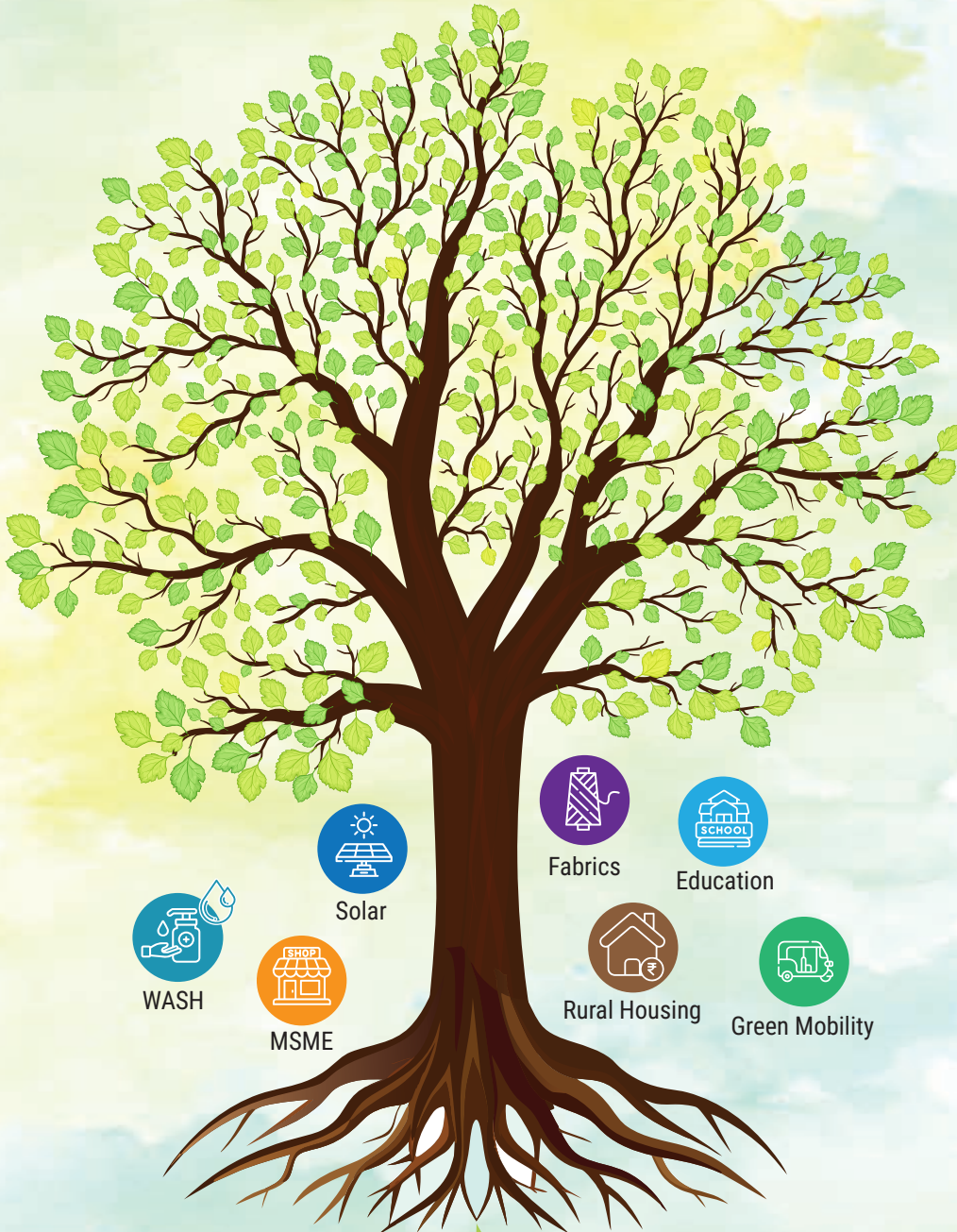


ANNUAL REPORT
2024-25

Empowering Resilience



WASH



Solar



MSME



Fabrics



Education



Rural Housing



Green Mobility



NABSAMRUDDHI FINANCE LIMITED

A Subsidiary of NABARD

ANNUAL REPORT

2024-25



NBSAMRUDDHI FINANCE LIMITED
A Subsidiary of NABARD

About the Company

NABSAMRUDDHI Finance Limited (NSFL) was incorporated under the Companies Act, 1956 on 17 February, 1997 with the name of Agri Business Finance Limited (ABFL) and was registered as a Non-Banking Financial Company with the Reserve Bank of India. It has equity participation from the National Bank for Agriculture and Rural Development (NABARD), Union Bank of India, Canara Bank, Government of Andhra Pradesh, Government of Telangana and a few Industrial Houses/individuals. NABSAMRUDDHI Finance Limited provides credit facilities to legal entities in the off farm sector, microfinance, MSME and for the promotion, expansion, commercialization and modernization of agriculture and allied activities.

Corporate Information

1.	Company	NABSAMRUDDHI FINANCE LIMITED
2.	Corporate Identification Number	U65910TG1997PLC026442
3.	Registered Office	Ground Floor, NABARD Regional Office, 1-1-61, RTC X Roads, Musheerabad, Hyderabad
4.	Corporate Office	Ground Floor, D Wing, NABARD Head Office, Plot. No. C24, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400051
5.	Manager & Chief Operating Officer	Shri Maheep Panwar
6.	Chief Financial Officer	Shri L S Naveenkumar
7.	Company Secretary and Compliance Officer	Smt. Suzette Pereira
8.	Statutory Auditors	M/s Tukaram & Co LLP H No- 3-6-69/209,409, Venkatarama Towers, Basheerbagh, Hyderabad 500029

Board of Directors

Shri Ravi Krishan Takkar	- Independent Director & Chairman
Shri Manikumar S	- Nominee Director
Shri Subrat Kumar Nanda	- Nominee Director
Smt. Archana Singh#	- Nominee Director
Shri Arvind Kumar Jain	- Independent Director
Shri Lalit Kumar Vaid	- Independent Director

#Regularization of Director subject to approval of Shareholders in the ensuing AGM.

Management Team

Shri. Maheep Panwar	- Manager & Chief Operating Officer
Shri L S Naveenkumar	- Chief Financial Officer
Smt. Alisha Varghese	- Senior Vice President, Business Strategy & Product Development
Smt. Forum Parekh	- Senior Vice President- Credit
Smt. Arti	- Vice President
Smt. Rajitha A.	-Assistant Vice President- Accounts and Finance
Shri. Jairaj Vartak	- Chief Information Security Officer/ Chief Technical Officer
Smt. A. Laxmi Bai	- Internal Auditor

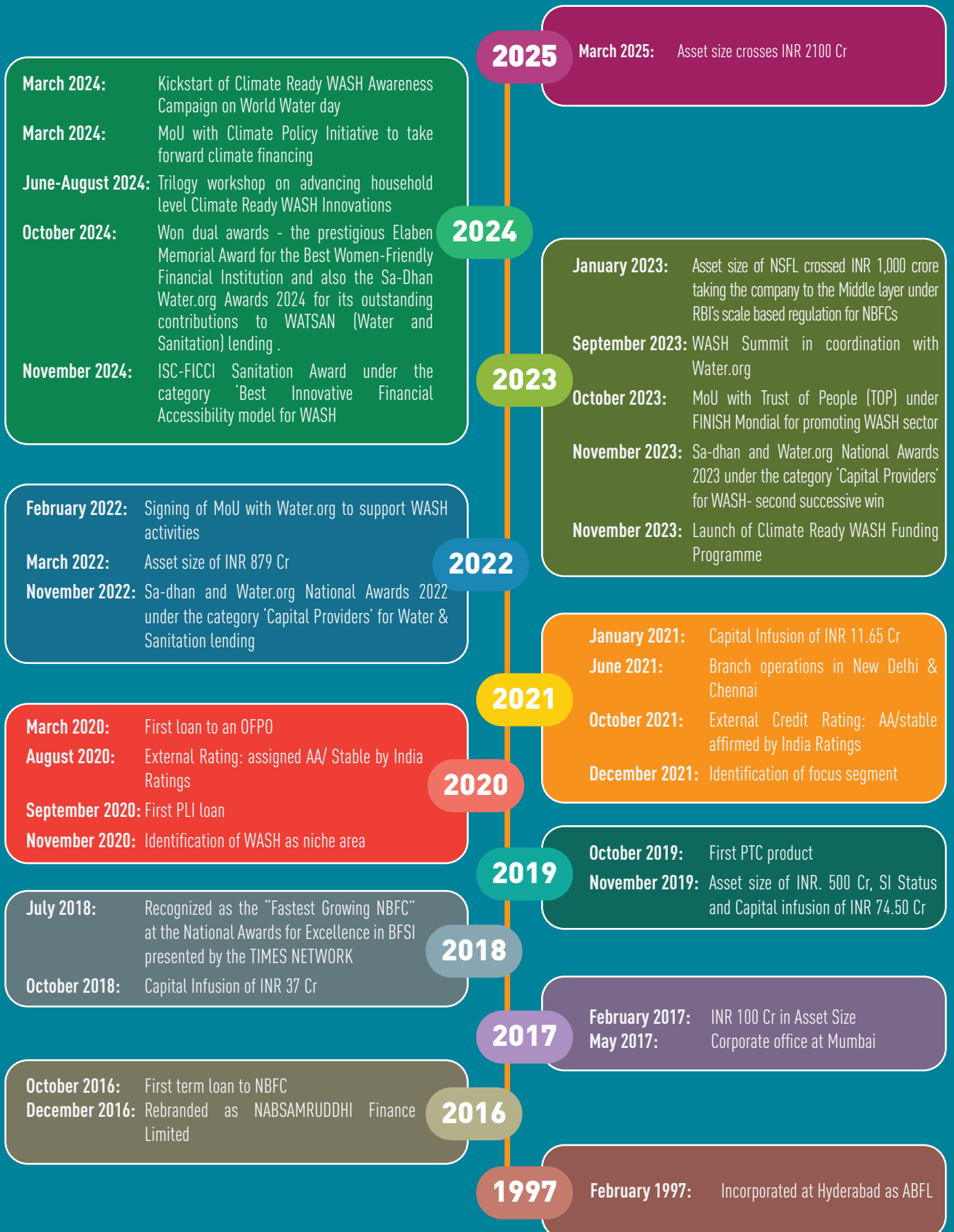
Registrar and Share Transfer Agents

KFin Technologies Limited
(Formerly known as KFin Technologies Private Limited)
Selenium Tower B, Plot 31-32, Gachibowli,
Financial District, Nanakramguda,
Hyderabad - 500 032

Committee composition

Committee	Member
Audit Committee	Shri. Lalit Kumar Vaid-Chairman Shri. Ravi Krishan Takkar Shri Subrat Kumar Nanda
Committee	Member
Nomination and Remuneration	Shri. Arvind Kumar Jain - Chairman Shri. Lalit Kumar Vaid Shri Subrat Kumar Nanda
Committee	Member
Corporate Social Responsibility	Shri. Lalit Kumar Vaid-Chairman Shri. Arvind Kumar Jain Shri. Subrat Kumar Nanda Smt. Archana Singh
Committee	Member
Risk Management Committee	Shri. Ravi Krishan Takkar- Chairman Shri. Manikumar S Smt. Archana Singh Smt Arpita Bhattacharjee - Authorized Representative of RMD, NABARD Shri Maheep Panwar
Committee	Member
IT Strategy Committee	Shri. Ravi Krishan Takkar- Chairman Shri Subrat Kumar Nanda Shri SK Dhinesh, Authorized Representative of DIT, NABARD Shri Nandakumar Palani- CTO, NABARD Shri. Maheep Panwar Shri. Jairaj Vartak

Journey



Index

From the Chairman's Desk	09
Letter from Manager and Chief Operating Officer	10
Board of Directors	11
Directors' Report	12
Corporate Governance Report	30
Management Discussion and Analysis Report	38
Secretarial Audit Report	44
Impact Stories	49
Corporate Social Responsibility Initiatives	54
Comments from CAG, Govt of India	56
Independent Auditor's Report	59
Financial Statements	73
Notice of AGM	148

From the Chairman's Desk



Dear Shareholders,

It is both an honour and a moment of reflection as I present to you the 28th Annual Report of **NABSAMRUDDHI Finance Limited (NSFL)**.

Since inception, NSFL has been more than a financial institution. It has been a catalyst for change—channelling credit into underserved regions, supporting rural livelihoods, and enabling inclusive growth. As I reflect back at the year under reference, it is a matter of pride at how we've evolved—not just in numbers but in building an effective team based on trust, recognition as a brand and being recognised as a trusted partner in the financial ecosystem.

Financial Year 2024-25 was marked by a dynamic operating environment, shaped by shifting macroeconomic conditions, geopolitics and evolving regulatory frameworks. Despite these headwinds, your company achieved significant milestones surpassing INR 2100 Cr in asset size and INR 2000 Cr in Asset Under Management, reflecting growth rate of 17% and 15% respectively. I am happy to inform you that your company has cumulatively disbursed funds over INR 5000 Cr since inception, positively impacting more than 3.5 lakh ultimate beneficiaries across 25 states and 5 UTs through our NBFC/HFC/MFI clients. We have also focused on improving operational efficiency through digital solutions and strengthened our risk management practices. These achievements would not have been possible without the unwavering support of NABARD—not only in terms of funding, but also infrastructure, guidance and human resources.

As you are aware, your company is in process of merging with NABKISAN Finance Limited (NKFL), a strategic move that will allow us to combine our strengths, streamline operations and deliver greater value to all stakeholders. Together, we aim to become more agile, more innovative and better prepared for the future.

We remain committed to the highest standards of corporate governance, transparency, and stakeholder engagement—principles that will continue to guide us through this transformative phase.

I would like to take this opportunity to express my humble and sincere gratitude to our Shareholders for their enduring faith, Board of Directors for their guidance, our employees for their unwavering dedication and all our partners for their continued trust. We look forward to your continued support as we move ahead on this journey of growth and transformation.

Best Wishes!

Ravi Krishan Takkar
Chairman



Letter From Manager & Chief Operating Officer

Dear Shareholders,

It gives me great pleasure to present the 28th Annual Report of NABSAMRUDDHI Finance Limited (NSFL) and to share with you the Company's performance during FY 2024-25. This year marked a phase of steady progress, reflecting the resilience of our business model and the continued trust placed in us by our partners and stakeholders.

Our network expanded to over 75 institutional clients across 16 States and 1 Union Territory, including 12 new partners. With a 15% growth in our Assets Under Management and a 6% rise in profit after tax, we continued to deliver consistent financial performance while staying true to our developmental mission.

Beyond numbers, we continued to make meaningful contributions in the WASH (Water, Sanitation, and Hygiene) sector. Through awareness campaigns, workshops, and active participation in various panel discussions and conclaves, we helped promote climate-resilient sanitation solutions for underserved communities.

Our efforts also received external recognition. NSFL was conferred awards for Best Innovative Financial Accessibility model for WASH, Best Women-Friendly Financial Institution and outstanding contributions to WATSAN (Water and Sanitation) lending.

I'm especially proud to share that this year was marked by zero staff attrition, a reflection of the dedication, stability, and shared purpose of our team.

I take this opportunity to extend my heartfelt gratitude to our partners, Board of Directors and our shareholders for your unwavering trust and support throughout our journey. Together, we look ahead with confidence, ready to embrace new opportunities and build a future that reflects our collective purpose and progress.

Best Wishes,

Maheep Panwar

Manager & Chief Operating Officer

Board of Directors



Shri Ravi Krishan Takkar



Shri Manikumar S.



Shri Subrat Kumar Nanda



Smt Archana Singh



Shri Arvind Kumar Jain



Shri Lalit Kumar Vaid



DIRECTORS' REPORT

Dear Members,

Your Board of Directors are pleased to present the Twenty-Eighth Annual Report of NABSAMRUDDHI Finance Limited ("Company") together with the Annual Audited Accounts for the financial year ended 31 March 2025. The Report, read with Management Discussion Analysis, includes the details of macro-economic scenario, Company's performance, various initiatives undertaken by the Company as well as its approach to risk management.

1. Financial Results

The Company's performance during the year ended 31 March 2025 as compared to the previous year is summarised below:

(INR in Crore)

Particulars	2024-25	2023-24	Growth/Decline %
Total Asset Size	2131.88	1824.90	16.82%
Total AUM	2068.48	1799.39	14.95%
Total Income	197.22	157.45	25.25%
Profit/(Loss) before Tax	69.59	66.51	4.63%
Less: Tax expenses	16.36	16.07	1.80%
Profit/(Loss) after Tax	53.23	50.44	5.53%

Figures have been rounded off, wherever necessary, to the nearest decimal and are as per IND AS.

2. Review of Financials

The Company has prepared its financials in accordance with IndAS accounting standards.

- The total income of the Company was INR 197.21 crore during 2024-25 as against INR 157.45 crore during 2023-24, indicating a y.o.y growth of 25.25%;
- The net profit after tax during 2024-25 was INR 53.23 crore as compared to net profit after tax of INR 50.44 crore during 2023-24, indicating a y.o.y growth of 5.53%;
- The total assets of the Company increased to INR 2131.88 crore as on 31 March 2025 from INR. 1824.90 crore as on 31 March 2024, indicating a y.o.y growth of 16.82%.

