resolutions by circulation viz. September 08, 2025, October 08, 2025 and October 16, 2025.

The Company Secretary acted as the Secretary to the Audit Committee.

Note:

1. Mr. Siva Vadivel Alagan ceased to be a Member of the Audit Committee w.e.f. June 11, 2025 pursuant to his resignation.

The Chairperson of the Audit Committee is an Independent Director and was present at the 35th AGM of the Company to address the Shareholders' queries.

The Board has accepted all the mandated recommendations made by the Audit Committee during the year. Besides the members of the Committee, meetings of the Audit Committee are attended by the Invitees, the representatives of the Statutory Auditors, the Head-Internal Audit and Chief Financial Officer of the Company etc.

ii. Risk Management Committee:

The Board has set up a Risk Management Committee in line with the provisions of the RBI Regulations read with other circulars and guidelines issued by Reserve Bank of India ('**Guidelines**') from time to time which regularly reviews the quality of assets and liabilities and its business risk.

Business risk evaluation and management is an ongoing process within the organization. The Company has a strong risk management framework to identify monitor and minimize risks as also identify business opportunities.

The broad terms of reference of the Risk Management Committee, inter alia, include:

1. Oversight of risk management by executive management;
2. Reviewing the policy and framework in line with legal requirement and guidelines;
3. Reviewing risk and evaluating treatment including mitigation action;
4. Defining framework for identification, assessment, monitoring, mitigation and reporting risks;
5. Overseeing and reviewing implementation of operational risk management and operational resilience framework, to promote a strong risk culture and reviewing status of 'Risk Appetite/Limit' of the Company based on its 'Risk Capacity';
6. Within the overall scope as aforesaid, the Committee reviews risk trends, exposure and potential impact analysis and mitigation plan;
7. Provide the guidance and help to set the tone to promote a strong risk culture.

During the year under review, the Committee met Three (3) times viz., July 22, 2025, December 12, 2025 and March 17, 2026.

The particulars of Members of the Committee and the number of meetings attended by them during the year are as follows:

Sl. No.	Name of Member	Member of Committee since	Capacity	Number of Committee Meetings		No. of Equity shares held in the Company
				Entitled to attend	Attended	
1.	Mr. Rajesh Vasudevan	June 01,2024	Independent Director as Chairman of the Committee	3	3	-
2.	Mr. Maroti Jawanjar	May 27, 2014	Executive Chairman as Member	3	2	10,22,894
3.	Mr. Sandeep Jawanjal	May 27, 2014	Managing Director as Member	3	3	3,31,218
4.	Mr. Avishek Addy	January 19, 2021	Non-Executive Director as Member	3	2	-
5.	Ms. Anvi Somaiya	June 13, 2025	Non-Executive Director as Member	3	1	-

The Company Secretary acts as Secretary to the Risk Management Committee.

Besides the members of the Committee, meetings of the Risk Management are attended by the Invitees, the Head-Internal Audit, Vice President -Risk Containment Unit, Vice President (Credit & Operations) and Chief Financial Officer of the Company etc.

Note:

1. Mr. Maroti Jawanjar ceased to be a Member of Risk Management Committee w.e.f. March 31, 2026 pursuant to his resignation.
2. Mr. Siva Vadivel Alagan ceased to be a Member of Risk Management Committee w.e.f. June 11, 2025 pursuant to his resignation.

iii. Nomination and Remuneration Committee:

The Board has set up Nomination and Remuneration Committee pursuant to Section 178 of the Act and the RBI Regulations.

The broad terms of reference of the Nomination and Remuneration Committee, inter alia, include:

1. Recommending the Board, a Policy relating to remuneration and employment terms of Key Managerial Personal(KMPs), senior management personnel;
2. Reviewing the adherence to the remuneration and employment Policy;
3. Assist the Board in relation to succession plan for the executive and non-executive directors as well as for Senior Management;
4. Formulating criteria for selecting and identifying persons for appointment as Directors or senior management of the Company;
5. Administering and overseeing the Employee Stock Option Plan of the Company ;
6. To specify the manner for effective evaluation of performance of Board, its Committees, Chairperson and individual directors to be carried out and to review its implementation and compliance. The Criteria for performance evaluation of the Directors of the Company, the Board and its Committees forms a part of the Board's Report.
7. To ensure the 'Fit and Proper' status of proposed and existing Directors and recommend their appointment or re-appointment to the Board.

During the year under review, the Committee met Seven (7) times viz., April 23, 2025, May 23, 2025, May 27, 2025, August 12, 2025, November 13, 2025, December 04, 2025 and March 30, 2026.

The particulars of Members of the Committee, and the number of meetings attended by them during the year are as follows:

Sl. No.	Name of Member	Member of Committee since	Capacity	Number of Committee Meetings		No. of Equity shares held in the Company
				Entitled to attend	Attended	
1.	Mr. Varun Bhalla	October 17, 2024	Independent Director as Member (Appointed as Chairman of the Committee w.e.f June 13, 2025)	7	7	-
2.	Mr. Rajesh Vasudevan	June 01,2024	Independent Director as Member	7	7	-
3.	Mr. Avishek Addy	January 19, 2021	Non-Executive Director as Member	7	5	-
4.	Mr.Siva Vadivel Alagan	March 31, 2022	Non-Executive Director as Member	3	3	-
5.	Ms. Anvi Somaiya	June 13, 2025	Non-Executive Director as Member	4	4	-

Besides, the Committee has passed resolution by circulation viz. January 31, 2026.

The Company Secretary acts as Secretary to the Nomination and Remuneration Committee.

The Chairman of the Nomination and Remuneration Committee was present at the 35th AGM of the Company to address the Shareholders' queries.

Note:

1. Mr. Rajesh Vasudevan ceased to be a Chairman of the Committee w.e.f. June 13, 2025.
2. Mr. Siva Vadivel Alagan ceased to be a Member of the Nomination and Remuneration Committee w.e.f. June 11, 2025 pursuant to his resignation.

Performance Evaluation Criteria for Independent Directors

The Board had carried out an annual evaluation of its own performance, Committees of the Board and individual Directors for the Financial Year 2025-2026. Manner of annual evaluation has been provided in the Board's report.

The Board of Directors reviewed the performance of the individual Directors including Independent Directors. The evaluation of Independent Directors was carried out based on criteria like (i) Attendance (ii) Adherence to ethical standards & code of conduct of Company and disclosure of interest (iii) Raising of valid concerns to the Board and constructive contribution to resolution of issues at meetings (iv) Interpersonal relations with other directors and management (v) Objective evaluation of Board's performance, rendering independent, unbiased opinion (vi) Understanding of the Company and the external environment in which it operates and contribution to strategic direction (vii) Safeguarding of confidential information related to the Company (viii) Bringing external expertise and independent judgment that contributes to the objectivity of the Board's deliberation, particularly on issues of strategy, performance, resources, key appointments, risk management, and standards of conduct (ix) Devotion of sufficient time and attention towards professional obligations for independent decision and acting in the interest of all stakeholders, particularly minority shareholders (x) All the independent directors are independent in true letter and spirit i.e. whether the independent Director has given declaration of independence and they exercise their own judgment, voice their concerns and act freely from any conflicts of interests.

The Independent Directors, at their separate Meeting, reviewed the performance of Non-Independent Directors, the Board as a whole, the Chairperson and Managing Director. The performance evaluation of the Independent Directors of the Company was carried out by the Board of the Company, excluding the Director being evaluated. The Board has expressed its satisfaction with the evaluation process.

iv. Information Technology (IT) Strategy Committee:

The Board constituted the IT Strategy Committee (ITSC) in compliance with the provisions of the Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices dated November 07, 2023, issued by the Reserve Bank of India.

In addition to the terms of reference of ITSC mentioned in the above Master Direction, the broad terms of reference of the ITSC, inter alia, include:

1. IT Governance and Information Security Governance structure fosters accountability, is effective and efficient, has adequate skilled resources, well defined objectives, and unambiguous responsibilities for each level in the organization.
2. Processes for assessing and managing IT and cybersecurity risks is in place;
3. Cyber security are commensurate with the IT maturity, digital depth, threat environment and industry standards and are utilized in a manner intended for meeting the stated objectives;
4. To review, at least on annual basis, the adequacy and effectiveness of the Business Continuity Planning and Disaster Recovery Management

During the year under review, the Committee met Five (5) times viz., May 27, 2025, August 12, 2025, November 13, 2025, December 19, 2025 and March 26, 2026.

The particulars of Members of the Committee and their attendance in the meetings held during the year are as follows:

Sl. No.	Name of Member	Member of Committee since	Capacity	Number of Committee Meetings		No. of Equity shares held in the Company
				Entitled to attend	Attended	
1.	Mr. Varun Bhalla	October 17, 2024	Independent Director as Chairman of the Committee	5	5	-
2.	Mr. Sandeep Jawanjal	March 22, 2021	Managing Director as Member	5	5	3,31,218
3.	Mr. Avishek Addy	March 27, 2024	Non-Executive Director as Member	5	4	-
4.	Ms. Anvi Somaiya	June 13, 2025	Non-Executive Director as Member	4	4	-

The Chief Information Security Officer (CISO) and Chief Technology Officer (CTO) of the Company are the permanent Invitees to the said Committee meetings.

The Company Secretary acts as Secretary to the IT Strategy Committee.

During FY2026, the Committee reviewed IT Infrastructure Projects, Information Security Projects, Governance Framework, Cyber Security, System Audit Reports, etc.

v. Stakeholders Relationship Committee:

The Board has set up Stakeholders Relationship Committee to consider and resolve the grievances of holders of the Company i.e., shareholders, debenture holders and depositors of the Company.

The broad terms of reference of the Stakeholders Relationship Committee, inter alia, include:

1. To resolve the grievances of the security holders including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of duplicate certificates, general meetings, etc.;
2. Reviewing of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
3. Reviewing of the various measures and initiatives taken for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company; and
4. To approve the issuance of duplicate share certificate in lieu of original share certificate lost or misplaced.

During the year under review, the Committee met Four (4) times viz., April 17, 2025, July 16, 2025, October 15, 2025 and January 13, 2026.

The particulars of Members of the Committee and the number of meetings attended by them during the year are as follows:

Sl. No.	Name of Member	Member of Committee since	Capacity	Number of Committee Meetings		No. of Equity shares held in the Company
				Entitled to attend	Attended	
1.	Mr. Shantaram Mahakalkar	May 27, 2014	Non-Executive Director as Chairman of the Committee	4	4	29,900
2.	Mr. Maroti Jawanjar	March 21, 2022	Executive Chairman as Member	4	4	10,22,894
3.	Mr. Varun Bhalla	April 01,2025	Independent Director as Member	4	3	-

The Company Secretary acts as Secretary to the Stakeholders Relationship Committee. She is also acting as Compliance officer for redressal of investor grievances.

The Chairman of the Stakeholders Relationship Committee was present at the 35th AGM of the Company to address the Shareholders' queries.

The status and details of the investor complaints received during the Financial Year 2025-2026 are as follows:

PARTICULARS OF INVESTOR COMPLAINTS	NUMBER OF COMPLAINTS	
	EQUITY	DEBT
No. of Complaints outstanding at the beginning of the year	0	0
No. of Complaints received during the year	0	3
No. of Complaints disposed off during the year	0	3
No. of Complaints not resolved to the satisfaction of investors	0	0
No. of Pending Complaints	0	0

Note:

1. Mr. Maroti Jawanjar ceased to be a Member of Stakeholders Relationship Committee w.e.f. March 31, 2026 pursuant to his resignation.
2. The abovementioned complaints were received directly by the Company and the same were duly attended to and resolved within the prescribed timeframe laid down by SEBI.

vi. Corporate Social Responsibility (CSR) Committee:

The Corporate Social Responsibility (CSR) Committee has formulated a Corporate Social Responsibility Policy indicating the CSR activities to be undertaken by the Company in accordance with the Annual Action Plan for each financial year approved by the Board.. The CSR Policy of the Company, as approved and adopted by the Board, has been posted on the website https://https://www.berarfinance.com/investors.html/pdf/policies/csr/corporate_social_responsibility_polic y.pdf

The broad terms of reference of the CSR Committee, inter alia, include:

1. To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company in areas or subject, specified in Schedule VII of the Companies Act,2013;
2. To monitor the Corporate Social Responsibility Policy of the Company from time to time;
3. To recommend the amount of expenditure to be incurred on the activities identified by the Committee;
4. To review and recommend the CSR projects, budget, expenditure, and Annual Action Plan to the Board in line with the scope of the Companies Act, 2013 and CSR Rules ;
5. To ensure that the activities as are included in Corporate Social Responsibility Policy of the Company are undertaken by the Company.

During the year under review, the Committee met Three (3) times viz., April 23, 2025, August 12, 2025, and March 28, 2026.

The particulars of Members of the Committee, and the number of meetings attended by them during the year are as follows:

Sl. No.	Name of Member	Member of Committee since	Capacity	Number of Committee Meetings		No. of Equity shares held in the Company
				Entitled to attend	Attended	
1.	Mr. Maroti Jawanjar	May 27, 2014	Executive Chairman as Chairman of the Committee	3	3	10,22,894
2.	Mr. Sandeep Jawanjal	May 27, 2014	Managing Director as Member	3	3	3,31,218
3.	Mr. Siva Vadivel Alagan	March 31, 2022	Non-Executive Director as Member	1	1	-
4	Mr. Rajesh Vasudevan	October 17, 2024	Independent Director as Member	3	3	-
5	Ms. Anvi Somaiya	June 13, 2025	Non-Executive Director as Member	2	2	-

The Company Secretary acts as Secretary to the CSR Committee.

Note:

1. Mr. Siva Vadivel Alagan ceased to be a Member of CSR Committee w.e.f. June 11, 2025 pursuant to his resignation.
2. Mr. Maroti Jawanjar ceased to be a Member of CSR Committee w.e.f. March 31, 2026 pursuant to his resignation.

vii. Exit offer implementation Committee:

The Board of Director vide its meeting dated August 23, 2021 constituted the Exit offer implementation Committee to review the exit offer/ refund process, settlement, compounding and all relevant remediation processes related to the Exit Offer Scheme.

During FY 2025-2026, no meeting of the Exit offer implementation Committee was held.

The particulars of Members of the Committee as on March 31, 2026 are as follows:

- Mr. Shantaram Mahakalkar- Non-Executive Director as Chairman of the Committee
- Mr. Rajesh Vasudevan - Independent Director as Member
- Mr. Varun Bhalla - Independent Director as Member (w.e.f April 01, 2025)

The Company Secretary acts as Secretary to the Exit offer implementation Committee.

viii. Customer Service Committee:

The Board at its meeting held on February 09, 2024 constituted the Customer Service Committee in compliance with the Reserve Bank of India (Non-Banking Financial Companies - Internal Ombudsman) Directions, 2026 (Erstwhile Master Direction - Reserve Bank of India (Internal Ombudsman for Regulated Entities) Directions, 2023 dated December 29, 2023) to strengthen the existing mechanism for redressal of customer grievances. The Committee is responsible to monitor and bring about continuous improvements in the quality of services rendered to the customers and to ensure implementation of the guidelines issued by the Reserve Bank of India from time to time.

The broad terms of reference of the Customer Service Committee, inter alia, include:

1. To review the Grievance Redressal Mechanism;
2. To review customer grievances and its root cause and action taken on quarterly basis and suggest measure to improve the same;
3. To review the suggestions given by the Internal Ombudsman and implementation of Integrated Ombudsman Scheme;
4. To review the nomination coverage of deposit holders;
5. To review the performance of Internal Ombudsman and determine the structure of emoluments, facilities and benefits accorded to Internal Ombudsman.

During the year under review, the Committee met Four (4) times viz., April 09, 2025, July 09, 2025, October 07, 2025 and January 09, 2026.

The particulars of Members of the Committee, and the number of meetings attended by them during the year are as follows:

Sl. No.	Name of Member	Member of Committee since	Capacity	Number of Committee Meetings		No. of Equity shares held in the Company
				Entitled to attend	Attended	
1.	Mr. Maroti Jawanjar	February 09, 2024	Executive Chairman as Chairman of the Committee	4	4	10,22,894
2.	Mr. Rajesh Vasudevan	November 14, 2024	Independent Director as Member	4	4	-
3.	Mr. Varun Bhalla	April 01,2025	Independent Director as Member	4	3	-

The Internal Ombudsman of the Company is the permanent Invitee to the said Committee meetings.

The Company Secretary acts as the Secretary to the Customer Service Committee.

Note:

1. Ms. Annapurna Dubey ceased to be member of the Customer Service Committee w.e.f. March 31, 2025.
2. Mr. Maroti Jawanjar ceased to be a Member of Customer Service Committee w.e.f. March 31, 2026 pursuant to his resignation.

ix. Review Committee:

The Board constituted the Review Committee for Identification of Wilful Defaulters in compliance with the RBI's directions on Treatment of Wilful Defaulters and Large Defaulters having reference no. RBI/DOR/2025-26/358 DOR.FIN.REC.No.277/20-16-003/2025-26 dated November 28, 2025 (erstwhile Reserve Bank of India (Treatment of Wilful Defaulters and Large Defaulters) Directions, 2024). It serves as a comprehensive guideline delineating the regulatory framework and procedures for classification of borrowers as wilful defaulters.

The broad terms of reference of the Review Committee, inter alia, include:

1. To review the proposal made by the Identification Committee after considering written representation, if any, submitted by non-cooperative borrower(s)/Wilful Defaulters
2. To provide an opportunity for a personal hearing to the concerned non-cooperative borrower(s)/Wilful Defaulters;
3. Assessing the facts, materials or records submitted by the non-cooperative borrower(s)/Wilful Defaulters;
4. To pass an appropriate order confirming or upholding/rejecting the order passed by the Identification Committee.

The Review Committee comprising of following as members:

- Mr. Sandeep Jawanjal - Managing Director as a Chairman of the Committee
- Mr. Rajesh Vasudevan - Independent Director as Member
- Mr. Varun Bhalla - Independent Director as Member

During FY 2025–2026, no cases were referred to the Review Committee by the Identification Committee. Accordingly, no meeting of the Review Committee was required to be convened during the year.

x. Fund Management Committee:

The Board of Directors of the Company has constituted the Fund Management Committee to facilitate timely decision-making in relation to the Company's borrowing requirements, banking arrangements, fund-raising activities and transfer of loan receivables.

The broad terms of reference of the Fund Management Committee, inter alia, include:

1. To avail an aggregate borrowing facility (fund based and non –fund based) which includes various credit facilities by way of overdrafts, cash credits, term loans, letter of credits, guarantees including deferred payment guarantees and indemnities, negotiation and discounting of demand and/or usance bills and cheques (inland as well as foreign) and such other facilities as may be agreed upon from time to time between the lenders and the Company.
2. To authorize sell, transfer and assign the standard loan receivables originated by the Company through securitization or direct assignment route.
3. Opening and closing of Bank account and to avail banking services.
4. To make offer(s) or an invitation(s) or to issue non-convertible debentures ('NCDs'), secured or unsecured, at face value or such other price as may be permissible to the eligible investors under the relevant regulations as the Board may determine in accordance with any of the aforementioned directions or regulations, under one or more offer/disclosure document as may be issued by the Company and in one or more tranches;

During the year under review, the Committee met 24 (Twenty Four) times on April 15,2025,April 22,2025, April 30,2025,May 13, 2025, May 26, 2025, June 25, 2025, July 26,2025, July 29, 2025, August 14,2025, August 21, 2025, August 28, 2025, September 16, 2025, November 07, 2025,November 28, 2025, December 08, 2025, December 23, 2025,January 08, 2026, January 30, 2026, February 12, 2026, February 24, 2026, February 28, 2026, March 12, 2026, March 18,2026 and March 28, 2026.

The particulars of Members of the Committee, and the number of meetings attended by them during the year are as follows:

Sl. No.	Name of Member	Member of Committee since	Capacity	Number of Committee Meetings		No. of Equity shares held in the Company
				Entitled to attend	Attended	
1.	Mr. Maroti Jawanjar	November 23, 2019	Executive Chairman as Chairman of the Committee	24	24	10,22,894
2.	Mr. Sandeep Jawanjal	November 23, 2019	Managing Director as Member	24	24	3,31,218
3.	Mr. Yogesh Tahalyani*	April 01,2025	Chief Financial Officer	8	8	-

The Company Secretary acts as the Secretary to the Fund Management Committee.

Note:

1. Mr. Yogesh Tahalyani, CFO, ceased to be a Member of Fund Management Committee w.e.f August 12, 2025 and was appointed as permanent invitee to the Committee meetings.
2. Mr. Maroti Jawanjar ceased to be a Member of Fund Management Committee w.e.f. March 31, 2026 pursuant to his resignation.

3) Independent Directors Meetings

Pursuant to Section 149(8) read with Schedule IV of Companies Act, 2013, meeting of the Independent Directors of the Company is required to be conducted once a year in absence of Non-Independent Directors and members of management.

Accordingly, the Independent Directors conducted their separate meetings on April 22, 2025 and March 28, 2026 attended by all the Independent Directors without attendance of non-independent Directors and members of management, inter alia, to review the matters statutorily prescribed under the Act.

4) General Body Meetings

I. The particulars of last 3 years Annual General Meetings (AGM) are as under:

Financial Year	Day	Date	Time (IST)	Venue
2024-2025	Tuesday	September 16, 2025	11.00 A.M.	"Arjuna Celebrations ", Pande Layout Road, Khamla, Nagpur- 440 025.
2023-2024	Friday	September 20, 2024	04.00 P.M	"Arjuna Celebrations ", Pande Layout Road, Khamla, Nagpur- 440 025.
2022-2023	Monday	September 25, 2023	03.30 P.M.	Through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM')

Details of the Special Resolutions passed at the AGM held during the last three years:

Sr. No.	Detail of resolutions	Date of passing	No. of votes in favour	No. of votes against	% of votes in favour	% of votes in against
1	To consider & approve the amendment in the Articles of Association of the Company.	25.09.2023	87,88,462	0	100	0
2	To consider & approve profit related commission payable to the non-executive Directors of the Company	25.09.2023	87,88,462	0	100	0
3	Issue of Non-Convertible Debentures through Private Placement	16.09.2025	93,38,454	6,418	99.93	0.07

The Special Resolutions were passed through E-voting, voting at the AGM and remote E-voting at AGM as per the procedure prescribed under Section 108 of the Act read with Companies (Management and Administration) Rules, 2014 under the overall supervision of the Scrutinizer, Mr. Sunil Purushottam Zore, Practicing Company Secretary (CP No.11837), Nagpur.

All the resolutions were passed by the shareholders with requisite majority.

II. Extra-ordinary General Meeting (EGM):

During the Financial year ended March 31, 2026 the following EGMs were held:

Financial Year	Day	Date	Time (IST)	Venue
2025-2026	Thursday	October 09, 2025	11.00 A.M.	"Arjuna Celebrations", Pande Layout Road, Khamla, Nagpur- 440 025.
2025-2026	Wednesday	December 10, 2025	11.00 A.M.	Through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM')

Details of the Special Resolutions passed at the EGM held during Financial Year ended March 31, 2026:

Sr. No.	Detail of resolutions	Date of passing	No. of votes in favour	No. of votes against	% of votes in favour	% of votes against
1.	To alter the Object Clause of Memorandum of Association.	October 09, 2025	94,58,856	0	100	0
2.	To offer and issue Equity Shares and Series B Cumulative Non-Participating Compulsorily Convertible Preference Shares (Series B CCPS) by way of preferential offer through private placement.	October 09, 2025	94,58,856	0	100	0
3.	Approval for cancellation of unsubscribed Equity Shares and Series B cumulative non-participating compulsorily convertible preference shares (Series B CCPS) issued by way of preferential offer through private placement.	December 10, 2025	10,038,876	1400	99.99	0.01
4.	To offer and issue Equity Shares and Series B cumulative non-participating compulsorily convertible preference shares (Series B CCPS) by way of preferential offer through private placement.	December 10, 2025	10,038,876	1400	99.99	0.01
5.	Approval for amendment, restatement and entrenchment of Articles of Association of the Company.	December 10, 2025	10,038,876	1400	99.99	0.01
6.	Approval for adoption of Berar Employee Stock Option Plan 2025.	December 10, 2025	10,038,876	1400	99.99	0.01
7.	Approval for variation of Berar Employee Stock Option Plan 2019.	December 10, 2025	10,038,876	1400	99.99	0.01

III. Postal Ballot:

During the year under review, no resolution was passed through Postal Ballot and no special resolution is proposed to be passed through postal ballot under the provisions of the Act, on or before the ensuing AGM.

IV. Other Information:

Registrar and Share Transfer Agent	**Bigshare Services Private Limited** Office No S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai - 400093
Debenture Trustees	**IDBI Trusteeship Services Limited** Ground Floor, Universal Insurance Building, Sir Phirozshah Mehta Rd, Fort, Mumbai, Maharashtra - 400 001 **MITCON Credentia Trusteeship Services Limited** 1402/1403, 14th Floor, Dalamal Tower, B-Wing, Free Press Journal Marg, 211, Nariman Point, Mumbai - 400021
Address for Correspondences	The Company Secretary & Compliance Officer, Berar Finance Limited, Avinisha Tower, Mehadia Chowk, Dhantoli, Nagpur - 440012, Maharashtra
Name and Address of the Stock Exchange(s)	Privately Placed Non-Convertible Debentures (“NCDs”) are Listed on BSE Limited. P J Towers, Dalal Street, Fort, Mumbai – 400 001. Annual Listing Fees to the stock exchange have been paid for the financial year 2025-2026.
Share Transfer System	Transfers of securities is done through the depositories with no involvement of the Company.
Credit Rating	The details of Credit Ratings are part of the Board’s report.

5) Means of Communication:

The Company has provided adequate and timely information to its stakeholders or public at large, interalia, through the following means:

i. **Publication of quarterly /annual financial results:** The quarterly and annual financial results of the Company are published in the English national daily newspaper circulating in the whole or substantially the whole of India viz. Financial Express and Indian express and in the vernacular language newspaper where the registered office of the Company is situated viz. Loksatta.

ii. **Update on official website:** The Company hosts financial results, Annual Reports, intimations made to stock exchange, press releases, CSR activities, policies, codes and procedures and other disclosures on its website under “Investor section” and “CSR section” for the Company’s investors and other stakeholders.

iii. **Management’s Discussion and Analysis Report**: is annexed with this Board’s Report as **Annexure I**.

iv. **BSE Listing Centre (Listing Centre):** All periodical and other event-based compliance filings of the Company are filed electronically on web-based application.

v. **SEBI Complaints Redress System (SCORES 2.0):** Your Company is registered on SEBI SCORES (SEBI Complaints Redress System) an online platform designed to help investors to lodge their complaints, pertaining to securities market, online with SEBI against listed companies. Further, it is informed that your Company has not received any investor complaint in FY 2025-2026 through the SEBI Complaints Redress System.

vi. **Online dispute resolution Portal (“ODR Portal”):** The Company has also enrolled itself on the online dispute resolution Portal (“ODR Portal”) to streamline the existing dispute resolution mechanism and for prompt resolution of investor’s disputes in the Indian Securities Market. Further, it is informed that your Company has not received any investor complaint in FY 2025-2026 through ODR Portal.

6) Shareholding as on March 31, 2026:

(Below details are on paid up capital basis including Convertible preference shares and does not include ESOP to be allotted)

Category	No. of Shares	Percentage of holding (%)
Promoter & their Group	4206200	28.75
Corporates	26116	0.18
Institutional Investors	6661881	45.53
Investors Education and Protection Fund	4550	0.03
Public	3732994	25.51
Total	**14631741**	**100**

7) Details of Shares /amounts transferred to Investor Education and Protection Fund (IEPF) during FY 2025-2026 and unclaimed dividend due dates:

The details of outstanding shares in Berar Finance Limited Investor Education and Protection Fund Authority, Ministry of Corporate Affairs are as follows and may be accessed on the website of the Company https://www.berarfinance.com/investors.html under IEPF section:

Particulars	Aggregate Number of shareholders	Outstanding shares lying in Berar Finance Limited IEPF Account
Opening Balance as on April 01, 2025	8	4,550
Less: Requests received for transfer / delivery during F.Y. 2025-2026 and Shares transferred / delivered during F.Y. 2025-2026	0	0
Add: Transfer of shares to Investor Education and Protection Fund Authority of Ministry of Corporate Affairs during F.Y. 2025-2026	0	0
Balance as on March 31, 2026	8	4,550

The Company sends statutory reminders to shareholders before transfer of their shares/unclaimed dividend to IEPF. The Shareholders who have not encashed their dividend are requested to contact the Company immediately.

Following dividends are transferable to the Investor Education and Protection Fund (IEPF) on the respective due dates, as under, in accordance with the provisions of Section 124(5) of the Act:

Nature of Dividend	Transferable to IEPF on
Final Dividend 2019-20	October 28, 2027
Final Dividend 2020-21	October 27, 2028
Final Dividend 2021-22	October 26, 2029
Final Dividend 2022-23	October 25, 2030
Final Dividend 2023-24	October 20, 2031
Interim Dividend 2024-25	June 26, 2032

Reminders are sent to the members for encashing their unclaimed and unpaid dividends, on a regular basis through speed post at their address registered with the Company. Members who have not yet made claims are, therefore, requested to contact the Company /Registrar and Share Transfer Agent immediately.

The details of unpaid and unclaimed amounts lying with the Company as on March 31, 2025 are available on the website of the Company at https://www.berarfinance.com/investors.html under IEPF Section and Ministry of Corporate Affairs at https://www.iepf.gov.in. The Members / claimants whose shares or unclaimed dividends get transferred to IEPF may claim the shares or apply for refund from the IEPF Authority by following the refund procedure as detailed on the website of IEPF Authority at https://www.iepf.gov.in/content/iepf/global/master/Home/Home.html.

8) Other disclosures:

a) Related Party Transactions:

In line with the requirements of the Act, your Company has adopted Related Party Transactions (RPT) Policy and the same has been updated by the Board at its meeting held on March 30, 2026:

i. All the related party transactions entered into by the Company, during the review period, were in its ordinary course of business and on an arm's length basis .Further, there were no material related party transactions entered into by the Company which may potential conflict with the interests of the Company. Disclosures on transactions with related parties are provided in the notes to the Financial Statements.

ii. The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and its Related Parties. The Related Party Transactions (RPT) Policy is hosted on the website of the Company at https://www.berarfinance.com/pdf/policies/Related_Party_Transaction_Policy.pdf.

b) Code of Conduct for Prohibition of Insider Trading:

Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended, the Company has adopted a Code for the Prohibition of Insider Trading to regulate, monitor and report trading by Designated Person(s) in listed securities of the Company. The Code is hosted on the website of the Company at https://www.berarfinance.com/pdf/policies/code_of_practices_and_procedures_for_fair_disclosures_of_unpublished_price_sensitive_information.pdf

The Audit Committee at its meeting held on March 30, 2026 had reviewed the compliance in terms of regulation 9A (4) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 and confirmed that the systems for internal control with respect to the SEBI (Prohibition of Insider Trading) Regulations, 2015 are adequate and are operating effectively.

Further, the Company has a Structured Digital Database in place and is maintained in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015. In this regard the Company files the compliance certificate with the Stock Exchanges on yearly basis or as may be prescribed by the SEBI from time to time.

c) Vigil Mechanism/Whistle Blower Policy:

In order to ensure that the activities of the Company and its employees are conducted in a fair and transparent manner with highest standard of professionalism, honesty, integrity and ethical behavior, the Company has adopted a Vigil Mechanism and Whistle Blower Policy. The mechanism of reporting under this Policy is in place and a copy of the Policy is posted on website of the Company i.e. https://www.berarfinance.com/pdf/policies/vigil_mechanism_and_whistleblower_policy.pdf.

No personnel have been denied access to the Chairman or members of the Audit Committee. During FY 2026, no complaints were received under the Vigil Mechanism and Whistle Blower Policy.

d) Recommendations of the Committees:

No instances have been observed where the Board has not accepted recommendations of any of the Board Committee(s).

e) Penalties and strictures:

The fine of Rs. 10,000/- was imposed by BSE Limited (where the Non-Convertible Debentures are listed) regarding one instance of delay in submission of the intimation of Record Date under Regulation 60(2) of SEBI Listing Regulations. The Company has paid the requisite fine.

Apart from aforesaid penalty, no other penalty or stricture has been imposed on the Company by BSE Limited, SEBI, or any other statutory authority, in any matter related to capital markets, during the last three years.

f) Details of non-compliance with requirements of Companies Act, 2013:

There has been no instance of non-compliance of Companies Act, 2013, including with respect to compliance with accounting and secretarial standards.

g) Breach of covenant:

All covenants are monitored on a quarterly basis, and waivers from the respective lenders are obtained as and when necessary.

h) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company has in place a Policy for prevention of sexual harassment (POSH), in line with the requirements of “The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013” and the same is available on the website of the Company and can be accessed at the web-link https://www.berarfinance.com/pdf/policies/prevention_of_sexual_harassment_policy.pdf. An Internal Committee (IC)has been setup to redress complaints.

The following is a summary of sexual harassment complaints received and disposed off during the year 2025-2026:

Sr. no.	Particulars	Number
1.	Number of Sexual Harassment Complaints received	0
2.	Number of Sexual Harassment Complaints disposed off	0
3.	Number of Sexual Harassment Complaints pending beyond 90 days.	0

i) Details of Employees at the end of the Financial Year:

As on March 31, 2026, the total number of employees in the organization is as follows:

- Female : 274
- Male : 2461
- Transgender : 0

j) Accounting Treatment:

Your Company has adopted accounting policies which are in line with the Accounting Standards and the Financials statements are prepared in adherence to the accounting policies, Accounting Standards and applicable provisions of the Act and the RBI regulations.

k) Utilization of Funds:

During FY 2025-2026, the Company raised the funds by way of issue of Equity and Series B CCPS by way of preferential offer through private placement as well as through private placement of listed non-convertible debentures. The proceeds so raised were fully utilized for the objects mentioned in the respective offer documents.

Since the Company is a debt-listed entity, disclosure under Regulation 32(7A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, relating to the utilization of funds raised through preferential allotment or qualified institutions placement, is not applicable to the Company.

l) Compliance of mandatory and adoption of Discretionary requirements:

Being the debt listed entity, as Privately Placed Debentures are listed on BSE Limited, the Company has complied with the requirements prescribed under Regulations 49 to 62A of the SEBI Listing Regulations, during the year under review except in one instance where the Company has not intimated record date for payment of interest within the statutory timeline as per Regulation 60 (2) of SEBI Listing Regulations.

The Company has also adopted and complied with the following discretionary requirements, as outlined in Part E of Schedule II of the SEBI Listing Regulations:

i. **Investors' Rights :**

Half-yearly/Quarterly (wherever applicable) financial results published in the newspapers, displayed on the website of the Company as well as disseminated to the BSE Limited after Board approval for information of NCD holders and other Stakeholders.

ii. **Separate posts of Chairperson and the Managing Director (MD):**

The Company is having separate positions for Chairman and MD. However, Chairman is Whole-Time Director (till March 31, 2026) and is related to the Managing Director as per the definition of the term "relative" defined under the Act.

iii. **Reporting of Internal Auditor:**

The Head of In-house Risk based Internal Audit, reports to the Managing Director of the Company and the Internal Audit Report is placed before Audit Committee on periodic basis.

iv. **Modified opinion(s) in audit report:**

During the year under review, there is no audit qualification on the Company's financial statements.

v. The Company has framed the "Policy for filing and processing of claim for unclaimed amount by Investors of Non-Convertible Securities" as per circular dated November 08, 2023 issued by Securities and Exchange Board of India ("SEBI") which is hosted on Company's website at https://www.berarfinance.com/pdf/policies/policy_for_filing_and_processing_of_claim_unclaimed_amount_of_ncs.pdf. No interest or principal was unclaimed as on March 31, 2026.

Annexure IV

Annual Report on Corporate Social Responsibility (“CSR”) Activities

[Pursuant to Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. Brief outline on CSR Policy of the Company:

At Berar Finance Limited, we strongly believe in engaging with different communities and reciprocate to the society at large. Our Corporate Social Responsibility initiatives are mainly focused on improving the quality of life of underprivileged communities as well as towards the betterment of the environment. The Company firmly believes that Education, Healthcare, Environmental Sustainability, Poverty Alleviation and livelihood enhancement/ women empowerment and promoting sports are intrinsic approach towards our business.

Our CSR initiatives are guided by our Policy. The Company’s CSR Policy (‘Policy’) was approved at the Board Meeting held on March 07, 2015 and last modification being made on December 23, 2022. The Policy is available on the Company’s website at the following link: https://www.berarfinance.com/pdf/policies/csr/corporate_social_responsibility_policy.pdf

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Maroti Jawanjar*	Chairman, Executive Chairman	3	3
2.	Mr. Sandeep Jawanjal*	Chairman, Managing Director	3	3
3.	Mr. Rajesh Vasudevan	Member, Independent Director	3	3
4.	Ms. Anvi Somaiya	Member, Non-Executive Director	3	2
5.	Ms. Smriti Chandra*	Member, Non-Executive Director	3	0

***Notes:**

1. Mr. Maroti Jawanjar ceased to be Chairman of the CSR Committee with effect from March 31, 2026, consequent to the completion of his term as Executive Chairman and his resignation from the Board.
2. Mr. Sandeep Jawanjal, Managing Director, has been appointed as a Chairman of CSR Committee w.e.f April 01, 2026.
3. Ms. Smriti Chandra, Non-Executive Director, has been appointed as member of CSR Committee w.e.f. April 20, 2026.

3. The web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company is provided below:

Sl. No.	Particular	Web-link
1.	The composition of the CSR Committee	https://www.berarfinance.com/csr.html
2.	CSR Policy	
3.	CSR projects as approved by the Board	

4. Details of executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014:

Since the average CSR obligation of the Company is below Rupees Ten Crore in pursuance of sub-section (5) of section 135 of the Act, in the three immediately preceding financial years, hence the impact assessment is **Not Applicable (NA).**

5. (a) Average net profit of the company as per sub-section (5) of section 135.

Average net profit: Rs. 38,86,72,603/- (Indian Rupees Thirty Eight Crore Eighty Six Lakhs Seventy Two Thousand Six Hundred and Three Only).

(b) Two percent of average net profit of the company as per sub-section (5) of section 135:

Rs. 77,73,453/- (Indian Rupees Seventy Seven Lakhs Seventy Three Thousand Four Hundred and Fifty Three only)

(c) **Surplus arising out of the CSR Projects or programmes or activities of the previous financial years:** NIL

(d) **Amount required to be set-off for the financial year, if any:** NIL

(e) **Total CSR obligation for the financial year [(b)+(c)-(d)]:** Rs. 77,73,453/- (Indian Rupees Seventy Seven Lakhs Seventy Three Thousand Four Hundred and Fifty Three only).

6. (a) **Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):** Rs. 77,85,594/- (Indian Rupees Seventy Seven Lakhs Eighty Five Thousand Five Hundred and Ninety Four only)

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

(c) **Amount spent on Impact Assessment, if applicable:** NIL

(d) **Total amount spent for the Financial Year [(a)+(b)+(c)]:** Rs. 77,85,594/- (Indian Rupees Seventy Seven Lakhs Eighty Five Thousand Five Hundred and Ninety Four only)

(e) **CSR amount spent or unspent for the Financial Year:**

Total Amount Spent for the Financial Year (In Rs.)	Amount Unspent (In Rs.)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
77,85,594/-	Nil	NA	NA	Nil	NA

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

Sl. No.	Particulars	Amount (In Rs.)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	77,73,453/-
(ii)	Total amount spent for the Financial Year	77,85,594/-
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	12,141/-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	12,141/-

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

1	2	3	4	5	6		7	8
Sl No.	Preceding Financial Year(s).	Amount transferred to Unspent CSR Account Under sub- section (6) of section 135 (in Rs.).	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in Rs.).	Amount Spent in the Financial Year (in Rs.)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub- section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in Rs.).	Deficiency, if any
					Amount (in Rs.)	Date of transfer		
1	-	Nil	-	-	-	-	-	-

8. **Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:**

○ Yes ● No

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

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

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

9. **Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135:** Not Applicable

Sandeep Jawanjal
Managing Director & Chairman of CSR Committee
DIN: 01490054

Rajesh Vasudevan
Chairman & Independent Director
DIN: 02711990

Annexure V

Requirements under the Indian Accounting Standard (Ind AS) 102 - Share -based Payment

Summary of Status of ESOPs Granted

The position of the existing schemes is summarized as under -

Sr.No.	Particulars	2019 ESOP Plan and 2025 ESOP Plan
I. Details of the ESOP		
1	Date of Shareholders' Approval	2019 ESOP Plan approved on 07.12.2019; and 2025 ESOP Plan approved on 10.12.2025
2	Total Number of Options approved	2019 ESOP Plan - 240,000 2025 ESOP Plan - 1,27,039
3	Vesting Requirements	Time and/or Performance based vesting
4	Exercise Price or Pricing formula (Rs.)	Exercise price for the first grant of 2019 ESOP Plan dated December 23, 2019 - ₹ 95 per equity share. Exercise price for the second grant of 2019 ESOP Plan dated February 21, 2022 - ₹ 250 per equity share. Exercise price for the third grant of 2019 ESOP Plan dated January 30, 2025 - ₹ 300 per equity share. During the financial year 2025-2026, no ESOPs were granted either under 2019 ESOP Plan or 2025 ESOP Plan.
5	Maximum term of Options granted (years)	Maximum term for the Options granted dated December 23, 2019 - 5 years. Maximum term for the Options granted dated February 21, 2022 - 4 years. Maximum term for the Options granted dated January 30, 2025 - 4 years.
6	Source of shares	Primary issuance
7	Variation in terms of ESOP	Yes. The 2019 ESOP Plan was amended with the approval of the shareholders at the 02/F.Y. 2025–2026 Extra-Ordinary General Meeting ("EGM") of the Company held on Wednesday, December 10, 2025. The key amendments were: • Redefinition of "Liquidity Event" and "Strategic Sale". • Revision of the exercise price provisions for granted and ungranted options in accordance with the Amended and Restated Shareholders Agreement dated September 4, 2025. • Insertion of new clause to enable NRC to re-price the Options that are not exercised in case of fall in the price of equity shares. • Deletion of the pre-listing Liquidity Event exercise clause. • Deletion of the cash settlement provision, thereby making the Plan equity-settled.

II. Option Movement during the financial year 2025-2026		
1	No. of Options outstanding at the beginning of the year	238550
2	Options Granted during the year	0
3	Options Forfeited / lapsed during the year*	2400
4	Options Vested during the year	24400
5	Options Exercised during the year	0
6	Total number of shares arising as a result of exercise of Options	0
7	Money realised by exercise of Options (₹)	0
8	Number of Options outstanding at the end of the year	236150
9	Number of Options exercisable at the end of the year	146150

*Unvested Options of employees left during year shown under Options forfeited and that Options transfer to free pool available for further grant.

III	**Weighted average exercise price of Options granted during the year whose**	
(a)	Exercise price equals market price	NIL
(b)	Exercise price is greater than market price	NIL
(c)	Exercise price is less than market price	NIL
	Weighted average fair value of Options granted during the year whose	
(a)	Exercise price equals market price	NIL
(b)	Exercise price is greater than market price	NIL
(c)	Exercise price is less than market price	NIL

The weighted average market price of Options exercised during the year	No options Exercised during the year
Remaining Contractual life of Options outstanding (Years)	2.84

IV Employee-wise details of Options granted during the financial year 2025-2026 to:

(i) Employees who were granted, during the year, Options amounting to 5% or more of the Options granted during the year

Sr. No.	Name of Employee	No. Of ESOP Granted
Nil		

(ii) Identified employees who were granted Option, during the year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant.

Name	No. of options granted
Nil	

Method and Assumptions used to estimate the fair value of Options granted during the year: No Options were granted during the FY 2025-2026 hence table not applicable

The fair value has been calculated using Black-Scholes Option pricing formula.

The Assumptions used in the model are as follows:

Date of grant	Particulars
1. Risk Free Interest Rate	NA
2. Expected Life	NA
3. Expected Volatility	NA
4. Dividend Yield	NA
5. Price of the underlying share in market at the time of the Option grant (Rs.)	Nil

Assumptions:

Stock Price: The market price as on the date of grant provided by the Company has been considered for the purpose of Option valuation.

Volatility: The measure of volatility used in the Black-Scholes Option pricing model is the annualized standard deviation of the continuously compounded rates of return on the stock over a period of time.

Risk-free rate of return: The risk-free interest rate being considered for the calculation is the interest rate applicable for maturity equal to the expected life of the Options based on the zero-yield curve for Government Securities.

Exercise Price: Exercise Price taken as per the information provided by company

Time to Maturity: Time to Maturity / Expected Life of Options is the period for which the Company expects the Options to be live.

Expected dividend yield: Expected dividend yield has been calculated based on the dividend declared for one financial year prior to the date of grant.

Diluted Earnings Per Share pursuant to issue of shares on exercise of Options calculated in accordance with Indian Accounting Standard (IND-AS) 33	₹ 27.07

Annexure VI

Statement of Particulars of Employees as per Section 197 of The Companies Act, 2013 read with rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended, and forming part of the Board's Report for the year ended March 31, 2026:

Sr. No	Name of the Employee	Designation/ Nature of Employment	Age/ Qualification	Experience (in years)	Remuneration Received (₹) F.Y. 2025-2026	Last Employment	Date of Appointment	Equity holding %
1	Mr. Maroti Jawanjar	Executive Chairman, Permanent	74, Company Secretary	36	2,28,22,845	-	01-10-1997	7.05
2	Mr. Sandeep Jawanjal	Managing Director, Permanent	42, B.Com.	20	1,22,98,215	-	01-08-2006	2.28
3	Mr. Balachendil Palaninathan	Chief Technology Officer Permanent	52, B.E, MBA,CFA	27	56,78,400	Anur Cloud Technologies Private Ltd	03-02-2025	-
4	Mr. Ashish Rathi	National Business Head-TW Sales, Permanent	43,MBA	14	53,78,391	Hero Moto Corp. Ltd	01-06-2024	-
5	Mr. Digvijay Deshmukh (Last working day was March 31, 2026)	Business Head-Secured MSME, Permanent	46,MBA	21	50,78,400	Shri Ram Finance Corporation Pvt Ltd.	05-08-2024	-
6	Mrs. Deepali Balpande	Company Secretary, Permanent	45,Company Secretary	23	42,25,100	-	09-06-2003	0.29
7	Mr. Yogesh Tahalyani	Chief Financial Officer, Permanent	30, Chartered Accountant	8	36,88,009	Credit Wise Capital Pvt Limited	03-10-2023	-
8	Mr. Satish Pohadare	Vice President- Risk Containment Unit, Permanent	40,BA	17	32,78,400	L&T Finance Limited	01-12-2023	-
9	Mr. Vikas Mane	Vice President-Credit & Operations, Permanent	41,BCS	15	32,30,000	Credit Wise Capital Pvt Limited	30-10-2023	-
10	Mr. Satish Kumar Gupta	Head-Internal Audit, Permanent	44,C.A, MBA, M.Com, DISA, CIA (IIA-USA)	19	29,78,400	Chola-mandalam Investment and Finance Company Limited	14-06-2021	-

Notes:

i. Remuneration includes Salary, Allowances, Perquisites and Commission if any.

ii. Mr. Maroti Jawanjar's term as Executive Chairman concluded on March 31, 2026 and after he tendered his resignation from directorship effective March 31, 2026, the Board of Directors appointed him as Chairman Emeritus of the Company w.e.f April 01, 2026 for the period of 5 years.

iii. None of the above employees are related to any Director or Manager except Mr. Sandeep Jawanjal, and Ms. Deepali Balpande who are relatives of Mr. Maroti Jawanjar (Executive Chairman).

Financial Statements

INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS

To,

The Members of

Berar Finance Limited

Report on the audit of Ind AS financial statements

Opinion

We have audited the Ind AS financial statements of **Berar Finance Limited** ('the Company') which comprise the Balance Sheet as at 31st March 2026, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the Ind AS financial statements including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the Ind AS financial statements").

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

Basis for opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Ind AS financial statements.

Key Audit Matter

Key Audit matters are those matters that in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report

Key audit matters	How the matter were addressed in our audit
Impairment losses on loan portfolio (ECL) Refer note 3.6 to the accompanying Ind AS financial statements for material accounting policies, note 7 for loan assets and note 46(B) for credit risk disclosures. As at 31st March 2026, the Company has reported gross loan assets of Rs. 1,79,202.42 lakhs against which an impairment loss of Rs. 4,272.31 lakhs has been recorded. The impairment loss allowance is determined in accordance with the Expected Credit Loss ('ECL') model specified under Ind AS 109 'Financial Instruments' and involved estimates for probability of loss on the financial assets over their life, considering reasonable and supportable information about past events, current conditions and forecasts of future economic conditions which could impact the credit quality of the Company's financial assets. In this process, significant degree of judgment has been applied by the management for:	Our audit procedures in relation to expected credit losses were focused on obtaining sufficient appropriate audit evidence as to whether the expected credit losses recognized in the Ind AS financial statements were reasonable and the related disclosures in the financial statements made by the management were adequate. These procedures that included, but were not limited to, the following: ₹ Obtained and read Companies Board approved policies on ECL and evaluated the appropriateness of the Company's accounting policies for impairment of financial instruments and assessed compliance of the same with Ind AS 109-Financial Instruments ('Ind AS 109').

➢ Segmentation of loan book in buckets based on common risk characteristics. o Staging of the loan receivable (i.e., classification in significant increase in credit risk ("SICR") and default categories). o Determining macro-economic factors impacting the credit quality of loans. o Use of statistical modelling technique to determine PD, LGD and EAD basis, the default history of loans, subsequent recoveries made and other relevant factors. o Judgement in relation to management overlays. Considering the significance of the above matter to the financial statements and complex nature of assumptions & judgements exercised by the management and loans forming a major portion of the Company's assets, this matter required significant auditor's attention to test the calculation of expected credit losses, we identified this as a key audit matter for current year audit.	o Obtained an understanding of the modelling technique adopted by the Company including the key inputs and assumptions. Since modelling assumptions and parameters were based on historical data, we assessed whether historical experience was representative of current circumstances and was relevant in view of the recent impairment losses incurred within the portfolios. o We evaluated the design and tested the operating effectiveness of the key controls put in place by the management over. o The assumptions used in the calculation of ECL and its various aspects such as determination of Probability of Default, Loss Given Default, Exposure at Default, Staging of Loans, etc. o The completeness and accuracy of source data used in the ECL computation. o Approval of changes to ECL methodology and models through the Company's governance framework. o ECL Computations for their arithmetical accuracy and reasonableness. o Performed an assessment of the adequacy of the credit losses expected within 12 months by reference to credit losses actually incurred on similar portfolios historically. o Evaluating the adequacy of the adjustment after stressing the inputs used in determining the output as per the ECL model to ensure that the adjustment was in conformity with the overlay amount approved by the Audit Committee of the Company. o With the involvement of independent consultant appointed by management of the Company, we verified the appropriateness of the methodology and models used by the Company and assessed reasonableness of the assumptions used within the computation process to determine the impairment loss allowance as per the requirements of Ind AS 109 'Financial Instruments' and ECL policy of the Company. o Obtained written representations from management on whether they believe significant assumptions used in calculation of expected credit losses are reasonable. o Assessed the appropriateness and adequacy of the related presentation and disclosures in note 89 to the financial statements in accordance with the applicable accounting standards.

Information Technology Systems & Controls Impacting Financial Reporting The Company is dependent on its Information Technology ("IT") systems due to the significant number of transactions that are processed daily across multiple IT applications including Loan Management Systems (LMS), accounting systems and supporting IT infrastructure. As a result, there is a high degree of reliance and dependency on such IT systems for the financial reporting process of the Company. Appropriate IT General Controls (ITGCs) and IT Application Controls are required to ensure that: o IT systems can process the data as required, completely, accurately, and consistently for reliable financial reporting. o Changes to programs and applications are appropriately authorised and tested. o These controls also play a vital role in mitigating the risk of errors or potential fraud arising from unauthorized or inappropriate changes. Given the pervasive use of IT systems, the volume of transactions processed daily, the reliance on automated controls, and the potential risk that deficiencies in IT controls could materially impact the financial statements, we have identified IT systems and controls over financial reporting as a Key Audit Matter.	We obtained an understanding of the Company's IT environment, including key applications such as the Loan Management System (LMS), accounting systems, and the underlying IT infrastructure relevant to financial reporting. We evaluated the design, implementation and operating effectiveness of key IT General Controls (ITGCs) across access management, change management and IT operations. We assessed the Company's reliance on its IT systems and the integrity, completeness and accuracy of controls embedded within such systems that are relevant to financial reporting. We tested, on sample basis, key IT application controls and automated controls within relevant systems, including controls over processing of loan transactions, interest computation, and accounting entries. We have also relied on reports of Information Systems audits initiated by the Management during the year We further obtained written representations from management, where considered necessary, in support of our audit procedures.

Information other than the Ind AS financial statements & auditors report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises of the Board's Report including Annexures to Board's Report, Management Discussion and Analysis, Corporate Governance and Shareholder's Information but does not include the Ind AS financial statements and our auditor's report thereon.

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

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the Ind AS financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act.

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

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

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

Auditor's responsibilities for the audit of Ind AS financial statements

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

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

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Ind AS financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Ind AS financial statements.

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

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

Other Matter

The Ind AS financial statements of the Company for the year ended 31st March 2025 were audited by another auditor whose report dated 27th May 2025 expressed unmodified opinion. We have relied on the said Ind AS financial statement for the purpose of confirming the opening balances on assets, equity and liabilities as on 1st April 2025 in respect of the year under audit.

Our opinion is not modified in respect of the above matter.

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in "Annexure - A", a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books,

   c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

   d. In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act.

   e. On the basis of the written representations received from the directors as on 31st March 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2026, from being appointed as a director in terms of Section 164(2) of the Act.

   f. With respect to adequacy of internal financial controls over financial reporting of the Company and operating effectiveness of such controls, refer to our separate report given in "Annexure - B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid / provided by the Company to its directors for the year ended 31st March 2026 is in accordance with the provisions of section 197 read with Schedule V of the Act.

   h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations as at 31st March 2026 on its financial position in note 38 of its Ind AS financial statements.

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There here has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. The Management has represented that, to the best of our knowledge and belief, as disclosed in the note 65 to the Ind AS financial statements,

- no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of ultimate beneficiaries.

- no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (iv) contain any material misstatement.

v. During the year, the interim dividend for the previous financial year was duly declared and paid by the Company in compliance with Section 123 of the Companies Act, 2013.

The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

vi. Based on our examination which included test checks, the Company has used an accounting software and loan management software for maintaining its books of account for the financial year ended 31st March 2026 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail, has been preserved by the Company as per the statutory requirements for record retention.

For N. A. Shah Associates LLP
Chartered Accountants
Firm Registration No: 116560W / W100149

Bhavin Kapadia
Partner
Membership No.: 118991
UDIN: 26118991SFBHCT2268

Place: Mumbai
Dated: 19th May 2026

Annexure - A to the Independent Auditor's Report for the year ended 31st March 2026

(Referred to in paragraph 1 under the heading of 'Report on other legal and regulatory requirements' of our report of even date.)

(i) (a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, plant and equipment and relevant details of right to use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has physically verified all the property, plant and equipment and right to use assets during the year. In our opinion, frequency of physical verification is reasonable having regard to the size of the Company and the nature of its assets. According to information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) are held in the name of the Company.

(d) The Company has not revalued any of its Property, Plant or Equipment (including right to use assets) and Intangible Assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as on 31st March 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

(ii) (a) The Company is Non-Banking Financial Company (NBFC) and it does not hold any inventory. Therefore clause 3(ii)(a) of the Order relating to inventory is not applicable.

(b) The Company has been sanctioned working capital limits of more than five crore rupees, in aggregate, by banks or financial institutions on the basis of security of loans (assets) during the year. Differences and reconciliation items between the quarterly returns/statements submitted to such lenders and the Company's books of account primarily arise as the returns were submitted prior to giving effect to Ind AS adjustments as explained in Note 18. We have not conducted a specific audit of these returns/statements

(iii) According to the information and explanation given to us, during the year the Company has not made investments and not provided any guarantee or security to companies, firms, limited liability partnerships or any other parties. The Company being NBFC has granted secured / unsecured loans or advances in the nature of loans to other parties. There are no loans granted to companies, firms and limited liability partnerships.

(a) Since principal business of the Company is to give loans, the requirement of clause 3(iii)(a) of the Order is not applicable.

(b) In our opinion, investment and the terms and conditions of the grant of loans are not prima facie prejudicial to the Company's interest. The Company has not given guarantees or security to any party.

(c) In respect of loans and advances in the nature of loans, granted by the Company as part of its business of providing loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated by the Company. Having regard to the nature of the Company's business and the volume of information involved, it is not practicable to provide entity-wise details of amounts, due dates for repayment or receipt, and the extent of delays in this report.

Except for loans where delays or defaults in repayment of principal and/or payment of interest existed as at the balance sheet date in respect of which the Company has appropriately disclosed the asset classification in Note 89 to the Ind AS financial statements in accordance with applicable Ind AS and the guidelines issued by the Reserve Bank of India, the borrowers are regular in repayment of principal and payment of interest, as stipulated.

(d) In respect of loans granted and advances in the nature of loans, provided by the Company, there are no overdue amount of active accounts for more than ninety days as at 31st March 2026 except for the following cases:

(Rs. in lakhs)

No. of cases	Principal amount overdue	Interest overdue	Total overdue
19,896	3,151.28	579.13	3,730.41

According to the information and explanation made available to us, reasonable steps are taken by the Company for recovery of the principal and interest.

(e) Since principal business of the Company is to give loans, the requirement of clause 3(iii)(e) of the Order is not applicable.

(f) Based on the information and explanation given to us, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment. Hence, reporting under clause 3(iii)(f) of the Order is not applicable.

(iv) According to information and explanation given to us, the Company has complied with the provisions of section 185 and 186 (1) of the Act in respect of investments made. The Company has not given security to any party. The other provisions of Section 186 of the Act are not applicable to the Company since the Company's principal business is providing loans in the ordinary course of business.

(v) The Company being Non-banking finance Company registered with RBI, provisions of section 73 to 76 or any other relevant provisions of the Act & the Companies (Acceptance of deposits) Rules, 2014, as amended, are not applicable. We are informed that no order relating to the Company has been passed by the National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.

(vi) The Central Government has not prescribed maintenance of cost records under section 148(1) of the Act for any of the activities of the company. Accordingly, clause 3(vi) of the Order is not applicable to the Company.

(vii) In respect of statutory dues:

(a) According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of amounts deducted / accrued in the books of account, the Company has been generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, duty of customs, duty of excise, goods and services tax, cess and any other statutory dues, as applicable to the Company, during the year with the appropriate authorities. Further, there are no arrears of outstanding statutory dues as at 31st March 2026 for a period of more than six months from the date they became payable.

(b) According to information and explanations given to us and the records of the Company, there are no statutory dues as mentioned in clause (vii)(a) above, which have not been deposited with authorities on account of any dispute except the following:

The Nature of Statute	Nature of dues	Forum where dispute is pending	Period to which the amount relates	Amount (Rs. in lakhs)
The Goods and Service Tax Act 2017	GST	Appellate Authority	F.Y. 2018-19	20.28 *

* Amount paid under protest of Rs.1.07 lakhs

(viii) According to the information and explanations given to us and on the basis of our examination of records of the Company, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(ix) Based on our audit procedures and as per the information and explanations given to us by the management, we are of the opinion that:

(a) The Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any other lender.

(c) The Company has utilized the money obtained by way of term loans from bank / financial institution during the year for the purposes for which they were obtained, other than temporary parking in Cash credit account or in the form of a term deposit for a few days, pending utilization towards purpose for which the same are obtained.

(d) The funds raised on short term basis have not been utilised for long term purposes. Hence further reporting under clause 3(ix)(d) of the Order is not applicable.

(e) The Company does not have any subsidiary, associate or joint venture. Accordingly, clause 3(ix) (e) and (f) of the Order is not applicable.

(x) (a) In our opinion, and according to the information and explanations given to us, the funds raised by the Company (through issue of Non-convertible debentures) during the year were used for the purpose for which they were raised.

(b) According to the information and explanations given to us, the Company has complied with the requirements of Sections 42 and 62 of the Companies Act, 2013 in respect of the preferential allotment through private placement of Compulsorily Convertible Preference Shares made during the year. Further, the funds raised through such preferential allotment through private placement have been utilized for the purposes for which they were raised.

(xi) (a) To the best of our knowledge according to the information and explanations given to us and as verified by us, no fraud by the Company has been noticed or reported during the year except for forgery of documents by one of the customer of the Company identified by the management during the year, involving amounts aggregating to ₹ 20 lakhs as mentioned in Note 77 of the accompanying financial statements. The Company has initiated appropriate recovery proceedings against the concerned customer and has recovered ₹10 lakhs up to the balance sheet date.

(b) No report under section 143(12) of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

(c) As informed to us, no whistle blower complaints have been received by the Company during the year.

(xii) In our opinion and according to the information and explanation given to us, the Company is not a Nidhi company. Therefore, clause 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Indian accounting standards.

(xiv) (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date of our report, in determining the nature, timing and extent of our audit procedures.

(xv) In opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transaction with directors or person connected with him. Therefore, clause 3(xv) of the Order is not applicable.

(xvi) (a) The Company is required to and has obtained registered under section 45-IA of the Reserve Bank of India Act, 1934.

(b) The Company has conducted Non-Banking Financial activities after obtaining valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. According to the information and explanations given to us, the Company is not into the business of conducting any Housing Finance activities.

(c) According to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Therefore, clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on the information and explanations given to us and as represented by the management of the Company, there is no CIC within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause (xvi)(d) of paragraph 3 of the Order is not applicable.

(xvii) The Company has not incurred any cash loss during the financial year ended 31st March 2026 and the immediately preceding financial year. Therefore, clause 3 (xvii) of the Order is not applicable to the Company.

(xviii) During the year, there has been a change in auditors on account of completion of the term of erstwhile auditor. This change is not considered to be a resignation and therefore, the clause 3(xviii) of the Order is not applicable. Further, there were no issues, objections or observations which were raised by the erstwhile auditors.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) During the year there are no unspent amounts towards Corporate Social Responsibility (CSR). Accordingly, reporting under clause 3(xx)(a) and (b) of the Order is not applicable for the year.

(xxi) Reporting under clause 3(xxi) of the Order is not applicable to the Company.

For N. A. Shah Associates LLP
Chartered Accountants
Firm Registration No. 116560W / W100149

Bhavin Kapadia
Partner
Membership No.: 118991
UDIN: 26118991SFBHCT2268

Place: Mumbai
Dated: 19th May 2026

Annexure – B to the Independent Auditor’s Report for the year ended 31st March, 2026

[Referred to in paragraph 2(f) under the heading “Report on other legal and regulatory requirements” of our report of even date]

Report on the Internal Financial Controls with reference to Ind AS financial statements under section 143(3) (i) of the Companies Act, 2013 (“the Act”)

Opinion

We have audited the internal financial controls with reference to Ind AS financial statements of **Berar Finance Limited** (“the Company”), as of 31st March 2026, in conjunction with our audit of the Ind AS financial statements of the Company for the year then ended.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to Ind AS financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’).

Responsibilities of Management and the Board of Directors for Internal Financial Controls with reference to Ind AS financial statements

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the ‘Guidance Note’), issued by the ICAI. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to Ind AS financial statements included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system with reference to Ind AS financial statements.

Meaning of Internal Financial Controls with reference to Ind AS financial statements

A company’s internal financial control with reference to Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Ind AS financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the Ind AS financial statements.