3. Dividend

The Board of Directors of your Company have not declared any Dividend for FY 2024-25 in order to preserve internal capital for supporting the Company's business continuity and meeting regulatory expectations until the merger with NABKISAN Finance Limited is formally concluded.

4. Transfer of Unclaimed Dividend/Shares to Investor Education and Protection Fund

The provisions of Section 124 of the Companies Act, 2013 have been complied with for the year FY 24-25.

5. Transfer to Reserve Fund

During financial year 2024-25, your Company has transferred an amount of INR 10.63 crore to reserve fund in accordance with the requirements of Section 45-IC(1) of the Reserve Bank of India Act, 1934.

6. Material Changes and 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 report.

The Board of Directors of the Company have approved the merger of the Company with NABKISAN Finance Limited (both subsidiaries of NABARD). The Company has filed the Scheme with the National Company Law Tribunal at Hyderabad and the process is ongoing. In case the scheme is approved by the NCLT prior to 26 September 2025, the AGM shall automatically stand cancelled.

7. Compliance with RBI Guidelines

Your Company, a Middle Layer Non-Deposit taking NBFC, is compliant with all the applicable RBI regulatory norms.

8. Internal Financial Controls and its adequacy

Your Company has adopted policies and procedures as a part of its Internal Financial Controls for ensuring orderly and efficient conduct of its business including adherence to the Company's policies, safeguarding of its assets, prevention and detection of fraud, error reporting mechanism, accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures. The internal financial control systems are adequate and operating effectively as at March 31, 2025.

9. Share Capital

a. Authorised Share Capital

The Authorised Share Capital of the Company as on 31 March 2025 was INR 150,00,00,000/- (Rupees One Hundred and Fifty Crore only) divided into 15,00,00,000 (Fifteen Crore) equity shares of the face value of INR 10/- (Rupees Ten Only) each. There has been no change in the Authorised Capital of the Company for the period under review.

b. Paid up Capital

During the year under review, there was no increase in Paid-up Share Capital of the Company and as on 31 March 2025, it stood at INR 1,23,82,19,880/- (Rupees One Hundred and Twenty Three Crore Eighty Two Lakh Nineteen Thousand Eight Hundred and Eighty Only) divided into 12,38,21,988 (Twelve Crore Thirty Eight Lakh Twenty One Thousand Nine Hundred and Eighty Eight Only) equity shares of the face value of INR 10/- (Rupees Ten Only) each.

The Shareholding pattern as on 31 March 2025 is as under:

Sr. No	Name of Shareholder	No. of Shares held	Amount (INR)	% of Share Capital
1	National Bank for Agriculture and Rural Development	11,27,88,000	1,12,78,80,000	91.09
2	Government of Andhra Pradesh	46,65,600	4,66,56,000	3.77
3	Government of Telangana	34,65,788	3,46,57,880	2.80
4	Union Bank of India	20,00,000	2,00,00,000	1.62
5	Canara bank	8,00,000	80,00,000	0.65
6	IMC Limited	50000	500000	0.04
7	KCP Sugars Limited	50000	500000	0.04
8	Secretary IF Govt of AP	100	1000	0.00
9	Sri K S Rao	100	1000	0.00
10	Sri V Jalma Rao	100	1000	0.00
11	Sri A Krishna Murthy	100	1000	0.00
12	Sri J Krishna Murthy*	2000	20000	0.00
13	IEPF	200	2000	0.00
	Total	12,38,21,988	1,23,82,19,880	100%

* Shares since transferred to Shri Jasti Seshagiri Rao.

10. Particulars of Loans, Guarantees or Investments under Section 186 of the Companies Act, 2013

Pursuant to Section 186(11)(a) of the Companies Act, 2013 (the 'Act') read with Rule 11(2) of the Companies (Meetings of Board and its Powers) Rules, 2014, the loans made, guarantee given or security provided in the ordinary course of business by a Non-Banking Financial Company (NBFC) registered with the Reserve Bank of India are exempt from the applicability of provisions of Section 186 of the Act. As such, the particulars of loans and guarantees have not been disclosed in this Report. The details of the Investments of the Company are furnished under Note 5 of Notes forming part of the Financial Statements for the year ended 31 March 2025.

11. Non acceptance of Deposits

Being a Non-Deposit taking Non-Banking Financial Company, your Company has not accepted any deposits from the public under section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 during the year under review.

12. Particulars of Borrowings

The Company raised debt in the form of refinance from NABARD to the tune of INR 839.26 crore during 2024-25 as against INR 1019.61 crore during the previous year, taking the refinance outstanding to INR 1511.22 crore compared to INR 1365.38 crore in the previous year. The Company has also raised debt of INR 60 crore from M/s Aditya Birla Finance Limited and INR 120 crore from M/s Bajaj Finance Limited during 2024-25 primarily for investment in Pass through certificates.

13. Particulars of Loans and Advances

The Particulars on loans and advances are given in the Management Discussion and Analysis Report as Annexure IV.

14. Asset Quality

The outstanding of Non-Performing Assets (NPAs) as on 31 March 2025 was INR 2.09 crore. The Company has made a provision of INR 1.36 crore for NPA accounts. The Company has also made a cumulative provision of INR 10.51 crore on Standard Assets.

15. Related Party Transactions (RPT)

The Company has put in place a Board approved Policy for RPT, which is displayed on the website of the Company at <https://www.nabsamruddhi.in/resources/images/RPT-Policy-approved-by-the-Board.pdf>. The details of the transactions with related party as required under Section 134 (3) (h) of the Companies Act, 2013 are furnished in Form AOC-2 as Annexure III (forms part of this Report) and under Accounting Standard 18 which are furnished in Notes to Accounts which forms part of Financial Statements of the Company.

16. Extract of Annual Return

Pursuant to Section 134(3)(a) and Section 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014 as amended from time to time, the extract of Annual Return is made available on the Company's website at <https://www.nabsamruddhi.in>

17. Changes in Directors and Key Managerial Personnel

During the financial year, the following changes occurred in the Board of Directors:

- a. Shri Subrata Gupta, Non-executive Director resigned w.e.f closure of business hours of 01 December 2024.
- b. Smt. Bonani Roychoudhury, Managing Director of the Company resigned w.e.f. 30 January 2025 pursuant to her repatriation to NABARD.
- c. Shri Kapudasi Dharmaiah, Nominee Director of the Company resigned w.e.f. 30 June 2025.
- d. Shri Partho Saha, Nominee Director of the Company resigned w.e.f. 30 June 2025.
- e. Smt. Archana Singh, Chief General Manager, NABARD was appointed as Additional Nominee Director w.e.f. 30 April 2025. The approval of the members is being sought for the same at the upcoming Annual General Meeting.
- f. Shri. Maheep Panwar, Deputy General Manager, NABARD was appointed as Manager holding additional charge as Chief Operating Officer (COO) w.e.f 25 July 2025. The approval of the members is being sought for the same at the upcoming Annual General Meeting.

The Board places on record its appreciation and gratitude for the invaluable contributions made by Shri Subrata Gupta, Smt. Bonani Roychoudhury, Shri Kapudasi Dharmaiah and Shri Partho Saha during their tenure as Directors of the Company.

18. Meetings of Board of Directors and its Committees

Fourteen (14) meetings of the Board of Directors were held during the year under review. Details of Meetings of Board and its Committees along with attendance thereat (Annexure I) forms part of the Corporate Governance Report.

19. Code of Conduct

Your Company has in place a comprehensive Code of Conduct ("the Code") applicable to Directors and Senior Management Personnel. The Code provides guidance and support needed for ethical conduct of business and compliance of law.

20. Independent Directors' Declaration

The Independent Directors have confirmed and declared that they are not disqualified to act as Independent Directors in compliance with the provisions of Section 149 of the Companies Act, 2013, and the Board is also of the opinion that the Independent Directors fulfil all the relevant conditions specified in the Companies Act, 2013, making them eligible to act as Independent Directors. Pursuant to Rule 5 of Companies (Appointment and qualification of Directors) Rules, 2014 as amended w.e.f. 01 December 2019, all Independent Directors of the Company have registered themselves in the Independent Directors databank maintained with the Indian Institute of Corporate Affairs (IICA). Further, all the Independent Directors have also cleared the proficiency test conducted by IICA.

21. Board Evaluation

Evaluation of performance of all Directors is undertaken annually. The Company has implemented a system of evaluating performance of the Board of Directors as a whole, its Committees, the Non-Executive Directors, Executive Directors on the basis of structured questionnaire which comprises evaluation criteria taking into consideration various performance related aspects. The performance evaluation so arrived at was then noted and discussed by the Board of Directors in its meeting held on 30 April 2025.

The evaluation process brought out the fact that the Board and the Committees of the Company are well diversified with appropriate constitution with active participation of the members in the decision making process of the Company.

22. Independent Directors Meeting

During the year under review, a meeting of Independent Directors was held on 18 March 2025 as required under Companies Act, 2013 and matters as specified therein were discussed.

23. Particulars of Employee Benefits

For the year 2024-25, the Managing Director was on deputation from NABARD. Remuneration of the Managing Director including Provident Fund, Gratuity and Leave Salary was reimbursed to NABARD on the basis of the advice received from NABARD. The services of one General Manager, one Deputy General Manager, one Assistant General Manager, one Manager and one Assistant Manager of NABARD were and are being utilized by the Company on a placement basis during the year under review. As per the terms of placement, 100% of the remuneration paid to these officials on placement were being reimbursed to NABARD based on the advice received from NABARD and the same was charged to the Statement of Profit and Loss.

24. Auditors

a. Internal Audit

Smt. A Laxmi Bai was appointed as the Internal Auditor of the Company from FY24 onwards. The reports of the internal auditor were placed before the Audit Committee at their meetings at regular intervals.

b. Statutory Audit

Pursuant to the provisions of Section 139 of the Companies Act, 2013, and the Companies (Audit and Auditors) Rules, 2014, M/s. Tukaram & Co. LLP, Chartered Accountants, Hyderabad (Firm Registration No.004436S/S200135), were appointed by the Office of the Comptroller and Auditor General of India as Statutory Auditors of the Company for the Financial Year 2024-25.

There are no qualifications, reservations or adverse remarks made by M/s. Tukaram & Co. LLP, Chartered Accountants, Statutory Auditors in their report for the Financial Year ended 31 March 2025. The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company in the year under review.

c. Secretarial Audit

Pursuant to provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company appointed M/s Marthi & Co., Company Secretaries (CP No. 1937) to undertake the Secretarial Audit of the Company for the financial year 2024-25. The Secretarial Audit Report (MR-3) is published in this Annual Report. There are no qualifying remarks in the Secretarial Audit Report.

National Bank for Agriculture and Rural Development (NABARD) had conducted its yearly inspection for the FY 2023-24 during the year under review. The Compliance for the observations made in the report have been furnished to NABARD.

25. Reporting of Frauds by Auditors

During the year under review, the Internal Auditors, Statutory Auditors and the Secretarial Auditors have not reported any instances of frauds committed in the Company by its Officers or Employees under section 143(12) of the Companies Act, 2013.

26. Audit by C&AG

Comptroller and Auditor General of India have forwarded their Comments certificate No. PDCA/A/c/Desk/NFL/2024-25/1.11/131 dated 28 July 2025 under Section 143(6)(b) of the Companies Act, 2013 on the accounts of the Company for the year ended 31st March 2025.

Comments by CAG and Management replies:

Comments on Financial Position

Balance Sheet

Other Non-Financial Liabilities (Note-15): INR 5703.37 lakh

Other Financial Liabilities (Note – 13): INR 33.70 lakh

As per Para 11(a)(i) of Ind AS 32 Financial Instruments – Presentation, a financial liability is any liability that is a contractual obligation to deliver cash or another financial asset to another entity. As per para 3.1.1 read with Para 4.2.1 of Ind AS 109 – Financial Instruments, an entity shall classify all financial liabilities as subsequently measured at amortised cost, except for few expectations.

Further, as per Material Accounting Policy No. 1.4(b) on ‘classification of financial assets’, the company measures loans at amortised cost.

The company received loan instalments in advance amounting to INR 5,674.74 lakh and thereby, the Company has a contractual obligation to adjust these loan instalments against term loans (i.e. a financial asset) becoming due in future. Hence, as per above mentioned provisions from IND AS 32 and 109 as well as in view of company’s Material Accounting Policy No.1.4(b), the company was required to classify it under ‘Financial Liabilities’.

The current classification, therefore, is not in line with Ind AS 109 resulting in overstatement of ‘Other Non-financial Liabilities’ and understatement of ‘Other Financial Liabilities’ by INR 5,674.74 lakh each, thereby affecting fair presentation of the liability structure of the Company, and related disclosures.

Management Reply:

As per IND-AS 32, a financial liability is any liability that is:

(a) A contractual obligation:

- i. To deliver cash or another financial asset to another entity; or
- ii. To exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity;

In the present case, the obligation from the borrower was fulfilled as per the loan contract since the loan instalment amount was received in advance. However, the contractual obligation from the company end to adjust against the Term loan outstanding is falling in subsequent financial year that is 01 April 2025.

As there is a certainty that the said loan instalments under whatever circumstances will not be payable to the borrower, the company has disclosed the loan instalments received in advance as Non-Financial Liabilities in the financial statements, as the contractual obligation for adjusting the same against loan outstanding was not due as on 31 March 2025.

However, we agree with the comment made by C&AG and confirm that going forward the same shall be adhered.

27. Secretarial Standards

The Directors state that applicable Secretarial Standards, i.e., SS-1 and SS-2, relating to “Meetings of the Board of Directors” and “General Meetings”, respectively, have been duly followed by the Company.

28. Associate and Subsidiary Companies

The Company does not have any subsidiary or associate company. Hence AOC-1 is not applicable to the Company.

29. Risk Management Policy

Your Company has adopted the Risk Management Policy based on the recommendation of the Risk Management Committee in order to assess, monitor and manage enterprise risk. The Audit Committee reviews adequacy and effectiveness of the Company's internal control environment to monitor and mitigate the risk through internal audit recommendations including those relating to strengthening of the Company's internal risk management policies and systems.

30. Whistle blower Policy

Your Company has formulated a vigil mechanism through Whistle Blower Policy to deal with instances of unethical behaviour, actual or suspected fraud or violation of Company's code of conduct and the policy is also available on the Company's website.

The said mechanism can also be availed by the Directors of the Company.

31. Conservation of Energy, Technology, Absorption, Foreign Exchange Earnings and Outgo

The Company had not undertaken any activity relating to conservation of energy or technology absorption during the year 2024-25. The Company did not have any foreign exchange earnings or outgo during the year under review.

32. Corporate Social Responsibility

Your Company has a CSR Policy committed towards CSR activities as envisaged in Schedule VII of the Companies Act, 2013 and has constituted a Corporate Social Responsibility (CSR) Committee. The details of CSR expenditure and the Composition of the CSR Committee may be found in Annexure II.

The Annual Report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 is attached to this report as Annexure II.

33. Management Discussion and Analysis Report

Attached separately as Annexure IV.

34. Vigilance Mechanism

Pursuant to Section 177(9) of the Companies Act, 2013, the Company has established due Vigilance Mechanism for Directors, employees and other stakeholders of the Company. The purpose and objective of the Vigilance Policy is to address serious concerns that may have a larger impact on the image and values of the Company due to incorrect financial reporting or serious improper conduct. No such complaints were received during the year.

35. Policy on Sexual Harassment of Women at Workplace

The Company has put in place a Policy in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. No such complaints were received, resolved or pending for over 90 days during the year.

36. Compliance with the provisions of the Maternity Benefit Act, 1961.

The Company has complied with the provisions of the Maternity Benefit Act, 1961 for the year under review.

37. Details of Significant and Material Orders passed by the regulators or Courts or Tribunals impacting the going concern status and Company's future operations

There has been no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and company's future operations.

38. Change in Nature of Business

There has been no change in the nature of business of the Company during the year under review.

39. Directors' Responsibility Statement

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 with regard to Director's Responsibility Statement, Directors state that:

- a. in the preparation of the annual accounts, the applicable Indian Accounting Standards had been followed.
There are no material departures from applicable Indian Accounting Standards;
- b. the Directors 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. the Directors 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. the Directors have prepared the annual accounts on a going concern basis;
- e. the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- f. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

40. Application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016:

During the year under review, the Company has not made any application nor are any of the proceedings pending under the Insolvency and Bankruptcy Code, 2016.

41. Details of difference in the amount of 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.:

The Company has not availed any one-time settlement from any banks or financial institutions, during the year under review.

42. Acknowledgment

The Directors wish to thank the Reserve Bank of India and other statutory authorities for their continued support and guidance. The Board of Directors would like to express its sincere appreciation to the National Bank for Agriculture and Rural Development, Government of Andhra Pradesh, Government of Telangana, Union Bank of India, Canara Bank, IMC Limited, KCP Sugars & Industries Limited, the client institutions, M/s Bajaj Finance Limited, M/s Aditya Birla Finance Limited and other bankers and other financial institutions for their consistent support, cooperation and encouragement to the Company.

Your Directors also express their deep appreciation for the devoted and unstinted services rendered by the staff and executives during this year.