Inherent Limitations of Internal Financial Controls with reference to Ind AS financial statements

Because of the inherent limitations of internal financial controls with reference to Ind AS financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Ind AS financial statements to future periods are subject to the risk that the internal financial control with reference to Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For N. A. Shah Associates LLP
Chartered Accountant
Firm Registration No. 116560W / W100149

Bhavin Kapadia
Partner
Membership No.: 118991
UDIN: 26118991SFBHCT2268

Place: Mumbai
Dated: 19th May 2026

Balance Sheet as at 31st March 2026

(₹ in Lakhs)

Particulars	Note No.	As at 31st March 2026	As at 31st March 2025
ASSETS			
Financial Assets			
(a) Cash and cash equivalents	5	4,607.74	2,825.16
(b) Bank Balances other than cash and cash equivalents	6	11,830.09	11,114.41
(c) Loans	7	174,930.11	134,922.96
(d) Investments	8	2,022.91	2,022.63
(e) Other Financial assets	9	5,605.79	3,808.05
Non-Financial Assets			
(a) Current tax asset (Net)	21	-	126.32
(b) Deferred tax assets (Net)	10	1,630.79	1,086.21
(c) Property, Plant and Equipment	11	2,040.80	2,088.07
(d) Capital Work in Progress	12	57.78	28.00
(e) Intangible assets	13	72.50	80.12
(f) Right of use assets	14	510.00	527.82
(g) Other non-financial assets	15	272.88	236.69
Total Assets		**2,03,581.39**	**1,58,866.44**
LIABILITIES AND EQUITY			
LIABILITIES			
Financial Liabilities			
Payables			
(a) Trade Payables			
(i) Total outstanding dues of micro enterprises and small enterprises	16	400.45	384.33
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	16	941.15	587.36
(b) Debt Securities	17	19,536.78	9,449.04
(c) Borrowings (Other than Debt Securities)	18	1,15,292.27	92,082.81
(d) Deposits	19	13,541.84	19,558.32
(e) Other financial liabilities	20	2,985.74	3,158.54
Non-Financial Liabilities			
(a) Current Tax Liabilities (Net)	21	153.81	-
(b) Provisions	22	489.36	617.37
(c) Other non-financial liabilities	23	375.15	290.10
EQUITY			
(a) Equity Share capital	24	1,451.70	1,233.68
(b) Instrument entirely equity in nature	24.1	11.47	-
(c) Other Equity	25	48,401.67	31,504.89
Total Liabilities and Equity		**203,581.39**	**158,866.44**

Summary of Material accounting policies **1 to 4**

The accompanying notes are an integral part of the financials statements **5 to 89**

As per our Report of even date attached
For N. A. Shah Associates LLP
Chartered Accountants
Firm Registration Number : 116560W/W100149

For and On Behalf of Board of Directors
Berar Finance Limited

Rajesh Vasudevan
Chairman
DIN: 02711990

S.M.Jawanjal
Managing Director
DIN: 01490054

CA Bhavin Kapadia
Membership No :118991

Yogesh Tahalyani
Chief Financial Officer
Nagpur

D.R.Balpande
Company Secretary
Nagpur

Place : Mumbai
Date : 19th May 2026

Statement of Profit and Loss for the year ended 31st March 2026

(₹ in Lakhs)

Particulars	Note No.	Year ended 31st March 2026	Year ended 31st March 2025
I) Revenue from operations			
i) Interest Income	26	32,408.35	26,684.29
ii) Dividend Income	27	0.13	0.09
iii) Fee & Commission Income	28	2,286.45	2,132.16
iv) Net gain/(Loss) on fair value changes	29	(1.53)	3.02
v) Other operating Income	30	1,077.56	640.20
I) Total Revenue from operations		**35,770.96**	**29,459.76**
II) Other Income	31	23.90	36.63
III) Total Income (I+II)		**35,794.86**	**29,496.39**
IV) Expenses			
i) Finance Costs	32	15,567.91	13,018.42
ii) Impairment on financial instruments	33	4,142.89	3,123.65
iii) Employee Benefits Expenses	34	7,804.58	5,589.65
iv) Depreciation, amortization and impairment	35	576.41	495.56
v) Other expenses	36	3,331.87	3,043.25
IV) Total Expenses		**31,423.66**	**25,270.53**
V) Profit before tax (IV-III)		**4,371.20**	**4,225.86**
VI) Tax Expense:			
i) - Current Tax	10	1,288.80	942.00
ii) - Prior period income tax	10	25.28	54.93
iii) - Deferred Tax charge/(credit)	10	(565.40)	(0.77)
VII) Profit for the year (V-VI)		**3,622.52**	**3,229.70**
VIII) Other Comprehensive Income			
A) Items that will not be reclassified to statement of profit & loss			
i) Re-measurement gains / (losses) on defined benefit plans		82.73	3.30
ii) Income tax impact on above		(20.82)	(0.83)
VIII) Other Comprehensive Income for the year		61.91	2.47
IX) Total Comprehensive Income for the year (Comprising Profit and other comprehensive income for the year) (VII+VIII)		**3,684.43**	**3,232.17**
X) Earnings per equity share			
i) Basic (In Rs.)		27.26	26.18
ii) Diluted (In Rs.)		27.07	26.09

Summary of Material accounting policies **1 to 4**

The accompanying notes are an integral part of the financials statements **5 to 89**

As per our Report of even date attached
For N. A. Shah Associates LLP
Chartered Accountants
Firm Registration Number : 116560W/W100149

CA Bhavin Kapadia
Membership No :118991

Place : Mumbai
Date : 19th May 2026

For and On Behalf of Board of Directors
Berar Finance Limited

Rajesh Vasudevan
Chairman
DIN: 02711990

S.M.Jawanjal
Managing Director
DIN: 01490054

Yogesh Tahalyani
Chief Financial Officer
Nagpur

D.R.Balpande
Company Secretary
Nagpur

Statement of Cash Flows for the year ended 31st March 2026

(₹ in Lakhs)

Particulars	Year ended 31st March 2026	Year Ended 31st March 2025
A. Cash flow from operating activities		
Profit before tax	4,371.20	4,225.86
Adjustments for:		
Depreciation and amortisation expense	576.41	495.56
ESOP expenses	37.89	8.31
Provision for Defined Benefit Obligation	148.67	122.50
Finance cost	650.02	509.29
Interest Income on Security Deposit	(9.14)	(5.78)
Interest income on investment	(143.90)	(142.44)
Net gain on fair value changes in Investment	1.53	(3.03)
Gain on termination of lease	(3.03)	(2.12)
Impairment on financial instruments	4,142.89	3,123.65
(Profit)/Loss on discard of property, plant and equipment (Net)	30.27	(0.07)
Operating profit before working capital changes	**9,802.81**	**8,331.73**
Changes in working capital		
Increase/ (decrease) in trade payables	369.91	703.30
Increase/ (decrease) in other financial liabilities	(125.51)	(423.20)
Increase/ (decrease) in provisions and other liabilities	(108.90)	30.85
(Increase)/ decrease in other financial assets	(1,799.43)	(434.23)
(Increase)/ decrease in Loans	(44,147.67)	(29,839.02)
(Increase)/ decrease in other assets	(36.18)	(129.93)
Cash generated from/(used in) operations	**(36,044.97)**	**(21,760.50)**
Income tax paid	(1,032.34)	(965.32)
Net cash used in operating activities (A)	**(37,077.31)**	**(22,725.82)**
B. Cash flow from Investing activities		
Payment for property, plant and equipment, intangible assets and Capital Work-in-progress	(215.80)	(381.63)
Change in Other Bank balances not available for Immediate use	(715.68)	(2,390.36)
Proceeds from sale of property plant and equipment	27.72	0.58
Purchase of investment	-	(52.25)
Proceeds from sale of Investments	-	9.59
Interest received	141.54	140.86
Net cash used in investing activities (B)	**(762.22)**	**(2,673.21)**
C. Cash flow from Financing activities		
Proceeds from Bank & Financial Institution Borrowing	67,625.00	67,637.00
Repayment to Bank & Financial Institution Borrowing	(46,297.33)	(42,516.89)
Debt Securities issued	14,500.00	10,000.00
Debt Securities repaid	(4,559.85)	(8,102.38)
Deposits taken (Net of Repayments)	(6,016.48)	(185.21)
Dividend Paid	(148.04)	(123.37)
Repayment of lease liabilities	(477.64)	(390.17)
Net proceed received from Compulsory convertible preference shares (Including Securities premium)	700.00	-
Net proceed received from issue of equity shares (Including Securities premium)	12,851.99	-
Net cash used generated from financing activities (C)	**38,177.65**	**26,318.98**
Net increase in cash and cash equivalents (A+B+C)	338.13	919.95
Cash and cash equivalents at the beginning of the year	859.72	(60.23)
Cash and cash equivalents at the end of the year	**1,197.84**	**859.72**

Notes:

1. Statement of Cash flows has been prepared under the indirect method as set out in Ind AS 7 “Statement of Cash flows” as specified in the Companies (Indian Accounting Standard Rules), 2015

2. Cash receipts and payments for transaction in which the turnover is quick, the amounts are large, and the maturities are short are presented on net basis in accordance with Ind AS-7 Statement of Cash Flows

2A) Changes in liabilities arising from financing activity

(₹ in Lakhs)

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
Opening Balances as at 1st April	98,603.41	71,770.89
Proceeds from borrowings	67,625.00	67,637.00
Proceeds from issue of Non-convertible debentures	14,500.00	10,000.00
Proceeds from deposits	1,881.49	9,016.56
Proceeds from issue equity and Series B CCPS	12,851.99	-
Repayment of borrowings	(46,297.33)	(42,516.89)
Repayment of Non-convertible debentures	(4,559.85)	(8,102.38)
Repayment of deposits	(7,897.97)	(9,201.77)
Closing Balances as at 31st March	**136,706.74**	**98,603.41**

3. Cash & Cash Equivalents included in the Statement of Cash Flow includes the following

(₹ in Lakhs)

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
Balances with banks		
In current accounts	814.42	186.21
In fixed deposits (with maturity less than 3 months)	3,753.76	2,503.21
Working capital loan Cash credit from banks	(3,409.90)	(1,965.44)
Cash in Hand	2.00	2.54
Cash in transit	37.56	133.20
	1,197.84	**859.72**

Summary of material accounting policies 1 to 4

The accompanying notes are an integral part of the financials statements 5 to 89

As per our Report of even date attached
For N. A. Shah Associates LLP
Chartered Accountants
Firm Registration Number : 116560W/W100149

For and On Behalf of Board of Directors
Berar Finance Limited

Rajesh Vasudevan
Chairman
DIN: 02711990

S.M.Jawanjal
Managing Director
DIN: 01490054

CA Bhavin Kapadia
Membership No :118991

Yogesh Tahalyani
Chief Financial Officer
Nagpur

D.R.Balpande
Company Secretary
Nagpur

Place : Mumbai
Date : 19th May 2026

Statement of Changes in Equity for the year ended 31st March 2026

A. Equity Share Capital

As at 31st March 2026 **(₹ in Lakhs)**

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
1,233.68	-	1,233.68	218.02	1,451.70

As at 31st March 2025 **(₹ in Lakhs**

Balance at the beginning of the previous reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in equity share capital during the current year	Balance at the end of the previous reporting period
1,233.68	-	1,233.68	-	1,233.68

B Instrument entirely equity in nature - Series B Cumulative Non-Participating Compulsorily Convertible Preference Shares ("Series B CCPS")

As at 31st March 2026 **(₹ in Lakhs)**

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
-	-	-	11.47	11.47

As at 31st March 2025 **(₹ in Lakhs)**

Balance at the beginning of the previous reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in equity share capital during the current year	Balance at the end of the previous reporting period
-	-	-	-	-

B. Other Equity

1. As at 31st March 2026 **(₹ in Lakhs)**

Particulars	Reserves and Surplus					
	Statutory Reserve	Securities Premium	General Reserve	Employee stock options plan	Retained Earnings	Total
Balance at the beginning of the current reporting period	**4,836.19**	**14,123.94**	**8,182.65**	**142.24**	**4,219.87**	**31,504.89**
Changes in accounting policy/prior period errors	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	**4,836.19**	**14,123.94**	**8,182.65**	**142.24**	**4,219.87**	**31,504.89**
Profit for the year	-	-	-	-	3,622.52	3,622.52
Other comprehensive income for the year	-	-	-	-	61.91	61.91
Total comprehensive income for the year	**4,836.19**	**14,123.94**	**8,182.65**	**142.24**	**7,904.30**	**35,189.32**
Dividend Paid including taxes on dividend	-	-	-	-	(148.04)	(148.04)
Transfers to Statutory reserves under section 45IC of RBI Act 1934	760.73	-	-	-	(760.73)	-
Transfers to General reserves	-	-	-	-	-	-
Any other change:	-	-	-	-	-	
Premium on issue of Shares	-	13,770.51	-	-	-	13,770.51
Expenses related to issue of shares (Private Placement)	-	(448.01)	-	-	-	(448.01)
Share based payment expense	-	-	-	37.89	-	37.89
Balance at the end of the current reporting period	**5,596.92**	**27,446.44**	**8,182.65**	**180.13**	**6,995.53**	**48,401.67**

2. As at 31st March 2025

(₹ in Lakhs)

Particulars	Reserves and Surplus					
	Statutory Reserve	Securities Premium	General Reserve	Employee stock options plan	Retained Earnings	Total
Balance at the beginning of the previous reporting period	**4,157.95**	**14,123.94**	**8,182.65**	**133.93**	**1,789.31**	**28,387.78**
Changes in accounting policy/prior period errors	-	-	-	-	-	-
Restated balance at the beginning of the previous reporting period	**4,157.95**	**14,123.94**	**8,182.65**	**133.93**	**1,789.31**	**28,387.78**
Profit for the year	-	-	-	-	3,229.70	3,229.70
Other comprehensive income for the year	-	-	-	-	2.47	2.47
Total comprehensive income for the year	**4,157.95**	**14,123.94**	**8,182.65**	**133.93**	**5,021.48**	**31,619.95**
Dividend Paid including taxes on dividend	-	-	-	-	(123.37)	(123.37)
Transfers to Statutory reserves under section 45IC of RBI Act 1934	678.24	-	-	-	(678.24)	-
Transfers to General reserves	-	-	-	-	-	-
Any other change:	-	-	-	-	-	-
Premium on issue of Shares	-	-	-	-	-	-
Expenses related to issue of shares (Private Placement)	-	-	-	-	-	-
Share based payment expense	-	-	-	8.31	-	8.31
Balance at the end of the previous reporting period	**4,836.19**	**14,123.94**	**8,182.65**	**142.24**	**4,219.87**	**31,504.89**

Description of the nature and purpose of Other Equity :

A) **Retained Earnings:** Retained earnings are the profits that the Company has earned till date, less dividends or other distributions paid to shareholders. It also includes actuarial gains and losses on defined benefit plans recognised in other comprehensive income (net of taxes).

B) **General Reserve:** General reserves represent transfer of profit from retained earnings for appropriation purposes.

C) **Securities premium:** Securities premium is used to record the premium on issue of shares. It can be utilised only for limited purposes in accordance with the provisions of the Companies Act, 2013.

D) **Employee stock options plan:** Share options outstanding account is created as required by Ind AS 102 'Share Based Payments' on the Employee Stock Option Scheme operated by the Company for employees of the Group.

E) **Statutory Reserve:** Statutory reserve represents reserve fund created pursuant to Section 45-IC of the RBI Act, 1934 through transfer of specified percentage of net profit every year before any dividend is declared. The reserve fund can be utilised only for limited purposes as specified by RBI from time to time and every such utilisation shall be reported to the RBI within specified period of time from the date of such utilisation.

The Company has transferred 21.00% of the profit after tax (as against 20.06%) required to the statutory reserves in accordance to the provision of Section 45-IC Reserve Bank of India Act,1934.

Summary of material accounting policies 1 to 4

The accompanying notes are an integral part of the financials statements 5 to 89

As per our Report of even date attached
For N. A. Shah Associates LLP
Chartered Accountants
Firm Registration Number : 116560W/W100149

For and On Behalf of Board of Directors
Berar Finance Limited

Rajesh Vasudevan
Chairman
DIN: 02711990

S.M.Jawanjal
Managing Director
DIN: 01490054

CA Bhavin Kapadia
Membership No :118991

Yogesh Tahalyani
Chief Financial Officer
Nagpur

D.R.Balpande
Company Secretary
Nagpur

Place : Mumbai
Date : 19th May 2026

MATERIAL ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST MARCH 2026

1 Corporate Information

The Company is a registered non-banking finance company engaged in the business of providing finance, It is registered with the Reserve Bank of India as a systemically important Non-Banking Finance Company (NBFC) with effect from 24th November 1998, bearing Registration No. 13.01109 and is classified as NBFC - Investment & Credit Company (NBFC-ICC). As per Reserve bank of india (Non-Banking Financial Companies- Registration, Exemptions and Framework for scale based regulation) Directions 2025, as amended from time to time ('RBI Scale based regulation'), the Company is categorized as NBFC- Middle Layer. The Company primarily focuses on financing of two-wheelers, four-wheelers, secured MSME loans and personal loans. The Company has its head office at Nagpur and currently having 166 branches as on 31 March 2026.The financial statements of the Company for the year ended March 31, 2026, were approved by the Board of Directors pursuant to the resolution passed at its board meeting held on May 19, 2026.

2 Basis of Preparation

2.1 Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 ("the Act"), Reserve bank of india (Non-Banking Financial Companies- Financial statements: Presentation and Disclosures) Directions 2025 as amended from time to time and other applicable RBI circulars/ notifications and guidelines issued by the Securities and Exchange Board of India.

2.2 Basis of preparation

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities, share-based payments which are measured at fair values and employee benefits plan that are measured using actuarial valuations, as explained in relevant accounting policies. Considering the nature and business operations of the Company, accounting policies related to 'Share based payments - Employee Stock Option Scheme (ESOP')' and 'Segment Reporting' are not forming part of material accounting policies"

2.3 Functional and presentation currency

The financial statements are presented in Indian Rupees (₹) in lakhs (INR in lakhs or ₹ In lakhs) which is the currency of the primary economic environment in which the Company operates (the 'functional currency'). Due to rounding off, numbers presented in the tables given may not add up precisely to the totals provided.

2.4 Use of estimates, judgements and assumptions

The preparation of the financial statements in conformity with Ind AS requires management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. Actual results may differ from the estimates. 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.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Following are the areas that involved a higher degree of estimates and judgement or complexity in determining the carrying amount of some assets and liabilities.

i) Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values.

ii) Effective interest rate ('EIR') method

The Company's EIR methodology, as explained in Note 3.1 (A), recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given / taken and recognises the effect of potentially different interest rates at various stages. This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well as expected changes to interest rates and other fee income/ expense that are integral parts of the instrument.

iii) Impairment of financial asset

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Company's expected credit loss ('ECL') calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

a) The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a life time expected credit loss ('LTECL') basis.

b) Development of ECL models, including the various formulas and the choice of inputs.

c) Determination of associations between macroeconomic scenarios and economic inputs as gross domestic products, and the effect on probability of default ('PD'), exposure at default ('EAD') and loss given default ('LGD').

d) Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into ECL models.

iv) Provisions and other contingent liabilities

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations.

When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the outflow is considered to be probable, but a reliable estimate cannot be made, a contingent liability is disclosed.

Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates. For further details on provisions and other contingencies refer note 38 & 76.

These estimates and judgements are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable.

v) i) Measurement of defined benefit plan & other long-term benefits

The cost of the defined benefit gratuity plan / other long-term benefits and the present value of the gratuity obligation / other long-term benefits 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. The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at intervals in response to demographic changes. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation / other long-term benefits is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

3 Material Accounting Policies

3.1 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured and there exists reasonable certainty of its recovery. Revenue is measured at the fair value of the consideration received or receivable as reduced for estimated customer credits and other similar allowances.

A Interest and dividend income

Interest income for all financial instruments except for those classified as held for trading or those measured or designated as at fair value through profit or loss (FVTPL) are recognised in 'Interest income' in the profit or loss account using the effective interest method (EIR).

Effective interest rate (EIR) wherever applicable in case of a financial asset is computed as the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. It is computed by considering all contractual terms of the financial instrument in estimating the cash flows. The cash flows are estimated using all fees and points paid or received between parties to the contract that are incremental and directly attributable to the specific lending arrangement, transaction costs, and all other premiums or discounts. For financial assets at FVTPL transaction costs are recognised in profit or loss at initial recognition.

Interest income is recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial assets other than credit impaired financial assets and financial asset classified as measured at FVTPL. Interest income on credit-impaired financial assets are treated to accrue only upon realisation, due to uncertainty involved in its realisation and are accounted accordingly.

Dividend income is recognised when the Company's right to receive dividend is established by the reporting date and no significant uncertainty as to collectability exists.

B Other Financial Charges

Other Financial Charges includes fees other than those that are an integral part of EIR. Service income, bounce charges, penal charges and foreclosure charges etc. are recognised upfront in the statement of profit & loss account .

C Net gain or fair value change

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

D Other operational revenue

Other operational revenue represents income earned from the activities incidental to the business and is recognised when the right to receive the income is established as per the terms of the contract.

3.2 Financial instrument - initial recognition

A Date of recognition

Debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

B **Initial measurement of financial instruments**

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

3.3 Financial assets and liabilities

A Financial assets

Business model assessment

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective. The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

a) How the performance of the business model and the financial assets held within that business model are evaluated and reported to the Company's key management personnel.

b) The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed.

c) The expected frequency, value and timing of sales are also important aspects of the Company's assessment.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward."

Solely payments of principal and interest (SPPI) test

As a second step of its classification process, the Company assesses the contractual terms of financial to identify whether they meet SPPI test.

Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of financial asset (for example, if there are repayments of principal or amortisation of the premium/ discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Company applies judgement and considers relevant factors such as the period for which the interest rate is set. In contrast, contractual terms that introduce a more than the minimise exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

Accordingly, financial assets are measured as follows:

I) Financial assets carried at amortised cost ('AC')

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii) Financial assets measured at FVOCI

A financial asset is measured at FVOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

iii) Financial assets measured at FVTPL

A financial asset which is not classified in any of the above categories are measured at FVTPL.

B Financial liabilities

I) Initial recognition and measurement

Financial liabilities are classified and measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for trading or it is designated as on initial recognition.

ii) Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. The EIR amortization is included as finance costs in the statement of profit and loss.

3.4 Reclassification of financial assets and liabilities

The Company does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified. The Company did not reclassify any of its financial assets or liabilities in the year ended 31 March 2026 and 31 March 2025.

3.5 Derecognition of financial assets and liabilities

I) Financial assets

A. Derecognition of financial assets due to substantial modification of terms and conditions

The Company derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes.

B. Derecognition of financial assets other than due to substantial modification

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the contractual rights to the cash flows from the financial asset expires or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. On derecognition of a financial asset in its entirety, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in the statement of profit and loss.

ii) Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in the statement of profit and loss.

3.6 Impairment of financial assets

A. Overview of ECL principles

In accordance with Ind AS 109, The Company follows a 'three-stage' model for impairment based on changes in credit quality since initial recognition.
Expected credit losses are measured through a loss allowance at an amount equal to:

i) The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

ii) Full lifetime expected credit losses ('LTECL') (expected credit losses that result from all possible default events over the life of the financial instrument)

Both LTECLs and 12 months ECLs are calculated on collective basis.

Based on the above, the Company categorizes its loans into Stage 1, Stage 2 and Stage 3, as described below:

Stage 1: When loans are first recognised, the Company recognises an allowance based on 12 months ECL. Stage 1 loans includes those loans where there is no significant credit risk observed and also includes facilities where the credit risk has been improved and the loan has been reclassified from stage 2 or stage 3.

Stage 2: When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the life time ECL. Stage 2 loans also includes facilities where the credit risk has improved and the loan has been reclassified from stage 3.

Stage 3: Loans considered credit impaired are the loans which are past due for more than 90 days. The Company records an allowance for life time ECL.

B. Calculation of ECLs

ECL is the product of the Probability of Default, Exposure at Default and Loss Given Default, defined as follows:

The mechanics of ECL calculations are outlined below and the key elements are, as follows:
PD: Probability of Default ('PD') is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio."

EAD: Exposure at Default ('EAD') is based on the amounts the Company expects to be outstanding principal and the interest accrued but not received on each loan as at reporting date.
LGD: Loss Given Default ('LGD') is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

The Company has calculated PD, EAD and LGD to determine impairment loss on the portfolio of loans. At every reporting date, the above calculated PDs, EAD and LGDs are reviewed and changes in the forward looking estimates are analysed.

The mechanics of the ECL method are summarised below:

Stage 1: The 12 months ECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Company calculates the 12 months ECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-months default probabilities are applied to a EAD and multiplied by the expected LGD.

Stage 2: When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECLs. The mechanics are similar to those explained above, but PDs and LGDs are estimated over the lifetime of the instrument.

Stage 3: For loans considered credit-impaired, the Company recognises the lifetime expected credit losses for these loans. The method is similar to that for stage 2 assets, with the PD set at 100%.

C. Forward looking information

The Company use multiple economic factors and test their correlations with past loss trends witnessed. These were GDP growth rates, growth of bank credit, wholesale price index (WPI), consumer price index (CPI), industrial production index, unemployment rate, crude oil prices and policy interest rates. Based on past correlation trends, GDP growth rate was considered to be the factor with acceptable correlation with past loss trends which was in line with Management views on the drivers of portfolio trends.

3.7 Write-offs

Financial assets are written off when there are no prospects of recovery which are subject to management decision. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any recoveries made from written off assets are netted off against the amount of financial assets written off during the year under bad debts and write offs forming part of impairment on financial instruments in statement of profit and loss.

3.8 Determination of fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company has taken into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 financial instruments: Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date;
- Level 2 financial instruments: Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads; and market-corroborated inputs.
- Level 3 financial instruments: Those that include one or more unobservable input that is significant to the measurement as whole.

3.9 Recognition of other expense

A. Borrowing costs

Borrowing costs are the interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are charged to the statement of profit and loss for the period for which they are incurred.

3.10 Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

3.11 Property, plant and equipment

Property, plant and equipment ('PPE') are carried at cost, less accumulated depreciation and impairment losses, if any. The cost of PPE comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use and other incidental expenses. Subsequent expenditure on PPE after its purchase is capitalized only if it is probable that the future economic benefits will flow to the enterprise and the cost of the item can be measured reliably. Depreciation is calculated using the straight line method to write down the cost of property and equipment to their residual values over their estimated useful lives as specified under schedule II of the Act. Land is not depreciated.

The estimated useful lives are, as follows:

I) Building - 60 years

ii) Office equipment - 5 years

iii) Computers - 3 years

iv) Furniture and electrical fittings - 10 years

v) Vehicles - 8 years

vi) Printers - 5 years

vii) Server - 6 years

viii) Generator-10 years

ix) Solar power generators- 25 years

Depreciation is provided on a pro-rata basis from the date on which such asset is ready for its intended use. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. PPE is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income / expense in the statement of profit and loss in the year the asset is derecognised.

3.12 Intangible assets

The Company's intangible assets include the value of software. An intangible asset is recognised only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Company.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation in the statement of profit and loss.

The estimated useful life is, as follows:

I) Computer Software - 5 years

3.13 Impairment of non financial assets - property, plant and equipment's and intangible assets

The carrying values of assets / cash generating units at the each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and if the carrying amount of these assets exceeds their recoverable amount, impairment loss is recognised in the statement of profit and loss as an expense, for such excess amount. The recoverable amount is the greater of the net selling price and value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the statement of profit and loss.

3.14 Leases

The Company as a lessee, recognises the right-of-use asset and lease liability at the lease commencement date. Initially the right-of-use asset is measured at cost which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, or a change in the estimate of the amount expected to be payable under a residual value guarantee, or a change in the assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The right-of-use asset is measured by applying cost model i.e. right-of-use asset at cost less accumulated depreciation /impairment losses.

The right-of-use assets are depreciated from the date of commencement of the lease on a straight-line basis over the shorter of the lease term and the useful life of the underlying asset. Carrying amount of lease liability is increased by interest on lease liability and reduced by lease payments made.

Lease payments associated with following leases are recognised as expense on straight-line basis:

- Low value leases; and
- Leases which are short-term.

3.15 Retirement and other employee benefits

Defined contribution plans

The Company's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plans

The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation / retirement. The gratuity is paid @15 days salary for every completed year of service.

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

As per Ind AS 19, the service cost and the net interest cost are charged to the statement of profit and loss.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI.

Compensated absences

The Company has benefits in the form of compensated absences. The present value of such compensated absences is determined based on actuarial valuation using the projected unit credit method. The rate used to discount defined benefit obligation is determined by reference to market yields at the Balance Sheet date on Indian Government Bonds for the estimated term of obligations.

Actuarial gains or losses arising on account of experience adjustment and the effect of changes in actuarial assumptions are recognised immediately in the statement of profit and loss as income or expense. Gains or losses on the curtailment or settlement are recognised when the curtailment or settlement occurs.

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognised in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

3.16 Provisions, contingent liabilities and contingent assets

A. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. When the effect of the time value of money is material, the Company determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

B. Contingent liability

A possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or; present obligation that arises from past events where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability are disclosed as contingent liability and not provided for.

C. Contingent asset

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are neither recognised nor disclosed in the financial statements.

3.17 Taxes

A. Current Tax

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from, or paid to, the taxation authorities. Current tax is the amount of tax payable on the taxable income for the period as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or equity.

B. Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

A deferred tax asset is recognised for the carry forward of unused tax losses and accumulated depreciation to the extent that it is probable that future taxable profit will be available against which the unused tax losses and accumulated depreciation can be utilised.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or equity.

Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off.

C. Goods and services tax paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the goods and services tax paid, except when the tax incurred on a purchase of assets or availing of services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

3.18 Earnings per share

Basic earnings per share ('EPS') is computed by dividing the profit after tax (i.e. profit attributable to ordinary equity holders) by the weighted average number of equity shares outstanding during the year.

Diluted EPS is computed by dividing the profit after tax (i.e. profit attributable to ordinary equity holders) as adjusted for after-tax amount of dividends and interest recognised in the period in respect of the dilutive potential ordinary shares and is adjusted for any other changes in income or expense that would result from the conversion of the dilutive potential ordinary shares, by the weighted average number of equity shares considered for deriving basic earnings per share as increased by the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits, right issue and bonus shares, as appropriate.

3.19 Dividends on ordinary shares

The Company recognises a liability to make cash or non-cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the Act, final dividend is authorised when it is approved by the shareholders and interim dividend is authorised when it is approved by the Board of Directors of the Company. A corresponding amount is recognised directly in equity.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognised directly in equity.

Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in the statement of profit and loss."