On behalf of the Board

For NABSAMRUDDHI Finance Limited

Sd/-

Ravi Krishan Takkar

Chairman and Independent Director

DIN: 07734571

Date: 28 August 2025

Place: Mumbai

Sd/-

Lalit Kumar Vaid

Independent Director

DIN: 10065080

Annexure - I

Attendance of Directors at Board Meetings held in 2024-25

Names of Directors	Total Attendance (in %)	30 April 2024	22 May 2024	27 June 2024	20 August 2024	04 September 2024	17 September 2024	25 September 2024	26 October 2024	29 November 2024	23 December 2024	30 January 2025	25 February 2025	18 March 2025	27 March 2025	AGM held on 27 September 2024
Ravi Krishan Takkar	100	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES
Manikumar S	57.14	YES	YES	NO	YES	NO	YES	YES	NO	NO	NO	YES	NO	YES	YES	YES
Subrat Kumar Nanda	64.28	YES	YES	YES	YES	NO	NO	NO	YES	YES	NO	YES	NO	YES	YES	NO
Partho Saha	71.42	YES	YES	NO	YES	YES	YES	YES	NO	YES	YES	YES	NO	YES	YES	YES
Arvind Kumar Jain	100	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	NO
Lalit Kumar Vaid	100	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES
Subrata Gupta	100	YES	YES	YES	YES	YES	YES	YES	YES	YES	NA	NA	NA	NA	YES	YES
K. Dharmiah	71.42	NO	YES	YES	YES	YES	YES	NO	NO	YES	YES	YES	YES	NO	YES	YES
Bonani Roychoudhury	100	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	NA	NA	NA	YES

Annexure -II

Annual Report on CSR Activities for the financial year ended 31 March 2025

1. Brief outline on CSR Policy of the Company.

Keeping in view the applicability of Section 135 of the Companies Act, 2013 NABSAMRUDDHI Finance Limited (NABSAMRUDDHI) has been providing CSR assistance to various organisations from FY 2019-20 onwards. Further, the CSR Policy of the Company was also revised based on the amendments in Companies (Corporate Social Responsibility Policy) Rules, 2014, with effect from 31 March 2021. The detailed CSR Policy is placed in the Company's website www.nabsamruddhi.in. The focus areas identified by the Company for CSR support during 2024-25 included:

- Water, Sanitation and Hygiene (WASH);
- Climate Change mitigation & adaptation;
- Education and Skill Development;
- Health Care
- Sustainable livelihoods

2. Composition of CSR Committee:

Sl. No	Name of Director	Designation/ Nature of Director	Number of meetings during the year	
			Held	Attended
1	Shri Lalit Kumar Vaid	Chairman	2	2
2	Shri Arvind Kumar Jain	Member	2	2
3	Shri Subrat Kumar Nanda	Member	2	0
4	Smt. Bonani Roychoudhury#	Member	2	2
5	Smt. Archana Singh*	Member	2	NA

ceased to be member w.e.f 30 January 2025

* appointed as member w.e.f 20 May 2025

3. Provide 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.-

<https://www.nabsamruddhi.in/who-we-are>

4. Provide the details 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, if applicable (attach the report).

Since the average CSR obligation of the Company is less than INR 10 Crore, impact assessment of its CSR Projects through an independent agency is not required.

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

INR 50,34,11,725/-

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

INR 1,00,68,235/-

5c. Surplus arising out of the CSR projects or programmes or activities of the previous financial years.-

NIL

5d. Amount required to be set off for the financial year, if any-

INR 79,387/-

5e. Total CSR obligation for the financial year (b+c-d).-

INR 99,88,848/-

6a. Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)- INR 73,25,171**i.Details of CSR amount spent against ongoing projects for the financial year:**

1	2	4		5	6	7	8	9	10	11	
Sl. No.	Name of the Project	Local Area (Yes/No)	State / District	Location of the project.	Project duration.	Amount allocated for the Project (in Rs)	Amt. spent in the current financial Year (in Rs.).	Amt.transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
										Name	CSR Reg. No
3. Item from the list of activities in Schedule VII to the Act.		Promoting Water conservation projects including community water conservation and community rain water harvesting & making available safe drinking water									
1	Ensuring Sustainable Water Security For Rural Communities Through Rainwater Harvesting*	No	Rajasthan	Jaisalmer district	1 year	55,58,438	51,09,966	4,48,472	No	NABFOUN-DATION	CSR 00004589
3. Item from the list of activities in Schedule VII to the Act		Livelihood enhancement projects									
2.	Establishment of Training-cum-Agro Processing Centres	No	Karnataka	7 districts of Kalyana Karnataka Region - Bidar, Ballari, Yadgir, Raichur, Kalabu ragi, Koppal, and Vijaya nagara	1 year	44,30,410	22,15,205	22,15,205	No	NABFOUN-DATION	CSR 00004589
		Total				99,88,848	73,25,171	26,63,677			

* Out of the total sanctioned amount of INR 55,58,438 for the ongoing CSR project on ensuring water security

in 10 villages of Jaisalmer district, an amount of INR 54,83,844 was disbursed of which an amount of INR 3,73,878/- could not be utilised by the implementing agency by 31 March 2025 and hence was refunded to the Company post reporting date.

ii. Details of CSR amount spent against other than ongoing projects for the financial year:

(1) Sl. No.	(2) Name of the Project	(4) Local area (Yes/No).	(5) Location of the project.		(6) Amount spent for the project (in Rs.).	(7) Mode of implementation - Direct (Yes/No).	(8) Mode of implementation - Through implementing agency.	
			State.	District.			Name.	CSR registration number.
3. Item from the list of activities in Schedule VII to the Act			NA					
1								

6b. Amount spent in Administrative Overheads-NIL

6c. Amount spent on Impact Assessment, if applicable-NIL

6d. Total amount spent for the Financial Year (a+b+c)- INR 73,25,171

6e. CSR amount spent or unspent for the financial year:

Total Amt. spent for the financial year (in INR)	Amount Unspent (in INR)				
	Total Amt. transferred to Unspent CSR a/c as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amt.	Date of transfer	Name of fund	Amt.	Date of transfer
99,88,848/-	26,63,677*	22 April 2025	-	-	-

*Out of the total disbursed amount of INR 76,99,049/- during the year, an amount of INR 3,73,878/- pertaining to the ongoing CSR project on ensuring water security in 10 villages of Jaisalmer district could not be utilised by the implementing agency by 31 March 2025 and hence was refunded to the Company post reporting date and same has been transferred to the unspent CSR account within the 30 days from the end of the financial year as per CSR Rules. Further, the undisbursed amount of INR 22,89,799/ has been transferred to the unspent CSR account for FY 25.

6f. Excess amount for set off, if any

Sl. No.	Particular	Amount (in INR.)
(i)	Two percent of average net profit of the company as per section 135(5)	1,00,68,235
(ii)	Total amount spent/sanctioned for the Financial Year	1,00,68,235/- (including set off amount of INR 79,387/- for the financial year)
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NA
(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)]	NA

7(a) Details of Unspent CSR amount for the preceding three financial years:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under subsection (6) of section 135 (in Rs.)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in Rs.)	Amount Spent in the Financial Year 2024-25 (in Rs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (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	FY 2022	38,88,314	NIL	NIL	-	-	NIL	-
2	FY 2023	40,24,095	NIL	NIL	-	-	NIL	-
3	FY 2024	37,77,222	NIL	37,77,222	-	-	NIL	-
	Total			37,77,222				

7(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs).	Cumulative amount spent at the end of reporting Financial Year (in Rs.)	Status of the project- Completed /Ongoing.
1	FY31.03.2024_1	Construction of Toilets in three schools at Ambikapur, Surguja District, Chhattisgarh	FY 2024	1 year	28,90,200	14,45,100	28,90,200	Completed
2.	FY31.03.2024_2	Empowering Schools- Improved facility for improved Learning	FY 2024	1 year	24,11,509	24,11,509	24,11,509	Completed
	TOTAL						53,01,709	

- 8. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year- NIL**
- 9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).**

The amount for CSR expenditure for projects were duly sanctioned by March 2025. However due to extenuating circumstances, the same could not be disbursed and utilised within the given timeframe. The unspent amount has been transferred to the unspent CSR account within the timelines specified. The amounts will be released in tranches based on progress in implementation of CSR projects.

sd/-

Ravi Krishan Takkar

Chairman and Independent Director

sd/-

Lalit Kumar Vaid

Chairman of CSR Committee

Place: Mumbai

Date: 28 August 2025

Annexure III

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	NIL
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions	
f)	Date of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

2. Details of material contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Annexed
b)	Nature of contracts/arrangements/transaction	Annexed
c)	Duration of the contracts/arrangements/transaction	NA
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Annexed
e)	Date of approval by the Board	30 April 2025
f)	Amount paid as advances, if any	-

Annexure to AOC-2

- A. National Bank for Agriculture and Rural Development (NABARD) is the holding company with 91.09 % of the paid up equity capital of the Company. The following payments have been made / payable by the Company to NABARD during the financial year 2024-25.

(Amount in INR crores)

Payments*	Maintenance charges	0.05
	Professional charges for staff deputed/posted	2.97
	Interest on loans	105.46

*Approved by the Board of Directors on 30 April 2025

The professional charges include 100 % of expenses towards deputation of officers/ staff of NABARD posted to the Company.

The Company obtained refinance from NABARD. The transactions during the year is as follows:

(Amount in INR crores)

Unsecured Loans*	Opening Balance	1365.38
	Loans received during the year	839.26
	Loans repaid during the year	693.42
	Closing balance	1511.22

*Approved by the Board of Directors on 30 April 2025

- B. The Company made payments to its Directors by way of sitting fees and professional charges which is provided in notes to financial statements which was approved by the Board of Directors on 30 April 2025.

On behalf of the Board

For NABSAMRUDDHI Finance Limited

sd/-

Ravi Krishan Takkar

Chairman and Independent Director

DIN: 07734571

Date: 28 August 2025

Place: Mumbai

sd/-

Lalit Kumar Vaid

Independent Director

DIN: 10065080

CORPORATE GOVERNANCE REPORT

1. Our philosophy on Corporate Governance

At NABSAMRUDDHI, our corporate governance practices are a reflection of our value system encompassing our culture, policies and relationships with our stakeholders. Professionalism, integrity, transparency and ethical behaviour are key to our corporate governance practices to ensure that we gain and retain the trust of our stakeholders at all times.

Corporate governance is about maximizing shareholder value legally, ethically and sustainably. At NABSAMRUDDHI, the Board exercises its fiduciary responsibilities in the widest sense of the term. Our disclosures seek to attain the best practices in corporate governance. We also endeavour to enhance long-term shareholder value and respect in all our business decisions.

2. RBI Guidelines on Corporate Governance

The Company is categorised as Middle layer Non Deposit taking NBFC and the applicable practices with respect to RBI Master Circular Ref. No. DNBR (PD) CC.No.053/03.10.119/2015-16 dated 01 July 2015, RBI Master Circular RBI/2021-22/112DOR.CRE.REC.No.60/03.10.001/2021-22 dated 21 October 2022 and RBI Master Directions RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 dated 19 October 2023 including any amendments and modifications made thereto are adhered to by the Company.



1. Composition of the Board as on 31 March 2025

Name of Director	Director since	Capacity (i.e. Executive/ Non- Executive/ Chairman/ Promoter/ nominee/ Independent)	DIN	Number of Board Meetings			No. of other Director ships (excluding Nabsamruddhi)	Remuneration (in lakhs)			No. of shares held in and convertible instruments held in the NBFC
				Held	Eligible to attend	Attended		Salary and other compensation	Sitting Fee	Commission	
Shri Ravi Krishan Takkar	02/11/2019 (first term) 02/12/2022 (second term)	Independent Director	07734571	14	14	14	2	NIL	8.3	NIL	NIL
Shri Manikumar S	26/07/2023	Nominee Director	08956660	14	14	8	3	NIL	NIL	NIL	NIL
Shri Subrat Kumar Nanda	29/09/2023	Nominee Director	10334685	14	14	9	1	NIL	NIL	NIL	NIL
Shri Partho Saha*	26/02/2024	Nominee Director	10515390	14	14	10	5	NIL	NIL	NIL	NIL
Shri Arvind Kumar Jain	24/03/2020 (first term) 25/03/2023 (second term)	Independent Director	07911109	14	14	14	9	NIL	7.7	NIL	NIL
Shri Lalit Kumar Vaid	28/04/2023 (first term)	Independent Director	10065080	14	14	14	0	NIL	7.15	NIL	NIL
Shri Kapudasi Dharmalaha**	22/11/2013	Nominee Director	06750302	14	14	10	1	NIL	NIL	NIL	NIL

*resigned w.e.f 30 June 2025 on superannuation

** resigned w.e.f 30 June 2025 on superannuation

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

Sr no	Name of Director	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter/ nominee/ Independent)	Nature of change (resignation, appointment)	Effective date
1.	Shri KS Raghupathi	Nominee Director	Resignation	30-06-2023
2.	Shri Manikumar S	Nominee Director	Appointment	26-07-2023
3.	Shri PVS Suryakumar	Nominee Director and Chairman	Resignation	31 -07-2023
4.	Shri Ravi Krishan Takkar	Chairman	Appointment	28-08-2023
5.	Dr. Ushamani Payyamballickandy	Managing Director	Resignation	30-08-2023
6.	Smt. Bonani Roychoudhury	Managing Director	Appointment	11-09-2023
7.	Shri Goverdhan Singh Rawat	Nominee Director	Resignation	15-02-2024
8.	Shri Subrat Kumar Nanda	Nominee Director	Appointment	29-09-2023
9.	Shri Partho Saha	Nominee Director	Appointment	26-02-2024
10.	Shri Subrata Gupta	Non-Executive Director	Resignation	01-12-2024
11.	Smt. Bonani Roychoudhury	Managing Director	Resignation	30-01-2025

Where an independent director resigns before expiry of her/ his term, the reasons for resignation as given by her/ him shall be disclosed. - **NA**

Details of any relationship amongst the directors inter-se shall be disclosed - **NA**

3. Committees of the Board and their composition

The Board has, inter alia, constituted below named committees as required under Companies Act, 2013 and RBI Guidelines, as amended time to time, to delegate particular matters that require more focused attention:

- Audit Committee
- Corporate Social Responsibility committee
- Nomination and Remuneration Committee
- Risk Management Committee
- IT Strategy Committee

The Terms of Reference of the Committees are as per the Companies Act.2013 and the relevant RBI Guidelines.

3(a) Audit Committee

The main objective of the Audit Committee is to monitor and provide an effective supervision of the highest levels of transparency, integrity and quality of financial reporting. The Committee oversees the work carried out in the financial reporting. The Audit Committee oversees the financial reporting process and reviews, with the Management, the financial statements to ensure that the same are correct and credible. The Audit Committee also reviews performance of the Statutory Auditors, the Internal Auditors and adequacy of the internal control system.

The Terms of Reference of the Audit Committee include:

- i. To make recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- ii. To review and monitor the auditor's independence and performance, and effectiveness of the audit process;
- iii. To examine the financial statement and the auditors' report thereon;
- iv. To approve transactions of the Company with related parties;
- v. To scrutinise inter-corporate loans and investments;
- vi. To make the valuation of undertakings or assets of the Company, wherever it is necessary;
- vii. To evaluate internal financial controls and risk management systems;
- viii. To monitor the end use of funds raised through public offers and related matters;
- ix. Reviewing performance of the statutory and internal auditors and adequacy of the internal control system;
- x. To examine the Internal Audit Report on Quarterly basis and discussion with internal auditors regarding any significant findings and follow-up thereon;
- xi. To review the function of whistle blower mechanism in case the same exists;
- xii. To look into the reasons for substantial defaults in the payments to the depositors, debenture-holders, shareholders (in case of non-payment of declared dividends) and credit

The Audit Committee met 6 times during the year, i.e., on 27 April 2024, 17 May 2024, 12 August 2024, 04 September 2024, 14 November 2024 and 17 February 2025.

Name of the Directors	Member of Audit Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter/ nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
			Held	Attended	
Shri Lalit Kumar Vaid	06 June 2023	Independent Director (Chairman)	6	6	NIL
Shri Ravi Krishan Takkar	11 May 2022	Independent Director	6	6	NIL
Smt. Bonani Roychoudhury*	11 September 2023	Managing Director	6	5	NIL
Shri Subrat Kumar Nanda	14 February 2025	Nominee Director	6	1	NIL

*ceased to be Director w.e.f 30 January 2025

3(b) Nomination and Remuneration Committee

The process of selection, appointment and remuneration of Directors and other Key Managerial Personnel (except staff on deputation from NABARD) is decided by the Nomination and Remuneration Committee constituted as per Section 178 of the Companies Act, 2013. The Board has constituted a Nomination and Remuneration Committee pursuant to the provisions of the Companies Act, 2013. The primary purpose of the Committee, among other things, is to determine and propose the following for Board's approval:

- To identify persons who are qualified to become Directors and who may be appointed in senior management positions in accordance with the criteria laid down and recommend to the Board their appointment and removal;

- To evaluate the level and composition of remuneration to be reasonable and sufficient to attract, retain and motivate Directors and staff of the Company.

The terms of reference of Nomination and Remuneration Committee include:

- The Nomination and Remuneration Committee shall identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance.
- The Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees.
- The Nomination and Remuneration Committee shall formulate the policy to ensure that—
 - the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
 - relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - remuneration to Directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

The Nomination and Remuneration Committee met twice during the year, i.e., on 18 April 2024 and 12 August 2024.