3.20 Cash flow statement

Cash flows are reported using the indirect method as prescribed under Ind AS 7, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

4 Standards (including amendments) issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2026, MCA has not notified any new standards or amendments to the existing standards applicable to the company.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

5 Cash and cash equivalents

(₹ in Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Cash in hand	2.00	2.54
Cash in transit	37.56	133.20
Balances with banks		
In current accounts	814.42	186.21
In fixed deposits (with original maturity less than 3 months)	3753.76	2,503.21
Total	**4,607.74**	**2,825.16**

6 Bank Balances other than cash and cash equivalents

(₹ in Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Fixed Deposits (Including Accrued Interest)	9595.44	9,489.93
Balances with banks to the extent held as margin money or security against the borrowings	2233.14	1,623.73
Earmarked balances with banks (Unpaid dividend)	1.51	0.75
Total	**11,830.09**	**11,114.41**

7 Loans

(₹in Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Loans measured at Amortised Cost- (Refer Note 46 & 89)		
i) Terms Loans-Secured		
Hypothecation Loans	1,78,899.17	1,37,789.68
Loans Against Deposits	94.33	118.91
ii) Term Loans- Unsecured		
Personal Loans	208.92	397.80
Total (Gross)	**1,79,202.42**	**1,38,306.39**
Less: Impairment loss allowance (Refer Note 46 & 89)	(4,272.31)	(3,383.43)
Total (Net)	**1,74,930.11**	**1,34,922.96**
Loans in India	**1,74,930.11**	**1,34,922.96**
Loans outside India	**-**	**-**
Loans to employee	**1.28**	**5.37**

8 Investments

(₹ in Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
i) Investments measured at amortised cost (Refer Note I)		
* Investments in Government Securities (Quoted)	2004.36	2,002.54
ii) Investments measured at fair value through Profit or Loss (Refer Note II)		
Investments in Equity Instruments (Quoted)	18.55	20.09
Total	**2,022.91**	**2,022.63**
(i) Investments outside India	-	-
(ii) Investments in India	2,022.91	2,022.63
Total	**2,022.91**	**2,022.63**
Market Value of equity shares	**18.55**	**20.09**
Market Value of Government Securities	**2,002.50**	**2,046.63**
Cost of equity shares	**17.52**	**17.52**
Cost of Government Securities	**1,993.10**	**1,993.10**

*Securities are purchased for SLR purpose.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

Details of investments -

Note I - Investments in government securities measured at amortised cost (₹ in Lakhs)

Particulars		As at 31st March 2026	As at 31st March 2025
Investments measured at amortised cost (Quoted)			
8.15% GOI BONDS	2026	92.55	92.57
8.23% GOI BONDS	2027	6.06	6.06
8.26%GOI BONDS	2027	5.07	5.07
8.28%GOI BONDS	2027	4.96	4.93
8.26% GOI BONDS	2027	10.10	10.09
8.24% GOI BONDS	2027	5.04	5.04
8.24% GOI BONDS	2027	10.07	10.04
8.26% GOI BONDS	2027	35.53	35.58
7.50% GOI BONDS	2027	30.48	30.68
7.37% GOI BONDS	2028	10.38	10.40
7.59% GOI BONDS	2029	45.46	45.57
7.10% GOI BONDS	2029	40.36	40.16
7.10% GOI BONDS	2029	10.11	10.06
7.10% GOI BONDS	2029	20.45	20.39
7.88% GOI BONDS	2030	20.66	20.79
7.88% GOI BONDS	2030	35.91	36.09
7.88% GOI BONDS	2030	24.85	24.81
7.88% GOI BONDS	2030	59.07	58.85
7.88% GOI BONDS	2030	15.18	15.19
6.54% GOI BONDS	2032	79.20	78.95
7.73% GOI BONDS	2034	16.05	16.11
7.50% GOI BONDS	2034	12.42	12.45
7.50% GOI BONDS	2034	17.98	18.05
7.50% GOI BONDS	2034	24.49	24.63
7.50% GOI BONDS	2034	21.19	21.28
7.40% GOI BONDS	2035	9.47	9.43
7.40% GOI BONDS	2035	75.04	74.93
7.40% GOI BONDS	2035	76.45	76.54
7.40% GOI BONDS	2035	31.85	31.98
6.22% GOI BONDS	2035	24.74	24.71
6.22% GOI BONDS	2035	155.25	154.84
6.22% GOI BONDS	2035	24.52	24.47
6.64% GOI BONDS	2035	49.95	49.96
6.22% GOI BONDS	2035	48.60	48.48
6.64% GOI BONDS	2035	141.54	141.47
6.67% GOI BONDS	2035	95.50	95.07
6.67% GOI BONDS	2035	19.20	19.12
6.67% GOI BONDS	2035	62.42	62.16
6.67% GOI BONDS	2035	89.50	89.35
6.22% GOI BONDS	2035	37.23	37.01
7.41% GOI BONDS	2036	102.46	102.48
7.18% GOI BONDS	2037	110.20	110.14
7.18% GOI BONDS	2037	50.29	50.28
6.83% GOI BONDS	2039	140.72	140.49
8.83% GOI BONDS	2041	5.81	5.79
TOTAL		**2,004.36**	**2,002.54**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

Note II - Investments measured at Fair Value through Profit or Loss (₹ in Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Investments measured at Fair Value through Profit or Loss		
i) Investments in Equity Instruments (Quoted)		
Sundaram Finance Ltd	4.38	4.58
100 (31 March 2025: 100)		
Bajaj Finance Ltd.	8.01	8.95
1000 (31 March 2025: 100)		
HDFC Bank LTD	2.46	3.07
336 (31 March 2025: 168)		
KOTAK MAHINDRA BANK LTD	1.76	2.17
500 (31 March 2025: 100)		
YES BANK LTD	0.26	0.25
1,500 (31 March 2025: 1,500)		
AU SMALL FINANCE BANK LTD.	1.68	1.07
200 (31 March 2025: 200)		
Total	**18.55**	**20.09**

9 Other Financial assets

(₹ in Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Security deposits		
a) Premises	78.51	65.39
b) Others	26.38	15.77
Advances		
a) Advances to employees	11.4	11.54
b) Advances to dealers	4927.05	3,379.23
Less: Impairment loss allowance	(112.25)	(110.56)
Net advances to dealer	**4,814.80**	**3,268.67**
Accrued recovery charges	492.49	463.64
Less: Impairment loss allowance	(72.89)	(68.40)
Net accrued recovery charges	**419.60**	**395.24**
Other financial assets	302.84	99.18
Less: Impairment loss allowance	(47.74)	(47.74)
Net other financial assets	255.10	51.44
Total	**5,605.79**	**3,808.05**

10 Deferred tax assets/ (liabilities)

(₹ in Lakhs)

	Particulars	As at 31st March 2026	As at 31st March 2025
(A)	**Deferred tax relates to the following:**		
	Deferred tax assets		
	- on financial assets measured at amortised cost	531.94	315.06
	- on expected credit loss provision on loans	1,133.87	908.60
	- on lease as per Ind AS 116	1.86	5.00
	- on ESOP	45.34	35.80
	- on gratuity	87.69	99.78
	- on leave encashment	35.47	55.60

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

Particulars	As at 31st March 2026	As at 31st March 2025
- on Commission to managerial person	17.62	11.32
- on Deduction under section 80 JJAA	192.04	-
Total Deferred tax assets (A)	**2,045.83**	**1,431.16**
Deferred tax liabilities		
- on difference between written down value of fixed assets as per books of accounts and income tax	11.60	42.15
- on investments measured at FVTPL	0.18	0.39
- on financial liabilities measured at amortised cost	169.28	144.51
- on expected credit loss provision on loans claimed	233.98	157.90
Total Deferred tax liabilities (B)	**415.04**	**344.95**
Deferred tax asset / (liability), net (A-B)	**1,630.79**	**1,086.21**

(B) Reconciliation of deferred tax assets/ (liabilities) (net):

(₹ in Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Opening balance as on 1st April	1,086.21	1,086.29
Deferred tax assets/(liabilities) recognized in Statement of Profit and Loss	565.40	0.77
Deferred tax assets/(liabilities) recognized in OCI	(20.82)	(0.83)
Closing balance as on 31st March	**1,630.79**	**1,086.21**

(C) Income tax expense recognised in profit and loss

(₹ in Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
- Current tax	1,288.80	942.00
- Prior period income tax	25.28	54.93
-Deferred tax charge/(credit)	(565.40)	(0.77)
Total	**748.68**	**996.16**

(D) Income tax (expense)/Income recognised in other comprehensive income

(₹ in Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Income tax (expense)/Income on remeasurements of defined benefit plans	(20.82)	(0.83)
Total	**(20.82)**	**(0.83)**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

(E) Major Components of tax expense/(Income) :

(₹ in Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Statement of Profit and Loss:		
a) Profit & Loss Section		
i) Current Tax		
Current Tax expense for the year	1,288.80	942.00
Tax expense for the earlier years	25.28	54.93
	1,314.08	**996.93**
ii) Deferred Tax		
Tax expense on origination and reversal of temporary differences	(565.40)	(0.77)
	(565.40)	**(0.77)**
Income tax expense reported in the statement of profit or loss[(i)+(ii)]	**748.68**	**996.16**
Other Comprehensive Income (OCI) Section:		
i) Items that will not be reclassified to profit or loss in subsequent years:		
Deferred tax charge/(credit):	**(20.82)**	(0.83)
	(20.82)	**(0.83)**
Income tax (expenses)/income reported in the other comprehensive income [i+ii]	**(20.82)**	**(0.83)**

(F) Reconciliation of tax charge

(₹ in Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Profit before tax	4,371.20	4,225.86
Income tax expense at tax rates applicable	25.17%	25.17%
Income tax expenses	**1,100.23**	**1,063.65**
Tax effects of:		
- Disallowed expense	527.82	16.77
- Deductions under chapter VIA	(142.27)	(79.34)
- Expenses claimed as deduction earlier disallowed	(196.98)	(59.08)
- Adjustments related to tax of Prior Years	25.28	54.93
- Impact of Deferred Tax Adjustments	(565.40)	(0.77)
Tax expense recognised in Statement of Profit and Loss	**748.68**	**996.16**
Effective Tax Rate	**17.13%**	**23.57%**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

11 Property, plant and equipment

As at 31st March 2026

(₹ in Lakhs)

Particulars	Gross block				Accumulated depreciation and impairment					Net block	
	As at 1st April 2025	Additions	Deductions/ Adjustments	As at 31st March 2026	As at 1st April 2025	Addition	Deductions/ Adjustments	Impairment	As at 31st March 2026	As at 31st March 2026	As at 31st March 2025
Owned assets											
Land-Freehold	1,181.08	-	-	1,181.08	-			-	-	1,181.08	1,181.08
* Buildings	264.35	-	-	264.35	26.84	4.51		-	31.35	233.00	237.51
Office Equipment's	249.02	52.99	62.46	239.55	126.15	35.51	25.59	-	136.07	103.48	122.87
Computers	305.83	26.73	40.82	291.74	222.70	33.24	27.66	-	228.28	63.46	83.13
Generator	14.03	-	0.18	13.85	5.80	1.32	0.01	-	7.11	6.74	8.23
Furniture & Fixtures	211.32	39.02	28.05	222.29	91.81	22.49	24.28	-	90.02	132.28	119.52
Vehicles	43.95	4.08	-	48.03	24.17	5.70		-	29.87	18.16	19.78
Printer	24.68	5.44	2.18	27.94	14.94	3.91	1.53	-	17.32	10.63	9.75
Server	301.41	1.97	-	303.38	25.67	47.29	-	-	72.96	230.41	275.72
Electrical Fitting	49.46	1.78	11.23	40.01	18.97	4.94	8.73	-	15.18	24.83	30.49
Solar Panel	-	37.57	-	37.57	-	0.83	-		0.83	36.74	-.00
Total	**2,645.13**	**169.58**	**144.92**	**2,669.79**	**557.05**	**159.74**	**87.80**	**0.00**	**628.99**	**2,040.80**	**2,088.07**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

As at 31st March 2025

(₹ in Lakhs)

Particulars	Gross block				Accumulated depreciation and impairment					Net block	
	As at 1st April 2024	Additions	Deductions/ Adjustments	As at 31st March 2025	As at 1st April 2024	Year ended	Deductions/ Adjustments	Impairment	As at 31st March 2025	As at 31st March 2025	As at 31st March 2024
Owned assets											
Land-Freehold	1,181.08	-	-	1,181.08	-	-	-	-	-	1,181.08	1,181.08
* Buildings	264.35	-	-	264.35	22.33	4.51	-	-	26.84	237.51	242.02
Office Equipment's	236.10	14.93	2.01	249.02	92.99	34.66	1.50	-	126.15	122.87	143.11
Computers	251.61	54.22	-	305.83	179.35	43.35	-	-	222.70	83.13	72.26
Generator	14.03	-	-	14.03	4.48	1.32	-	-	5.80	8.23	9.55
Furniture & Fixtures	181.56	29.76	-	211.32	71.87	19.94	-	-	91.81	119.52	109.70
Vehicles	43.95	-	-	43.95	18.47	5.70	-	-	24.17	19.78	25.48
Printer	21.19	3.49	-	24.68	11.55	3.39	-	-	14.94	9.75	9.65
Server	53.16	248.25	-	301.41	16.45	9.22	-	-	25.67	275.72	36.70
Electrical Fitting	45.38	4.08	-	49.46	14.26	4.71	-	-	18.97	30.49	31.12
Total	**2,292.41**	**354.73**	**2.01**	**2,645.13**	**431.75**	**126.80**	**1.50**	**-**	**557.05**	**2,088.07**	**1,860.67**

*Includes undivided share of land, on purchase of office premises.

(a) Title deeds of all immovable properties and lease agreements for all the leased premises are held in the name of the Company.

(b) The Company has not revalued any of its property, plant and equipment during the years ended March 31, 2026 and March 31, 2025. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/reversals is nil..

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

12 . Capital work in progress (CWIP)

CWIP ageing schedule as at 31st March 2026 (₹ in Lakhs)

CWIP	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Renovation of 3rd floor of Avinisha tower Nagpur	28.35	-	-	-	28.35
Data Backup Server Mumbai	29.43	-	-	-	29.43

CWIP ageing schedule as at 31 March 2025 (₹ in Lakhs)

CWIP	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Solar project at Head office	28.00	-	-	-	28.00

There are no projects as on each reporting date where activity had been suspended. Also there are no projects as on the reporting date which has exceeded cost as compared to its original plan or where completion is overdue.

13. Other Intangible assets as on :-

As at 31st March 2026 (₹ in Lakhs)

	Gross block				Accumulated amortisation and impairment					Net block	
Particulars	As at 1st April 2025	Additions	Deductions/ Adjustments	As at 31st March 2026	As at 1st April 2025	For the year	Deductions/ Adjustments	Impairment	As at 31st March 2026	As at 31st March 2026	As at 31st March 2025
Computer Software	239.33	16.44	18.05	237.72	159.21	23.19	17.18	-	165.22	72.50	80.12
Total	**239.33**	**16.44**	**18.05**	**237.72**	**159.21**	**23.19**	17.18	-	**165.22**	**72.50**	**80.12**

As at 31st March 2025 (₹ in Lakhs)

Particulars	Gross block				Accumulated amortisation and impairment					Net block	
	As at 1st April 2024	Additions	Deductions/ Adjustments	As at 31st March 2025	As at 1st April 2024	For the year	Deductions/ Adjustments	Impairment	As at 31st March 2025	As at 31st March 2025	As at 31st March 2024
Computer Software	228.73	10.60	-	239.33	132.55	26.66	-	-	159.21	80.12	96.18
Total	**228.73**	**10.60**	**-**	**239.33**	**132.55**	**26.66**	-	-	**159.21**	**80.12**	**96.18**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

14 Right of use assets

(₹ in Lakhs)

Particulars	Amount
Carrying amount as at 31st March 2024	**638.28**
Addition	248.49
Deletion	(16.85)
Depreciation for the year	(342.10)
Carrying amount as at 31st March 2025	**527.82**
Addition	395.37
Deletion	(19.65)
Depreciation for the year	(393.54)
Carrying amount as at 31st March 2026	**510.00**

15 Other Non - Financial Assets

(₹ in Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Capital advances	25.00	0.00
Advances to Creditors	36.56	30.67
Prepaid expenses	105.24	131.96
Stamps in Hands	106.08	74.06
Total	**272.88**	**236.69**

16 Trade Payables

(₹ in Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
(i) Total outstanding dues of micro enterprises and small enterprises	400.45	384.33
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	941.15	587.36
Total	**1,341.60**	**971.69**

16.1 DISCLOSURE UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

The management has identified micro and small enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) on the basis of information made available by the supplier or vendors of the Company. Based on the information available with the Company, as at the year end, there company has outstanding dues payable to micro and small Enterprises that are reportable under the MSMED Act, 2006. The disclosures relating to Micro and Small Enterprises are as below:

(₹ in Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
The amounts remaining unpaid to micro and small suppliers as at the end of the year:		
- Principal	400.45	384.33
- Interest	-	-
- The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

Particulars	As at 31st March 2026	As at 31st March 2025
- The amount of payments made to micro and small suppliers beyond the appointed day during each accounting year.	-	-
- The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-
- The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
- The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise.	-	-
Total	**400.45**	**384.33**

16.2 Trade Payables ageing

a) Trade payables ageing schedule as at 31 March 2026 **(₹ in Lakhs)**

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
1. MSME-Undisputed	400.45	-	-	-	**400.45**
2. Others-Undisputed	938.17	2.98	-	-	**941.15**

b) Trade payables ageing schedule as at 31 March 2025 **(₹ in Lakhs)**

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
1. MSME-Undisputed	384.33	-	-	-	**384.33**
2. Others-Undisputed	554.39	24.03	8.94	-	**587.36**

17 Debt Securities

(₹ in Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
At Amortised cost :		
Secured		
Non Convertible Debentures	19,536.78	9,449.04
Total	**19,536.78**	**9,449.04**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

17.1 Disclosure on Debt Securities issued on private placement basis.

Issue of secured redeemable non convertible debentures as on March 31st, 2026 **(₹ in Lakhs)**

Particulars	Face Value per Debenture	Date of Allotment	Date of full and final Redemption	Redeemable Terms	As at 31st March 2026
INE998Y07147 11.65% Listed Non Convertible Debentures	1.00	23-Apr-24	23-Apr-26	Payable Half Yearly, Final Redemption at par at the end of 24 Months from the date of allotment.	656.17
INE998Y07154 11.4% Listed Non Convertible Debentures	0.10	28-Oct-24	28-Oct-26	Payable 3 equal instalment, First at 8th month, second at 16th month and third at 24th month from the date of allotment.	1002.20
INE998Y07162 11.5% Listed Non Convertible Debentures	0.10	12-Feb-25	12-Feb-27	Payable Yearly, Final Redemption at par at the end of 24 Months from the date of allotment.	1507.36
INE998Y07188 11.42% Listed Non Convertible Debentures	0.10	23-Jun-25	26-Jun-27	Payable at Maturity, Final Redemption at par at the end of 24 Months and 3 days from the date of allotment.	5435.93
INE998Y07196 11.25% Listed Non Convertible Debentures	1.00	30-Jun-25	30-Jun-27	Payable 3 instalments, First at 18th month, second at 21st month and third at 24th month from the date of allotment.	2475.71
INE998Y07212 11% Listed Non Convertible Debentures	1.00	25-Sep-25	25-Sep-28	Payable 5 equal instalment, First at 24th month,second at 27th month, third at 30th month, fourth at 33rd month and fifth at 36th month from the date of allotment.	3962.12
INE998Y07204 10.95% Listed Non Convertible Debentures	0.10	29-Aug-25	29-Aug-27	Payable 2 equal instalments, First at 21st month and second at 24th month from the date of allotment.	2997.61
INE998Y07170 12.25% Listed Non Convertible Debentures	1.00	21-Mar-25	25-Nov-27	25% of the Face Value of Debentures will be redeemed at the end of 14 months from Deemed Date of Allotment. 7.5% of the Face Value of Debentures will be redeemed monthly from 23rd month to 32 month from Deemed Date of Allotment.	1499.68
Total					**19,536.78**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

Issue of secured redeemable non convertible debentures as on March 31, 2025 **(₹ in Lakhs)**

Particulars	Face Value per Debenture	Date of Allotment	Date of full and final Redemption	Redeemable Terms	As at 31st March 2025
INE998Y07147 11.65% Listed Non Convertible Debentures	1.00	23-Apr-24	23-Apr-26	Payable Half Yearly, Final Redemption at par at the end of 24 Months from the date of allotment.	1,956.38
INE998Y07154 11.4% Listed Non Convertible Debentures	0.10	28-Oct-24	28-Oct-26	Payable 3 equal instalment, First at 8th month, second at 16th month and third at 24th month from the date of allotment.	2,994.99
INE998Y07162 11.5% Listed Non Convertible Debentures	0.10	12-Feb-25	12-Feb-27	Payable Yearly, Final Redemption at par at the end of 24 Months from the date of allotment.	2,999.53
INE998Y07170 12.25% Listed Non Convertible Debentures	1.00	21-Mar-25	25-Nov-27	25% of the Face Value of Debentures will be redeemed at the end of 14 months from Deemed Date of Allotment. 7.5% of the Face Value of Debentures will be redeemed monthly from 23rd month to 32 month from Deemed Date of Allotment.	1,498.14
Total					**9,449.04**

Nature of Security:

The Secured Non - Convertible Debentures are secured by Hypothecation of specific Loan receivables with a cover as per the terms of issue. It is further secured by personal guarantees of Managing Director and Executive Chairman.

* The NCDs are listed on BSE Ltd.

18 Borrowings (Other than Debt Securities)

(₹ in Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
At Amortised cost :		
a) Term loans		
i) Secured		
Term Loan from Banks	38,202.04	33,379.06
Term Loan from Financial Institutions	62,852.53	49,592.38
#Associated liabilities in respect of securitization transactions	10,827.81	7,145.94
b) Loans repayable on demand		
i) Secured		
Working capital demand loan and Cash credit from banks	3,409.89	1,965.43
Total	**1,15,292.27**	**92,082.81**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

18.1 Disclosure for Borrowings

Term loans from bank : Secured (₹ in Lakhs)

Repayment Term	Tenure	Interest Range	As at 31st March 2026	As at 31st March 2025
Monthly	Upto 5 Years	9.01%-10.00%	-	201.85
Monthly	Upto 5 Years	10.01%-11.00%	18,426.75	6,881.95
Monthly	Upto 5 Years	11.01%-12.00%	19,775.29	26,295.26
Total			**38,202.04**	**33,379.06**

Details of Securities Given

Term loan from banks are secured by first charge on specific receivables under Hypothecation Agreements. It is further secured by personal guarantees of Managing Director and Executive Chairman.

Term Loan taken from SBI is secured by equitable mortgage of Office premises situated at 1st & 2nd Floor at Avinisha Tower, Dhantoli, Nagpur.

Term loans from Financial Institutions: Secured (₹ in Lakhs)

Repayment Term	Tenure	Interest Range	As at 31st March 2026	As at 31st March 2025
Monthly	Upto 5 Years	10.01%-11.00%	22,463.39	-
Monthly	Upto 5 Years	11.01%-12.00%	33,769.95	36,551.30
Monthly	Upto 5 Years	12.01%-13.00%	6,619.19	12,495.47
Monthly	Upto 5 Years	13.01%-14.00%	-	545.61
Total			**62,852.53**	**49,592.38**

Details of Securities Given

Term loan from financial institutions is secured by first charge on specific receivables under Hypothecation Agreements other than those hypothecated to banks. It is further secured by personal guarantees of Managing Director and Executive Chairman.

#Associated liabilities in respect of securitization transactions is secured against loan given

Loan repayable on demand from bank : Secured (₹ in Lakhs)

Repayment Term	Tenure	Interest Range	As at 31st March 2026	As at 31st March 2025
Bank overdraft/Cash Credit	Bullet	9.00%-13.00%	3,409.89	1,965.43
Total			**3,409.89**	**1,965.43**

Details of Securities Given

Loan repayable on demand from bank is secured by:

- First charge on Hypothecation loan receivables present and future, ranking pari passu, excluding assets which are specifically charged to others lenders.

- Equitable mortgage of Office premises situated at Amravati, Akola, Chandrapur, Chhindwara, Raipur and Nagpur office 3rd Floor.

- Hypothecation of furniture/Fixture/Computers/Equipment's in the above office premises.

- Personal guarantees of Managing Director, Executive Chairman and Mrs Jyoti Jawanjar .

The Company has utilised the funds raised from banks and financial institutions for the specific purpose for which they were borrowed. The Company has borrowed funds from banks and financial institutions on the basis of security of current assets. Quarterly Returns or Statements of current assets filed by the Company with Banks or Financial Institutions are prima facie in agreement with the Books of Accounts prepared before giving the effect for adjustments made pursuant to Ind-AS.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

19 Deposits

(₹ in Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
At Amortised cost :		
Deposits (Unsecured)		
- Public deposits	10,246.61	17,783.86
- Inter corporate deposits	2,980.16	1,532.34
Director and director relatives	315.07	242.12
Total	**13,541.84**	**19,558.32**

19.1 Maturity profile of deposits (Including unclaimed deposits) and Rate of interest of Deposits (Fixed Deposits) are as set out below:

(₹ in Lakhs)

Rate of Interest	As at 31st March 2026		
	Upto 1 Year	1-5 Years	Total
9.00%	561.82	2.47	564.29
9.25%	893.21	252.14	1,145.35
9.50%	849.25	1,421.45	2,270.70
9.75%	110.57	1,898.22	2,008.79
10.00%	3,783.69	1,223.72	5,007.41
10.50%	-	1,166.27	1,166.27
11.00%	1,223.61	-	1,223.61
11.25%	-	54.89	54.89
11.50%	-	141.46	141.46
Total	**7,422.15**	**6,160.62**	**13,582.77**

(₹ in Lakhs)

Rate of Interest	As at 31st March 2025		
	Upto 1 Year	1-5 Years	Total
8.50%	24.76	-	24.76
8.75%	503.89	-	503.89
9.00%	2,711.88	378.95	3,090.83
9.25%	2,591.48	928.18	3,519.66
9.50%	1,396.18	2,074.27	3,470.45
9.75%	22.08	1,872.50	1,894.58
10.00%	1,039.54	4,712.87	5,752.41
10.50%	-	1,193.09	1,193.09
12.00%	200.00	-	200.00
Total	**8,489.81**	**11,159.86**	**19,649.67**

20 Other Financial liabilities

(₹ in Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Employee benefits payable	1070.64	706.06
Unclaimed Dividend	1.00	0.79
Security deposits	207.40	317.02
Unclaimed matured deposits (Refer note 19.1)	40.93	91.35
Lease liability (Refer note 20.1)	491.42	538.71
Other credit balances	212.82	248.24
Advances from dealers	944.35	1220.86
Other expenses payable	17.18	35.51
Total	**2,985.74**	**3,158.54**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

20.1 Movement of lease liabilities

(₹ in Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Opening Balance	538.71	632.81
Additions	387.91	243.19
Interest expenses	65.10	71.10
Lease Payments	(477.64)	(390.17)
Deletions	(22.66)	(18.22)
Total	**491.42**	**538.71**

21 Current tax liabilities/(Asset)- Net

(₹ in Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Current income tax payable/(refund) for 31 March 2026, net of advance tax of INR 950.35 lakhs and TDS receivable of INR 184.65 lakhs (31 March 2025: Net of advance tax of INR 800.36 lakhs and TDS receivable of INR 267.96 lakhs)	153.81	(126.32)
Total	**153.81**	**(126.32)**

22 Provisions

(₹ in Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Provision for employee benefits		
Provision for gratuity (Refer Note 40)	348.42	396.47
Provision for compensated absences (Refer Note 40)	140.94	220.90
Total	**489.36**	**617.37**

23 Other Non-Financial liabilities

(₹ in Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Statutory dues payable	375.15	290.10
Total	**375.15**	**290.10**

24 Equity share capital

(₹ in Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Authorized		
1,67,00,000 (31 March 2025: 1,45,00,000) Equity shares of INR 10/- each.	1,670.00	1,450.00
	1,670.00	**1,450.00**
Issued, Subscribed and Paid up		
1,45,16,996 (31 March 2025: 1,23,36,846) Equity shares of INR 10/- each.	1,451.70	1,233.68
Total	**1,451.70**	**1,233.68**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

(a) Reconciliation of equity shares outstanding at the beginning and at the end of the year (₹ in Lakhs)

Particulars	As at 31st March 2026		As at 31st March 2025	
	Number of shares	Amount	Number of shares	Amount
Outstanding at the beginning of the year	12,336,846.00	1,233.68	12,336,846.00	1,233.68
Add: Issued during the year - Private Placement	2,180,150.00	218.02	-	-
Outstanding at the end of the year	**14,516,996.00**	**1,451.70**	**12,336,846.00**	**1,233.68**

(b) Rights, preferences and restrictions attached to shares

The Company has only one class of paid up equity share capital i.e. equity share having a face value of INR 10 each. Each holder of equity shares is entitled to one vote per share and all rank pari passu. 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 amount. The distribution will be in proportion to the equity shares held by the shareholders

(c) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of shareholders	As at 31st March 2026		As at 31st March 2025	
	Number of shares	% Holding	Number of shares	% Holding
i) M/s Avino Capcons Pvt Ltd	1,488,484	10.25%	1,488,484	12.07%
ii) Mr.Maroti Jawanjar	1,022,894	7.05%	1,022,894	8.29%
iii) Mr.Maroti Jawanjar (HUF)	868,954	5.99%	868,954	7.04%
iv) Amicus Capital Private Equity I LLP	1,905,970	13.13%	2,128,263	17.25%
v) Maj Invest Financial Inclusion Fund III K/S	1,979,691	13.64%	1,979,691	16.05%
vi) First Bridge India Growth Fund	894,824	6.16%	-	0.00%
vii) Abler Nordic Fund V Ks	1,565,446	10.78%	-	0.00%
Total	**9,726,263**	**67.00%**	**7,488,286**	**60.70%**

(d) Shareholding of Promoters

Name of the Promoter	As at 31st March 2026		As at 31st March 2025		% Change during the year
	No. of shares	% Holding	No. of shares	% Holding	
Maroti Jawanjar	1,022,894	7.05%	1,022,894	8.29%	-1.24%
Sandeep Jawanjal	331,218	2.28%	331,218	2.68%	-0.40%
Maroti Jawanjar (HUF)	868,954	5.99%	868,954	7.04%	-1.05%
Jyoti Jawanjar	274,550	1.89%	274,550	2.23%	-0.34%
Avino Capcons Pvt Ltd	1,488,484	10.25%	1,488,484	12.07%	-1.82%
Bakul Jawanjal	101,000	0.70%	101,000	0.82%	-0.12%
Radhemohan Jawanjal	1,400	0.01%	1,400	0.01%	0.00%
Sandeep Jawanjal (HUF)	117,700	0.81%	117,700	0.95%	-0.14%

(e) Bonus and buy back of equity shares

The Company has not undertaken any buyback of shares or issued any bonus shares during the five years immediately preceding 31 March 2026.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

24.1 Instrument entirely equity in nature

(₹ in Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Authorized		
5,00,000 (31 March 2025: 5,00,000) 0.1% Cumulative Compulsorily Convertible Participating Preference Shares of INR 10/- each.	50.00	50.00
1,20,000 (31 March 2025 :0.00) Preference shares of INR 10/- each.	12.00	-.00
	62.00	**50.00**
Issued, Subscribed and Paid up		
1,14,745 (31 March 2025: 0.00) Series B CCPS of INR 10/- each.	11.47	-
Total	**11.47**	**-00**

(a) Rights, preferences and restrictions attached to Series B CCPS :

The Company has issued Series B CCPS having a face value of INR 10 each. The Series B CCPS are cumulative non-participating preference shares carrying a dividend rate of 0.01% per annum and are compulsorily convertible into equity shares in the ratio of 1:1, subject to adjustments as per the Shareholders' Agreement. The Series B CCPS shall mandatorily convert into equity shares at the expiry of 19 years and 11 months from the date of allotment.

(b) Reconciliation of Series B CCPS outstanding at the beginning and at the end of the year

Particulars	As at 31st March 2026		As at 31st March 2025	
	No. of shares	Amount	No. of shares	Amount
Outstanding at the beginning of the year	-	-	-	-
Add: Issued during the year - Private Placement	114,745	11.47	-	-
Outstanding at the end of the year	**114,745.00**	**11.47**	**-**	**-**

(c) Details of Series B CCPS held by shareholders holding more than 5% of the aggregate Series B CCPS in the Company.

Name of shareholders	As at 31st March 2026		As at 31st March 2025	
	No. of shares	% Holding	No. of shares	% Holding
i) First Bridge India Growth Fund	36,882	32.14%	-	-
ii) Abler Nordic Fund V Ks	73,765	64.29%	-	-
Total	110,647	96.43%	-	0.00%

(d) Shareholding of Promoters in Series B CCPS

None of the Series B CCPS issued by the Company are held by the promoters of the Company.

25 Other equity

(₹ in Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Retained earnings	6,995.53	4,219.87
General Reserve	8,182.65	8,182.65
Securities Premium	27,446.44	14,123.94
Employee stock options plan	180.13	142.24
Statutory Reserve	5,596.92	4,836.19
Total	**48,401.67**	**31,504.89**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

(A) Retained earnings **(₹ in Lakhs)**

Particulars	As at 31st March 2026	As at 31st March 2025
Opening balance	4,219.87	1,789.31
Add: Net profit for the year	3,622.52	3,229.70
Add : Other comprehensive income	61.91	2.47
Appropriations:		
Less: Transfer to reserve fund in terms of section 45-IC(1) of the Reserve Bank of India Act,1934	(760.73)	(678.24)
Dividend Paid including taxes on dividend	(148.04)	(123.37)
Closing balance	**6,995.53**	**4,219.87**

(B) General Reserve **(₹ in Lakhs)**

Particulars	As at 31st March 2026	As at 31st March 2025
Opening balance	8,182.65	8,182.65
Add: Transferred during the year	-	-
Closing balance	**8,182.65**	**8,182.65**

(C) Securities Premium **(₹ in Lakhs)**

Particulars	As at 31st March 2026	As at 31st March 2025
Opening balance	14,123.94	14,123.94
Add: Premium on issue of Equity and compulsory convertible preference Shares	13770.51	-
Less: Expenses related to Issue of Shares	(448.01)	-
Closing balance	**27,446.44**	**14,123.94**

(D) Employee stock options plan **(₹ in Lakhs)**

Particulars	As at 31st March 2026	As at 31st March 2025
Opening balance	142.24	133.93
Add: Share based payment expense	37.89	8.31
Closing balance	**180.13**	**142.24**

(E) Statutory Reserve **(₹ in Lakhs)**

Particulars	As at 31st March 2026	As at 31st March 2025
Opening balance	4,836.19	4,157.95
Add: Transferred during the year	760.73	678.24
Closing balance	**5,596.92**	**4,836.19**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

26 Interest Income

(₹ in Lakhs)

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
Interest income on financial assets measured at amortised cost:		
- Interest on loans	31,500.01	25,758.91
- Interest on fixed deposits with banks	755.30	777.16
- Interest income from investments	143.90	142.44
- Interest on security deposits	9.14	5.78
Total	**32,408.35**	**26,684.29**

27 Dividend Income

(₹ in Lakhs)

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
Dividend received	0.13	0.09
Total	**0.13**	**0.09**

28 Fee & Commission Income

(₹ in Lakhs)

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
Fee & Commission Income	2,286.45	2,132.16
Total	**2,286.45**	**2,132.16**

29 Net gain/ (loss) on fair value changes*

(₹ in Lakhs)

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
Net gain/ (loss) on financial instruments at fair value through profit or loss		
Net gain/ (loss) on financial instruments designated at fair value through profit or loss	(1.53)	3.02
Total Net gain/(loss) on fair value changes (A)	**(1.53)**	**3.02**
Fair Value changes:		
-Unrealised	(1.53)	3.02
Total Net gain/(loss) on fair value changes (B) to tally with (A)	**(1.53)**	**3.02**

*Fair value changes in this schedule are other than those arising on account of interest income/expense.