Name of the Directors	Member of NRC Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter/ nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
			Held	Attended	
Shri Arvind Kumar Jain	11 May 2022	Independent Director (Chairman)	2	2	NIL
Shri Lalit Kumar Vaid	26 July 2023	Independent Director	2	2	NIL
Smt. Bonani Roychoudhury*	11 September 2023	Managing Director	2	2	NIL
Shri Partho Saha	26 February 2024	Nominee Director	2	1	NIL

*ceased to be Director w.e.f 30 January 2025

3(c) Risk Management Committee

The Board has constituted a Risk Management Committee pursuant to the provisions of the Companies Act, 2013. The Committee has been formed to frame properly defined procedure to deal with the various business related risks arising in the day to day activities. The Board Members and Senior Executives have been monitoring and reviewing the risk management plan regularly, in order to overcome risk related issues at appropriate time.

The terms of reference of Committee include

- i. To review the risk profile of the Company;
- ii. To review risk exposure limits/ covenants under credit risk, market risk, operational risk and compliance risk, etc.;
- iii. To recommend to the Board, relevant risk related policies for approval;
- iv. To review and approve/sanction of OTS proposals recommended by the NPA Management Committee.

The Risk Management Committee met 6 times during the year, i.e., on 17 May 2024, 21 June 2024, 12 August 2024, 21 November 2024, 23 January 2025 and 17 February 2025.

Name of the Directors	Member of RMC Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter/ nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
			Held	Attended	
Shri Subrata Gupta**	16 June 2020	Non-Executive Director (Chairman)	6	4	NIL
Shri Ravi Krishan Takkar	16 June 2020	Independent Director	6	6	NIL
Shri Manikumar S	26 July 2023	Nominee Director	6	3	NIL
Smt Arpita Bhattacharjee	20 October 2023	Authorized Representative, NABARD	6	4	NIL
Smt. Bonani Roychoudhury***	11 September 2023	Managing Director	6	5	NIL

**ceased to be Director w.e.f 01 December 2024

***ceased to be Director w.e.f 30 January 2025

3(d) Corporate Social Responsibility Committee

In compliance with the requirements of the Companies Act, 2013, the Company has constituted the Corporate Social Responsibility Committee. The Committee evaluates and recommend the CSR proposals to the Board for approval.

The terms of reference of CSR Committee include:

- i. Formulation and review of the CSR Policy for approval by the Board;
- ii. Identification of institutions/ activities and ensuring implementation of the annual CSR programme;
- iii. Monitoring the implementation of CSR Activities;
- iv. Recommending the amount of expenditure to be incurred on activities indicated in the CSR Policy;
- v. Ensure periodic reporting to the Board on the progress of CSR Activities.

The Corporate and Social Responsibility Committee met twice during the year, i.e., on 21 June 2024 and 06 January 2025

Name of the Directors	Member of CSR Committee since	Capacity (i.e., Executive/ Non-executive/ Chairman/ Promoter/ nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
			Held	Attended	
Shri Lalit Kumar Vaid	26 July 2023	Independent Director (Chairman)	2	2	NIL
Shri Arvind Kumar Jain	24 August 2020	Independent Director	2	2	NIL
Shri Subrat Kumar Nanda	20 October 2023	Nominee Director	2	0	NIL
Smt. Bonani Roychoudhury*	11 September 2023	Managing Director	2	2	NIL

*ceased to be Director w.e.f 30 January 2025

3(e) IT Strategy Committee

In accordance with the provisions of Reserve Bank of India's Master Direction on the Information Technology Framework for the NBFC Sector, the Board has constituted an IT Strategy Committee as per the composition stipulated in the RBI guidelines.

The functions of IT Strategy Committee include recommending to the Board, IT strategies and policy documents, to ascertain whether the Company's management has implemented processes / practices which ensure that IT delivers value to business, ensure that the budgets allocated vis-à-vis IT investments are commensurate, monitor the methods adopted to ascertain the IT resources needed to achieve strategic goals of the Company and to provide high-level directions for sourcing and use of IT resources.

The IT Strategy Committee met four times during the year, i.e., on 21 June 2024, 18 September 2024, 16 December 2024 and 06 March 2025

Name of the Directors	Member of ITSC Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter/ nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
			Held	Attended	
Shri Ravi Krishan Takkar	21 June 2020	Independent Director (Chairman)	4	4	NIL
Shri Subrata Gupta#	21 June 2020	Non-Executive Director	4	2	NIL
Shri Partho Saha	26 February 2024	Nominee Director	4	3	NIL
Shri Nandakumar Palani, CTO, NABARD	26 October 2024	Ex-Officio member	4	2	NIL
Smt Savita VCRS Authorised Representative, DIT, NABARD	20 October 2023	Member	4	3	NIL
Shri Maheep Panwar	11 September 2023	COO	4	4	NIL
Smt. Bonani Roychoudhury##	11 September 2023	Managing Director	4	3	NIL
Shri Sumit Gupta	15 December 2022	CTO/CISO	4	4	NIL

#Ceased to be a Director w.e.f 01 December 2024

##ceased to be a Director w.e.f 30 January 2025

Details of General Meeting

During the financial year 2024-25, the Twenty-Seventh Annual General Meeting was held on 27 September 2024 and the details are given below:

Meeting type	Time	Date and Place	Ordinary/Special Resolution passed
27th Annual General Meeting	10:00 am	Held on 27 September 2024 through Video Conferencing facility, therefore deemed venue: NABARD Regional Office, 1-1-61, Yeduguri Chambers, RTC 'X' Roads, Hyderabad-500020.	Appointment of Smt. Bonani Roychoudhury as Director Appointment of Smt. Bonani Roychoudhury as Managing Director Appointment of Shri Subrat Kumar Nanda as Nominee Director Appointment of Shri Partho Saha as Nominee Director.

All the proposed resolutions were passed by the shareholders as set out in their respective notices.

During the financial year 2024-25, the Sixth Extraordinary General Meeting was held on 31 May 2024 and the details are given below:

Meeting type	Time	Date and Place	Special resolution passed
6th Extraordinary General Meeting	11:00 am	Held on 31 May 2024 through Video Conferencing facility, therefore deemed venue: NABARD Regional Office, 1-1-61, Yeduguri Chambers, RTC 'X' Roads, Hyderabad-500020.	Meeting adjourned due to lack of quorum and the same would be held on any other date and such other time and place as the Board would decide and that the members would be intimated accordingly as per relevant section of Companies Act 2013 and the rules framed thereunder and the SS-2.

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

Give details and reasons of any default in compliance with the requirements of Companies Act, 2013, including with respect to compliance with accounting and secretarial standards.- **Not Applicable**

3) Details of penalties and strictures

NBFCs should disclose details of penalties or stricture imposed on it by the Reserve Bank or any other statutory authority.- **Not Applicable**

Annexure IV

Management Discussion and Analysis Report

1. Macro-Economic Scenario in India

The Indian economy, supported by strong macroeconomic fundamentals, remained the fastest-growing major economy in the world during FY2024-25. Growth was largely driven by domestic demand, the impact of external shocks remained limited. Despite a deteriorating global outlook, India's actual growth outturns did not deviate significantly from projections, underscoring the resilience and stability of the economy.

Economic activity recovered in the second half of the fiscal year from the trough observed in Q2, aided by buoyant rural demand, a revival in government expenditure, improved agricultural performance, and sustained services sector activity. According to the National Statistical Office's May 2025 release, India's real GDP grew by 6.5% in FY2024-25. This brought the average growth rate for the post-COVID period (FY2022-23 to FY2024-25) to 7.8%, reflecting a robust and broad-based recovery.

The financial system remained sound and well-capitalised, underpinned by healthy balance sheets of financial institutions and corporates. Domestic financial conditions tightened during the January-March 2025 quarter, driven by widening spreads in money and corporate bond markets. However, since April 2025, financial conditions have eased following the Reserve Bank's liquidity infusion measures and policy rate cuts.

Looking ahead, the Reserve Bank of India has projected real GDP growth to remain steady at 6.5% in FY2025-26, supported by buoyant rural demand, revival in urban demand, an uptick in investment activity on the back of above-average capacity utilisation, government's continued thrust on capex and congenial financial conditions. The sustained momentum in high-frequency indicators of the services sector, robust agricultural production, above-normal southwest monsoon forecasts, and strong GST collections further reinforce the resilience of the economy. According to the IMF's April 2025 World Economic Outlook, India is expected to grow by 6.2% in 2025 and 6.3% in 2026, maintaining a solid lead over global and regional peers.

India's macroeconomic outlook remains favorable, with growth anchored in domestic fundamentals and supported by prudent policy measures. The economy is well-positioned to navigate global uncertainties while continuing to deliver strong and inclusive growth.

2. Industry Overview

Over the past decade, India's financing needs have expanded significantly, driven by sustained economic growth and increasing demand across sectors. Non-Banking Financial Companies (NBFCs) have played a crucial role in bridging credit gaps and supplementing the efforts of traditional banking institutions. The sector has recorded robust asset growth, contributed meaningfully to financial intermediation, and fostered deeper linkages with banks and other market participants. Regulatory oversight has been proactive in mitigating systemic risks, thereby maintaining overall financial stability.

Following the IL&FS disruption in 2018, the NBFC sector faced notable stress— including an erosion of confidence,

rating downgrades, and liquidity constraints that limited their ability to borrow from the market. The pandemic exacerbated these challenges, prompting increased reliance on bank financing. Although direct bank lending to NBFCs fell, bank credit remains the sector's primary funding source. Rising funding costs led many NBFCs to diversify through foreign currency borrowings.

On the credit side, bank credit growth moderated across key sectors in May 2025. This included a contraction in bank credit to NBFCs on a year-on-year basis. NBFCs, however, raised a significant amount of debt from capital markets via private placements. While overall credit to the industrial sector witnessed subdued growth due to a decline in infrastructure lending, credit to the micro, small and medium enterprise (MSME) sector continued to remain strong.

The recent moderation in credit growth—driven by tightened risk weights on consumer lending and caution in microfinance—has tested the adaptability of NBFCs. However, signs of recovery are visible, supported by easing financial conditions and regulatory efforts such as reduced risk weights on bank credit effective April 2025. The sector's strong capital buffers, improving profitability metrics, and healthy asset quality indicators underscore its potential to support economic growth. Yet, vulnerabilities persist, particularly in household balance sheets and among lower-rated entities facing higher funding costs. Going forward, NBFCs must balance growth ambitions with sustained prudence to navigate a landscape that is both promising and uncertain.

3. The Company

NABSAMRUDDHI Finance Limited (NSFL), incorporated under Companies Act, 1956 in 1997, is pre-dominantly a B2B finance NBFC subsidiary of NABARD, catering to the non- agriculture sector with an ESG focus.

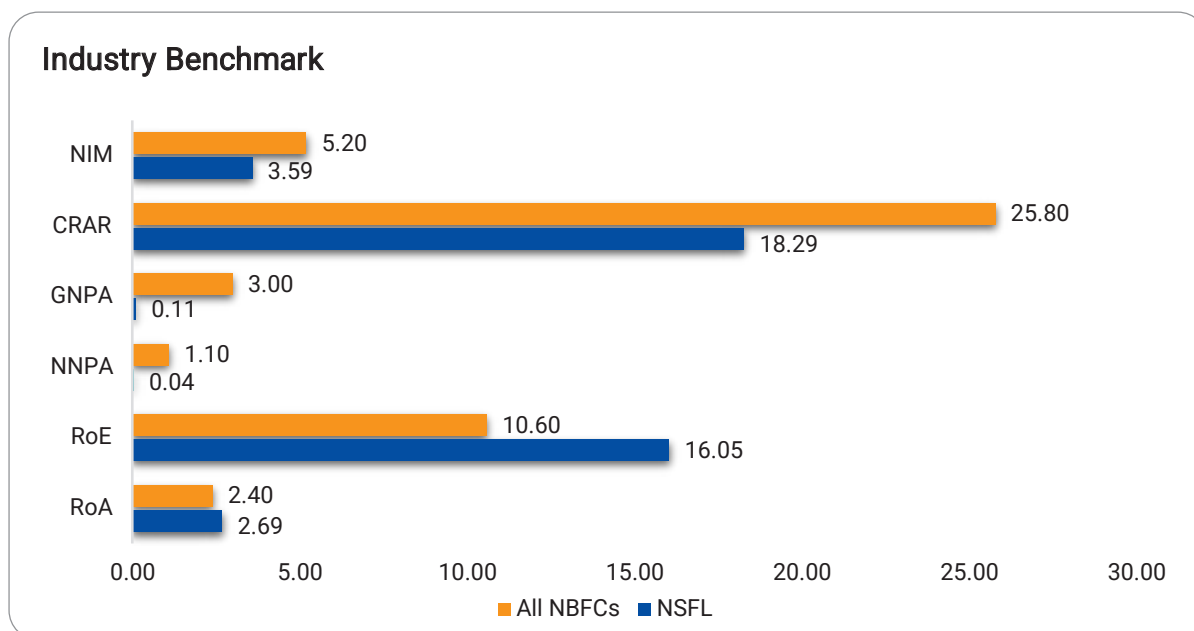
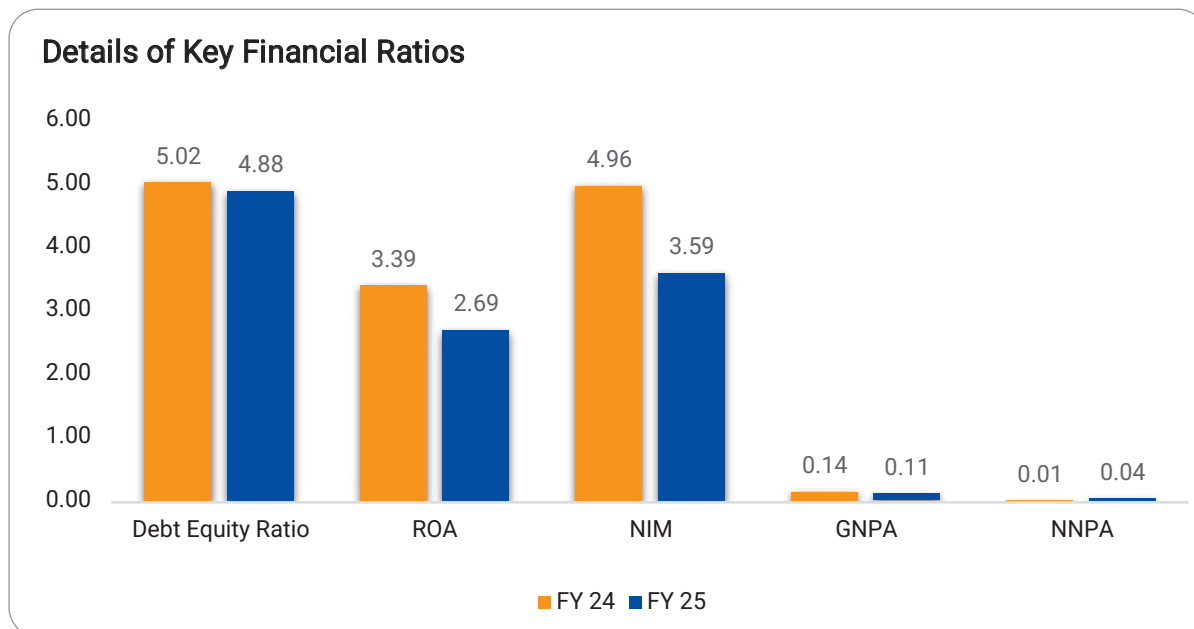
The Company's operations are managed through a branchless model and a team of dedicated and passionate employees. During 2021-22, the strategy of the company was revisited whereby Green & Wellness finance, Fabrics & Textiles and Handicrafts value chain were identified as focus areas so as to give it a more distinct character. These segments are aligned to NABARD's mandate as well as National and Global priorities. Water Sanitation and Hygiene (WASH), which is a major sub-segment under Wellness finance, has emerged as champion segment for the Company.

During FY 25, NSFL achieved significant milestones, crossing INR 2100 Cr in asset size and INR 2000 Crs in Asset Under Management, reflecting growth rate of 17% and 15% respectively.

3.1 Performance Highlights of the Company:

- Loan and Advances outstanding as on 31 March 2025 was INR 1830.86 Cr as against INR 1597.21 Cr as on 31 March 2024, indicating a growth of 15%;
- Owned Funds increased from INR 305.79 Cr as on 31 March 2024 to INR 356.45 Cr as on 31 March 2025, contributed through augmentation of reserves through appropriation of profits;
- Gross Revenue as on 31 March 2025 was INR 197.22 Cr as against INR 157.45 Cr as on 31 March 2024, indicating a positive growth of 25%;
- PAT as on 31 March 2025 was INR 53.23 Cr as against INR 50.44 Cr as on 31 March 2024, indicating a positive growth of 6%;

- The asset quality of the company improved with GNPA as a percentage of loan outstanding reducing from 0.14% as on 31 March 2024 to 0.11% as on 31 March 2025 through collections and expansion in loan book.