30 Other operating Income

(₹ in Lakhs)

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
Securitisation Income	1,077.56	640.20
Total	**1,077.56**	**640.20**

31 Other Income

(₹ in Lakhs)

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
Profit on sale of assets	-	0.07
Gain on derecognition of leased asset	-	0.04
Gain on termination of lease	3.03	2.12
Advertisement Income	-	26.84
Miscellaneous Income	20.87	7.56
Total	**23.90**	**36.63**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

32 Finance Costs

(₹ in Lakhs)

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
On Financial liabilities measured at Amortised Cost		
Interest on deposits	1,528.08	1,919.52
Interest on borrowings	11,620.77	9,805.98
Interest on debt securities	2,130.19	984.40
Interest on lease liabilities	65.10	71.09
Bank charges	223.77	237.43
Total	**15,567.91**	**13,018.42**

33 Impairment on financial instruments

(₹ in Lakhs)

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
Financial assets measured at amortised cost		
Impairment and write-off on loans and others	4,142.89	3,123.65
Total	**4,142.89**	**3,123.65**

* Since the MSME portfolio is newly introduced and adequate historical loss data is not available, the ECL provision has been estimated using peer benchmarking and comparable industry data. Further, considering the limited repayment history and inherent estimation uncertainty, Management has created an additional overlay provision equivalent to 50% of the total MSME ECL provision amounting to Rs. 69 lakhs on a prudent basis. The overlay provision will be reviewed periodically based on the portfolio performance and availability of historical loss data.

34 Employee Benefits Expenses

(₹ in Lakhs)

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
Salaries, wages and bonus	6,850.43	4807.39
Contribution to provident and other funds	476.19	350.78
Gratuity expenses (Refer Note 40)	148.67	122.50
Compensated absences expenses	96.20	101.45
Staff welfare expenses	95.20	99.22
Share based payment to employees	37.89	8.31
Commission to Managerial persons	100.00	100.00
Total	**7,804.58**	**5,589.65**

35 Depreciation and amortization expense

(₹ in Lakhs)

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
Depreciation on property plant & equipment's	159.68	126.80
Depreciation on right to use assets	393.54	342.10
Amortization of intangible assets	23.19	26.66
Total	**576.41**	**495.56**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

36 Other expenses

(₹ in Lakhs)

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
Rent expenses	204.56	145.18
Rates and taxes	3.54	13.80
Goods & Service Tax (ITC not claimed)	297.58	457.32
Conveyance & Travelling	456.51	293.62
Directors sitting fees	30.40	25.65
Legal and Professional charges	585.43	489.62
Advertisement Expenses	5.08	19.48
Marketing Commission	562.21	653.96
Stamp duty expenses	49.01	25.06
Computer and Software Charges	425.47	363.18
Electricity expenses	72.23	73.82
Courier and Printing Charges	109.25	96.97
Telecom Charges	166.39	88.02
Office Expenses	124.12	126.33
Office Building Maintenances	9.48	12.85
Statutory Auditors remuneration (Note I)	26.11	20.25
CSR Contribution (Note II)	77.90	66.65
Repairs and Maintenance	3.08	9.81
Loss on Discard of assets	30.27	-
Miscellaneous Expenses	93.25	61.68
Total	**3,331.87**	**3,043.25**

Note I – Payments to Auditors (₹ in Lakhs)

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
Statutory audit fees	14.17	12.00
Tax Audit Fees	2.45	2.00
Other Services	9.49	6.25
Total	**26.11**	**20.25**

Note II - Corporate Social Responsibility (CSR) :

As per Section 135 of the Companies Act, 2013, a CSR Committee has been formed by the Company. The Company has made CSR expenditure for activities specified in Schedule VII of the Companies Act, 2013. As per section 135 (5) of the Companies Act, 2013, the Company was required to spend, in every financial year, at least two per cent of the average net profit of the company made during three immediately preceding financial years in pursuance of its Corporate Social Responsibility. The details are as follows:

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

(₹ in Lakhs)

Particulars	**Year ended 31st March 2026**	**Year ended 31st March 2025**
Amount required to be spent by the Company during the year	77.73	66.25
Amount of expenditure incurred	77.85	66.65
Shortfall at the end of the year	-	-

The breakup of expenditure incurred on Corporate Social Responsibility activities:

(₹ in Lakhs)

Particulars	**Year ended 31st March 2026**	**Year ended 31st March 2025**
(i) Construction / acquisition of any asset		
(ii) On purpose other than (i) above	77.85	66.65
- Paid	77.85	66.65
- Yet to be paid	-	-
Total	**77.85**	**66.65**

CSR activities include promoting health care, undertaking livelihood enhancement projects, promoting education, including special education, eradicating hunger, poverty and malnutrition which are specified under Schedule VII of Companies Act, 2013. The Company has neither made any CSR Contributions towards its related parties nor recorded any provision thereof during the financial years ended 31 March 2026 and 31 March 2025.

37 Earnings per share

(₹ in Lakhs)

Particulars	**Year ended 31st March 2026**	**Year ended 31st March 2025**
Profit attributable to ordinary equity holders	3,622.52	3,229.70
Less: Dividend attributable to preference shareholders (including tax thereon, if any)	-	-
Profit attributable to ordinary equity holders	**3,622.52**	**3,229.70**
Weighted average number of equity shares for basic EPS	13,289,643.89	12,336,846.00
Add : Effected of weighted average number of potential equity shares on conversion of Series B CCPS (nos.)	50,304.41	0.00
Add : Effected of weighted average number of potential equity shares on conversion of ESOPs (nos.)	42,147.25	42,618.00
Weighted average number of equity shares for diluted EPS	13,382,095.55	12,379,464.00
Face Value per share		
Basic earnings per share (INR)	27.26	26.18
Diluted earnings per share (INR)	27.07	26.09

38 Contingent liabilities and Commitments

A) Contingent liabilities

1.) The Goods and Services Tax (GST) Appellate Authority has issued a demand order amounting to Rs. 20.28 lakhs (Previous year: Rs.20.28 lakhs) for the Financial Year 2018–19, comprising ineligible Input Tax Credit (ITC), interest, and penalties. Against the said demand, the Company has paid amount of Rs. 1.07 lakhs (Previous year: Rs.1.07 lakhs) under protest. Based on the management's assessment of the applicable provisions of the GST law, the Company believes that the demand is not sustainable and accordingly no provision has been considered necessary in respect of this liability.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

2) Litigations constitute the pending litigations filed by customers/vendors/ex-employees/others against the Company for service deficiency. which is in the course of business as usual. A provision is created where an unfavourable outcome is deemed probable based on review of pending litigations with its legal counsels and assessment of such contingency as ‘low’, ‘medium’ or ‘high’. In respect of the open litigations, the Management believes that the outcome of such matters will not have material adverse effect on the company financial position, its operations and cash flows.

B) Capital Commitments

(₹ in Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	31.41	-

39 Employee benefits

(A) Defined Contribution Plans

During the year, the Company has recognized the following amounts in the Statement of Profit and Loss –

(₹ in Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Contribution to Provident, ESIC and labour welfare fund (Refer Note 34)	476.19	350.78
Total	**476.19**	**350.78**

(B) Defined benefit plans

a) Gratuity payable to employees

The Company’s Gratuity liability are determined on the basis of actuarial valuation made at the end of each reporting period using the projected unit credit method.

The gratuity benefit is provided through unfunded plan and annual contributions are charged to the statement of profit and loss. Under the scheme, the settlement obligation remains with the Company. Company accounts for the liability for future gratuity benefits based on an actuarial valuation. The net present value of the Company’s obligation towards the same is actuarially determined based on the projected unit credit method as at the Balance Sheet date.

The defined benefit plans expose the Company to risks such as actuarial risk, liquidity risk, market risk, legislative risk. These are discussed as follows:

Actuarial risk: It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

a) **Adverse salary growth experience:**

Salary hikes that are higher than the assumed salary escalation will result into an increase in obligation at a rate that is higher than expected.

b) **Variability in mortality rates:**

If actual mortality rates are higher than assumed mortality rate assumption than the gratuity benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

c) **Variability in withdrawal rates:**

If actual withdrawal rates are higher than assumed withdrawal rate assumption then the gratuity benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

Liquidity risk: Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign / retire from the Company, there can be strain on the cash flows.

Market risk: Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in defined benefit obligation of the plan benefits and vice versa. This assumption depends on the yields on the government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

Legislative risk: Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation, thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the defined benefit obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

Basis of Assumptions

Calculating Defined benefit obligation, by using Projected Unit Credit Method, requires an actuary to make a lot of assumptions, based on current market scenarios. The basis of different assumptions used while calculating the defined benefit obligation is as follows :-

a) Discount rate

Discount rate has been determined by reference to market yields on Government bonds of term consistent with estimated term of obligations.

b) Mortality/ disability

If the actual mortality rate in the future turns out to be more or less than expected then it may result in increase / decrease in the liability.

c) Employee turnover/withdrawal rate

If the actual withdrawal rate in the future turns out to be more or less than expected then it may result in increase / decrease in the liability.

d) Salary escalation rate

More or less than expected increase in the future salary levels may result in increase / decrease in the liability.

(c) Effective November 21, 2025, the Government of India consolidated 29 existing labour regulations into four Labour codes, namely, 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 referred to as the "New Labour Codes").

Based on the information currently available and consistent with the guidance issued by the Institute of Chartered Accountants of India, the Company has assessed that the implementation of the New Labour Codes does not have any financial impact on the Company for the year ended March 31, 2026. While the Central Rules under the new Labour Codes have been notified, the State Rules are yet to be notified by the respective State Governments. The Company continues to monitor the finalisation of State Rules and clarifications from the Government on other aspects of the Labour Code and would provide appropriate accounting effect on the basis of such developments as needed.

i) Principal assumptions used for the purposes of the actuarial valuations

Particulars	As at 31st March 2026	As at 31st March 2025
Economic Assumptions		
Discount rate (per annum)	7.76%	6.83%
Salary Escalation rate	6.00%	6.00%
Demographic Assumptions		
Mortality	Indian Assured Lives Ultimate Mortality Rates (2012-14) (IALM 2012-14)	Indian Assured Lives Ultimate Mortality Rates (2012-14) (IALM 2012-14)
Employee turnover/Withdrawal rate	1% at all ages	1% at all ages
Retirement age	58 Years	58 Years

ii) Amount recognized in the Balance Sheet: **(₹ in Lakhs)**

Particulars	As at 31st March 2026	As at 31st March 2025
Present value of unfunded obligation as at the end of the year	348.42	396.47
Net liability recognized in Balance Sheet (Refer Note 22)	**348.42**	**396.47**
Current obligation	12.05	76.27
Non-current obligation	336.37	320.20

iii) Changes in the present value of defined benefit obligation **(₹ in Lakhs)**

Particulars	As at 31st March 2026	As at 31st March 2025
Present value of obligation at the beginning of the year	396.47	321.40
Interest cost	27.08	23.17
Current service cost	121.59	99.33
Past service cost	-	-
Benefits paid	(113.98)	(44.14)
Actuarial (gain)/ loss on obligations - Due to change in Financial Assumptions	(56.36)	20.35
Actuarial (gain)/ loss on obligations - Due to experience adjustments	(26.38)	(23.64)
Present value of obligation at the end of the year	**348.42**	**396.47**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

iv) Expense recognized in the Statement of Profit and Loss **(₹ in Lakhs)**

Particulars	As at 31st March 2026	As at 31st March 2025
Current service cost	121.59	99.33
Net Interest cost	27.08	23.17
Past service cost	-	-
Total expenses recognized in the Statement Profit and Loss (Refer Note 34)	**148.67**	**122.50**

v) Expense recognized in Other comprehensive income **(₹ in Lakhs)**

Particulars	As at 31st March 2026	As at 31st March 2025
Remeasurements due to-		
- Effect of change in financial assumptions	(56.36)	20.35
- Effect of experience adjustments	(26.37)	(23.64)
Net actuarial (gains) / losses recognised in OCI	**(82.73)**	**(3.30)**

vi) A quantitative sensitivity analysis for significant assumption is shown below: **(₹ in Lakhs)**

Particulars	As at 31st March 2026	As at 31st March 2025
Discount rate		
1% increase	298.63	346.22
1% decrease	409.48	458.64
Salary Escalation rate		
1% increase	410.07	458.53
1% decrease	297.37	345.44

vii) Maturity profile of defined benefit obligation **(₹ in Lakhs)**

Particulars	As at 31st March 2026	As at 31st March 2025
Within next 12 months	12.05	76.27
Between 2 and 5 years	23.60	19.10
Between 6 and 10 years	63.21	50.55
Beyond 10 years	1,346.92	1,153.63
Total expected payments	**1,445.78**	**1,299.55**

40 Leases

The Company has taken office premises at certain locations on lease. The agreements are executed for a period ranging from 10 months to 60 months.

The changes in the carrying value of right of use assets for the years ended 31 March 2026 and 31 March 2025 has been disclosed in Note 14.

The aggregate depreciation expense on right of use assets is included under depreciation and amortisation expense in the statement of Profit and Loss (Refer Note 35).

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

The movement in lease liabilities has been disclosed in Note 20.1

The below table provides the details regarding the contractual maturities of lease liabilities(Discounted):

(₹ in Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Less than one year	225.82	359.40
More than one year	265.60	179.31
Total	**491.42**	**538.71**

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Short term leases:

Rental expense incurred and paid for short term leases during the year was INR 204.56 lakhs (31 March 2025: INR 145.18 lakhs).

41 Related Party Disclosures as per IND AS 24:

(A) Names of related parties and description of relationship as identified and certified by the Company:

(a) Enterprises over which Key Management Personnel are able to exercise significant influence

1) Avino Capcons Private Ltd.
2) M.G.Jawanjar (HUF)
3) S.M.Jawanjal (HUF)
4) Yogesh Tahalyani (HUF)

(b) Key Management Personnel	Designation
1) M.G.Jawanjar	Executive chairman (Till March 31 2026)
2) S.M. Jawanjal	Managing director
3) D.R. Balpande	Chief compliance officer & Company Secretary
4) Shantaram Mahakalkar	Director
5) Avishek Addy	Investor Nominee Director
6) Siva Vadivel Alagan	Investor Nominee Director (Till 11th June 2025)
7) Yogesh Tahalyani	Chief financial officer (From 31st January 2025)
8) Ravindra Dorle	Chief financial officer (From 12th August 2023 to 5th December 2024)
9) Rajesh Vasudevan	Independent director
10) Varun bhalla	Independent director
11) Annapurna dubey	Independent director
12) Anvi Somaiya	Investor Nominee Director (From May 27 2025)
13) Smriti Chandra	Investor Nominee Director (From March 30 2026)
14) Vishal Kumar Gupta	Investor Nominee Director (From March 30 2026)
15) Himanshu Joshi	Independent director (Till 31st May 2024)
16) Vishwas Pathak	Independent Director (Till 20th September 2024)
17) Atul Sarda	Independent Director (Till 20th September 2024)
18) Rashmi Mitkary	Independent Director (Till 12th November 2024)
19) Harishchandra Sukhdeve	Non-Executive director (Till 17th October 2024)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

(c) Relatives of Key Management Personnel	Relation with Key Management Personnel
1) Jyoti Jawanjar	Wife of Executive Chairman
2) Ravindra Balpande	Son in Law of Executive Chairman
3) Vaishali Charde	Daughter of Executive Chairman
4) Bakul Jawanjal	Daughter in Law of Executive Chairman
5) Arjun Jawanjal	Son of Managing Director
6) Radhemohan Jawanjal	Son of Managing Director
7) Purushottam Mahakalkar	Brother of Director, Shantaram Mahakalkar
8) Mansaram Mahakalkar	Brother of Director, Shantaram Mahakalkar
9) Hemant Charde	Son in Law of Executive Chairman
10) Mangala Mahakalkar	Wife of Director, Shantaram Mahakalkar
11) Arvind Mahakalkar	Brother of Director, Shantaram Mahakalkar
12) Manisha Kukreja	Wife of Chief financial Officer
13) Viveknand Pathak	Brother of Director, Vishwas Pathak
14) Wasudha Pathak	Sister of Director, Vishwas Pathak
15) Meena Pidadi	Sister of Director, Vishwas Pathak
16) Swati Agnihotri	Sister of Director, Vishwas Pathak

(B) Details of transactions with related parties in the ordinary course of business for the year ended:

(₹ in Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
I) Key Management Personnel and Directors who have significant influence		
Remuneration*		
M.G. Jawanjar #	105.90	96.95
S.M. Jawanjal #	86.51	100.80
D.R. Balpande	48.37	38.37
Ravindra Dorle	-	29.47
Yogesh Tahalyani	38.93	5.49
Shantaram Mahakalkar	4.10	-
Varun bhalla	1.80	-
Rajesh Vasudevan	3.80	-
Director Sitting fees		
Shantaram Mahakalkar	3.70	1.90
Vishwas Pathak	-	1.00
Rashmi Mitkary	-	1.15
Harishchandra Sukhdeve	-	1.10
Atul Sarda	-	1.00
Rajesh Vasudevan	10.50	4.60
Varun Bhalla	10.50	3.20
Annapurna Dubey	5.70	2.00
Interest on Deposit		
M.G. Jawanjar	9.53	6.15
S.M. Jawanjal	3.16	1.54
D.R. Balpande	3.25	2.32
Vishwas Pathak	-	2.26
Rashmi Mitkary	-	0.17

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

Particulars	As at 31st March 2026	As at 31st March 2025
Deposit Repaid		
M.G. Jawanjar	0.95	29.29
S.M. Jawanjal	16.04	0.15
D.R. Balpande	14.86	14.22
Vishwas Pathak	-	15.22
Rashmi Mitkary	-	0.88
Loans Granted		
M.G. Jawanjal		
	8.00	3.00
Equity Dividend		
M.G. Jawanjar		
S.M. Jawanjal	12.27	10.23
D.R. Balpande	3.97	3.31
Shantaram Mahakalkar	0.50	0.42
Vishwas Pathak	0.36	0.30
	-	0.01
Interest on Loans		
M.G. Jawanjar		
	0.29	0.04
Repayment of Loans		
M.G. Jawanjar		
	8.29	3.04
Deposits Accepted		
M.G. Jawanjar		
S.M. Jawanjal	20.00	57.50
D.R. Balpande	25.00	20.00
Vishwas Pathak	31.65	18.21
Rashmi Mitkary	-	6.28
D.R. Balpande	-	0.86
II) Relatives of Key Management Personnel and Directors		
Remuneration		
Jyoti Jawanjar	10.05	9.59
Interest on Deposit		
Jyoti Jawanjar	3.33	2.75
Ravindra Balpande	1.03	0.75
Vaishali Charde	1.83	4.00
Hemant Charde	0.95	0.83
Bakul Jawanjal	2.47	1.46
Arjun Jawanjal	0.21	0.18
Radhemohan Jawanjal	0.40	0.38
Purushottam Mahakalkar	0.84	0.92
Mansaram Mahakalkar	0.46	0.46
Viveknand Pathak	-	0.03
Meena Pidadi	-	0.36
Mangala Mahakalkar	-	1.69
Swati Agnihotri	-	0.22

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

Particulars	As at 31st March 2026	As at 31st March 2025
Deposit Repaid		
Jyoti Jawanjar	12.19	13.12
Ravindra Balpande	5.33	2.93
Vaishali Charde	8.33	70.53
Hemant Charde	10.96	15.10
Bakul Jawanjal	11.40	4.18
Arjun Jawanjal	0.02	1.69
Radhemohan Jawanjal	0.04	0.77
Mansaram Mahakalkar	0.46	0.46
Arvind Mahakalkar	-	-
Viveknand Pathak	-	-
Meena Pidadi	-	0.04
Mangala Mahakalkar	-	25.46
Swati Agnihotri	-	3.01
Purushottam Mahakalkar	9.92	3.02
Equity Dividend		
Jyoti Jawanjar	3.29	2.75
Ravindra Balpande	0.04	0.03
Vaishali Charde	0.32	0.27
Hemant Charde	0.09	0.08
Bakul Jawanjal	1.21	1.01
Radhemohan Jawanjal	0.01	0.01
Purushottam Mahakalkar	0.04	0.03
Mansaram Mahakalkar	0.17	0.14
Meena Pidadi	-	0.02
Mangala Mahakalkar	0.17	0.14
Arvind Mahakalkar	0.12	0.10
Manisha Kukreja	0.01	-
Deposits Accepted		
Jyoti Jawanjar	10.00	22.00
Ravindra Balpande	13.00	2.96
Vaishali Charde	8.50	24.50
Hemant Charde	10.00	10.00
Bakul Jawanjal	19.39	7.97
Arjun Jawanjal	-	1.67
Radhemohan Jawanjal	-	0.73
III) Enterprises on which Relative of Key Managerial Personnel can exercise significant influence		
Interest on Deposit		
M.G. Jawanjar (HUF)	3.98	3.93
S.M. Jawanjal (HUF)	0.08	0.08
Avino Capcons Private Ltd.	5.41	3.03
Deposit Repayment		
M.G. Jawanjar (HUF)	2.52	38.30
S.M. Jawanjal (HUF)	0.01	0.74
Avino Capcons Private Ltd.	5.41	3.03

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

Particulars	As at 31st March 2026	As at 31st March 2025
Equity Dividend		
Avino Capcons Private Ltd.	17.86	14.88
M.G. Jawanjar (HUF)	10.44	8.69
S.M. Jawanjal (HUF)	1.42	1.18
Yogesh Tahalyani (HUF)	0.02	-
Deposit Accepted		
M.G. Jawanjar (HUF)	10.00	27.00
S.M. Jawanjal (HUF)	-	0.73
Avino Capcons Private Ltd.	18.00	12.00

(C) Amount due to/from related parties (₹ in Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
I) Key Management Personnel		
Amount receivable for Loans Granted		
S.M. Jawanjal	-	-
Amount payable for Deposits Accepted		
M.G. Jawanjar	106.13	77.56
S.M. Jawanjal	38.64	26.51
D.R. Balpande	47.42	27.37
Vishwas Pathak	-	18.09
Rashmi Mitkary	-	1.88
II) Relatives of Key Management Personnel		
Amount payable for Deposits Accepted		
Jyoti Jawanjar	35.26	34.12
Ravindra Balpande	17.32	8.63
Vaishali Charde	20.49	18.49
Bakul Jawanjal	29.58	19.11
Arjun Jawanjal	2.19	2.00
Radhemohan Jawanjal	4.34	3.98
Purushottam Mahakalkar	-	9.08
Mansaram Mahakalkar	5.00	5.00
Viveknand Pathak	-	0.32
Meena Pidadi	-	4.05
Hemant Charde	10.27	10.27
Swati Agnihotri	-	0.19
III) Enterprises on which Relative of Key Managerial Personnel can exercise significant influence		
Amount payable for Deposits Accepted		
M.G. Jawanjar (HUF)	43.11	31.65
S.M. Jawanjal (HUF)	0.83	0.76
Avino Capcons Private Ltd.	55.00	37.00

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

*The remuneration to key managerial personnel includes the provision made for employee benefits (defined benefit plan and other long term benefits) as determined on an actuarial basis for the Company.

Includes commission on payment basis since accruals are made at the Company level and are subject to requisite approvals.

Refer note 17.1 and 18.1 : The Secured Non - Convertible Debentures, Loans from banks and financial institutions (including cash credit /bank overdraft facilities availed) are secured by personal guarantees of Managing Director and Executive Chairman.

42 Operating Segment

There is no separate reportable segment as per Ind AS 108 on 'Operating Segments' in respect of the Company.

The Company operates in single segment only. There are no operations outside India and hence there is no external revenue or assets which require disclosure.

No revenue from transactions with a single external customer amounted to 10% or more of the Company's total revenue in year ended 31 March 2026 or 31 March 2025.

43 Employee stock option scheme

(a) On December 7, 2019 the members of company approved the Berar Stock Option Plan (Plan) for issue of stock options to the key employees of the company. According to the Plan, the employee selected will be entitled to options, subject to satisfaction of the prescribed vesting conditions, viz., continuing employment of 60 months/ 48 months as the case may be.

In pursuant to the said plan, the Company issued stock options on December 23, 2019, February 21, 2022 and January 31, 2025."

(b) Summary of option granted under the scheme

(₹ in Lakhs)

Particulars	**As at 31st March 2026**	**As at 31st March 2025**
Opening balance	2.39	1.55
Granted during the year	-	1.00
Exercised during the year	-	-
Forfeited / Lapsed during the year	(0.02)	(0.16)
Closing balance	**2.36**	**2.39**
Vested and exercisable	**1.46**	**1.27**

(c) Expiry date and exercises prices of the share options outstanding

(₹ in Lakhs)

Grant date	**Expiry date**	**Exercise price (in ₹)**	**Share options as at 31 March 2026**	**Share options as at 31 March 2025**
31 Jan 25	30 Jan 29	300.00	1.00	1.00
23 Dec 19	23 Dec 24	95.00	0.88	0.88
21 Feb 22	21 Feb 26	250.00	0.48	0.51
TOTAL			2.36	2.39
Weighted average remaining contractual life of options outstanding at the end of year			**2.84**	**0.90**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

(d) The fair value of each option granted is estimated on the date of grant using the black Scholes model with the following assumptions

(₹ in Lakhs)

Scheme	A
Grant date	23 Dec 19
Weighted average fair value of options granted	110.41
Exercise price	95.00
Share price at the grant date	180.83
Expected volatility	30.50%
Risk free interest rate	6.29%
Expected dividend yield	Nil

(₹ in Lakhs)

Scheme	B
Grant date	21 Feb 22
Weighted average fair value of options granted	83.04
Exercise price	250.00
Share price at the grant date	245.33
Expected volatility	39.97%
Risk free interest rate	5.29%
Expected dividend yield	0.41%

(₹ in Lakhs)

Scheme	C
Grant date	31 Jan 25
Weighted average fair value of options granted	103.98
Exercise price	300.00
Share price at the grant date	302.00
Expected volatility	35.92%
Risk free interest rate	6.50%
Expected dividend yield	0.33%

(e) Expense arising from share based payment transaction **(₹ in Lakhs)**

Particulars	As at 31st March 2026	As at 31st March 2025
Gross expense arising from share based payments	37.89	8.31
Less: Options granted to employees of subsidiaries recognised as deemed investment in subsidiaries	-	-
Less: Options granted to employees of subsidiaries on reimbursement basis over the vesting period	-	-
Employee share based payment expense recognised in statement of profit and loss (Refer Note 34)	37.89	8.31

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

44 Fair values of financial assets and financial liabilities

Classification of financial assets and financial liabilities

The following table shows the carrying amounts of financial assets and financial liabilities which are classified as fair value through profit and loss (FVTPL) and amortised cost.

(₹ in Lakhs)

Particulars	FVOCI	FVTPL	Amortised cost
As at 31 March 2026			
Financial Assets			
Cash and cash equivalents	-	-	4,607.74
Bank Balances other than cash and cash equivalents	-	-	11,830.09
Loans	-	-	174,930.11
Investments	-	18.55	2,004.36
Other Financial assets	-	-	5,605.79
Financial liabilities			
Trade Payables	-	-	1,341.60
Debt Securities	-	-	19,536.78
Borrowings (Other than Debt Securities)	-	-	115,292.27
Deposits	-	-	13,541.84
Other financial liabilities	-	-	2,985.74

(₹ in Lakhs)

Particulars	FVOCI	FVTPL	Amortised cost
As at 31 March 2025			
Financial Assets (other than investment in subsidiaries)			
Cash and cash equivalents	-	-	2,825.16
Bank Balances other than cash and cash equivalents	-	-	11,114.41
Loans	-	-	134,922.96
Investments	-	20.09	2,002.54
Other Financial assets	-	-	3,808.05
Financial liabilities			
Trade Payables	-	-	971.69
Debt Securities	-	-	9,449.04
Borrowings (Other than Debt Securities)	-	-	92,082.81
Deposits	-	-	19,558.32
Other financial liabilities	-	-	3,158.54

45 Fair value hierarchy

The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- **Level 1 -** Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2 -** Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- **Level 3 -** Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

The following table presents fair value hierarchy of financial instruments measured at fair value on a recurring basis:

(₹ in Lakhs)

Particulars	Level 1	Level 2	Level 3	Total
As at 31 March 2026				
Financial assets				
Financial assets measured at fair value through profit or loss				
Investment in equity instruments.	18.55	-	-	18.55
Total Financial Assets	**18.55**	**-**	**-**	**18.55**
As at 31 March 2025				
Financial assets				
Financial assets measured at fair value through profit or loss				
Investment in equity instruments	20.09	-	-	20.09
Total Financial Assets	**20.09**	**-**	**-**	**20.09**

1) Investment in quoted equity instruments are valued using the closing market rate on the reporting date

The carrying amount of cash and cash equivalents, trade receivables, bank balances other than cash and cash equivalents, trade payables, and other receivables & payables are considered to be the same as their fair values.

46 Financial risk management objectives

The Company's activities expose it to credit risk, liquidity risk and market risk. The Company's overall risk management program focuses on robust liquidity management as well as monitoring of various relevant market variables, thereby consistently seeking to minimize potential adverse effects on the Company's financial performance. Management has not formed formal risk management policies, however, the risks are monitored by management by analyzing exposures by degree and magnitude of risk on a continued basis. This note explains the sources of risk which the Company is exposed to and how the Company manages the risk and the related impact in the financial statements.

(A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk.

(i) Interest rate risk

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings (Excluding deposits and Debt Securities). With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

(₹ in Lakhs)

Particulars	Increase/ decrease in basis points	Effect on profit before tax
31 Mar 26		
INR	+50	576.46
INR	-50	(576.46)
31 Mar 25		
INR	+50	460.41
INR	-50	(460.41)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The company's mainly transacting in INR and hence the company is not exposed to any foreign currency risk.

(B) Credit risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligation. Credit risk is the single largest risk for the Company's business. Management therefore carefully manages its exposure to credit risk by following adequate internal controls according to the materiality of the risk involved.

The maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented in the financial statements.

Credit risk arises mainly from retail loans and advances and loan commitments arising from such lending activities. Credit-worthiness is checked and documented prior to signing any contracts, based on market information. Management endeavours to improve its underwriting standards to reduce the credit risk the Company is exposed to from time to time.

Cash and cash equivalents are considered to have negligible risk or nil risk, as they are maintained with high rated banks / financial institutions as approved by the Board of directors.

(i) Loans and advances (including loan commitments and guarantees).

The estimation of credit exposure for risk management purposes is complex, as the exposure varies with changes in market conditions, expected cash flows and the passage of time. The assessment of credit risk of a portfolio of assets entails further estimations as to the likelihood of defaults occurring and of the associated loss ratios. The Company measures credit risk for each class of loan assets using inputs such as Probability of Default ("PD") and Loss Given Default ("LGD").

Computation of allowance for impairment losses:

The Company prepares its financial statements in accordance with the IND AS framework.

As per the RBI notification on acceptance of IND AS for regulatory reporting, the Company computes provision as per IND AS 109 as well as per extant prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP). Where impairment allowance in aggregate for the Company under Ind AS 109 is lower than the provisioning required under IRACP (including standard asset provisioning) for the Company, the difference is appropriated from net profit or loss after tax to a separate 'Impairment Reserve'. Any withdrawals from this reserve shall be done only with prior permission from the RBI.

The provision as per IRACP has been done in line with Reserve Bank of India Master Circular on Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances and Clarifications dated November 12, 2021 wherein the borrower accounts shall be flagged as overdue as part of the day-end processes for the due date, irrespective of the time of running such processes. Similarly, classification of borrower accounts as Non-Performing Asset shall be done as part of day-end process for the relevant date i.e. more than 90 days overdue and NPA classification date shall be the calendar date for which the day end process is run. In other words, the date of Non-Performing Asset shall reflect the asset classification status of an account at the day-end of that calendar date.