Source: Trends & Progress in Banking, December 2024 & Financial Stability Report, June 2025

3.2 Diversification of Business and Other developments

3.2.1 Business Developments

- i. During FY2024-25, the company has disbursed over INR 1200 cr including PTCs.
- ii. The Company has been able to provide direct credit facilities to 44 institutional clients (including 12 new entities) spread over 11 states and 1 UT under various products with adequate sectoral and geographical diversification.
- iii. Cumulatively, the Company has been able to reach out to more than 3.5 lakh ultimate beneficiaries in 25 states and 5 Union Territories through NBFCs, NBFC-MFIs and other institutional clients who have headquarters in 16 States and 1 UT.
- iv. Cumulatively ~INR 450 crore of WASH (Water, Sanitation & Hygiene) loans have been disbursed through 32 partners, while disbursements during the year was INR 100 crore.

3.2.2 Other Initiatives

- NSFL completed 42 Climate Ready WASH awareness programmes for underlying rural borrowers of its partner MFIs through its technical partner Trust of People (TOP), supported by NABARD;
- Three workshops on Advancing Household level climate ready WASH solutions were conducted by NSFL in co-ordination with Sa-dhan in New Delhi, Kolkata and Bengaluru, supported by NABARD.
- NSFL participated in various panel discussions/roundtable/ workshops/fora like India Sanitation Conclave, Sa-Dhan National Conference on Inclusive Growth 2024, Water Credit forum organised by Water.org, Global inclusive Finance Summit, etc. to promote Green Finance & WASH financing.
- A detailed RFP for the co-lending system was drafted and floated, inviting potential vendors to participate.
- During the year, NSFL sanctioned an amount of INR ~1 Cr to NABFOUNDATION for the following CSR projects:
 - i. Ensuring Sustainable Water Security for Rural Community Through Rain Water Harvesting at Jaisalmer district, Rajasthan
 - ii. Establishment of Training-cum-Agro Processing Centres in Kalyan Karnataka Region

3.3 Recognition

During the year, the Company received the following awards:

- i. ISC-FICCI Sanitation Award under the category 'Best Innovative Financial Accessibility model for WASH: Impact, Downstream and Upstream investors' for its initiative - Climate Ready WASH Funding Programme
- ii. Sa-Dhan Water.org Awards 2024 for its outstanding contributions to WATSAN (Water and Sanitation) lending
- iii. Elaben Memorial Award for the Best Women-Friendly Financial Institution

3.4. Affirmation of Credit Rating

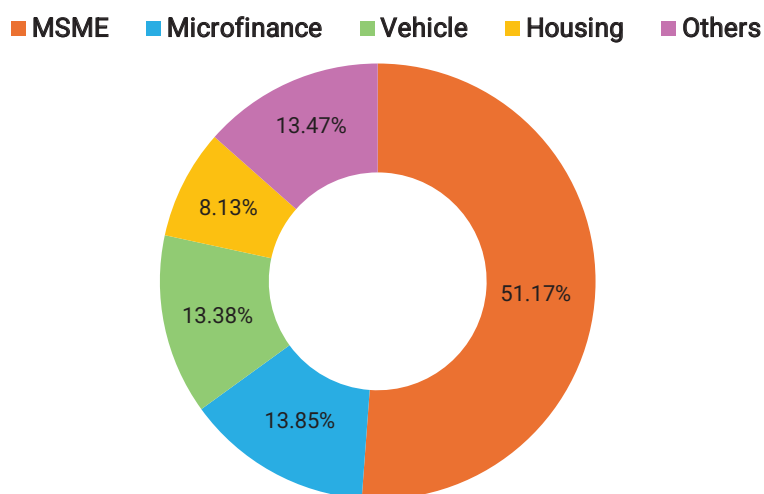
For FY2024-25, India Ratings and Research (Ind-Ra) affirmed NSFL's 'IND AA' Rating with a Stable Outlook. The rating is driven by continued support from its majority shareholder, i.e., NABARD, towards capital, liquidity, operations and

Board/ Management support as well as NSFL's long operating history, adequate profitability, strong asset quality, and sufficient capitalisation relative to its scale of operations.

3.5 Sectoral Exposure

The company has been providing credit facilities to clients in the off farm sector, microfinance, MSME and for promotion, expansion, commercialization and modernisation of agriculture and allied activities.

The percentage share of various sectors in the total AUM as on 31 March 2025 is depicted as under:



3.6 Technology Interventions

During FY 2024-25, the Company undertook several strategic IT initiatives, including the implementation process of CLMAS, successful completion of a DR Drill, and floating of an RFP for a co-lending technology solution in line with the Company's co-lending strategy. These steps reinforced operational efficiency, system resilience, and readiness for future growth.

3.7 Human Resource Management

The Company continues to uphold Human Resource Management as a pivotal driver of its strategic and operational success. In FY 2024-25, the Company took proactive measures to reinforce internal capabilities and enhance employee engagement. Structured training programs were conducted across departments, covering soft skills and technical competencies including IT upgrades, IND AS and ICAAP, Project Finance, Risk Management, Corporate Governance, Labour Laws, and presentation skills. Timely appraisals and performance-based incentives reinforced a culture of recognition and fairness. Engagement initiatives such as team events, celebrations, and wellness programs contributed to a positive work environment. Notably, the Company achieved a zero-attrition rate, reflecting the success of its employee-centric approach and alignment with long-term strategic objectives.

3.8 Risks and Concerns

The Company has implemented a Board approved Risk Management Policy in order to assess, monitor and manage various risks in business operations. The Company manages its Business Continuity risks by building suitable risk mitigation strategies. In addition to the core risk policy, the Company has also adopted specialised policies such as Fraud Risk management Policy and Policy for Wilful and Large Defaulters.

3.9 Internal Controls and adequacy

The Company has adequate internal control systems and procedures in place to safeguard its assets and protect against losses from any unauthorised use or disposition. The internal control system is supplemented by internal audits, inspection and review by NABARD, reviews by the management and documented policies.

4. Way Forward for 2025-26

This year, the Company intends to strengthen risk governance and drive sustainable impact through strategic consolidation and innovation. The proposed merger of NSFL with NKFL aims to create a unified NBFC under NABKISAN that brings together NSFL's expertise in Green Finance and WASH with NKFL's established network in agriculture and FPO financing. The Company aims to deliver a diverse suite of financial products across farm and off-farm sectors. Further, the Company seeks to enhance operational efficiency through optimized use of infrastructure, human capital, and financial resources—achieving economies of scale and reducing costs. The merger also enables broader geographic outreach, product diversification, and improved customer access through a unified channel. It will continue fostering inclusive growth and resilience through innovative financial and promotional initiatives, fully aligned with its mission.

Cautionary Statement

Certain statements in the "Management Discussion and Analysis" section may be forward-looking and are stated as required by applicable laws and regulations. Many factors may affect the actual results, which could be different from what the Management envisages in terms of future performance and outlook due to various external and internal risks and uncertainties. Readers are cautioned not to place undue reliance on these forward-looking statements.

This report should be read in conjunction with the financial statements included herein and the notes thereto.

Bibliography:

1. Report on Trend and Progress of Banking in India 2023-24, Reserve Bank of India
2. Financial Stability Report, Reserve Bank of India, June 2025
3. RBI Bulletin, July 2025

MARTHI & CO

COMPANY SECRETARIES

SECRETARIAL AUDIT REPORT

[Pursuant to section 204(1) of the Companies Act, 2013 and
Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2025

To
The Members of
M/s. **NABSAMRUDDHI FINANCE LIMITED**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. **NABSAMRUDDHI FINANCE LIMITED** (hereinafter called the company).

Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on our verification of the 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 **31-03-2025** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s **NABSAMRUDDHI FINANCE LIMITED** ("the Company") for the financial year ended on **31-03-2025**, according to the provisions of:
 - (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
 - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder - Not applicable for the period under review;
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

**H.No.1-9-699, Flat No.205, Parkview Apartment, Adikmet, Vidyanagar, Hyderabad -500 044,
Phone:+9140-27091244, Mobile:+91-9849290477 E-mail : spcspl@gmail.com**

MARTHI & CO

COMPANY SECRETARIES

- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings- Not applicable for the period under review;
- (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 for the period under review;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 - Not applicable for the period under review;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 – Not applicable for the period under review;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 - Not applicable for the period under review;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - Not applicable for the period under review;
 - (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 - Not applicable for the period under review;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - Not applicable for the period under review; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - Not applicable for the period under review;
- (vi) I further report that having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test-check basis, the Company has complied with the following laws applicable specifically to the Company:
- i) Income Tax Act, 1961
 - ii) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

MARTHI & CO
COMPANY SECRETARIES

- iii) Reserve Bank of India (RBI) Directions, Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 applicable to Middle Layer Non-Deposit taking NBFCs.

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

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

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

3. We further report that:

- (a) 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 period under review were carried out in compliance with the provisions of the Act.
- (b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- (c) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

4. 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.

5. We further report that the company has complied with the provisions of Section 135 of the Companies Act, 2013 read with Companies (CSR) Policy Rules, 2014.

MARTHI & CO
COMPANY SECRETARIES

6. We further report that the Board of Directors of the Company at their meeting held on 22nd May 2024 approved the Scheme of Amalgamation of the company - M/s. NABSAMRUDDHI Finance Limited (Transferor Company) with NABKISAN Finance Limited (Transferee Company) which has been filed with the National Company Law Tribunal, Hyderabad which is pending approval.

For **MARTHI & CO.,**
Company Secretaries

Sd/-
S S MARTHI
PROPRIETOR
FCS 1989, CP 1937

Place: Hyderabad
Date: 29th August 2025

UDIN: **F001989G001115420**

Note: This report is to be read with letter of even date which is annexed as "ANNEXURE A" and forms an integral part of this report.

MARTHI & CO
COMPANY SECRETARIES

Annexure – A to Secretarial Audit Report of even date

To
The Members of
M/s. NABSAMRUDDHI FINANCE LIMITED

Our Secretarial Audit Report (Form MR-3) of even date for the financial year ended **March 31, 2025** is to be read along with this letter.

1. The Company's management is responsible for maintenance of secretarial records and compliance with the provisions of corporate and other applicable laws, rules, regulations and standards. Our responsibility is to express an opinion on the secretarial records produced for our audit.
2. We have followed such audit practices and processes as we considered appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records.
3. While forming an opinion on compliance and issuing this report, we have also considered compliance related action taken by the Company after **March 31, 2025** but before the issue of this report.
4. We have considered compliance related actions taken by the Company based on independent legal / professional opinion obtained as being in compliance with law.
5. We have verified the secretarial records furnished to us on a test basis to see whether the correct facts are reflected therein. We also examined the compliance procedures followed by the Company on a test basis. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
6. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
7. We have obtained the Management's representation about compliance of laws, rules and regulations and happening of events, wherever required.
8. Our 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 **MARTHI & CO.**,
Company Secretaries

Place: Hyderabad,
Date: 29th August 2025
UDIN: F001989G001115420

Sd/-
S S MARTHI
PROPRIETOR
FCS 1989, CP 1937

Impact Stories

The world pledged to fulfil the global goals- 'leaving no one behind' by adopting the 17 Sustainable Development Goals (SDGs) in 2015. India too, along with the United Nations Member States, embraced the global goals to be achieved in a phased manner by 2030. Aligned with NABARD's mission, NABSAMRUDDHI Finance Limited (NSFL) has strategically positioned itself to contribute meaningfully to this vision. NSFL has adopted three focus segments viz. Green Finance & Wellness, fabrics & textile value chain and handicrafts Value chain to fine-tune its impact footprint.

In addition, NSFL supports other critical segments such as vehicle finance, affordable housing, microfinance, and general business loans, all contributing to following nine SDGs.



At NSFL, we believe that Green Finance and human wellness are inseparable. Mankind can only thrive in healthy ecosystem. Whether it's supporting clean energy solutions, promoting climate resilience, or investing in health and hygiene, our interventions are designed to uplift communities while protecting the planet.

Through our institutional clients—NBFCs, NBFC-MFIs, HFCs and others—the Company has cumulatively reached over 3.5 lakh ultimate beneficiaries across 25 States and 5 Union Territories.

But our impact is not measured in numbers alone. NSFL's financing and CSR initiatives have generated measurable outcomes across multiple sectors. The Company's interventions have catalyzed tangible improvements in household income, gender equity, climate resilience, and community health. As we move forward, NSFL remains deeply mindful of its ground-level impact.



Snapshot of few of these impact stories has been presented below:



Smt. Renu Devi- Sahayog Development Services



Renu Devi lives in Manpura Kanhauli village, Mahua block, Vaishali district of Bihar. She works as a daily wage laborer, and her husband, Umesh Ray, earns a modest living as a fish-catcher. With only 0.62 acres of agricultural land, their income from farming wheat, rice, potatoes, and seasonal vegetables is barely enough to sustain the family. For years, Renu struggled with the absence of a toilet at home. In her village, open defecation was not just a health hazard—it was a daily humiliation. Most fields were cultivated with vegetables and closely guarded by their owners. Going out for defecation meant sneaking around, hiding from watchful eyes, and spending nearly two hours each day just to find a secluded spot. The lack of privacy, especially for women, was deeply distressing.

When she learned from a local toilet sub-structure supplier that a company was offering loans for toilet construction, she saw a chance to change her life. Through her JLG, she applied for and received a loan of INR 65,000 from our client Sahyog Development Services to build a toilet at home. Motivated by Renu's transformation, the other four members of her JLG—whom she had earlier encouraged to join—also applied for toilet loans. Today, all five toilets are actively used and well-maintained. The families are paying their EMIs on time, and the shame of going to someone else's vegetable field for defecation has completely disappeared. Renu's journey not only improved her own life—it sparked a wave of change that brought dignity, hygiene, and empowerment to her entire group.



Smt. Monbati Sharma.- M/s Satya Microcapital (SMC)



Monbati Sharma lives in Makrana, Rajasthan with her husband and their three children—two boys and one girl. Life wasn't easy, but Monbati was determined to give her children a better future. She and her husband work together in the hand-carved marble sculpture business. They make beautiful marble pieces and sell them online. But when Monbati needed money to buy raw materials, the loans available had very high interest rates—more than they could afford. But, with the help of our client-Satya Microcapital, Monbati received a loan of INR 60,000. This support allowed her to buy the materials she needed. Her business started growing as more people began buying her sculptures. With the extra income, she could finally send all her children to school. Today, Monbati earns around INR 1,500 to INR 2,000 per day. Her hard work and dedication have helped her take care of her family and even hire helpers who now earn a living through her business. People in her community now look at Monbati as an inspiration. Despite the difficulty of raising three children, she has been able to create successful business others didn't believe was possible. Monbati dreams of opening a showroom where she can display and sell her marble sculptures at fair prices.



Smt. Dipali Barman.- M/s Servitium Microfinance Pvt. Ltd. (SMPL)



Smt. Dipali Barman, a determined woman from a rural village in West Bengal, faced a significant challenge in her home - an unhygienic and dilapidated toilet. Recognizing the importance of sanitation and hygiene, Dipali decided to reconstruct her toilet. She needed INR 50,000 to reconstruct her toilet. Despite limited financial resources, she was determined to improve her home's sanitation. So, she took a loan of INR 50,000 from our client 'Servitium Micro Finance Private Limited' and reconstructed her toilet, installing a modern septic tank, water connection and improving overall hygiene.



Mr. Sehbaj- M/s Sugmya Finance Pvt. Ltd. (SFPL)

Mr. Sehbaj, a 25-year-old from Karola in Moradabad, lives with his parents and six siblings. In 2019, he ventured into entrepreneurship by starting a saree business with INR 2.5 lakhs from his parents' savings. Initially, his monthly sales were around INR 50,000, with a net profit of approximately INR 16,000. Unsatisfied and aspiring for more, Sehbaj reinvested his earnings to grow the business.



By 2024, with increasing demand and the ambition to scale up, Sehbaj sought a INR 50,000 loan from our client 'Sugmya Finance Pvt. Ltd.', which he used to enhance his product range and store infrastructure. This investment allowed him to transition from a local shop owner to a retailer, employing two staff members to manage the increased workload.

Sehbaj's monthly income now exceeds INR 40,000 per month with sales ranging between INR 2,50,000 and INR 3,50,000 per month. This growth has significantly improved his financial situation and established his reputation as a successful retailer.



Smt. Champa Roy- M/s Grameenshakti Microfinance Services Pvt. Ltd. (GMSPL)

Smt. Champa Roy grew up in a very poor family and was married at a young age to a family that struggled just as much. Her husband worked as a daily wage earner in a local sweet shop, but his small income wasn't enough to support their family of five—including their three daughters. Champa wanted to support her husband and give her daughters a better life. That's when she heard about Grameen Shakti, one of NSFL's client, offering collateral-free loans at low interest rates. With the loan of INR 10,000 received from Grameenshakti, she bought raw materials and started making sweets at home. She went door to door, selling her food items. Her small business began to grow. She was able to repay her loan on time, and soon, her loan amount was increased. With more funds and more confidence, Champa took the next big step—she opened a roadside eatery.



Today, Champa runs her own food stall, serving fresh sweets and snacks to customers every day. Her earnings have improved, her family is more secure, and her daughters now have a brighter future.