ECL allowances recognised in the financial statements reflect the effect of a range of possible economic outcomes, calculated on a probability weighted basis, based on certain economic scenarios. The recognition and measurement of ECL involves use of significant judgement and estimation. Forward looking economic forecasts are used in developing the ECL estimates. Three scenarios sufficient to calculate unbiased ECL were used - representing the "Base case" (the "Central" scenario) and two "Worst case" scenarios (the "Downside" scenario) and three "Best case" (the "Upside" scenario). Probability weights are assigned to each scenario. The Central scenario is based on the Company outlook of GDP growth, inflation, unemployment and interest rattes for India and most relevant for the Company's loan portfolio. The Upside and Downside scenarios generated at the reporting dates are designed to cover cyclical changes and are updated during the year only if the economic conditions change significantly.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

In case where the estimate based on ECL model does not appropriately capture the stress in the portfolio given the lag effect between the actual stress and its impact on ECL computation, the management estimates an additional provision over and above the estimate based on the model and computation methodology stated above. This additional provision is referred to as management overlay.

(ii) Other remaining financial assets (Other financial assets and loans)

Other financial assets mainly includes deposit and advances given, and receivables from recovery agents. Loans, being a primary part of our operations, represent vehicle loans given to various parties for purchasing motor vehicles. Based on assessment carried by the Company, the majority receivables under this category is classified as "Stage 1" while provision has been created at INR 1,009.22 Lakhs on the remaining receivables. The provision is created with respect to the established policy by Company to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument. Furthermore, there is no history of loss and credit risk and the amount of provision for expected credit losses on other financial assets is negligible for the receivables categorised under "Stage 1".

(C) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The amount mentioned below are the contractual maturities of financial liabilities which includes contractual interest payments/receipts and are undiscounted at the reporting date.

(₹ in Lakhs)

Particulars	Within 12 Months	Beyond 12 Months	Total
31 March 2026			
Trade payables	1,341.60	-	1,341.60
Debt Securities	6,829.45	15,590.36	22,419.81
Borrowings (Excluding Secutrization)	61,579.17	52,518.47	114,097.64
Deposits (Including Unclaimed Deposits)	7,740.39	7,010.21	14,750.60
Other financial liabilities	2,453.39	491.42	2,944.81
Total	**79,944.00**	**75,610.46**	**155,554.46**

(₹ in Lakhs)

Particulars	Within 12 Months	Beyond 12 Months	Total
31 March 2025			
Trade payables	971.69	-	971.69
Debt Securities	5,728.19	5,094.19	10,822.38
Borrowings (Excluding Secutrization)	49,877.50	44,108.45	93,985.95
Deposits (Including Unclaimed Deposits)	8,778.70	12,881.58	21,660.28
Other financial liabilities	2,801.60	265.60	3,067.20
Total	**68,157.68**	**62,349.82**	**130,507.50**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

47 Maturity analysis of assets and liabilities

The below table shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

Maturity analysis of assets and liabilities as at 31st March 2026 **(₹ in Lakhs)**

Particulars	As at 31st March 2026		
	Within 12 Months	After 12 Months	Total
Assets			
Cash and cash equivalents	4,607.74	-	4,607.74
Bank Balances other than cash and cash equivalents	10,265.17	1,564.92	11,830.09
Loans	102,971.10	71,959.01	174,930.11
Investments	144.21	1,878.70	2,022.91
Other Financial assets	5,605.79	-	5,605.79
Deferred tax assets (Net)	-	1,630.79	1,630.79
Property, Plant and Equipment	-	2,040.80	2,040.80
Capital Work in Progress	57.78	-	57.78
Intangible assets	-	72.50	72.50
Right to use assets	271.88	238.12	510.00
Non-financial assets	272.88	-	272.88
Total Assets	**124,196.55**	**79,384.84**	**203,581.39**
Liabilities			
Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises	400.45	-	400.45
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	941.15	-	941.15
Debt Securities	5,960.94	13,575.84	19,536.78
Borrowings (Other than Debt Securities)	67,080.73	48,211.54	115,292.27
Deposits	7,422.46	6,119.38	13,541.84
Other Financial liabilities	2,720.14	265.60	2,985.74
Tax liabilities (Net)	153.81	-	153.81
Provisions	489.36	-	489.36
Non-financial liabilities	375.15	-	375.15
Total Liabilities	**85,544.19**	**68,172.36**	**153,716.55**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

Maturity analysis of assets and liabilities as at 31st March 2025 **(₹ in Lakhs)**

Particulars	As at 31st March 2025		
	Within 12 Months	After 12 Months	Total
Assets			
Cash and cash equivalents	2,825.16	-	2,825.16
Bank Balances other than cash and cash equivalents	10,426.29	688.12	11,114.41
Loans	80,770.37	54,152.59	134,922.96
Investments	-	2,022.63	2,022.63
Other Financial assets	3,808.05	-	3,808.05
Tax assets (Net)	-	126.32	126.32
Deferred tax assets (Net)	-	1,086.21	1,086.21
Investment Property	-	-	-
Property, Plant and Equipment	-	2,088.07	2,088.07
Capital Work in Progress	-	28.00	28.00
Intangible assets	-	80.12	80.12
Right to use assets	370.33	157.49	527.82
Non-financial assets	236.69	-	236.69
Total Assets	**98,436.89**	**60,429.55**	**158,866.44**
Liabilities			
Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises	384.33	-	384.33
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	587.36	-	587.36
Debt Securities	4,924.76	4,524.28	9,449.04
Borrowings (Other than Debt Securities)	51,419.50	40,663.31	92,082.81
Deposits	8,398.48	11,159.84	19,558.32
Other Financial liabilities	2,979.23	179.31	3,158.54
Tax liabilities (Net)	-	-	-
Provisions	617.37	-	617.37
Non-financial liabilities	290.10	-	290.10
Total Liabilities	**69,601.13**	**56,526.74**	**126,127.87**

48 Capital management

For the purpose of the Company's capital management, capital comprises issued equity share capital, Series B CCPS and all other equity reserves attributable to the equity shareholders of the Company

The Company's objective while managing the capital are to :-

1) Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders;
2) Maintain an optimal Capital Structure to reduce the cost of capital
3) Maximize shareholder value

The company strategically manages its funds by :-

1) Maintaining diversity of sources of funding and spreading the maturity across periods in order to minimize the liquidity risk.
2) Minimizing or wherever possible, eliminating exposure to market rate risks like foreign exchange risk, interest rate risk and commodity price risk, thereby minimizing the impact of market volatility on earnings.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

3) Analyzing the changes in macro economic factors affecting business environment and re-organizing its capital structure accordingly to adapt to the ever changing dynamics of business environment

4) By continuously monitoring and adjusting overall capital demand and supply in an effort to achieve an appropriate balance of the economic and regulatory considerations at all times and from all perspectives.

The company determines the amount of capital required on the basis of operations, capital expenditure and strategic investment plans. The capital structure is monitored on the basis of net gearing ratio : Net Debt (total borrowings net of cash and cash equivalents) divided by Total Equity (as shown in the balance sheet).

(₹ in Lakhs)

Particulars	**As at 31st March 2026**	**As at 31st March 2025**
Gross Debt	148,411.82	121,181.52
Less: Liquid Assets	(4,607.74)	(2,825.16)
Net Debt	143,804.08	118,356.36
Equity (Including Series B CCPS)	49,864.84	32,738.57
Net Gearing Ratio	**2.88**	**3.62**

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2026 and 31 March 2025.

Analytical Ratios

Particulars	**As at 31st March 2026**	**As at 31st March 2025**	**% Variance**
Capital to risk-weighted assets ratio (CRAR)			
Tier I Capital	45,926.17	31,290.97	
Tier II Capital	-	390.63	
Total Capital	45,926.17	31,681.60	
Risk Weighted assets	183,069.90	142,179.29	
Tier I CRAR	25.09%	22.01%	14.00%
Tier II CRAR	0.00%	0.27%	-100.00%
Total	**25.09%**	**22.28%**	**12.59%**

49 Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto currency or Virtual currency during the financial years ended March 31, 2026 and March 31, 2025.

50 Details of Benami Property Held

No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder in the financial years ended March 31, 2026 and March 31, 2025.

51 Wilful Defaulter

The Company has not been declared as a wilful defaulter by any bank or financial institution or other lender in the financial years ended March 31, 2026 and March 31, 2025.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

52 Expenditure in foreign currency (accrual basis)

(₹ in Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Computer Charges	55.25	55.51

53 Earnings In Foreign Currency

The Company does not have any Earnings in foreign Currency for the year ended March 31,2026 and March 31, 2025.

54 Floating charge on investment in government securities and Bank Deposits with Nationalised Banks

In accordance with the Master Direction - Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016 dated August 25, 2016, the Company has created a floating charge on the statutory liquid assets comprising of investment in government securities and bank deposits with Nationalised banks to the extent of ₹2987.22 Lakhs (March 31, 2025:₹2984.14 Lakhs) in favour of trustees representing the public deposit holders of the Company.

55 Refer note 3.1 Revenue from operations for the circumstances in which revenue recognition has been postponed pending uncertainty of realisation.

56 Registration of charges or satisfaction with Registrar of Companies (ROC)

All charges or satisfaction are registered with ROC within the statutory period for the financial years ended March 31, 2026 and March 31, 2025. No charges or satisfactions are yet to be registered with ROC beyond the statutory period.

57 Compliance with approved Scheme(s) of Arrangements

The Company has not approved any scheme of arrangements in the financial years ended March 31, 2026 and March 31, 2025.

58 Details Of Non-Performing Financial Assets Purchased/Sold

The Company has neither purchased nor sold any non performing financial asset during 2025-26 and 2024-25.

59 Advances Against Intangible Security

No finance has been made against the collateral of intangible security such as rights, licenses, authorizations, etc. in respect of projects (including infrastructure projects) during the year 2025-26 and 2024-25.

60 Details Of Financial Assets Sold To Securitization/Reconstruction Company For asset reconstruction

The Company has not sold any financial assets to Securitisation/Reconstruction Company for asset reconstruction during the financial year 2025-26 and 2024-25.

61 Draw Down From Reserves

No reserves have been draw down during the financial year 2025-26 and 2024-25.

62 Overseas Assets (For Those With Joint Ventures And Subsidiaries Abroad)

The Company does not have any joint venture or subsidiary overseas

63 Details Of Financing Of Parent Company Products

There is no parent Company to finance any product.

64 Postponement Of Revenue Recognition

There is no significant uncertainty which requires postponement of revenue recognition.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

65 Utilisation of Borrowed funds and share premium

The Company, as part of its normal business, grants loans and advances, makes investment, to and accept deposits and borrowings from its customers, other entities and persons. These transactions are part of Company's normal non-banking finance business, which is conducted ensuring adherence to all regulatory requirements.

Further, 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 persons or entities, 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 also not received any fund from any parties (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 Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

66 Undisclosed income

There are no transactions not recorded in the books of accounts.

67 Title deeds of Immovable Properties not held in name of the Company

The Company does not possess any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the Company during the financial year ended March 31, 2026 and March 31, 2025.

68 Relationship with Struck off Companies

The Company has not done any transactions with companies whose names have been struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 in the financial years ended March 31, 2026 and March 31, 2025.

69 Liquidity Coverage Ratio Disclosure

Disclosure as per circular no.RBI/2019-20/88 DOR.NBFC(PD)CC. No.102/03.10.001/2019-20 dated November 04,2019 issued by Reserve Bank of India on "Liquidity Coverage Ratio(LCR)" Liquidity Coverage Ratio (LCR) for the quarter ended March 31, 2026, December 31, 2025, September 30, 2025 and June 30, 2025.

(₹ in Crores)

Sr. No.	Particular	31-Mar-26		31-Dec-25		30-Sep-25		30-Jun-25	
		Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
	High Quality Liquid Assets								
1	#Total High Quality Liquid Assets (HQLA)	**28.48**	**24.42**	**27.87**	**23.78**	**27.13**	**23.02**	**31.63**	**27.47**
	Cash Outflow								
2	Deposits (for deposit taking companies)	2.65	3.05	3.95	4.54	8.99	10.34	7.16	8.24
3	Unsecured wholesale funding	0.17	0.20	0.32	0.36	0.75	0.86	0.07	0.09
4	Secured wholesale funding	66.11	76.02	61.32	70.52	56.61	65.10	55.58	63.92

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

Sr. No.	Particular	31-Mar-26		31-Dec-25		30-Sep-25		30-Jun-25	
		Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
5	Additional requirements, of which	-	-	-	-	-	-	-	-
(i)	Outflows related to derivative exposures and other	-	-	-	-	-	-	-	-
(ii)	Outflow related to loss of funding on debt product	-	-	-	-	-	-	-	-
(iii)	Credit and liquidity facilities	-	-	-	-	-	-	-	-
6	Other contractual funding obligations	12.41	14.27	12.05	13.86	11.44	13.15	10.19	11.72
7	Other contingent funding obligations	-	-	-	-	-	-	-	-
8	**TOTAL CASH OUTFLOW**	**81.34**	**93.54**	**77.64**	**89.28**	**77.79**	**89.46**	**73.01**	**83.96**
	Cash Inflows								
9	Secured lending	-	-	-	-	-	-	-	-
10	Inflow from fully performing exposures	117.78	88.33	120.13	90.10	106.75	80.06	106.74	80.06
11	Other cash inflow	0.61	0.46	0.76	0.57	0.73	0.55	0.66	0.49
12	**TOTAL CASH INFLOWS**	**118.39**	**88.79**	**120.89**	**90.67**	**107.47**	**80.61**	**107.40**	**80.55**
13	**TOTAL HQLA**		**24.42**		**23.78**		**23.02**		**27.47**
14	**TOTAL NET CASH OUTFLOWS**		**23.39**		**22.32**		**22.36**		**20.99**
15	**LIQUIDITY COVERAGE RATIO (%)**		**104.43**		**106.53**		**102.94**		**130.85**

Unweighted values calculated as outstanding balances maturing or callable within 30 days (for inflows and outflows).

Weighted values calculated after the application of respective haircuts (for HQLA) and stress factors on inflow and Outflow.

The figures pertaining to December 31, 2025, September 30, 2025 and June 30, 2025 are unaudited and are as represented by the management, which have been relied upon by the auditors.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

Classification of inflows and outflows for determining the run off factors is based on the same estimates and assumptions as used by the Company, which has been relied upon by the auditors.

Qualitative disclosure around Liquidity Coverage Ratio (LCR)

The Reserve Bank of India has prescribed Guidelines on Maintenance of Liquidity Coverage Ratio (LCR). All non-deposit taking NBFCs with asset size of Rs.10,000 crore and above, and all deposit taking NBFCs irrespective of their asset size, is required to maintain a liquidity buffer in terms of LCR which will promote resilience of NBFCs to potential liquidity disruptions by ensuring that they have sufficient High Quality Liquid Asset (HQLA) to survive any acute liquidity stress scenario lasting for 30 days. The stock of HQLA to be maintained by the NBFCs shall be minimum of 100% of total net cash outflows over the next 30 calendar days.

The LCR requirement was applicable from December 1, 2020 with the minimum HQLA s to be held being 85% of the LCR, progressively reaching a level upto 60%, 70%, 85% and 100% by December 1, 2021, December 1, 2022, December 1, 2023, December 1, 2024 respectively.

The LCR is calculated by dividing the company's stock of HQLA by its total net cash outflows over a 30-day stress period. "High Quality Liquid Assets (HQLA)" means liquid assets that can be readily sold or immediately converted into cash at little or no loss of value or used as collateral to obtain funds in a range of stress scenarios. Total Net cash outflows is defined as total expected cash outflows minus total expected cash inflows in the specified stress scenario for the subsequent 30 calendar days. The main drivers of LCR are adequate HQLAs and lower net cash outflow.

The average LCR for the quarter ended June 30, 2025, September 30, 2025, and December 31, 2025 is computed as simple averages of monthly observations over the previous quarter. The average LCR for the quarter ended March 31, 2026 is computed as simple averages of daily observations over the previous quarter.

The average LCR for the quarter ended March 31, 2026 is 104.43% which is well above the RBI regulatory requirement.

70 Liquidity Risk

Public Disclosure on Liquidity Risk for the quarter ended March 31, 2026 pursuant to RBI circular dated 4th November 2019 on Liquidity Risk Management Framework for Non- Banking Financial Companies and Core Investment Companies

(i) Funding concentration based on significant counterparty (both deposits and borrowings)

Sr. No.	Number of Significant counter parties	Amount (₹ in Crores)	% of total Deposits	% of Total Liabilities
1	25	1,216.53	-	79.14%

* None of the Depositors hold more than 1% of the Total Liabilities

(ii) Top 20 large deposits **(₹ in Crores)**

Particulars	As at March 31st, 2026
Total amount of Top 20 Large Deposits	40.54
% of amount of Top 20 Large Deposits to Total Deposits	29.85%

(iii) Top 10 borrowings (Note: All borrowing other than deposits) **(₹ in Crores)**

Particulars	As at March 31st, 2026
Total amount of Top 10 Borrowings	790.54
% of amount of Top 10 Borrowings to Total Borrowings	58.63%

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

(iv) Funding Concentration based on significant instrument / product **(₹ in Crores)**

Sl. No.	Name of the Instrument/product	Amount	% of Total Liabilities
1	Non-Convertible Debentures	195.37	12.71%
2	Term loan	1010.55	65.74%
3	Public Deposits	102.88	6.69%
4	Commercial paper	0.00	0.00%
5	Cash credit	34.10	2.22%
6	Other Bank Borrowings	108.28	7.04%

(v) Stock Ratios:

Sl. No.	Name of the Instrument / Product	As a % of Total Public Funds	As a % of Total Liabilities	As a % of Total Assets
1	Commercial papers as a percent of total public funds, total liabilities and total assets	0.00	0.00	0.00
2	Non-convertible debentures (original maturity of less than one year) as a percent of total public funds, total liabilities and total assets	0.00	0.00	0.00
3	Other short-term liabilities, if any as a percent of total public funds, total liabilities and total assets	58.45	52.32	38.65

(vi) Institutional setup for Liquidity Risk management

Refer note no. 46 Risk management structure and Liquidity Risk and Funding Management for Institutional setup for Liquidity Risk Management

Board has setup the Executive level Asset Liability Management Committee (ALCO) and Risk Management Committee to manage various risks of the Company. ALCO meets on a regular basis and is responsible for ensuring adherence to the risk tolerance/limits set by the Board including the Liquidity risk of the Company. The performance of the ALCO is reviewed by Board.

The Company has formulated a policy on Liquidity Risk Management Framework. Accordingly, the Company,

➢ Performs stress testing on a quarterly basis which enables the Company to estimate the liquidity requirements as well as adequacy and cost of the liquidity buffer under stressed conditions.

➢ Has also formulated a contingency funding plan as a part of the outcome of stress testing results.

➢ Monitors liquidity risk based on ‘Stock’ approach to liquidity by way of pre-defined internal limits for various critical ratios pertaining to liquidity risk.

The Company has diversified source of funding to ensure that there is no significant source, the withdrawal of which could trigger liquidity problems.

The Company monitors cumulative mismatches across all time buckets by establishing internal prudential limits. The Company maintains adequate liquidity buffer of readily marketable assets, to protect itself against any liquidity risk at the same time is mindful of the cost associated with it.

Notes:

1. As per the circular issued by RBI on Liquidity Risk Management Framework for Non- Banking Financial Companies and Core Investment Companies dated 04th Nov 2019, “Significant counterparty” is defined as a single counter party or group of connected or affiliated counter parties accounting in aggregate for more than 1% of the total Liabilities.

2. Total Liabilities represent ‘Total Liabilities and Equity’ as per Balance sheet less Equity.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

3. Public funds are as defined in Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.
4. Other Short-term liabilities represent all Short-term borrowings other than CPs.

71 Disclosure of complaints

Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman:

Sr. No.	Particulars	Current Year	Previous Year
	Complaints received by the NBFC from its customers		
1	Number of complaints pending at beginning of the year	14	4
2	Number of complaints received during the year	401	302
3	Number of complaints disposed during the year	406	292
3.1	**Of which, number of complaints rejected by the NBFC**	29	3
4	Number of complaints pending at the end of the year	9	14
4.1	Maintainable complaints received by the NBFC from Office of Ombudsman	-	-
5	**Number of maintainable complaints received by the NBFC from Office of Ombudsman**	10	13
5.1	Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	10	12
5.2	Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	-	-
5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	-	1
6	Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

Top five grounds of complaints received by the NBFCs from customers					
Grounds of complaints, (i.e. complaints relating to)	**Number of complaints pending at the beginning of the year**	**Number of complaints received during the year**	**% increase/ decrease in the number of complaints received over the previous year**	**Number of complaints pending at the end of the year**	**Of 5, number of complaints pending beyond 30 days**
1	2	3	4	5	6
Year ended March 31,2026					
CIBIL related complaints	10	114	16.33%	6	*1
Customer Services related complaints	-	41	46.43%	-	-
NOC related complaints	-	46	39.39%	-	-
Penalty charges related complaints	3	90	8.43%	2	-
CIBIL and NOC related complaints	-	-	-	-	-
Vehicle Key and other related Documents	-	13	-	-	-
Vehicle Repossession Related Complaints	-	23	-	-	-
Down-Payment Related Complaints	-	3	-	-	-
Others	1	71	20.34%	1	-
Total	**14**	**401**	**-**	**9**	**0**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

Top five grounds of complaints received by the NBFCs from customers					
Grounds of complaints, (i.e. complaints relating to)	**Number of complaints pending at the beginning of the year**	**Number of complaints received during the year**	**% increase/ decrease in the number of complaints received over the previous year**	**Number of complaints pending at the end of the year**	**Of 5, number of complaints pending beyond 30 days**
Year ended March 31,2025					
CIBIL related complaints	-	98	-3.92%	10	-
Customer Services related complaints	-	28	-17.64%	-	-
NOC related complaints	2	33	-76.92%	-	-
Penalty charges related complaints	1	83	12.16%	3	-
CIBIL and NOC related complaints	-	1	-66.66%	-	-
Others	1	59	-3.28%	1	-
Total	**4**	**302**	**-**	**14**	**0**

*The complaint was received on May 02, 2025. It was resolved on May 30, 2025 i.e. within due timelines as per confirmation from CIC. However, due to technical issue at the end of CIC, the report was shared by CIC on June 02, 2025 . The Company shared the report to the complainant on the same day of its receipt.

72 Details of Registration with Financials Regulators

Sr.No	Regulator	Registration No.
1	Ministry of Company Affairs	U65929MH1990PLC057829
2	Reserve Bank of India	13.01109

During the year the Company has not obtained any registrations from other financial regulators

73 Rating assigned by Credit Rating Agencies

Sr. No.	ISIN/Instrument Name	CRISIL Rating	ICRA Rating	India Ratings
1	Fixed Deposits Programme	BBB + ; Stable (Triple B Plus ; Outlook: Stable)	-	-
2	Long Term Bank Facilities	BBB + ; Stable (Triple B Plus ; Outlook: Stable)	-	-
3	Non-Convertible Debentures	BBB + ; Stable (Triple B Plus ; Outlook: Stable)	1. BBB; (Stable) (Triple B; Outlook: Stable); reaffirmed and withdrawn 2. BBB (Stable) (Triple B; Outlook: Stable) reaffirmed and Withdrawn	IND BBB + (Triple B Plus ; Outlook; Stable)
4	Securitisation Transactions			
	-Knight 09 2023	-	A + (Outlook: Stable); upgrade	-
	-Hulk 2024	-	A- (Outlook: Stable); reaffirmed	
	-Duchess 2024	-	A- (Outlook: Stable); reaffirmed	-
	Sentinel 2025	-	A- (Outlook: Stable); assigned	-
	Norton 06 2025	-	BBB + (Outlook: Stable); assigned	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

Sr. No.	ISIN/Instrument Name	CRISIL Rating	ICRA Rating	India Ratings
	Akaay 08 2025	-	A+ (Outlook: Stable); assigned	-
	Drift 08 2025		A+ (Outlook: Stable); assigned	-
	Manav 12 2025	A+ (Outlook: Stable); assigned	-	-

74 Concentration of Deposits, Advances, Exposures and Stage III Assets as on 31st March 2026:

a Concentration of Deposits **(₹ in Crores)**

Particulars	Amount
Total Deposits of Twenty Largest Depositors	40.54
Percentage of Deposits of Twenty largest depositors to Total Deposits	29.85%

b. Concentration of Advances **(₹ in Crores)**

Particulars	Amount
Total Advances of Twenty Largest borrowers	3.78
Percentage of Advances of Twenty largest borrowers to Total Advances	0.21%

c. Concentration of Exposures **(₹ in Crores)**

Particulars	Amount
Total Exposure of Twenty Largest borrowers	3.78
Percentage of Exposure of Twenty largest borrowers to Total Exposure	0.21%

d. Concentration of NPAs **(₹ in Crores)**

Particulars	Amount
Total Exposure of Top Four NPAs	0.49

75 Movements of NPAs

(₹ in Crores)

Sr. No.	Particulars	As at 31st March 2026	As at 31st March 2025
i.	**Net NPAs to Net Advances (%)**	2.32%	2.89%
ii.	**Movements of NPAs (Gross)**		
	a. Opening Balances	61.33	50.99
	b. Addition during the year	40.39	43.62
	c. Reduction during the year	35.06	33.28
	d. Closing Balance	66.66	61.33
iii.	**Movements of Net NPAs**		
	a. Opening Balances	39.35	30.84
	b. Addition during the year	36.64	41.80
	c. Reduction during the year	35.06	33.29
	d. Closing Balance	40.93	39.35

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

Sr. No.	Particulars	As at 31st March 2026	As at 31st March 2025
iv.	**Movement of provisions for NPAs (excluding provisions on standard assets)**		
	a. Opening Balances	21.98	20.16
	b. Provision made during the year	3.75	1.82
	c. Write-off/ Write back of excess provision	-.00	-.00
	d. Closing Balance	25.73	21.98

76 Provisions and Contingencies

(₹ in Crores)

Break up of Provisions and Contingencies shows under the head Expenditure in Profit and Loss Accounts	For the Year Ended 31st March 2026	For the Year Ended 31st March 2025
Provisions for depreciation on Investment	-	-
Provision towards NPA	25.73	21.98
Provision made towards Income tax (Excluding deffered tax)	12.89	9.42
Other Provision and Contingencies	2.33	2.27
Provision for Standard Assets	16.99	11.85

77 Disclosure of Frauds reported during the year vide DNBS.PD.CC.NO. 256/03.10.042/2011-12 Dated March 02,2012:

Instances of fraud for the year ended March 31, 2026 (₹ in Lakhs)

No of Cases	Nature of Fraud	Amount of Fraud	Recovery	Write off
-	Fraud committed by employees	-	-	-
1	Fraud committed by borrowers and outsiders	20.00	10.00	-

There are certain instances reported in risk based internal audit reports of the company where in the recovery proceeds collected by the employee were not deposited in Company's bank account but were deposited after the lapse was identified by the Internal audit team of the Ccompany.The management does not view these instances as fraud as there was only delay in deposit of the recovery proceeds and no loss was incurred by the Company.

Instances of fraud for the year ended March 31, 2025 (₹ in Lakhs)

No of Cases	Nature of Fraud	Amount of Fraud	Recovery	Write off
1	Fraud committed by employees	1.85	0.97	-
-	Fraud committed by borrowers and outsiders	-	-	-

78 During the year Company has not given any advances with intangible collateral such as charge over the rights, licenses, authority etc.

79 Penalties Imposed by RBI and Other Regulators

During the current financial year, the Company was levied a fine of ₹10,000 by BSE Ltd for a one-day delay in intimating the record date for payment of interest, as required under Regulation 60(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. No penalty was imposed by the Reserve Bank of India (RBI) or any other regulator during the previous financial year.