Smt. Adiba- Magenta Finance Services Pvt.Ltd. (MFSP)



Adiba, a resident of Khari village in Bijnor district, faced daily struggles due to the lack of a private toilet at home. Like many women in rural India, she endured the discomfort and risk of open defecation, braving harsh weather and compromising her privacy. One of our client- Magenta Finance offered a practical and accessible solution through its Sanitation Loan Program. Adiba learned about it through her self-help group and immediately saw the potential for change. She didn't walk this path alone. Alongside other women in her group, she discussed the benefits, understood the loan terms, and applied collectively. With the financial assistance received from Magenta, Adiba was able to build a hygienic, private toilet at home. The most immediate impact was a sense of privacy and dignity, especially for the women in her family. No longer did they have to go outside in unsafe conditions to meet basic needs. The new facility also brought better hygiene and health, reducing the risk of waterborne diseases and creating a cleaner environment for the entire community. This simple change sparked a deeper transformation—bringing comfort, confidence, and happiness into Adiba's home.



Smt. Divyaniben Patel- Moneywise Finance Private Limited



In FY 2024–25, NSFL extended a term loan credit facility to Moneywise Finance Private Limited (SMC Finance), which was subsequently utilized to support Mrs. Divyaniben Patel, a 41-year-old entrepreneur engaged in the manufacturing and trading of office stationery products—including box files, notebooks, cobra files, screen files, etc. Operating from her long-standing residence in Anandi Sinor, Vadodara. With expansion of her business Mrs. Patel faced challenges with working capital flow with delays in payments to suppliers. The resulting strain threatened both her business continuity and household financial stability.

Through the term loan provided by SMC Finance, Mrs. Patel was able to regularize payments to suppliers and creditors, maintain timely EMI obligations and restore balance in her working capital cycle. The financial support not only stabilized her enterprise but also led to a notable increase in income, reinforcing the financial stability of her family.

Corporate Social Responsibility Initiatives

NABSAMRUDDHI Finance Limited has been providing CSR assistance to various organizations from FY 2019-20 onwards. The Company has been focusing on sustainable business practices encompassing economic, environmental, and social imperatives that not only cover business but also the communities around it. The Company is directing its efforts, albeit in a small way, to contribute to the national efforts towards improvement in education, healthcare, and environmental sustainability, with a focus on rural development and community engagement.

During FY 2024-25, NABSAMRUDDHI has supported two CSR projects for an amount of ~INR 1 Cr under Water, Sanitation & Hygiene and Sustainable Livelihood.

Details of the CSR projects undertaken during the year are as under:-

1. WASH: Ensuring Sustainable Water Security for Rural Communities through Rainwater Harvesting

Under the Captioned CSR project, an amount of INR 55.58 Lakh was sanctioned to NABFOUNDATION from the Company's CSR Fund. The project involved strategic rainwater harvesting and community-driven water resources management in 10 villages of Jaisalmer district, Rajasthan. The objective was to address the immediate problem of water scarcity and improve water management practices, thereby providing extra income and sustaining rural livelihoods.

The project encompassed the construction of 8 Tankas, 8 Beris, and 18 Khadeens. Additionally, 80 wall paintings were created to raise community awareness, one exposure visit was arranged, and two farmers' seminars were successfully conducted.

The project was implemented by NABFOUNDATION in association with Tarun Bharat Sangh (TBS). The initiative has created water security for the villages, making a profound difference to the lives of the residents, ensuring environmental sustainability by increasing surface water availability and ground water availability for fodder, agriculture, and drinking water purposes. Glimpses of the project are shown here.



Tanka



Beri



Khadeen



Farmers' Seminar



Wall Painting

2. Sustainable Livelihood: Establishment of Training-cum-Agro Processing Centres in Kalyan, Karnataka Region

In this project, NABARD is the principal funder, with additional financial support from its subsidiaries. An amount of INR 44.30 Lakh was sanctioned by NSFL to NABFOUNDATION from the Company's CSR Fund for this project.

The project aims to enhance agro-processing infrastructure and strengthen value chain development by setting up these facilities for soybean, jowar, chilli, peanut, groundnut, pulses and fruits across the seven districts in the Kalyan Karnataka region (Bidar, Yadgir, Raichur, Koppal, Kalaburagi, Ballari, and Vijayanagara). These units will be established with local FPOs by integrating them into the operational framework of the processing units as owners and operators.

Kalyana Karnataka, comprising these seven districts is a relatively underdeveloped region in Karnataka. Establishing processing facilities will help producers get better value and stabilize prices by extending the shelf life of perishable produce. Infrastructure development in food processing will also encourage expanding cultivation areas, leading to direct employment in processing units and indirect employment in related supply chains, logistics, and marketing activities, thereby boosting local livelihoods. NABFOUNDATION is the implementing agency for the project and the projects are being executed with active engagement of NABARD and NABCONS.

C & AG Report



भारतीय लेखापरीक्षा और लेखा विभाग
महानिदेशक वार्षिक लेखापरीक्षा का कार्यालय, हैदराबाद
INDIAN AUDIT AND ACCOUNTS DEPARTMENT
OFFICE OF THE DIRECTOR GENERAL
OF COMMERCIAL AUDIT, HYDERABAD

No.: PDCA/A/c/Desk/NFL/2024-25/1.11/131

28.07.2025

To
The Managing Director,
NABSAMRUDDHI Finance Limited,
1-1-61 Ground Floor, Nabard Regional Office
Rtc X Roads, Musheerabad
Hyderabad-500020

Sub: - Comments of the C&AG of India under Section 143(6)(b) of the Companies Act, 2013 on the accounts of Nabsamruddhi Finance Limited for the year ended on 31 March 2025.

Sir,

I forward herewith the 'Comments' Certificate of Comptroller and Auditor General of India under Section 143(6)(b) of the Companies Act, 2013 on the accounts of Nabsamruddhi Finance Limited for the year ended on 31 March 2025.

2. The date of placing the comments along with Annual Accounts and Auditor's Report before the shareholders of the Company may please be intimated and a copy of the proceedings of the meeting may be furnished.
3. The date of forwarding the Annual Report and Annual Accounts of the Company together with Auditor's Report and comments of the Comptroller and Auditor General of India to the Central Government for being placed before the Parliament may please be intimated.
4. Ten copies of the Annual Report for the year 2024-25 may please be furnished in due course.

The receipt of this letter along with the enclosures may please be acknowledged.

Encl:- As above

Yours faithfully,

Nawal

(V.M.V Nawal Kishore)
Principal Director

COMMENT OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF NABSAMRUDDHI FINANCE LIMITED FOR THE YEAR ENDED 31 MARCH 2025

The preparation of financial statements of Nabsamruddhi Finance Limited (Company) for the year ended on 31 March 2025 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139(5) of Act are responsible for expressing opinion on these financial statements under Section 143 of the Act based on the independent audit in accordance with the Standards on Auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 30 April 2025.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 143(6)(a) of the Act, of the financial statements of Nabsamruddhi Finance Limited for the year ended on 31 March 2025. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and Company personnel and a selective examination of some of the accounting records. Based on my supplementary audit, I would like to highlight the following significant matters under section 143(6)(b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related audit report:

Comments on Financial Position

Balance Sheet

Other Non-Financial Liabilities (Note – 15): ₹5,703.37 lakh

Other Financial Liabilities (Note – 13): ₹33.70 lakh

As per Para 11(a)(i) of Ind AS 32 Financial Instruments – Presentation, a financial liability is any liability that is a contractual obligation to deliver cash or another financial asset to another entity. As per Para 3.1.1 read with Para 4.2.1 of Ind AS 109 – Financial Instruments, an entity shall classify all financial liabilities as subsequently measured at amortised cost, except for few exceptions.

Further, as per Material Accounting Policy No.1.4 (b) on 'classification of financial assets', the company measures loans at amortised cost.

The Company received loan instalments in advance amounting to ₹5,674.74 lakh and thereby, the Company has a contractual obligation to adjust these loan instalments against term loans (i.e., a financial asset) becoming due in future. Hence, as per above mentioned provisions from Ind ASs 32 and 109 as well as in view of company's Material Accounting Policy No.1.4 (b), the company was required to classify it under 'Financial Liabilities'.

The current classification, therefore, is not in line with Ind AS 109 resulting in overstatement of 'Other Non-financial Liabilities' and understatement of 'Other Financial Liabilities' by ₹5,674.74 lakh each, thereby affecting fair presentation of the liability structure of the Company, and related disclosures.

**For and on behalf of the
Comptroller and Auditor General of India**



**(V.M.V Nawal Kishore)
Principal Director of Commercial Audit
Hyderabad**

**Place: Hyderabad
Date: 28 July 2025**

INDEPENDENT AUDITOR'S REPORT

To the Members of
NABSAMRUDDHI FINANCE LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of M/s. NABSAMRUDDHI FINANCE LIMITED ("the Company"), which comprise the balance sheet as at 31st March 2025, 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 financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and its profit, total 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 Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the Directors Report of the Company which forms part of this Annual Report.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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 Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian accounting Standards prescribed 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible

for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (5) of the Companies Act, 2013, we give in "**Annexure B**", a statement on the matters specified by the Comptroller and Auditor General of India.
3. Additional Report as per Master direction – Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016 is given in "**Annexure C**"
4. 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 my examination of those books.

- c. The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and the Statement of Cash Flows statement dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of written representations received from the Directors as on March 31, 2025, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025, from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure D**” to this report;
- g. 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), 2014, 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 on its financial position in its financial statements (Refer note no. 38 to the financial statements)
 - ii. In our opinion and as per the information and explanations provided to us, the Company has not entered into any long-term contracts including derivative contracts, requiring provision under applicable laws or Indian accounting standards, for material foreseeable losses, and
 - iii.
 - a. The Management has represented that other than those disclosed in the notes to accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediaries shall, whether, directly or indirectly lend or invest in other person or entity identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b. The Management has represented that other than those disclosed in the notes to accounts, no funds have been received by the company from any person or entity, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other person or entity identified in any manner whatsoever by or on behalf of the Funding Parties (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c. Based on the audit procedures that were 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 (a) and (b) contain any material misstatement.

- i. The final dividend proposed with respect to previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.
- ii. The company has not declared any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.
- iii. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2025, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software.

The feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes for the accounting software used for maintaining the books of account. However, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

For Tukaram & Co LLP

Chartered Accountants

FRN: 004436S/S200135

Sd/-

J Poornachandar

Partner

M. No. 221627

UDIN: 25221627BMKZCD6910

Date: 30/04/2025

Place: Hyderabad

ANNEXURE-A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 of Report on Other Legal and Regulatory Requirements, of our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- i. a.
 - A. The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.
 - B. The Company has maintained proper records showing full particulars of Intangible assets.
 - b. The Property Plant and Equipment of the company have been physically verified by the management during the year as per a program of verification, which in our opinion is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
 - c. There are no immovable property held in the name of the company. Hence, the requirement to report on Clause 3(i)(c) of the Order is not applicable to the company.
 - d. The Company has not revalued its Property, Plant and Equipment during the year.
 - e. There are no proceedings that have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder during the year.
- ii.
 - a. The company does not hold any inventory during the year. Hence, the requirement to report on Clause 3(ii) (a) of the Order is not applicable to the company.
 - b. During any point of the time the company has not been sanctioned by working capital limits in excess of five crores, in aggregate, from banks or financial institutions on the basis of security of current assets.
 - iii. During the year the company has sanctioned secured loans to various companies, firms, or any other parties as part of their Principal business.
 - a. The company's principal business is to provide loans. Hence the requirement to report on clause 3(iii)(a) of the Order is not applicable to the company.
 - b. The investments made and the terms and conditions of the grant of all loans to companies are not prejudicial to the Company's interest.
 - c. The Company has granted loans during the year to companies where the schedule of repayment of principal and payment of interest has been stipulated, and the repayment or receipts are regular except for the list mentioned below:

d.

S.No	Name of the NPA Account	Amount outstanding (Rs. In Lakhs)
1	Inditrade Microfinance Limited	208.72
	Total	208.72

- e. The total amount overdue for more than ninety days is amounting to Rs.208.72 lakh and in our opinion and according to the information and explanation given to us, reasonable steps have been taken by the company for the recovery of the principal and interest.
- f. The company's principal business is to give loans. Hence the requirement to report on clause 3(iii)(e) of the Order is not applicable to the company.
- g. 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 to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- iv. The Company being a non-banking financial company the provisions covered under section 185 and 186 is not applicable to the company. Accordingly, the requirement to report on Clause 3(iv) of the Order is not applicable to the company.
- v. The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- vi. To the best of our knowledge and belief, the Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products/ services. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.
- vii. According to the information and explanations given to us, in respect of statutory dues:
- a. The company is regular in depositing with appropriate authorities undisputed statutory dues including Goods and Services Tax, Provident fund, income tax, cess and any other statutory dues as applicable to it.
- According to the information and explanations given to us, no undisputed amounts payable in respect of Goods and Services Tax, provident fund, employees state insurance, income tax, sales tax, Service Tax, custom duty, cess and any other statutory dues were in arrears, wherever applicable, as at 31st March, 2025 for a period of more than six months from the date they became payable.
- b. There are no dues in respect of Goods and Services Tax, provident fund, employees' state insurance, income tax, sales tax, Service Tax, custom duty, cess and any other statutory dues were in arrears, wherever applicable that have not been deposited with the appropriate authorities on account of any dispute as on 31-03-2025.

- viii. The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- ix.
- a. The Company has not defaulted on repayment of loans or other borrowings or in the payment of interest thereon to any lender.
 - b. The Company has not been declared a willful defaulter by any bank or financial institution or government or government authority.
 - c. Term loans were applied for the purpose for which the loans were obtained.
 - d. The Company did not raise any short-term loans during the period. Hence the requirement to report on clause 3(ix)(d) of the order is not applicable to the company.
 - e. The Company does not have any subsidiaries, joint ventures or associates. Hence the requirement to report on clause 3(ix)(e) of the order is not applicable to the company.
- x.
- a. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments). Hence the requirement to report on clause 3(x)(a) of the order is not applicable to the Company.
 - b. The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- xi.
- a. To the best of our knowledge and according to the information and explanations given to us, no material fraud by the company or on the company by its officers or employees has been noticed or reported during our audit.
 - b. During the year, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
 - c. According to the information and explanation given to us, no whistle-blower complaints, received during the year by the Company.
- xii. The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order is not applicable to the Company.
- xiii. All the transactions with the related parties are in compliance with the provisions of section 177 and section 188 of the Companies Act, 2013. In our opinion and according to the information and explanations given to us, the Company has disclosed the details of related party transactions in the financial statements as required by

the applicable Indian accounting standards.

xiv.

- a. The Company has an internal audit system commensurate with the size and nature of its business.
- b. The internal audit has been carried out by employee of the company and internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

xv. The company has not entered into any non-cash transactions with directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the order is not applicable to the company.

xvi.

- a. The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are applicable to the Company. Accordingly, the company has obtained certificate of registration under this Act.
- b. The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid Certificate of Registration (COR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- c. The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.
- d. As represented by the management, the Group does not have Core Investment Company (CIC) as part of the Group as per the definition of Group contained in the Core Investment Companies (Reserve Bank) Directions, 2016. Accordingly, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

xvii. Based on the audit procedures conducted, we are of opinion that the company has not incurred cash losses in the financial year and in the immediately preceding financial year. Hence, the provisions of this clause 3(xvii) of the Order are not applicable.

xviii. There has been no resignation of the statutory auditors during the year and accordingly, the provisions of this clause 3(xviii) of the Order are not applicable.

xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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 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.

- a. In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act.
- b. Unspent amount in respect of ongoing projects, has been transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act.

xxi. The company is not a holding company and is not required to prepare consolidated financial statements. Accordingly reporting under clause 3(xxi) is not applicable.

For Tukaram & Co LLP

Chartered Accountants

FRN: 004436S/S200135

Sd/-

J Poornachandar

Partner

M. No. 221627

UDIN: 25221627BMKZCD6910

Date: 30/04/2025

Place: Hyderabad

ANNEXURE-B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2 of Report on Other Legal and Regulatory Requirements, of our report of even date)

Report on the Directions of the Comptroller and Auditor General of India required under sub-section 5 of section 143 of the Companies Act, 2013 (“the Act”)

S.No	Points	Reply
1	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	As per the explanations and information provided, the company is using accounting software for processing of accounting transactions except classification of loans and advances, calculation of interest and Provisions. Based on our audit, we observed that such processing of transactions outside IT System does not have any adverse implication on integrity of accounts.
2	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts /loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a Government company, then this direction is also applicable for statutory auditor of lender company).	During the FY 2024-25, there are no cases of restructuring of an existing loan or cases of waiver/write off of bad debts/loans/interest etc on account of company's inability to repay the loan.
3	Whether funds (grants/subsidy etc.) received/receivable for specific schemes from central/state agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation	As per the information and explanations provided to us, funds received from central/state agencies for specific schemes are properly accounted for/ utilized as per its term and conditions.

For Tukaram & Co LLP

Chartered Accountants

Firm's Registration No. 004436S/S200135

Sd/-

J Poornachandar

Partner

Membership No. 221627

UDIN: 25221627BMKZCD6910

Date: 30/04/2025

Place: Hyderabad

ANNEXURE-C" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 3 of Report on Other Legal and Regulatory Requirements, of our report of even date)

Additional Report on the NBFC (Auditor's Report Reserve bank) Directions, 2016

To

The Board of Directors,

NABSAMRUDDHI FINANCE LIMITED

As per the RBI directions on Additional Report on the following matters specified in the paragraphs 3 of the directions, we report that

A. General Matters

1. The company has obtained the Certificate of Registration (COR) from the Reserve Bank of India for conducting the business of non-banking financial activity.
2. The company is entitled to hold the Certificate of Registration in terms of Principal business criteria (Financial Asset/income pattern) as of the year ended 31.03.2025.
3. The company is meeting the required net owned fund requirement as laid down in RBI master directions (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023.