80 Derivatives

The Company has no transactions/exposure in derivatise in the current year and previous year.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

81 Investments

(₹ in Crores)

Sr. No.	Particulars	As at 31st March 2026	As at 31st March 2025
1.	**Value of Investments**		
	(i) Gross Value of Investments		
	(a) In India	20.04	20.03
	(b) Outside India	-	-
	(ii) Provision for Depreciation		
	(a) In India	-	-
	(b) Outside India	-	-
	(iii) Net Value of Investments		
	(a) In India	20.04	20.03
	(b) Outside India	-	-
2.	**Movement of Provision held towards depreciation on Investments**		
	(i) Opening Balances	-	-
	(ii) Add: Provision made during the year	-	-
	(iii) Less: Write off/Write-back of excess provision during the year	-	-
	(iv) Closing Balances	-	-

82 Disclosures relating to Securitisation

(₹ in Crores)

Particulars	As at 31st March 2026	As at 31st March 2025
1. No of SPEs holding assets for securitisation transactions originated by the originator (only the SPVs relating to outstanding securitisation exposures to be reported here)	7.00	5.00
2. Total amount of securitised assets as per books of the SPEs	172.55	98.31
3. Total amount of exposures retained by the originator to comply with MRR as on the date of balance sheet	31.12	18.58
a) Off-balance sheet exposures	-	-
First loss	-	-
Others	-	-
b) On-balance sheet exposures	-	-
First loss (In the form of Fixed Deposit)	9.74	5.57
Others (MRR)	21.38	13.01
4. Amount of exposures to securitisation transactions other than MRR	-	-
a) Off-balance sheet exposures	-	-
i) Exposure to Own Securitisations	-	-
First loss	-	-
Others	-	-
ii) Exposure to third party Securitisations	-	-
First loss	-	-
Others	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

Particulars	As at 31st March 2026	As at 31st March 2025
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 securitisation	172.55	98.31
6. Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc	-	-
7. Performance of facility provided. Please provide separately for each facility viz. Credit enhancement, liquidity support, servicing agent etc. Mention percent in bracket as of total value of facility provided	-	-
i) Credit enhancement (15%)_Knight 09 2023		
(a) Amount paid	-	-
(b) Repayment Received	-	-
(c) Outstanding Amount	-	7.08
ii) Credit enhancement (15%)_Hulk 2024		
(a) Amount paid		
(b) Repayment Received	-	-
(c) Outstanding Amount	16.06	26.61
iii) Credit enhancement 20%_ Horse power 07 2024	-	-
(a) Amount paid		
(b) Repayment Received		
(c) Outstanding Amount	-	10.74
iv) Credit enhancement (17%)_Trisul 09 2024		
(a) Amount paid	-	-
(b) Repayment Received	-	-
(c) Outstanding Amount	-	22.08
v) Credit enhancement (15%)_Duchess 2024		
(a) Amount paid	-	-
(b) Repayment Received	-	-
(c) Outstanding Amount	13.81	14.19
vi) Credit enhancement (16%)_Sentinel		
(a) Amount paid	-	-
(b) Repayment Received	-	-
(c) Outstanding Amount	23.93	-
vii) Credit enhancement (14%)_Norton		
(a) Amount paid	-	-
(b) Repayment Received	-	-
(c) Outstanding Amount	16.91	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

Particulars	As at 31st March 2026	As at 31st March 2025
viii) Credit enhancement (18%)_Akaay		
(a) Amount paid	-	-
(b) Repayment Received	-	-
(c) Outstanding Amount	19.25	-
ix) Credit enhancement (18%)_Drift		
(a) Amount paid	-	-
(b) Repayment Received	-	-
(c) Outstanding Amount	14.29	-
x) Credit enhancement (18%)_Maanav		
(a) Amount paid	-	-
(b) Repayment Received	-	-
(c) Outstanding Amount	29.50	-
8. Average default rate of portfolios observed in the past. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc	1.56%	1.33%
9. Amount and number of additional / top up loan given on same underlying asset. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans, etc.	Nil	Nil
10. Investor complaints		
(a) Directly/Indirectly received	-	-
(b) Complaints Outstanding	Nil	Nil

83 Disclosure of Loan transfer through Assignment

The company has not undertaken any assignment transactions during the year ended March 31, 2026 and March 31, 2025

84 Disclosure of Loan transfer through Co-Lending

The company has not undertaken any Co-lending transactions during the year ended March 31, 2026 and March 31, 2025

85 Disclosure Pursuant to Reserve Bank of India Notification DNBS.200/CGM(PK)-2008 dated 1 August 2008

Capital Adequacy Ratio

Particulars	As at 31st March 2026	As at 31st March 2025
Capital Ratio		
CRAR - Tier I Capital (%)	25.09%	22.01%
CRAR - Tier II Capital (%)	0.00%	0.27%
Total Capital (%)	25.09%	22.28%

86 The Company has Outstanding unsecured loan as on 31st March 2026 of ₹208.92 (31st March 2025 ₹ 397.80) Lakhs as a personal loans to the borrowers. Personal loans are partly secured by assignment/pledge of life insurances polices, shares and other securities or are unsecured.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

87 Disclosure pursuant to Ind AS 107 "Financial Instruments - Disclosures"

(a) Expected credit loss - Loans: (₹ in Lakhs)

Particulars		As at March 31, 2026			As at March 31, 2025		
		Gross carrying	Expected Credit Loss	Carrying amount net of impairment provision	Gross carrying amount	Expected Credit Loss	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit losses	Financial assets for which credit risk has not increased significantly since initial recognition	1,66,378.34	1,009.22	1,65,369.12	1,26,096.34	671.90	1,25,424.44
Loss allowance measured at life-time expected credit losses	Financial assets for which credit risk has increased significantly and not credit-impaired	6,156.99	689.92	5,467.07	6,076.61	513.60	5,563.01
	Financial assets for which credit risk has increased significantly and credit-impaired	6,667.09	2,573.17	4,093.92	6,133.44	2,197.93	3,935.51
Total		**1,79,202.42**	**4,272.31**	**1,74,930.11**	**1,38,306.39**	**3,383.43**	**1,34,922.96**

(b) Reconciliation of loss allowance provision - Loans: (₹ in Lakhs)

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL as on March 31, 2024	**840.20**	**698.83**	**2,015.68**	**3,554.71**
New assets originated or purchased	434.59	212.36	280.35	927.30
Amount written off	(405.80)	(7.39)	(936.43)	(1,349.62)
Transfers to Stage 1	271.53	(180.02)	(91.51)	-
Transfers to Stage 2	(60.01)	93.23	(33.22)	-
Transfers to Stage 3	(49.97)	(204.08)	254.05	-
Impact on year end ECL of exposures transferred between stages during the year and reversal of ECL on account of recovery	(358.64)	(99.33)	709.01	251.04
ECL as on March 31, 2025	**671.90**	**513.60**	**2,197.93**	**3,383.43**
New assets originated or purchased	590.38	218.40	181.27	990.05
Amount written off	(328.12)	(7.11)	(891.26)	(1,226.49)
Transfers to Stage 1	176.36	(103.98)	(72.38)	-
Transfers to Stage 2	(54.26)	74.59	(20.33)	-
Transfers to Stage 3	(43.65)	(171.10)	214.75	-
Impact on year end ECL of exposures transferred between stages during the year and reversal of ECL on account of recovery	(3.38)	165.51	963.19	1,125.32
ECL as on March 31, 2026	**1,009.23**	**689.91**	**2,573.17**	**4,272.31**

(c) Reconciliation of Gross carrying amount - Loans: **(₹ in Lakhs)**

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as on March 31, 2024	**98,623.33**	**8,039.58**	**5,099.39**	**111,762.30**
New assets originated or purchased	92,052.02	2,519.86	784.87	95,356.75
Amount written off	(116.69)	(66.43)	(3,011.29)	(3,194.41)
Transfers to Stage 1	2,424.66	(2,193.15)	(231.51)	(0.00)
Transfers to Stage 2	(5,332.52)	5,416.86	(84.34)	(0.00)
Transfers to Stage 3	(3,802.62)	(2,226.85)	6,029.47	-
Net Recovery	(57,751.84)	(5,413.26)	(2,453.15)	(65,618.25)
Gross carrying amount as on March 31, 2025	**126,096.34**	**6,076.61**	**6,133.44**	**138,306.39**
New assets originated or purchased	120,334.61	1,899.57	438.17	122,672.35
Amount written off	(246.50)	(43.06)	(3,118.43)	(3,407.99)
Transfers to Stage 1	1,523.68	(1,322.99)	(200.69)	-
Transfers to Stage 2	(6,751.67)	6,808.63	(56.96)	-
Transfers to Stage 3	(4,257.10)	(1,935.31)	6,192.41	-
Net Recovery	(70,321.01)	(5,326.47)	(2,720.85)	(78,368.33)
Gross carrying amount as on March 31, 2026	**166,378.35**	**6,156.98**	**6,667.09**	**179,202.42**

(d) DISCLOSURE AS REQUIRED UNDER RBI NOTIFICATION NO. RBI/2019-20/170 DOR (NBFC).CC.PD. NO.109/22.10.106/2019-20

DATED MARCH 13 2020 ON IMPLEMENTATION OF INDIAN ACCOUNTING STANDARDS

A comparison between provisions required under extant prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP) and impairment allowances made under Ind AS 109

As on March 2026 **(₹ in Lakhs)**

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
1	**2**	**3**	**4**	**5=3-4**	**6**	**7=4-6**
Performing assets						
Standard	**Stage-1**	**166,378.34**	**1,009.22**	**165,369.12**	**665.14**	**344.08**
	Stage-2	**6,156.99**	**689.92**	**5,467.07**	**24.63**	**665.29**
Subtotal		**172,535.33**	**1,699.14**	**170,836.19**	**689.77**	**1,009.37**
Non-Performing Assets (NPA)						
Substandard	**Stage 3**	**2,685.97**	**1,052.82**	**1,633.15**	**269.83**	**782.99**
Doubtful - up to 1 year	**Stage 3**	**1,548.91**	**617.90**	**931.01**	**316.27**	**301.63**
1 to 3 years	**Stage 3**	2,423.58	897.19	**1,526.39**	741.53	**155.66**
More than 3 years	**Stage 3**	**8.63**	**5.26**	**3.37**	**4.47**	**0.79**
Subtotal for doubtful		**3,981.12**	**1,520.35**	**2,460.77**	**1,062.27**	**458.08**
Loss	**Stage 3**	**-**				
Subtotal for NPA		**6,667.09**	**2,573.17**	**4,093.92**	**1,332.10**	**1,241.07**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

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	**Stage 1**	**166,378.34**	**1,009.22**	**165,369.12**	**665.14**	**344.08**
	Stage 2	6,156.99	689.92	5,467.07	24.63	665.29
Total	**Stage 3**	6,667.09	2,573.17	4,093.92	1,332.10	1,241.07
	Total	179,202.42	4,272.31	174,930.11	2,021.87	2,250.44

As on March 2025 **(₹ in Lakhs)**

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
1	2	3	4	5= 3-4	6	7= 4-6
Performing assets						
Standard	**Stage 1**	**126,096.34**	**671.90**	**125,424.44**	**504.39**	**167.51**
	Stage 2	**6,076.61**	**513.60**	**5,563.01**	**24.30**	**489.30**
Subtotal		**132,172.95**	**1,185.50**	**130,987.45**	**528.69**	**656.81**
Non-Performing Assets (NPA)						
Substandard	**Stage 3**	**2,826.48**	**1,012.80**	**1,813.68**	**283.44**	**729.36**
Doubtful - up to 1 year	**Stage 3**	**1,510.72**	**540.81**	**969.91**	**312.07**	**228.74**
1 to 3 years	**Stage 3**	1,791.34	642.57	**1,148.77**	549.31	**93.26**
More than 3 years	**Stage 3**	**4.90**	**1.75**	**3.15**	**1.65**	**0.10**
Subtotal for doubtful		**3,306.96**	**1,185.13**	**2,121.83**	**863.03**	**322.10**
Loss	**Stage 3**	-				
Subtotal for NPA		**6,133.44**	**2,197.93**	**3,935.51**	**1,146.47**	**1,051.46**
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**	-	-	-	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal	**Stage 1**	**126,096.34**	**671.90**	**125,424.44**	**504.39**	**167.51**
	Stage 2	6,076.61	513.60	5,563.01	24.30	489.30
Total	**Stage 3**	6,133.44	2,197.93	3,935.51	1,146.47	1,051.46
	Total	138,306.39	3,383.43	134,922.96	1,675.16	1,708.27

88 Asset Liability Management Maturity Pattern of certain items of Assets & Liabilities

As at 31st March 2026 **(₹ in Crores)**

Particulars	0 day to 7 days	8 days to 14 days	15 days to 30/31 days (One month)	Over 1 month up to 2 months	Over 2 month up to 3 months	Over 3 month & up to 6 months	Over 6 month & up to 1 Year	Over 1 Year & up to 3 Years	Over 3 Years up to 5 Years	Over 5 Years	Total
Deposits	1.00	1.10	2.16	2.84	5.21	29.69	32.22	57.25	4.36	0.00	135.83
Advances (Net of Provision)	22.52	52.94	40.64	96.13	92.39	268.01	457.09	636.88	23.19	59.51	1749.30
Investments	-	-	-	-	-	-	1.44	1.12	2.45	15.22	20.23
Borrowing	16.88	9.37	47.75	94.52	56.23	170.82	334.84	602.85	15.03	0.00	1348.29

As at 31st March 2025 **(₹ in Crores)**

Particulars	0 day to 7 days	8 days to 14 days	15 days to 30/31 days (One month)	Over 1 month up to 2 months	Over 2 month up to 3 months	Over 3 month & up to 6 months	Over 6 month & up to 1 Year	Over 1 Year & up to 3 Years	Over 3 Years up to 5 Years	Over 5 Years	Total
Deposits	2.76	4.89	11.39	7.20	7.16	23.17	28.33	85.03	26.57	0.00	196.49
Advances (Net of Provision)	1.86	24.66	62.89	76.38	73.43	211.65	356.84	487.40	17.53	36.60	1349.23
Investments	-	-	-	-	-	-	-	1.86	3.09	15.28	20.23
Borrowing	12.70	2.70	42.11	47.08	53.42	132.28	273.15	445.72	6.16	0.00	1015.32

89 Previous year's figures have been regrouped/reclassified wherever necessary, to conform to current year's classification

Summary of Material accounting policies 1 to 4

The accompanying notes are an integral part of the financials statements 5 to 89

As per our Report of even date attached
For N. A. Shah Associates LLP
Chartered Accountants
Firm Registration Number : 116560W/W100149

For and On Behalf of Board of Directors
Berar Finance Limited

Rajesh Vasudevan
Chairman
DIN: 02711990

S.M.Jawanjal
Managing Director
DIN: 01490054

CA Bhavin Kapadia
Membership No :118991

Yogesh Tahalyani
Chief Financial Officer
Nagpur

D.R.Balpande
Company Secretary
Nagpur

Place : Mumbai
Date : 19th May 2026

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

1 Exposure

1.1 Exposure to real estate sector

(₹ in Lakhs)

Particulars	Current year	Previous year
Exposure to real estate sector		
i) Direct exposure		
a) Residential Mortgages –	8,072.39	3,488.23
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. Exposure would also include non-fund based (NFB) limits.		
b) Commercial Real Estate –	-	-
Lending secured by mortgages on commercial real estate (office buildings, retail space, multipurpose commercial premises, multifamily residential buildings, multi tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development & construction, etc.). Exposure would also include non-fund based (NFB) limits.		
c) Investments in Mortgage-Backed Securities (MBS) and othersecuritized exposures	-	-
i. Residential		
ii. Commercial Real Estate		
iii) Indirect Exposure		
Fund based and non-fund-based exposures on National Housing Bank and Housing Finance	-	-
Total Exposure to real state sector	**8,072.39**	**3,488.23**

1.2 Exposure to capital market

(₹ in Lakhs)

Exposure to capital market	Current year	Previous year
i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt	18.55	20.09
ii) Advances against shares/bonds/debentures or other securities or on clean basis to individuals for investment in shares (including IPOs/ ESOPs), convertible bonds, convertible debentures, and units of equity oriented mutual funds	-	-
iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security	-	-
iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares/convertible bonds/convertible debentures/units of equity oriented mutual funds does not fully cover the advances	-	-
v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers	-	-
vi) Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

Exposure to capital market	Current year	Previous year
vii) Bridge loans to companies against expected equity flows / issues	-	-
viii) Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	-	-
ix) Financing to stockbrokers for margin trading	-	-
x) All exposures to Alternative Investment Funds:		
(i) Category I	-	-
(ii) Category II		
(iii) Category III		
Total exposure to capital market	**18.55**	**20.09**

1.3 Sectoral Exposure

(₹ in crore)

Sector	Current year			Previous year		
	Total exposure (including on balance sheet and off balance sheet exposure)	Gross NPA	Percentage of gross NPA to total exposure in that sector	Total exposure (including on balance sheet and off balance sheet exposure)	Gross NPA	Percentage of gross NPA to total exposure in that sector
1) Agriculture and allied activities	-	-	-	-	-	-
2) Industry						
i)	-	-	-	-	-	-
Others	-	-	-	-	-	-
Total of industry	-	-	-	-	-	-
3) Services						
i) MSME	80.72	1.98	2.45%	34.88	0.11	0.32%
Others	-	-	-	-	-	-
Total of services	80.72	1.98	2.45%	34.88	0.11	0.32%
4) Personal loans						
i) Unsecured personal loans	2.09	0.34	16.27%	3.98	0.46	11.56%
ii) Vehicle/auto loans	1,708.28	64.35	3.77%	1,343.01	60.76	4.52%
iii) Loans against deposits	0.94	-	-	1.19	-	-
Others	-	-	-	-	-	-
Total of Personal loans	1,711.31	64.69	3.78%	1,348.18	61.22	4.54%
5) Others, if any	-	-	-	-	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

Related Party Disclosure (₹ in crore)

Nature of Transaction	Director/Key Management Personnel		Relatives of Director/Key Management Personnel		Others	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Borrowings	-	-	-	-	-	-
Deposits Repaid	0.32	0.60	0.67	1.82	-	-
Placement of Deposits	0.77	1.03	0.89	1.10	-	-
Advances	-	-	-	-	-	-
Investments	-	-	-	-	-	-
Purchase of fixed/other assets	-	-	-	-	-	-
Sale of fixed/other assets	-	-	-	-	-	-
Interest Paid	0.16	0.12	0.21	0.21	-	-
Interest Received	0.00	0.00	-	-	-	-
Others	-	-	-	-	-	-
Dividend Paid	0.17	0.14	0.35	0.29	-	-
Remuneration	2.89	2.71	0.10	0.10	-	-
Director sitting fees	0.30	0.16	-	-	-	-
Loans Granted	0.08	0.03	-	-	-	-
Loans Repaid	0.08	0.03	-	-	-	-

***Exposures to related party**

(₹ in crore)

Sr No.	Particulars	Current year	Previous Year
	A. Loans to related parties		
1	Aggregate value of loans sanctioned to related parties during the year	0	0
2	Aggregate value of outstanding loans to related parties as on 31st March	0	0
3	Aggregate value of outstanding loans to related parties as a proportion of total credit exposure as on 31st March (in %)	0.00%	0.00%
4	Aggregate value of outstanding loans to related parties which are categorized as:		
	(i) Special Mention Accounts as on 31st March	0	0
	(ii) Non-Performing Assets as on 31st March	0	0
5	Amount of provisions held in respect of loans to related parties as on 31st March	**0**	**0**

B. Contracts and Arrangements involving Related Parties

(₹ in crore)

Sr No.	Particulars	Current year	Previous Year
	A. Loans to related parties		
1	Aggregate value of contracts and arrangements awarded to related parties during the year	0	0
2	Aggregate value of outstanding contracts and arrangements involving related parties as on 31st March	0	0

*Note: The amount advanced to the Chairman was granted against deposits maintained with the Company and is fully secured by such deposits. Accordingly, the same is not considered an exposure requiring disclosure under the aforesaid reporting requirement.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

SCHEDULE TO THE BALANCE SHEET FOR THE YEAR ENDED 31ST MARCH 2026

The disclosures have been made in accordance with the requirements of the Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025, as amended from time to time.

(₹ in Lakhs)

Sr. No	Particulars	Amount outstanding	Amount overdue
	Liabilities :		
(1)	Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid :		
	(a) Debentures : Secured	19,536.78	-
	Unsecured (other than falling within the meaning of public deposits)	-	-
	(b) Deferred credits	-	-
	(c) Term Loans	111,882.38	-
	(d) Inter-corporate loans and borrowing	2,980.16	-
	(e) Commercial Paper	-	-
	(f) Public deposits (Including deposits from directors and their relatives	10,602.61	40.93
	(h) Cash Credit & Working Capital Demand Loan	3,409.89	-
	Total	**148,411.82**	**40.93**
(2)	Break-up of (1) (f) above (outstanding public deposits inclusive of interest accrued thereon but not paid) :		
	(a) In the form of unsecured debentures	-	-
	(b) In the form of partly secured	-	-
	debentures i.e. debentures where there is a shortfall in the value of security		
	(c) Other Public Deposits	10,602.61	40.93

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

(₹ in Lakhs)

No.	Particulars	Amount Outstanding	Amount overdue
	Assets :		
3	**Break-up of loans and advances including bills receivables [other than those included in (4) below]**		
	(a) Secured	94.33	-
	(b) Unsecured	208.92	-
4	**Break-up of leased assets and stock on hire and other assets counting towards AFC activities**		
	(i) Lease assets including lease rentals under sundry debtors :		
	(a) Financial lease	-	-
	(b) Operating lease	-	-
	(ii) Stock on hire including hire charges under sundry debtors:		
	(a) Assets on hire	-	-
	(b) Repossessed assets	-	-
	(iii) Other loans counting towards AFC activities		
	(a) Loans where assets have been repossessed	-	-
	(b) Loans other than (a) above	178,899.17	-
5	**Break-up of Investments :**		
	Current Investments :		
	1. Quoted :		
	(i) Shares : (a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government securities	-	-
	(v) Others (please specify) Investment in Alternative Instrument Fund		
	2. Unquoted :		
	(i) Shares: (a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government securities	-	-
	(v) Others (please specify)	-	-
	Long Term Investments :		
	1. Quoted :		
	(i) Shares: (a) Equity	18.55	-
	(b) Preference	-	-
	(ii) Debentures and bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government securities	2,004.36	-
	(v) Others (please specify)	-	-
	2. Unquoted :		-
	(i) Shares: (a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government securities	-	-
	(v) Others (please specify)	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

6 Borrower group-wise classification of assets financed as in 3 4 & 5 & above **(₹ in Lakhs)**

Sr. No	Category	Amount net of provisions		
		Secured	Unsecured	Total
(i)	**Related parties**			
	(a) Subsidiaries	-	-	-
	(b) Companies in the same group	-	-	-
	(c) Other related parties	-	-	-
(ii)	**Other than related parties**	174,740.56	189.55	174,930.11
	Total	**174,740.56**	**189.55**	**174,930.11**

7 Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :

(₹ in Lakhs)

Sr. No	Category	Market Value/Breakup or fair value of NAV	Book Value (Net of Provisions)
(i)	**Related parties**		
	(a) Subsidiaries	-	-
	(b) Companies in the same group	-	-
	(c) Other related parties	-	-
(ii)	**Other than related parties**	2021.05	2022.91
	Total	**2021.05**	**2022.91**

8 Other information **(₹ in Lakhs)**

Sr. No	Particulars	Amount
(i)	Gross Non-Performing Assets	
	(a) Related parties	-
	(b) Other than related parties	6,667.09
(ii)	Net Non-Performing Assets	
	(a) Related partied	-
	(b) Other than related parties	4,093.92
(iii)	Assets acquired in satisfaction of debt	-

As per our Report of even date attached
For N. A. Shah Associates LLP
Chartered Accountants
Firm Registration Number : 116560W/W100149

For and On Behalf of Board of Directors
Berar Finance Limited

Rajesh Vasudevan
Chairman
DIN: 02711990

S.M.Jawanjal
Managing Director
DIN: 01490054

CA Bhavin Kapadia
Membership No :118991

Yogesh Tahalyani
Chief Financial Officer
Nagpur

D.R.Balpande
Company Secretary
Nagpur

Place : Mumbai
Date : 19th May 2026

FINANCIAL HIGHLIGHTS

(₹ in Lakhs)

YEAR	PAID-UP CAPITAL	NET WORTH	TOTAL ASSETS	PROFIT BEFORE TAX	PROFIT AFTER TAX	DIVIDEND	
						Rate%	AMOUNT
1990-91	1.44	1.50	3.03	0.06	0.06	--	--
1994-95	20.75	38.14	74.88	6.45	5.80	26.00%	4.07
1995-96	26.00	44.40	124.95	8.07	6.09	20.00%	5.04
1996-97	30.00	48.94	174.86	11.16	5.15	14.00%	3.72
1997-98	30.00	52.72	224.24	19.15	10.00	16.00%	4.80
1998-99	30.00	59.80	223.71	20.22	12.97	16.00%	4.80
1999-00	30.00	61.41	247.47	16.47	8.55	16.00%	4.80
2000-01	36.00	70.22	280.79	17.78	9.15	16.00%	4.92
2001-02	50.00	109.28	374.83	31.84	22.74	17.00%	7.70
2002-03	80.00	187.27	748.88	55.55	34.57	18.00%	14.40
2003-04	102.55	256.21	865.80	81.84	52.70	18.00%	15.55
2004-05	102.55	307.02	1,155.50	112.80	75.73	20.00%	20.51
2005-06	163.50	452.20	1,392.69	126.43	83.88	22.00%	26.04
2006-07	310.00	715.98	1,956.10	153.81	101.36	22.50%	44.64
2007-08	* 620.00	780.25	2,619.22	228.63	153.54	* 12.50%	90.67
2008-09	700.00	978.58	3,486.60	336.82	218.98	13.00%	100.66
2009-10	700.00	1,119.71	4,100.69	379.84	247.60	13.00%	106.47
2010-11	700.00	1,361.79	5,206.99	545.56	355.98	14.00%	113.90
2011-12	750.00	1,695.14	6,377.90	601.90	399.37	14.00%	116.01
2012-13	800.00	2,099.90	9,076.85	732.20	492.46	15.00%	137.70
2013-14	800.00	2,534.23	11,125.49	863.19	574.74	15.00%	140.39
2014-15	800.00	3,091.63	14,788.92	1,053.41	677.75	12.50%	120.35
2015-16	800.00	3,818.09	19,770.39	1,246.93	822.74	10.00%	96.29
2016-17	800.00	4,713.26	26,660.71	1,532.62	991.47	10.00%	96.29
2017-18	800.00	5,950.92	32,937.95	1,768.79	1,237.65	10.00%	96.44
2018-19	800.00	7,326.43	41,796.85	2,077.27	1,471.95	10.00%	96.44
2019-20	966.67	11,808.65	55,274.97	2,258.44	1,691.27	5.00%	46.50
2020-21	1,000.78	14,642.40	89,143.75	2,055.66	1,537.66	10.00%	100.07
2021-22	1,233.68	25,914.20	1,03,842.69	2,237.41	1,741.97	10.00%	123.37
2022-23	1,233.68	27,523.60	1,14,108.14	2,172.78	1,708.12	10.00%	123.37
2023-24	1,233.68	29,621.46	1,31,585.77	2,995.29	2,218.06	10.00%	123.37
2024-25	1,233.68	32,738.57	1,58,866.44	4,225.86	3,229.70	12.00%	148.04
2025-26	1,463.17	49,864.84	2,03,581.39	4,371.20	3,622.52	10.00%	146.32

*2007-08 Consequent upon issue of bonus shares in the ratio of 1:1

BERAR FINANCE LIMITED

Corporate Identity Number: U65929MH1990PLC057829
Registered Office: Avinisha Tower, Mehadia Chowk, Dhantoli, Nagpur - 440 012
Tel.No.0712-6663999
Website: www.berarfinance.com **Email:** investor.relations@berarfinance.com

NOTICE OF 36TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the Thirty – Sixth (36th) Annual General Meeting ('AGM') of the Members of **Berar Finance Limited** will be held on **Wednesday, the 16th day of September, 2026 at 11.00A.M. (IST), Through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM")** to transact the following business:

ORDINARY BUSINESS:

1. To consider, and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** the Audited Financial Statements of the Company for the year ended March 31, 2026 and the Board's and Auditors' Reports thereon, be and are hereby considered and adopted."

2. To consider, and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** the final dividend at the rate of 10% (₹ 1 per share) as recommended by the Directors be and is hereby declared for the financial year ended March 31, 2026 and that the same be paid to those shareholders whose names stand on the Register of Members as on September 16, 2026."

3. To consider, and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** Mr. Avishek Addy (DIN: 07973542), the retiring Director, be and is hereby re-elected as Director of the Company, liable for retirement by rotation."

SPECIAL BUSINESS:

4. **APPOINTMENT OF MR. SAKET BAGDIA (DIN: 07984341), AS AN INDEPENDENT DIRECTOR OF THE COMPANY:**

   To consider, and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 ("**the Act**"), the Companies (Appointment and Qualifications of Directors) Rules, 2014 and relevant circulars issued by the Reserve Bank of India ('**RBI**') from time to time (including any amendment(s), modification(s), variation(s) or re-enactment(s) thereof for the time being in force) and pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, Mr. Saket Bagdia (DIN: 07984341) who was appointed as an Additional Director (Category - Non-Executive, Independent Director) of the Company, with effect from May 19, 2026 under Section 161 of the Act and Articles of Association of the Company, and who holds office upto the date of this Annual General Meeting of the Company, and who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act, proposing his candidature for the office of Director of the Company, being so eligible, be appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of five (5) consecutive years commencing from May 19, 2026 to May 18, 2031 (both days inclusive).

   RESOLVED FURTHER THAT Mr. Sandeep Jawanjal, Managing Director (DIN: 01490054), and the Company Secretary of the Company ("**Authorised Representatives**") be and are hereby jointly or severally authorised by the Company to carry out all such acts and execute all such deeds, documents, agreements, forms and instruments, for and on behalf of the Company, as may be necessary or desirable to give effect to this resolution including without limitation in relation to intimating the Reserve Bank of India, BSE Limited and all other concerned authorities/ parties regarding the appointment of the Director on the Board and the consequent change in the Board and the filing of necessary forms with the Registrar of Companies.

   RESOLVED FURTHER THAT certified copy of this resolution issued under the signature of any director or the Company Secretary of the Company be submitted to whomsoever it may concern."

5. **INCREASE IN THE BORROWING POWERS OF THE COMPANY:**

To consider, and if thought fit, to pass the following resolution as a **Special Resolution:**

"**RESOLVED THAT** in supersession of the Special Resolution passed by the Members at the 29th Annual General Meeting held on September 21, 2019 and pursuant to Section 180(1)(c) and any other applicable provisions, if any, of the Companies Act, 2013, relevant circulars issued by the Reserve Bank of India ("RBI") and any other applicable laws (including any amendment(s), statutory modification(s) and/or re-enactment(s) thereof for the time being in force) and in accordance with the Articles of Association of the Company, the consent of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "Board", which term shall be deemed to include any Committee constituted or to be constituted by the Board in this regard) to borrow, from time to time, such sum or sums of monies as it may deem requisite for the purpose of the business of the Company, inter alia, by way of loan or financial assistance from various bank(s), financial institution(s) and/or other lender(s), issue of debentures or other debt instruments, with or without security, and through acceptance of fixed deposits and corporate deposits, on such terms and conditions as the Board, at its sole discretion, may deem fit, notwithstanding that the monies so borrowed together with monies already borrowed by the Company (excluding the temporary loans obtained/to be obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up share capital of the Company, its free reserves and securities premium, provided that the total amount up to which monies may be borrowed by the Board shall not exceed a sum of ₹ 3,000 crore (Indian Rupees Three Thousand Crore only) at any point of time.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose and settle all questions, difficulties or doubts that may arise in regard to implementation of the aforesaid resolution, without being required to seek any further consent or approval of the Members of the Company.

RESOLVED FURTHER THAT certified copy of this resolution issued under the signature of any Director or the Company Secretary of the Company be submitted to whomsoever it may concern."

6. **CREATION OF CHARGE/SECURITY ON THE COMPANY'S ASSETS WITH RESPECT TO BORROWING:**

To consider, and if thought fit, to pass the following resolution as a **Special Resolution:**

"**RESOLVED THAT** in supersession of the Special Resolution passed by the Members at the 29th Annual General Meeting held on September 21, 2019 and pursuant to Section 180(1)(a) and any other applicable provisions, if any, of the Companies Act, 2013, relevant circulars issued by the Reserve Bank of India ("RBI") and any other applicable laws (including any amendment(s), statutory modification(s) and/or re-enactment(s) thereof for the time being in force) and in accordance with the Articles of Association of the Company, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "Board", which term shall be deemed to include any Committee constituted or to be constituted by the Board in this regard), to create from time to time of such mortgages, charges, liens, hypothecation and /or other security, in addition to the mortgages, charges, liens, hypothecation and /or other security created by the Company, on such terms and conditions as the Board at it's sole discretion may deem fit on the Company's assets and properties, both present and future, whether movable or immovable, including the whole or substantially the whole of the Company's undertaking or undertakings in favour of any person including, but not limited to, financial/investment institution(s), bank(s), insurance company(ies), mutual funds(s), corporate body(ies), trustee(s) to secure any loans, guarantee, financial assistance, working capital arrangement etc. already availed/to be availed by the Company together with interest thereon at the agreed rate, compound interest, additional interest, liquidated damages, premium on prepayment, costs, charges, expenses and other monies payable by the Company to the said lenders and/or any issue of non-convertible debentures, bonds, or compulsorily or optionally, fully or partly convertible debentures linked to equity shares, other debt instruments within the overall ceiling prescribed by the Members of the Company, from time to time, in terms of Section 180(1)(c) of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board or such person/(s) as authorized by the Board be and is hereby authorized to finalize the form, extent and manner of, and the documents and deeds, as may be applicable, for creating the appropriate mortgages,charges, liens, hypothecation on such of the immovable and /or movable properties of the Company on such terms and conditions as may be decided by the Board in consultation with the lenders and for reserving the aforesaid right and for performing all such acts and things as may be necessary for giving effect to this resolution.

RESOLVED FURTHER THAT certified copy of this resolution issued under the signature of any Director or the Company Secretary of the Company be submitted to whomsoever it may concern."

7. **ISSUE OF NON-CONVERTIBLE DEBENTURES THROUGH PRIVATE PLACEMENT:**

To consider, and if thought fit, to pass the following resolution as a **Special Resolution:**

"**RESOLVED THAT** pursuant to Sections 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 ('Act'), the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014, SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any amendment(s), statutory modification(s), variation(s) or re-enactment(s) to any of the foregoing and other applicable guidelines, circulars, directions or laws) and extant Reserve Bank of India ("RBI") guidelines, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall deem to include any Committee(s) constituted/to be constituted by the Board to exercise its powers conferred by this resolution) to make offer(s) or an invitation(s) or to issue non-convertible debentures ('NCDs'), secured or unsecured, at face value or such other price as may be permissible to the eligible investors under the relevant regulations as the Board may determine in accordance with any of the aforementioned directions or regulations, under one or more offer/disclosure document(s) as may be issued by the Company and in one or more tranches for an aggregate amount upto ₹ 1000 crore (Indian Rupees One Thousand Crore only), during a period of one year commencing from the date of this Annual General Meeting, on a private placement basis and on such terms and conditions as the Board may deem fit and appropriate for each tranche, as the case may be provided that the borrowings by way of issue of NCDs to be within the overall limit of borrowing approved by the members of the Company from time to time.

RESOLVED FURTHER THAT for giving effect to above resolution, the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose including but not limited to execution of all necessary and required agreements, documents, instruments, writings and papers, and settle all difficulties, doubts and questions that may arise in regard to implementation of the aforesaid resolution.

RESOLVED FURTHER THAT certified copy of this resolution issued under the signature of any Director or the Company Secretary of the Company be submitted to whomsoever it may concern."

Registered Office:
Avinisha Tower, Mehadia Chowk,
Dhantoli, Nagpur- 440012

By order of the Board of Directors
For Berar Finance Limited

Sd/-
Deepali Balpande
Company Secretary
Membership No: ACS 21290

Place: Nagpur
Date: August 12, 2026

Notes:

i. EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 (“the Act”) IS ANNEXED TO THIS NOTICE.

ii. Pursuant to the General Circular No. 20/2020 dated May 05, 2020, read with other relevant circulars including General Circular no. 03/2025 dated September 22, 2025 issued by the Ministry of Corporate Affairs (hereinafter referred to as “the MCA Circulars”), companies are allowed to hold AGM through video conferencing (“VC”) or other audio visual means (“OAVM”), without the physical presence of Members at a common venue. Pursuant to the MCA Circulars, the AGM of the Company is being held through VC/OAVM.

Pursuant to the above-mentioned MCA Circulars, physical attendance of the Members is not required at the AGM, and attendance of the Members through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.