B. Matters Specific to NBFC not accepting Public deposits

1. The Board of Directors of the company has passed the resolution for non-acceptance of any public deposits during the financial year 2024-2025.
2. The company has not accepted any public deposits during the financial year 2024-25.
3. The company has complied with the prudential norms relating to income recognition, Indian accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it in terms of (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023.
4.
 - The capital adequacy ratio as disclosed in the return submitted to the Reserve bank in form DNBS03 is in accordance with (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 and also satisfying the minimum Capital to Risk Weighted Assets Ratio.
 - The company has furnished to the Bank the annual statement of capital funds, risk assets/exposures and risk asset ratio (DNBS03) within the stipulated period.
5. As the company is not a Micro Finance Institution, this clause is not applicable to the company.

For Tukaram & Co LLP

Chartered Accountants

Firm's Registration No. 004436S/S200135

Sd/-

J Poornachandar

Partner

Membership No. 221627

UDIN: 25221627BMKZCD6910

Date: 30/04/2025

Place: Hyderabad

“ANNEXURE – D” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 4(f) of Report on Other Legal and Regulatory Requirements of our report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **M/s. NABSAMRUDDHI FINANCE LIMITED** (“the Company”) as of 31st March 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with accounting principles generally accepted in India, including the Indian accounting Standards prescribed under section 133 of the Act. A company's internal financial control over financial reporting includes those policies and procedures that:

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with accounting principles generally accepted in India, including the Indian accounting Standards prescribed under section 133 of the Act, 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 financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Tukaram & Co LLP

Chartered Accountants

Firm's Registration No. 004436S/S200135

Sd/-

J Poornachandar

Partner

Membership No. 221627

UDIN: 25221627BMKZCD6910

Date: 30/04/2025

Place: Hyderabad

Balance sheet as at 31st March 2025

(₹ in lakh)

	Particulars	Note	As at 31st March, 2025	As at 31st March, 2024
	ASSETS			
1	Financial assets			
(a)	Cash and cash equivalents	2	6,356.03	3,097.27
(b)	Bank balances other than (a) above	3	0.04	0.04
(c)	Loans	4	181,899.72	158,448.22
(d)	Investments	5	23,761.81	20,218.13
(e)	Other financial assets	6	2.31	6.05
2	Non - Financial assets			
(a)	Current Tax assets (net)	7	649.95	238.03
(b)	Deferred tax assets (net)	8	482.49	429.49
(c)	Property, plant and equipment	9	9.08	13.40
(d)	Intangible assets	10	-	3.34
(e)	Other non - financial assets	11	26.29	36.38
	TOTAL - ASSETS		213,187.72	182,490.35
	LIABILITIES AND EQUITY			
1	Financial Liabilities			
(a)	Borrowings (Other than Debt Securities)	12	171,623.21	151,424.93
(b)	Other financial liabilities	13	33.70	247.07
2	Non - Financial Liabilities			
(a)	Provisions	14	182.49	151.30
(b)	Other non-financial liabilities	15	5,703.37	87.55
3	Equity			
(a)	Equity Share capital	16	12,382.20	12,382.20
(b)	Other Equity	17	23,262.75	18,197.30
	Total Liabilities and Equity		213,187.72	182,490.35
	Material Accounting policy information	1		
	Accompanying Notes to the Financial Statements	2-54		

As per our Report of even Date

For Tukaram & Co LLP

Chartered Accountants

Firm Registration No. 004436S/S200135

Sd/-

J Poornachandar

Partner

M.No. 221627

UDIN:25221627BMKZCD6910

Place: Hyderabad

Date: 30 April 2025

For NABSAMRUDDHI Finance Limited

Sd/-

Ravi Krishan Takkar

Chairman and Independent Director

DIN: 07734571

Date: 30 April 2025

Sd/-

L S Naveenkumar

Chief Financial Officer

PAN: AIUPK2404Q

Date: 30 April 2025

Sd/-

Lalit Kumar Vaid

Independent Director

DIN: 10065080

Date: 30 April 2025

Sd/-

Suzette Pereira

Company Secretary

M No. A46491

Date: 30 April 2025

Statement of Profit and Loss for the year ended 31st March 2025

(₹ in lakh)

	Particulars	Note No	For the year ended 31st March 2025	For the year ended 31st March 2024
I	Revenue from Operations			
	Interest Income	18	19,429.14	15,693.25
	Fees and commission Income	19	37.09	6.69
	Total Revenue from operations		19,466.23	15,699.94
II	Other Income	20	255.32	44.80
III	Total Income (I + II)		19,721.55	15,744.74
IV	Expenses			
	Finance Costs	21	11,841.28	8,246.04
	Impairment on financial instruments	22	(86.43)	(58.26)
	Employee Benefits Expenses	23	715.29	693.57
	Depreciation, amortization and impairment	9&10	7.67	11.42
	Others expenses	24	284.67	200.49
	Total Expenses		12,762.48	9,093.26
V	Profit / (loss) before exceptional items and tax (III - IV)		6,959.07	6,651.48
VI	Exceptional Items		-	-
VII	Profit / (loss) before tax (V - VI)		6,959.07	6,651.48
VIII	Tax Expense:			
	- Current Tax		1,685.66	1,617.84
	- Deferred Tax	8	(49.74)	(10.35)
IX	Profit / (loss) for the period (VII - VIII)		5,323.16	5,043.99
X	Other Comprehensive Income			
(a)	Items that will not be reclassified to profit or loss			
	(i) Re-measurements of the defined benefit plans		(12.94)	(8.33)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		3.26	2.10
	Sub-total (a)		(9.68)	(6.23)
(b)	(i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
	Sub-total (b)		-	-
	Other Comprehensive Income (A + B)		(9.68)	(6.23)

XI	Total Comprehensive Income for the period (IX+X) (Comprising Profit (Loss) and other Comprehensive Income for the period)		5,313.47	5,037.76
XII	Earnings per equity share (refer Note - 25)			
	- Basic		3.43	3.25
	-Diluted		3.43	3.25

As per our Report of even Date

For Tukaram & Co LLP

Chartered Accountants

Firm Registration No. 004436S/S200135

Sd/-

J Poornachandar

Partner

M.No. 221627

UDIN:25221627BMKZCD6910

Place: Hyderabad

Date: 30 April 2025

For NABSAMRUDDHI Finance Limited

Sd/-

Ravi Krishan Takkar

Chairman and Independent Director

DIN: 07734571

Date: 30 April 2025

Sd/-

Lalit Kumar Vaid

Independent Director

DIN: 10065080

Date: 30 April 2025

Sd/-

L S Naveenkumar

Chief Financial Officer

PAN: AIUPK2404Q

Date: 30 April 2025

Sd/-

Suzette Pereira

Company Secretary

M No. A46491

Date: 30 April 2025

Cash Flow Statement for the year ended 31st March 2025

(₹ in lakh)

Particulars	For the year ended 31st March 2025	For the year ended 31st March 2024
I. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before exceptional items and taxes	6,959.07	6,651.48
Add: Non-cash Expenses		
Depreciation, amortization and Impairment	7.67	11.42
Impairment on Financial Instruments net off Bad debts written off	(86.43)	(58.26)
Prior period expenses	(2.47)	26.87
Remeasurements of the defined benefit plans	(12.94)	(8.33)
Less: Income considered separately		
Income from Investment activities	(2,267.85)	(1,791.46)
Operating profit before working capital changes	4,597.05	4,831.72
Changes in -		
(Increase) / Decrease in Bank Balance other than cash and cash equivalent	-	5.31
(Increase) / Decrease in Loans and Advances	(23,365.06)	(57,203.96)
(Increase) / Decrease in Other Financial Assets	24.26	(5.99)
(Increase) / Decrease in Other Non - Financial Assets	10.09	10.66
Increase / (Decrease) in Other Financial Liabilities	(161.15)	243.83
Increase / (Decrease) in Provisions	31.19	(14.14)
Increase / (Decrease) in Other non-financial Liabilities	5,615.82	(6.09)
Cash generated from operations	(13,247.80)	(52,138.66)
Income tax during the year	(2,095.48)	(1,830.27)
Net Cash Inflow / (outflow) from operating Activities	(15,343.28)	(53,968.93)
II. CASH FLOWS FROM INVESTING ACTIVITIES		
- Purchase of Property, plant and equipment and intangible assets	-	(12.87)
- Proceeds from sale of Property, plant and equipment	-	-
- Increase in investments	(3,543.68)	(11,310.35)
- Income from Investments	2,247.33	1,791.46
Net Cash Inflow / (outflow) from Investment Activities	(1,296.35)	(9,531.76)

III. CASH FLOWS FROM FINANCING ACTIVITIES		
- Proceeds from issue of Equity shares	-	-
- Dividend paid (including tax on dividend)	(247.64)	(247.64)
- Increase / (Decrease) in Borrowings	20,146.06	62,696.59
Net Cash Inflow / (outflow) from Financing Activities	19,898.41	62,448.95
Net Increase / (Decrease) in Cash and Cash Equivalents	3,258.76	(1,051.69)
Cash and Cash Equivalents at the beginning of the year	3,097.27	4,148.96
Cash and Cash Equivalents at the End of the year	6,356.03	3,097.27

As per our Report of even Date

For Tukaram & Co LLP

Chartered Accountants

Firm Registration No. 004436S/S200135

Sd/-

J Poornachandar

Partner

M.No. 221627

UDIN:25221627BMKZCD6910

Place: Hyderabad

Date: 30 April 2025

For NABSAMRUDDHI Finance Limited

Sd/-

Ravi Krishan Takkar

Chairman and Independent Director

DIN: 07734571

Date: 30 April 2025

Sd/-

L S Naveenkumar

Chief Financial Officer

PAN: AIUPK2404Q

Date: 30 April 2025

Sd/-

Lalit Kumar Vaid

Independent Director

DIN: 10065080

Date: 30 April 2025

Sd/-

Suzette Pereira

Company Secretary

M No. A46491

Date: 30 April 2025

Statement of changes in Equity for the year ended 31st March 2025

A. Equity Share Capital

(₹ in lakh)

Particulars	As at 31st March 2025	As at 31st March 2024
Balance at the beginning of the year	12,382.20	12,382.20
Changes in Equity share capital during the year		
Changes in Equity Share Capital due to prior period errors		
	12,382.20	12,382.20
Add : Fresh allotment of shares :		
- Issue of Shares	-	-
- Shares issued under other schemes	-	-
Balance at the end of the year	12,382.20	12,382.20

B. Other Equity

	Reserves and Surplus				Other Comprehen- sive Income	Total
	Securities premium	General Reserve	Statutory reserve fund	Retained earnings		
Balance as at 01st April 2023	3,337.82	-	2,460.16	7,580.23		13,378.21
Adjustment for Changes in Accounting policies and Prior period items				28.97		28.97
Restated balance as a 01st April 2023	3,337.82		2,460.16	7,609.20		13,407.18
Add: Profit for the year				5,043.99		5,043.99
Add: Other Comprehensive Income for the year				(6.23)		(6.23)
Total Comprehensive Income for the year	-		-	5,037.76		5,037.76
Dividends Paid				(247.64)		(247.64)
Appropriation to Statutory Reserve			1,007.55	(1,007.55)		-
Balance at the 31st March 2024	3,337.82		3,467.71	11,391.76		18,197.30
Balance as at 01st April 2024	3,337.82		3,467.71	11,391.76		18,197.30
Adjustment for Changes in Accounting policies and Prior period items				(0.37)		(0.37)
Restated balance as a 01st April 2024	3,337.82		3,467.71	11,391.39		18,196.92
Add: Profit for the year				5,323.16		5,323.16

Add: Other Comprehensive Income for the year				(9.68)		(9.68)
Total Comprehensive Income for the year	-		-	5,313.47		5,313.47
Dividends Paid				(247.64)		(247.64)
Appropriation to Statutory Reserve			1,062.69	(1,062.69)		-
Balance at the 31st March 2025	3,337.82		4,530.41	15,394.52	-	23,262.75

As per our Report of even Date

For Tukaram & Co LLP

Chartered Accountants

Firm Registration No. 004436S/S200135

Sd/-

J Poornachandar

Partner

M.No. 221627

UDIN:25221627BMKZCD6910

Place: Hyderabad

Date: 30 April 2025

For NABSAMRUDDHI Finance Limited

Sd/-

Ravi Krishan Takkar

Chairman and Independent Director

DIN: 07734571

Date: 30 April 2025

Sd/-

Lalit Kumar Vaid

Independent Director

DIN: 10065080

Date: 30 April 2025

Sd/-

L S Naveenkumar

Chief Financial Officer

PAN: AIUPK2404Q

Date: 30 April 2025

Sd/-

Suzette Pereira

Company Secretary

M No. A46491

Date: 30 April 2025

Notes forming part of Financial statements for the year ended 31st March 2025

Brief profile –

“NABSAMRUDDHI FINANCE LIMITED” (CIN: U65910TG1997PLC026442) is a subsidiary of NABARD and incorporated under the Companies Act 1956. The company is a “Non-banking Financial Company” (NBFC) registered with “Reserve Bank of India” (RBI) under section 45-IA of the Reserve Bank of India Act, 1934 and primarily engaged in lending for off farm and related activities.

The Company’s registered office is at NABARD Telangana Regional office building, Ground Floor, 1-1-61, RTC-X road, Musheerabad, Hyderabad, Telangana, India, 500020.

1. MATERIAL ACCOUNTING POLICY INFORMATION :

Statement of compliance and basis for preparation and presentation of Financial Statements

(a) Statement of compliance –

These standalone or separate financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (“Ind AS”) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under section 133 of the Companies Act, 2013 (“the Act”), and in conformity with the accounting principles generally accepted in India and other relevant provisions of the Act. Further, the Company has complied with all the directions related to Implementation of Indian Accounting Standards prescribed for Non-Banking Financial Companies (NBFCs) in accordance with the RBI notification no. RBI/2019-20/170 DOR NBFC). CC.PD. No.109/22.10.106/2019-20 dated 13 March 2020.

Any application guidance/ clarifications/ directions/expectations issued by RBI or other regulators are implemented as and when they are issued/ applicable.

(b) Functional and presentation currency –

These financial statements are presented in Indian Rupees (‘INR’ or ‘₹’) which is also the Company’s functional currency. All amounts are rounded-off to the nearest lakhs, unless indicated otherwise and rounded off to two decimals as permitted by Schedule III to the Companies Act, 2013.

(c) Basis of preparation –

The financial statements have been prepared on the historical cost convention and on an accrual basis, except for the following material items in the balance sheet:

- Certain financial instruments are measured either at fair value or at amortized cost depending on the classification;
- Employee defined benefit assets/(liabilities) are remeasured at the net total of the fair value of plan assets, adjusted for actuarial gains and losses and the present value of the defined benefit obligation.

(d) Measurement of Fair values –

A number of Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has established policies and procedures with respect to the measurement of fair values.

Fair value measurements under Ind AS 113 are categorized 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 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at reporting date
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs for assets and liabilities that are not based on observable market data (unobservable inputs).

(e) Use of estimates and judgements and Estimation uncertainty –

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income, expenses and the disclosures of contingent assets and liabilities.

Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. The Company's management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Any revision to the accounting estimates is recognized prospectively.

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 on its assumptions and estimates on parameters available when the financial statements were issued. 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 areas that involved a higher degree of estimate and judgement or complexity in determining the carrying amount of some assets and liabilities –

- **Effective Interest Rate (EIR) Method –**

The Company recognizes interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loans given / taken. 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 other fee income/expense that are integral parts of the instrument.

EIR is nothing but the rate of interest which equates the discounted contractual cash flows with the net present value of cash outflows of a financial instrument.

- **Impairment of Financial Assets –**

The measurement of impairment losses on loan assets and commitments, requires judgement, in estimating the amount and timing of future cash flows and recoverability of collateral values while determining the impairment losses and assessing a significant increase in credit risk.

The Company's Expected Credit Loss (ECL) calculation is the output of a complex model with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL model that are considered accounting judgements and estimates include:

- The Company's criteria for assessing if there has been a significant increase in credit risk
- Development of ECL model, including the various formulae and the choice of inputs
- Management overlay used in circumstances where management judges that the existing inputs, assumptions and model techniques do not capture all the risk factors relevant to the Company's lending portfolios

It has been the Company's policy to regularly review its model in the context of actual loss experience and adjust when necessary.

- **Provisions and Other Contingent liabilities –**

The Company does not recognise a contingent liability but discloses its existence in the financial statements.

Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

Contingent Liabilities in respect of show cause notices are considered only when converted into demands.

The reliable measure of the estimates and judgments pertaining to litigations and the regulatory proceedings in the ordinary course of the Company's business are disclosed as contingent liabilities. Estimates and judgements are continually evaluated and 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.

- **Provision for income tax and deferred tax assets –**

The Company uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax, including the amount expected to be paid / recovered for uncertain tax positions.

A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Accordingly, the Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

- **Defined Benefit Plans –**

The cost of the defined benefit gratuity and leave encashment plan and the present value of the gratuity & leave encashment obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

- **Going Concern –**

Management is of the view that it is considered appropriate to prepare these financial statements on a going concern basis as the Company expects to generate sufficient cash flows from operating activities and unused lines of credit to meet its obligations in the foreseeable future.