In accordance with the Secretarial Standard on General Meetings (“SS-2”) issued by the Institute of Company Secretaries of India (“ICSI”) read with Clarification/Guidance on applicability of Secretarial Standards - 1 and 2 dated April 15, 2020 issued by the ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the AGM. Since the AGM will be held through VC/OAVM, the Route Map is not annexed to this Notice.

iii. As required, the brief profile of Directors seeking appointment/ re-appointment at this AGM are given in the Explanatory Statement to the Notice of the AGM.

iv. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, the requirement of physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for this AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. In this Notice, the term member(s) or shareholder(s) are used interchangeably.

IEPF RELATED INFORMATION:

v. Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, any amount transferred by the Company to the unpaid dividend account and remaining unclaimed for a period of seven years from the date of such transfer shall be transferred to a fund called ‘Investor Education and Protection Fund’ (“IEPF”) set up by the Central Government. Accordingly, the unclaimed dividend amounts upto Financial Years 2017-2018 were transferred by the Company to the said fund. No claim lies against the Company in respect of these dividend.

vi. The Company uploads the details of unpaid and unclaimed amounts lying with the Company on the website of the Company viz: https://www.berarfinance.com/investors.html as well as on the website of the Ministry of Corporate Affairs.

vii. No amount pertaining to the dividend declared by the Company for the Financial Year 2018–2019 is due for transfer to IEPF.

viii. Due dates of transferring unclaimed and unpaid dividends declared by the Company for the Financial Year 2019-2020 and thereafter to the IEPF are as under:

Financial year ended	Date of declaration of dividend	Last date for claiming Unpaid/ unclaimed dividend	Proposed period for transfer of unclaimed dividend to IEPF
March 31, 2020	28.09.2020	27.10.2027	28.10.2027 to 26.11.2027
March 31, 2021	27.09.2021	26.10.2028	27.10.2028 to 25.11.2028
March 31, 2022	26.09.2022	25.10.2029	26.10.2029 to 24.11.2029
March 31, 2023	25.09.2023	24.10.2030	25.10.2030 to 23.11.2030
March 31, 2024	20.09.2024	19.10.2031	20.10.2031 to 18.11.2031
March 31, 2025	27.05.2025	25.06.2032	26.06.2032 to 25.07.2032

The Company urges all the Members to encash/ claim their respective dividend during the prescribed period. Members who have not encashed the dividend so far in respect of the aforesaid period(s), are requested to make their claim to the Company well in advance of the above due dates.

ix. Pursuant to Section 124(6) of the Companies Act, 2013, as amended and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (the IEPF Rules, 2016) and any further amendment thereof, all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to the IEPF Authority.

In due compliance of the provisions of rule 6(3) of the IEPF Rules,2016, the Company sends individual letters through speed post to all such Members requesting them to claim the amount of unpaid dividend before the Company proceeds with the transfer of related shares to demat account of the IEPF Authority.

As provided under the IEPF Rules, a member can claim such dividend and shares transferred to the Fund by the following procedure prescribed in the IEPF Rules which is available on the Company's website https://www.berarfinance.com/investors.html. The Members / claimants whose shares or unclaimed dividends get transferred to IEPF may claim the shares or apply for refund from the IEPF Authority by following the refund procedure as detailed on the website of IEPF Authority at

https://www.iepf.gov.in/content/iepf/global/master/Home/Home.html.

INSPECTION OF DOCUMENTS:

x. Relevant documents referred to in this Notice and the statement annexed to this Notice, will be available electronically for inspection by the Members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the Members from the date of circulation of this Notice up to the date of AGM, i.e. September 16, 2026. Members seeking to inspect such documents can send an email to investor.relations@berarfinance.com.

xi. The following registers shall remain open for inspection as per the period specified above and be accessible to any member:

a) Register of contracts or arrangements in which Directors are interested under section 189 of the Act.

b) Register of Directors and Key Managerial Personnel and their shareholding under section 170 of the Act.

In accordance with the MCA circulars, the said registers will be made available electronically for inspection by the Members during the AGM. Members seeking to inspect such documents can send an email to investor.relations@berarfinance.com.

REMOTE E-VOTING/ VOTING RELATED INFORMATION:

xii. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, as amended, and other applicable provisions, if any, the Company has appointed Central Depository Services (India) Limited ("CDSL") to provide the facility for remote e-voting, participation in the Annual General Meeting ("AGM") through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM"), and e-voting during the AGM to enable Members to exercise their voting rights electronically. The detailed procedure and instructions for remote e-voting, attending the AGM through VC/OAVM, and e-voting during the AGM are set out in this Notice.

xiii. It may be noted that the remote e-voting facility is optional. The remote e-voting facility will be available at the link www.evotingindia.com during the following voting period:

The remote e-voting will commence on **Saturday, September 12, 2026 at 9:00 A.M. (IST) and end on Tuesday, September 15, 2026 at 5:00 P.M. (IST).**

xiv. During the above period, shareholders of the Company as on the cut-off date of Wednesday, September 09, 2026 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after 5.00 p.m. (IST) on Tuesday, September 15, 2026. Once the vote on a resolution is cast by the shareholder, the shareholder cannot change it subsequently.

xv. The voting rights of Members shall be in proportion to the shares held by them in the paid- up share capital of the Company as on Wednesday, September 09, 2026. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date i.e. Wednesday, September 09, 2026, only shall be entitled to avail the facility of remote e-voting / e-voting at the time of the meeting. A person who is not a member on the cut-off date should treat this Notice for information purpose only.

The facility for voting through electronic voting system shall also be made available at the time of the meeting and Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.

xvi. The Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

xvii. Members can opt for only one mode of voting, i.e., either by remote e-voting or e-voting during the meeting. In case Members cast their votes through both the modes, voting done by remote e-voting shall prevail and votes cast through during the meeting shall be treated as invalid.

xviii. The Board of Directors appointed Mr. Sunil Purushottam Zore, Practicing Company Secretary (CP No.11837), having office at "A-Wing, 202, Kolshet Road, Dhokali Naka, Cosmos Nest, Thane (W) – 400 607" and at "Block No.98, Wing III, Rajat Sankul, Ganesh Peth, Nagpur-440018" as the Scrutinizer for conducting E-Voting process (both remote e- voting as well as e-voting during the AGM) in a fair and transparent manner.

xix. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, unlock the votes cast through evoting during the meeting as well as the votes cast through remote e-voting and make a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, within prescribed timelines and provide the same to the Chairperson of the meeting or any person so authorised by Chairperson, who shall countersign the same and declare the result thereof.

xx. The results declared along with the scrutinizer's report shall be placed on the Company's website at https://www.berarfinance.com/investors.html and shall also be communicated to the stock exchange where the NCDs of the Company are listed, viz. BSE Limited at www.bseindia.com and website of CDSL www.evotingindia.com.

GENERAL INFORMATION:

xxi. Corporate/Institutional Members are entitled to appoint authorised representatives to attend the AGM through VC/OAVM on their behalf and cast their votes through remote e- voting or at the AGM. Corporate/Institutional Members (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy of the Board Resolution/Authority Letter, etc., authorising their representative to attend the AGM through VC/OAVM on their behalf and to vote through remote e-voting or during the AGM. The said Resolution/ Authority Letter shall be sent to the Scrutinizer by email through its registered email address to cssunilzore@gmail.com with a copy marked to evoting@cdslindia.com and to the Company at investor.relations@berarfinance.com.

xxii. The Company's Registrar and Transfer Agent for its Share Registry Work is M/s. Bigshare Services Pvt. Ltd., Office No S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai – 400093, Ph. No. 022-62638261.

xxiii. In line with the MCA Circulars, the Notice of the AGM and Annual Report is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ M/s. Bigshare Services Private Limited/Depository Participants. A copy of the Notice of this AGM and Annual Report for the FY 2025-2026 is also available on the website of the Company at www.berarfinance.com, website of the Stock Exchange where the NCDs of the Company are listed, viz. BSE Limited at www.bseindia.com and website of CDSL www.evotingindia.com. For any communication, the Members may also send a request to the Company's email id: investor.relations@berarfinance.com. The Company will not be dispatching physical copies of the Notice of AGM to any Member. The physical copy of Notice and Annual Report will be sent to shareholders at their registered address who request for the same.

xxiv. Notice and Annual Report is being sent to all the shareholders whose name appear on the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as at the close of business hours on August 14, 2026.

xxv. Members are requested to support the Green Initiative by registering / updating their email addresses with the Depository Participants (in case shares are held in dematerialized form) or with the Company (in case shares are held in physical form).

xxvi. Those Members who have not yet registered their email addresses are requested to get their email addresses registered by following the procedure given below:

a) Members holding shares in demat form can get their email ID registered by contacting their respective Depository Participant.

b) Members holding shares in physical form may register their email address by informing the Company at its investor email id investor.relations@berarfinance.com.

c) The Members who are holding shares in Physical Form are requested to avail dematerialization facility. For further information, please refer to the FAQs posted by NSDL on its website nsdl.co.in and CDSL on its website www.cdslindia.com.

Those Members who have already registered their email addresses are requested to keep their email addresses validated/updated with their DPs/ the Company to enable servicing of notices/documents and other communications electronically to their email address in future.

xxvii. Any person, who acquires shares of the Company and becomes a member after dispatch of the Notice, but holds shares as on the cut-off date i.e. Wednesday, September 09, 2026 may obtain the copy of Notice and Annual Report, login ID and password by sending a request to helpdesk.evoting@cdslindia.com or to the Company at its email id investor.relations@berarfinance.com from their registered e-mail ID. In case the e-mail ID is not registered, such members are requested to register/update the same with the respective depository participants.

xxviii. The format of the Register of Members prescribed by the Ministry of Corporate Affairs under the Companies Act, 2013 requires the Company to record additional details of Members, including their PAN details, e-mail address, Aadhaar Card Number etc. Members are requested to submit their details and changes therein;

a) In case shares held in Demat Form, to their respective depository participant.

b) In case shares held in physical form, the member can approach the Company by writing an email to the Company at investor.relations@berarfinance.com.

xxix. The Ministry of Corporate affairs by virtue of notification dated 10th September, 2018 has amended the Companies (Prospectus and Allotment of Securities) Rules, 2014. According to this notification; Every holder of securities of an unlisted public company,

a) who intends to transfer such securities on or after 2nd October, 2018, shall get such securities dematerialised before the transfer;

b) who subscribes to any securities of an unlisted public company (whether by way of private placement or bonus shares or rights offer) on or after 2nd October, 2018 shall ensure that all his existing securities are held in dematerialized form before such subscription.

To facilitate the shareholders of the Company to demat their shareholding in the Company, the Company has made admission of its securities on both Depositories namely Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL). The ISIN of the Company is INE998Y01017.

DIVIDEND RELATED INFORMATION:

xxx. To ensure timely credit of dividend through electronic mode, members are requested to keep their latest bank account details updated with their respective Depository Participant (‘DPs’) and the Company in case they hold shares in physical mode.

xxxi. Taxation on Dividend:

Shareholders may note that as per Income Tax Act, 2025, (the ‘IT Act’), dividends paid or distributed by a Company shall be taxable in the hands of shareholders. Accordingly, the Company would be required to deduct applicable Tax at Source (‘TDS’) in respect of payment of approved dividend to its shareholders (resident as well as non-resident).

Resident Shareholders:	
Category of Shareholders	Applicable TDS rate
Individual Shareholder – Aggregate dividend amount (including dividend already paid in a financial year, if any) is up to ₹ 10,000 during the financial Year	0%
Submission of valid declaration in Form 121 (applicable to all shareholders other than Companies or Firms)	0%
As per section 397(2) of the IT Act, In case • PAN is not submitted, or PAN is invalid; or • PAN is not linked with Aadhaar.	20%
Submission of Lower or Nil TDS deduction certificate under section 395(1) of the IT Act	Rate provided in certificate
Mutual funds, Insurance companies, National Pension Scheme Trust etc.	0% (subject to submission of valid documents)
Other shareholders	10%

The Company would rely on the online functionality of the Income Tax Department for determining status of PAN of shareholder and shall accordingly determine the applicable TDS rate.

Further, if a shareholder has obtained a lower or Nil withholding tax certificate from the tax authorities and provides a copy of the same to the Company (TAN – NGPB00491B), tax shall be deducted on the dividend payable to such shareholder at the rate specified in the said certificate.

xxxii. Non-resident Shareholders:

Tax is required to be deducted at source in case of non-resident shareholders in accordance with the provisions of section 393(2) of the IT Act at the rates in force. As per the relevant provisions of the IT Act, the tax shall be deducted at the rate of 20% or applicable rate plus applicable surcharge and health & education cess on the amount of dividend payable to the non-resident shareholders.

For Foreign Institutional Investors/Foreign Portfolio Investors shareholders, TDS will be deducted at applicable rate under section 393(2) [Table: Sr No. 15] of the IT Act.

However, as per section 159 of the IT Act, non-resident shareholders have the option to be governed by the provisions of the Double Tax Avoidance Agreement ('DTAA') read with applicable Multilateral Instrument provisions, if they are more beneficial to them.

The requisite declarations and documents should be submitted by shareholder on email investor.relations@berarfinance.com on or before Friday, September 11, 2026.

NOMINATION FACILITY:

xxxiii. Members can avail the facility of nomination in respect of shares held by them pursuant to the provisions of Section 72 of the Companies Act, 2013 read with Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014.

For the said purpose:

1) Shareholders holding shares in electronic mode may approach their respective Depository Participants (DP) and

2) Shareholders holding shares in physical mode can approach M/s. Bigshare Services Pvt. Ltd., our Registrar & Share Transfer Agent (RTA) at Office No. S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai - 400 093 Ph. No: 022-62638261.

EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

ORDINARY BUSINESS

Resolution at Item No. 3:

Though not statutorily required, the following is being provided as additional information to the Members.

In terms of SS-2 – Secretarial Standard on General Meetings issued by The Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Companies Act, 2013, a brief profile of Mr. Avishek Addy ("**Appointee**") is provided below:

S. No.	Nature of Information	Particulars
1.	Name of the Director	Mr. Avishek Addy
2.	Director Information Number (DIN)	07973542
3.	Date of Birth & Age	July 15, 1980 , 46 years
4.	Date of First Appointment on the Board	January 19, 2021
5.	Terms and Conditions of Appointment	The Appointee has been appointed pursuant to the terms of the Shareholders' Agreement last revised on September 04, 2025. The Appointee shall be a Non-Executive Director on the Board and be liable to retire by rotation.
6.	Details of Remuneration sought to be paid	The Appointee shall be entitled to all rights and privileges of other Non-Executive Directors and to the sitting fees and expenses as well as all reasonable out-of-pocket-expenses (including travel, boarding and lodging expenses) for attending any shareholders' meeting or Board meeting of the Company or a meeting of the board of directors of subsidiaries of the Company (if any) and any other reasonable expenses incurred by him in the course of fulfilling his duties and obligations as a Director of the Company and/or a director of the subsidiaries of the Company (if appointed) in terms of the policy of the Company.
7.	Shareholding in the Company	The Appointee does not hold any shares in the Company.
8.	Relationship with other Directors, Manager and other Key Managerial Personnel (KMP) of the Company	Nil.
9.	Qualifications	The Appointee is an Associate Member of the Institute of Chartered Accountants of India (Membership No. 133571). He is a graduate in Commerce (B.Com (Hons.) and also post-graduate in management from IIM, Ahmedabad.
10.	Experience	The Appointee is a member of the core investment team in Amicus Capital with a focus on investment in financial services sector. Prior to joining Amicus Capital, he worked across multiple organizations including Faering Capital, Ernst & Young and Oil and Natural Gas Corporation Limited.
11.	Number of meetings of the Board attended	The details of Board Meetings attended by the appointee during the financial year 2025-2026 are as under: 1. May 27, 2025 2. June 13, 2025 3. July 22, 2025 4. September 10, 2025 5. November 13, 2025 6. January 13, 2026 7. February 05, 2026 8. March 30, 2026

12.	Directorship held in other companies as on date	As on date, the Appointee holds Directorship in the following company: 1. Altum Credo Home Finance Private Limited
13	Chairmanship/Membership of the committees of the Board of Directors of other companies as on date	As on date, Mr. Avishek Addy holds membership in following committees in Altum Credo Home Finance Private Limited: (a) Nomination and Remuneration Committee; (b) Audit Committee; (c) Corporate Social Responsibility Committee; (d) Risk Management Committee

Except Mr. Avishek Addy, None of the other Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested, directly or indirectly, financially, or otherwise, in this resolution except to the extent of their respective shareholding, if any, in the Company.

SPECIAL BUSINESS:

Resolution at Item No. 4:

This is a "Matter Pertaining to Fundamental Issues" as per the Articles of Association ("AOA") of the Company.

The Board of Directors of the Company at its meeting held on May 19, 2026, pursuant to the recommendation of Nomination & Remuneration Committee, has approved the appointment of Mr. Saket Bagdia (DIN: 07984341) as an Additional Director (Category: Non-Executive, Independent Director) of the Company with effect from May 19, 2026 to hold office upto the date of ensuing Annual General meeting of the Company pursuant to section 161 of the Act and subject to the approval of the members at the said Annual General Meeting, to hold office as an Independent Director, not liable to retire by rotation, for a term of five (5) consecutive years commencing from May 19, 2026 to May 18, 2031 (both days inclusive).

Mr. Saket Bagdia holds a valid DIN as per Section 154 of Companies Act, 2013 and further he is not disqualified as per Section 164 of Companies Act, 2013 and satisfies the criteria of 'fit and proper' as prescribed by Reserve Bank of India (Non-Banking Financial Companies - Governance) Directions, 2025

The Company has received his consent to act as a Director of the Company in Form DIR-2 along with other requisite documents required for his appointment as a Director. It has also received a declaration from Mr. Saket Bagdia confirming that he meets the criteria of Independence under the Companies Act, 2013. The Company has also received a self-declaration from the appointee that he was or is not debarred from holding the office of a Director pursuant to any order of the SEBI or such other authority in terms of BSE's Circular No. LIST/COMP/14/2018-19 dated June 20, 2018 on the subject "Enforcement of SEBI Orders regarding appointment of Directors by listed Companies."

In the opinion of the Board, Mr. Saket Bagdia is a person of integrity, possesses relevant expertise / experience and fulfills the conditions specified in the Companies Act, 2013 for appointment as an Independent Director and he is independent of the Management. The Board of Directors is of the opinion that it would be in the interest of the Company to appoint him as an Independent Director for a period of five years from May 19, 2026 to May 18, 2031. Accordingly, the Board recommends this resolution for the appointment of Mr. Saket Bagdia, as a Director in the category of Non-Executive, Independent for the approval by the Members of the Company. The generic copy of letter of appointment setting out the terms and conditions of his appointment is available for inspection by the members. In terms of SS-2 – Secretarial Standard on General Meetings issued by The Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Companies Act, 2013, a brief profile of Mr. Saket Bagdia ("Appointee"), except the information already provided in the explanatory statement is provided below:

S. No.	Nature of Information	Particulars
1.	Name of the Director	Mr. Saket Bagdia
2.	Director Information Number (DIN)	07984341
3.	Date of Birth & Age	November 10, 1979 , 46 years
4.	Date of First Appointment on the Board	May 19, 2026
5.	Terms and Conditions of Appointment	https://www.berarfinance.com/pdf/policies/appointment_letter_independent_director.pdf
6.	Details of remuneration sought to be paid	The Appointee shall be entitled to all rights and privileges of other Non-Executive Directors and to the sitting fees and expenses as well as all reasonable out-of-pocket-expenses (including travel, boarding and lodging expenses) for attending any shareholders' meeting or Board meeting of the Company or a meeting of the board of directors of subsidiaries of the Company (if any) and any other reasonable expenses incurred by him in the course of fulfilling his duties and obligations as a Director of the Company and/or a director of the subsidiaries of the Company (if appointed) in terms of the policy of the Company.
7.	Shareholding in the Company	As on date, the appointee holds 2000 Equity Shares in the Company.
8.	Relationship with other Directors, Manager and other Key Managerial Personnel (KMP) of the Company	Nil.
9.	Qualifications	The Appointee is a Chartered Accountant, B Com (8th Merit), DISA(ICA), FAFD, Peer Review Auditor, Govt. Business Audit Certificate Course, AICA (Level 1) Certificate Course.
10.	Experience	The Appointee has an experience of more than 24 years with specialization in Management and Internal Audits, Direct Tax, Indirect Tax and other related services. He has also worked as Information Systems Auditor for Systems Audit of various Co-op Banks apart from doing Migration audits at the time of change of software.
11.	Number of meetings of the Board attended during the Financial Year 2025-2026	Mr. Saket Bagdia has been appointed as an Additional Director of the Company at the meeting of the Board dated May 19, 2026, therefore, he has not attended/been part of any meeting of the Board during the financial year 2025-2026.
12.	Directorship held in other companies as on date	As on date, Mr. Saket Bagdia does not hold Directorship in any other Company.
13	Chairmanship/Membership of the committees of the Board of Directors of other companies as on date	As on date, Mr. Saket Bagdia does not hold Chairmanship/Membership of the committees of the Board of Directors of other Companies.

Except Mr. Saket Bagdia, None of the other Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested, directly or indirectly, financially, or otherwise, in this resolution except to the extent of their respective shareholding, if any, in the Company.

The Board of Directors recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the Members.

Resolution at Item No. 5:

Pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013, the Board of Directors of a Company cannot borrow monies where the amount proposed to be borrowed, together with the monies already borrowed by the Company (excluding temporary loans obtained from the Company's bankers in the ordinary course of business), exceeds the aggregate of the Company's paid-up share capital, free reserves and securities premium, unless such borrowing is approved by the Members by way of a Special Resolution.

The Members of the Company had, by way of a Special Resolution passed at the 29th Annual General Meeting held on September 21, 2019, authorised the Board of Directors to borrow monies up to an aggregate amount of ₹2,000 crore (Indian Rupees Two Thousand Crore only), notwithstanding that such borrowings may exceed the aggregate of the Company's paid-up share capital, free reserves and securities premium.

Considering the Company's future business plans, growth opportunities and funding requirements, the Board may need to raise additional funds from time to time. Accordingly, it is proposed to increase the existing borrowing limit from ₹2,000 crore (Indian Rupees Two Thousand Crore only) to ₹3,000 crore (Indian Rupees Three Thousand Crore only).

The Board of Directors has, therefore, recommended that the Members approve, by way of a Special Resolution under Section 180(1)(c) of the Companies Act, 2013, the enhancement of the borrowing limit authorising the Board to borrow monies, from time to time, for the purposes of the Company, up to an aggregate amount not exceeding ₹3,000 crore (Indian Rupees Three Thousand Crore only), excluding temporary loans obtained from the Company's bankers in the ordinary course of business.

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested, directly or indirectly, financially, or otherwise, in this resolution except to the extent of their respective shareholding, if any, in the Company.

The Board of Directors recommends the Special Resolution set out at Item No. 5 of the Notice for approval by the Members.

Resolution at Item No. 6:

The Members of the Company had, by way of a Special Resolution passed at the 29th Annual General Meeting held on September 21, 2019, authorised the Board of Directors to create mortgages, charges, liens, hypothecation and/or other security interests over the Company's assets and properties, whether present or future, movable or immovable, including the whole or substantially the whole of the Company's undertaking(s), for securing the borrowings of the Company in accordance with the provisions of Section 180(1)(a) of the Companies Act, 2013.

Considering the Company's future business plans, growth opportunities and funding requirements, the Board of Directors may need to raise additional funds from time to time by way of loans or other financial assistance from banks, financial institutions and other lenders, through the issuance of debentures, bonds or other debt instruments, and by acceptance of fixed deposits and corporate deposits. Such borrowings may be required to be secured by creating mortgages, charges, liens, hypothecation and/or other security interests over the Company's assets and properties, whether present or future, movable or immovable, including the whole or substantially the whole of the Company's undertaking(s), in favour of banks, financial institutions, other lenders, debenture trustees, fixed deposit trustees and/or security trustees.

Since the aggregate value of the security proposed to be created, together with the existing mortgages, charges, liens, hypothecation and other security interests created by the Company, may exceed the existing limit of ₹2,000 crore (Indian Rupees Two Thousand Crore only), the approval of the Members is being sought to increase the said limit to ₹3,000 crore (Indian Rupees Three Thousand Crore only). The proposed resolution also seeks to authorise the Board of Directors to create such mortgages, charges, liens, hypothecation and/or other security interests over the Company's assets and properties, whether present or future, movable or immovable, including the whole or substantially the whole of the Company's undertaking(s), on such terms and conditions as the Board may deem fit, in connection with the borrowings of the Company.

Accordingly, the Special Resolution set out at Item No. 6 of the Notice is placed before the Members for approval pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013.

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested, directly or indirectly, financially, or otherwise, in this resolution except to the extent of their respective shareholding, if any, in the Company.

The Board of Directors recommends the Special Resolution set out at Item No. 6 of the Notice for approval by the Members.

Resolution at Item No. 7:

The Company, in the ordinary course of its business, is required to borrow from time to time, by way of loans, issue of non-convertible debentures (secured or unsecured) and/or other instruments. The inter-mix of borrowings by the Company depends upon the market conditions, cost of funds, tenor, etc.

In terms of section 42 of the Act read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, (the 'Companies PAS Rules'), as amended, a Company may make an offer or invitation to subscribe to the debentures through an issue of a private placement offer subject to a special resolution of its members approving offer(s) or invitation(s) to subscribe to the non-convertible debentures ('NCDs') of the Company. In case the proposed amount to be raised through such offer or invitation exceeds the limits specified in section 180(1)(c) of the Act, a Company may pass a special resolution once a year for all the offers or invitations to be made for such debentures to be issued during the year.

Accordingly, it is proposed to seek approval of members by way of special resolution to authorise the Board or any Committee(s) constituted/to be constituted by the Board to borrow by issue of NCDs on private placement basis, in the ordinary course of its business, for a period of one year commencing from September 16, 2026. Further, the amount to be raised by such issue of NCDs will be within the overall borrowing limit of ₹ 3000 (Indian Rupees Three Thousand Crore only) as proposed to be approved by the Members pursuant to Section 180(1)(c) of the Companies Act, 2013 under Item No. 5 of this Notice.

Disclosure as per provisions of Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 is as follows:

1.	Particulars of the offer including the date of passing of Board resolution and the amount which the Company intends to raise by way of such securities;	Issue of such number of NCDs, from time to time, in one or more tranches, carrying such terms and conditions as may be decided by the Board (as more specifically set-out in special resolution in Item No. 7 of the notice convening AGM) for an amount up to ₹ 1000 crore (Indian Rupees One Thousand Crore only) within a period of one year from the date of passing the aforesaid special resolution. The issue has been approved by the Board at its meeting held on August 12, 2026.
2.	Kind of securities offered and the price at which security is being offered	NCDs at a price as may be decided by the Board from time to time.
3.	Basis or justification for the price (including premium, if any) at which the offer or invitation is being made	As may be decided by the Board pursuant to the applicable laws.
4.	Name and address of valuer who performed valuation	Not applicable
5.	Intention of promoters, directors or key managerial personnel to subscribe to the offer / Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of objects of the offer	The promoters, directors or key managerial personnel of the Company do not intend to subscribe to the offer. Any such contribution shall be subject to and in compliance with the applicable laws.
6.	Material terms of raising such securities, proposed time schedule, purposes or objects of offer, principle terms of assets charged as securities	As may be decided by the Board pursuant to the applicable laws.

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested, directly or indirectly, financially, or otherwise, in this resolution except to the extent of their respective shareholding, if any, in the Company.

The Board of Directors recommends the Special Resolution set out at Item No. 7 of the Notice for approval by the Members.

PROCEDURES / INSTRUCTIONS

CDSL e-Voting System – For e-voting and Joining Virtual Meeting

1. The General meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020 read with the General Circular No. 03/2025 dated September 22, 2025 ("MCA Circulars"). The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circulars, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
6. In line with the MCA Circulars, the Notice calling the AGM and Annual Report has been uploaded on the website of the Company at www.berarfinance.com. The Notice and Annual Report can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.
7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circulars.

THE INSTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(i) The remote e- voting period begins on **Saturday, September 12, 2026 at 9:00 A.M. (IST) and ends on Tuesday, September 15, 2026 at 5:00 P.M. (IST).** During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date **Wednesday, September 09, 2026** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020,** under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/ retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders**, **by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

(iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular**,** Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	**Login Method**
Individual Shareholders holding securities in Demat mode with **CDSL Depository**	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsl website www. cdslindia.com and click on login icon & My Easi New (Token) Tab. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.
	3) If the user is not registered for Easi/Easiest, option to register is available at cdsl website www. cdslindia.com and click on login & My Easi New (Token) Tab and then click on registration option.
	4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

Individual Shareholders holding securities in demat mode with **NSDL Depository**	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
	2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp
	3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
	4) For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on **company name or e-Voting service provider name** and you will be re-directed to **e-Voting service provider website** for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their **Depository Participants (DP)**	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with **CDSL**	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911
Individual Shareholders holding securities in Demat mode with **NSDL**	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

1) The shareholders should log on to the e-voting website www.evotingindia.com.

2) Click on "Shareholders" module.

3) Now enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

4) Next enter the Image Verification as displayed and Click on Login.

5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details **OR** Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

(vi) After entering these details appropriately, click on "SUBMIT" tab.

(vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(ix) Click on the EVSN for Berar Finance Limited on which you choose to vote.

(x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

(xvii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer at the email address viz; cssunilzore@gmail.com and to the Company at the email address viz; investor.relations@berarfinance.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request from their registered email address in advance atleast **3 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at investor.relations@berarfinance.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **3 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at investor.relations@berarfinance.com. These queries will be replied to by the company suitably by email.

8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the meeting.

9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.

10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.

2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)

3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

   If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911.

   All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, AVP, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 21 09911.

MISSION

Partnering To Prosper

COMMITMENT

Close To The People

VISION

Miles To Go ......

BRANCHES

MAHARASHTRA -

Ahmadnagar, Akola, Amravati, Aurangabad, Baramati, Bhandara, Bhusawal, Brahmapuri, Buldhana, Chalisgaon, Chandrapur, Dhule, Gadchiroli, Gondia, Hingoli, Jalgaon, Karad, Katol, Khamgaon, Kolhapur, Kudal, Latur, Manmad, Nanded, Nandurbar, Nashik, Osmanabad, Pandharpur, Paratwada, Parbhani, Pune, Pusad, Ratnagiri, Sangli, Satara, Solapur, Udgir, Wani, Wardha, Washim, Yavatmal and Alibag

MADHYA PRADESH -

Betul, Bhopal, Burhanpur, Chhatarpur, Chhindwara, Damoh, Dewas, Dhar, Harda, Hoshangabad, Indore, Katni, Khandwa, Mandla, Narsinghpur, Raisen, Rewa, Sagar, Satna, Sehore, Seoni, Shahdol, Sidhi and Vidisha

CHHATTISGARH -

Ambikapur, Baikunthpur, Balodabazar, Bemetara, Bilaspur, Dallirajhara, Dhamtari, Dongargarh, Durg, Gariyaband, Jagdalpur, Janjgir-Champa, Kanker, Kawardha, Kondagaon, Korba, Mahasamund, Mungeli, Raigarh, Raipur, Rajim, Rajnandgaon, Saraipali, Surajpur, Balrampur, Jashpur and Pendra

GUJARAT -

Amreli, Bardoli, Botad, Junagadh, Navsari, Rajpipla, Surat, Vyara, Vadodara, Rajkot and Anand

KARNATAKA -

Bagalkot, Belagavi, Bidar, Gulbarga, Raichur, Vijayapur and Yadgiri

TELANGANA -

Adilabad, Jagtial, Jangaon, Kamareddy, Karimnagar, Khammam, Kothagudem, Mahabubnagar, Mancherial, Miryalaguda, Nalgonda, Nirmal, Nizamabad, Sangareddy, Siddipet, Suryapet, Warangal and Mahabubabad

ODISHA-

Bargarh, Sonepur, Jeypore, Balangir, Raj Khariar, Sundargarh, Nabrangpur, Bhawanipatna, Berhampur, Rayagada, Nayagarh, Bhanjanagar, Paralakhemundi, Angul, Dhenkanal, Bhubaneswar, Phulbani, Jajpur, Jagatsinghpur, Sambalpur, Baripada, Keonjhar and Padampur

ANDHRA PRADESH-

Vizianagaram, Eluru, Nellore, Vijayawada, Nandyal, Srikakulam, Rajahmundry, Kurnool and Visakhapatnam

JHARKHAND-

Palamu, Ranchi, Saraikela, Hazaribagh and Chaibasa

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Partnership for Prosperity

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