1.1 Revenue recognition –

(a) Recognition of interest income on loans –

Interest income is recognized in Statement of profit and loss using the effective interest method for all financial instruments measured at amortized cost, debt instruments measured at Fair Value through Other Comprehensive Income (FVOCI) and debt instruments designated at Fair Value through Profit or Loss (FVTPL). The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument.

The calculation of the effective interest rate includes transaction costs and fees that are an integral part of the contract. Transaction costs include incremental costs that are directly attributable to the acquisition of financial asset.

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is recorded as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortized through Interest income in the Statement of profit and loss.

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. When a financial asset becomes credit-impaired, the Company recognizes the interest income on actual basis.

If the financial asset cures and is no longer credit impaired, the Company reverts to calculating interest income on a gross basis.

(b) Dividend and Interest income on investments –

- Dividends are recognized in Statement of profit and loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.
- Interest income from investments is recognized when it is certain that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

(c) Other operational revenue –

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

- Prepayment charges are collected and recognized on receipt basis from the customer towards prepayment of loan amount.
- Ledger Folio and other charges are collected and recognized on receipt basis from the customer.
- All other incomes are recognized on accrual basis, except in case of bad debts recovered, which are accounted as and when received
- Recoveries from Non-performing Assets has been appropriated in the following order:
 - a. Cost & Charges
 - b. Interest (including Penal & Overdue Interest)
 - c. Principal

Appropriation of recoveries in respect of NPAs under One time settlement has been done as per management direction.

1.2 Property, Plant and Equipment (PPE) –

- PPE is recognised when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. PPE is stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment, if any.
- Cost includes all direct cost related to the acquisition of PPE and, for qualifying assets, borrowing costs capitalized in accordance with the Company's accounting policy.
- Advances paid towards the acquisition of PPE outstanding at each balance sheet date are disclosed separately under other non-financial assets. Capital work in progress comprises the cost of PPE that are not ready for its intended use at the reporting date.
- Assets held for sale or disposals are stated at the lower of their net book value and net realizable value.
- Subsequent expenditure is recognised as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured
- Depreciation on PPE is provided on Straight line method (SLM) basis in accordance with the useful lives specified in Schedule II to the Companies Act, 2013 on a pro-rata basis.

- The estimated useful lives used for computation of depreciation is as follows :

Nature of the Asset	Estimated useful life
Computers	3 Years
Furniture and Fixtures	10 Years
Office equipment	5 Years
Vehicles	8 Years

- Assets costing Rs.5,000 or less are treated as Revenue expenditure.
- PPE is derecognized 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 net carrying amount of the asset) is recognised in other income / netted off from any loss on disposal in the Statement of profit and loss in the year the asset is derecognized.
- The carrying amounts of assets are reviewed at each balance sheet date to ascertain impairment based on internal / external factors. An impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of the net selling price of the assets and their value in use and the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life.

1.3 Intangible assets –

Intangible assets are identified non-monetary assets without physical existence. Intangible assets with finite useful lives that are acquired separately are capitalized and carried at cost less accumulated amortization and accumulated impairment losses.

Amortization is recognised on Straight Line Method basis over the estimated useful life of the asset. Intangible assets are recognised in books only when it is probable that future economic benefits associated with the asset will flow to the Company and the cost can be measured reliably.

The cost of the intangible asset shall include the purchase price, including non-refundable duties and taxes, all the directly attributable costs to bring the intangible to the present location, working condition and intended use. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Impairment loss, if any, is provided to the extent, the carrying amount of assets exceeds their recoverable amount. Recoverable amount is the higher of an assets net selling price and the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life.

1.4 Financial Instruments –

(a) Recognition and Measurement –

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the 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 FVTPL) 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 FVTPL are recognised immediately in Statement of profit and loss.

(b) Classification of financial assets-

On initial recognition, a financial asset is classified as measured at

- Amortized cost; - Debt instruments
- FVTPL – debt instruments
- FVOCI - debt instruments;
- FVOCI - equity instruments;

Amortized cost - The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios being the level at which they are managed. The financial asset is held with the objective to hold financial asset in order to collect contractual cash flows as per the contractual terms that give rise on specified dates to cash flows that are solely payment of principal and interest (SPPI) on the principal amount outstanding. Accordingly, the Company measures Bank balances, Loans, Trade receivables and other financial instruments at amortized cost.

FVOCI - debt instruments - The Company measures its debt instruments at FVOCI when the instrument is held within a business model, the objective of which is achieved by both collecting contractual cash flows and selling financial assets; and the contractual terms of the financial asset meet the SPPI test.

FVOCI - equity instruments - The Company subsequently measures all equity investments at fair value through profit or loss, unless the Company's management has elected to classify irrevocably some of its equity instruments at FVOCI, when such instruments meet the definition of Equity under Ind AS 109 Financial Instruments and are not held for trading.

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

All financial assets not classified as measured at amortized cost or FVOCI are measured at FVTPL. This includes all investments in Pass Through Certificates (PTC's) designated at Fair value through Profit and Loss. (FVTPL).

The Company purchased retail loans/receivables (under securitization of debts) from Special Purpose Vehicle (SPV vide Pass Through Certificates (PTCs), a financial instrument issued to the investors (company) by the SPVs

evidencing the beneficial ownership of the investors in the receivables. The financial instruments are rated by an independent credit rating agency. On the recommendation of the credit rating agency, additional credit support is provided in order that the instrument may receive the desired level of rating. Typically, the servicing of the receivables is continued by the seller. Cash flows as and when they are received are passed onto the investors.

Accordingly, the company classified such PTCs purchases under the "Investment" in accordance with Ind AS 32, and classified the same as 'Fair Value Through Profit and Loss' (FVTPL) no provision for Expected Credit Loss (ECL) is made in accordance with Ind AS 109 as long as the contractual cash inflows remains intact as per contractual terms with the SPVs.

Any default in such PTC's shall be recognised in the statement of Profit and Loss Statement immediately.

(c) Subsequent measurement of financial assets –

Financial assets at amortised cost are subsequently measured at amortised cost using effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in Statement of profit and loss. Any gain and loss on derecognition is recognised in Statement of profit and loss.

Debt investment at FVOCI are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognised in Statement of profit and loss and OCI. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to Statement of profit and loss.

For equity investments, the Company makes an election on an instrument-by-instrument basis to designate equity investments as measured at FVOCI. These elected investments are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the reserves. The cumulative gain or loss is not reclassified to Statement of profit and loss on disposal of the investments.

Dividend income received on such equity investments are recognised in Statement of profit and loss. Equity investments that are not designated as measured at FVOCI are designated as measured at FVTPL and subsequent changes in fair value are recognised in Statement of profit and loss. Financial assets at FVTPL are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in Statement of profit and loss.

(d) Financial liabilities and equity instruments –

Classification as debt or equity – Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments – An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all its liabilities. Equity instruments issued by Company are recognised at the proceeds received. Transaction costs of an equity transaction are recognised as a deduction from equity.

Financial liabilities – Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for trading or it is a derivative or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of profit and loss. Any gain or loss on derecognition is also recognised in Statement of profit and loss.

Financial guarantee contracts – A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by a Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109 - Financial Instruments and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18 – Revenue Recognition.

(e) Derecognition –

Financial assets – The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which 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 does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet but retains either all or substantially all the risks and rewards of the transferred assets, the transferred assets are not derecognized.

Financial liabilities – A financial liability is derecognized when the obligation in respect of the liability is discharged, cancelled or expires. The difference between the carrying value of the financial liability and the consideration paid is recognised in Statement of profit and loss.

(f) Offsetting –

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

(g) Impairment of financial instruments –

Equity instruments are not subject to impairment under Ind AS 109.

The Company recognizes loss allowances for ECLs on the following financial instruments that are not measured at FVTPL.

Credit-impaired financial assets – A financial asset is ‘credit-impaired’ when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Credit-impaired financial assets are referred to as Stage 3 assets.

Evidence of credit impairment includes observable data about the following events:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;
- the lender of the borrower, for economic or contractual reasons relating to the borrower’s financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;
- the disappearance of an active market for a security because of financial difficulties; or
- the purchase of a financial asset at a deep discount that reflects the incurred credit losses.

It may not be possible to identify a single discrete event—instead, the combined effect of several events may have caused financial assets to become credit impaired. The Company assesses whether debt instruments that are financial assets measured at amortised cost or FVOCI are credit-impaired at each reporting date. To assess if corporate debt instruments are credit impaired, the Company considers factors such as bond yields, credit ratings and the ability of the borrower to raise funding.

A loan is considered credit-impaired when a concession is granted to the borrower due to a deterioration in the borrower’s financial condition, unless there is evidence that as a result of granting the concession the risk of not receiving the contractual cash flows has reduced significantly and there are no other indicators of impairment.

For financial assets where concessions are contemplated but not granted the asset is deemed credit impaired when there is observable evidence of credit-impairment including meeting the definition of default. The definition of default (see below) includes unlikelihood to pay indicators and a back-stop if amounts are overdue for 90 days or more.

Significant increase in credit risk – The Company monitors all financial assets and financial guarantee contracts that are subject to the impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk the Company will measure the loss allowance based on lifetime rather than 12-month ECL.

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument at the reporting date based on the remaining maturity of the instrument with the risk of a default occurring that was anticipated for the remaining maturity at the current reporting date when the financial instrument was first recognised. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort, based on the Company’s historical experience and expert credit assessment.

Given that a significant increase in credit risk since initial recognition is a relative measure, a given change, in absolute terms, in the Probability of Default (PD) will be more significant for a financial instrument with a lower initial PD than compared to a financial instrument with a higher PD.

As a back-stop when loan asset becomes 30 days past due, the Company considers that a significant increase in

credit risk has occurred and the asset is in stage 2 of the impairment model, i.e., the loss allowance is measured as the lifetime ECL in respect of all retail assets.

Purchased or originated credit impaired (POCI) financial assets –

POCI financial assets are treated differently because the asset is credit-impaired at initial recognition. For these assets, the Company recognizes all changes in lifetime ECL since initial recognition as a loss allowance with any changes recognised in profit or loss. A favorable change for such assets creates an impairment gain.

Definition of default – Definition of default is critical for determination of ECL. The definition of default is used in measuring the amount of ECL and in the determination of whether the loss allowance is based on 12-month or lifetime ECL, as default is a component of the probability of default (PD) which affects both the measurement of ECLs and the identification of a significant increase in credit risk.

The Company considers the following as constituting an event of default:

- the borrower is past due more than 90 days on any material credit obligation to the Company or
- the borrower is unlikely to pay its credit obligations to the Company in full.

The definition of default is appropriately tailored to reflect different characteristics of different types of assets.

With the exception of POCI financial assets (which are considered separately below), ECLs are required to be measured through a loss allowance at an amount equal to:

1.4.1

12-month ECL, i.e., lifetime ECL that result from those default events on the financial instrument that are possible within 12 months after the reporting date, (referred to as Stage 1); or

1.4.2

Full lifetime ECL, i.e., lifetime ECL that result from all possible default events over the life of the financial instrument, (referred to as Stage 2 and Stage 3).

ECLs are a probability-weighted estimate of the present value of credit losses. These are measured as the present value of the difference between the cash flows due to the Company under the contract and the cash flows that the Company expects to receive arising from the weighting of multiple future economic scenarios, discounted at the asset's EIR.

For financial guarantee contracts, the ECL is the difference between the expected payments to reimburse the holder of the guaranteed debt instrument less any amounts that the Company expects to receive from the holder, the debtor or any other party.

The Company measures ECL on an individual basis, or on a collective basis for portfolios of loans that share similar economic risk characteristics.

(h) Write offs -

The gross carrying amount of a financial asset is written off when there is no realistic prospect of further recovery. This is generally the case when the Company determines that the debtor/ borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

However, financial assets that are written off could still be subject to enforcement activities under the Company's recovery procedures, considering legal advice where appropriate. Any recoveries made are recognised in Statement of profit and loss.

1.5 Employee benefits –

Short term employee benefits – Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present 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.

Defined Contribution Plans – The Company's contribution to provident fund is considered as defined contribution plan and are charged as an expense as they fall due based on the amount of contribution required to be made and when the services are rendered by the employee.

Provident fund contribution is accounted on actual liability basis and paid to the Government managed Employees Provident Fund Organization. PF contribution from employee and employer is calculated on the basic salary of the employee. The treatment for the Provident fund is given as per the Employees Provident Fund and Miscellaneous Provisions Act – 1952.

Defined Benefit Plan– A defined benefit plan is post-employment benefit plan other than a defined contribution plan. The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.

Gratuity is applicable to the company as per Payment of gratuity Act, 1972. The Company estimates gratuity liability based on an external actuarial valuation done using projected unit credit method.

Compensated absences – The employees can carry forward a portion of the unutilized accrued compensated absences and utilize it in future service periods or receive cash compensation. Since the compensated absences do not fall due wholly within twelve months after the end of such period, the benefit is classified as a long term and short term employee benefit based on the actuarial valuation report. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

Remeasurement gains/losses – Remeasurement of defined benefit plans, comprising of actuarial gains / losses, return on plan assets excluding interest income are recognised immediately in the balance sheet with corresponding debit or credit to Other Comprehensive Income (OCI). Remeasurements are not reclassified to Statement of profit and loss in the subsequent period.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to

past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in Statement of profit and Loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs. Remeasurement gains or losses on long-term compensated absences that are classified as other long-term benefits are recognised in Statement of profit and loss.

1.6 Finance costs –

Finance costs include interest expense computed by applying the effective interest rate on respective financial instruments measured at Amortised cost. Financial instruments include bank term loans, Refinance from Financial institutions, non-convertible debentures, fixed deposits mobilized, commercial papers, subordinated debts and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Finance costs are charged to the Statement of profit and loss.

1.7 Taxation - Current and deferred tax –

Income tax expense comprises of current tax and deferred tax. It is recognised in Statement of profit and loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

Current tax – Current tax comprises amount of tax payable in respect of the taxable income or loss for the year determined in accordance with Income Tax Act, 1961 and any adjustment to the tax payable or receivable in respect of previous years. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period. Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Current tax is recognised in statement of profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current tax is also recognised in other comprehensive income or directly in equity respectively.

The management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax – Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases. 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 realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequence that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary difference could be utilized. Such deferred tax assets and liabilities are not

recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

1.8 Provisions –

Provisions are recognised when there is a present obligation as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, considering the risks and uncertainties surrounding the obligation.

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

1.9 Cash and cash equivalents –

Cash and cash equivalents in the balance sheet comprise cash on hand, cheques and drafts on hand, balance with banks in current accounts and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of change in value.

1.10 Earnings Per Share –

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period.

The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, sub-division of shares etc. that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders is divided by the weighted average number of equity shares outstanding during the period, considered for deriving basic earnings per share and weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

1.11 Grants –

Grants related to income / expenses are presented in the statement of profit and loss as a deduction in reporting the related income / expense as per the case.

Where any spent amount by the entity yet to be reimbursed by the counterpart are reported as receivable under other financial assets in the Balance sheet.

1.12 Dividend –

The Company recognizes a liability to make cash distributions to equity holders when the distribution is authorized and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

1.13 Operating Cycle –

Based on the nature of products/activities of the company and normal time between the acquisition of assets and their realization in cash and cash equivalents, the company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

1.14 Prior Period and Exceptional Items –

Items of Income or Expenditure pertaining to the previous reporting period has been adjusted to Reserves and Surplus of the corresponding reporting period. Exceptional items having material impact on the financial statements of the Company are disclosed separately.

NABSAMRUDDHI Finance Limited

Notes forming part of Financial Statements

(₹ in lakh)

Note No	Particulars	As at 31st March, 2025	As at 31st March, 2024
2	Cash and Cash equivalents		
	- Cash on Hand	-	-
	- Balances with Banks (of the nature of cash and cash equivalents)		
	Current Accounts	1,553.69	1,137.58
	- Deposits with Banks		
	Deposits	4,800.00	1,959.00
	Interest accrued on deposits	2.34	0.69
	Total	6,356.03	3,097.27
3	Bank balance other than cash and cash equivalents		
	- Earmarked balances with banks (towards unclaimed dividend)	0.04	0.04
	Total	0.04	0.04
4	Loans		
	Measured at Amortised cost (refer note no - 31)		
	Secured Loans and Advances		
	- Due beyond 12 months	103,616.48	92,460.23
	- Due within 12 months	79,469.95	67,261.13
		183,086.43	159,721.36
	Less: Impairment allowance	(1,186.71)	(1,273.14)
		181,899.72	158,448.22
	Measured at Fair value through Profit and Loss	-	-
	Measured at Fair value through OCI	-	-
		181,899.72	158,448.22
5	Investments		
	¹ - Measured at Amortised cost	-	-
	- Measured at Fair value through PL (refer note no - 32)		
	- Due within 12 months	21,935.89	16,060.07
	- Due beyond 12 months	1,729.36	4,080.37
	- Interest accrued thereon	96.56	77.69
		23,761.81	20,218.13
	- Measured at Fair value through OCI	-	-
		23,761.81	20,218.13

6	Other Financial assets		
	Due within 12 months		
	Vehicle Loan to Employees	2.25	-
	Grant to be received from NABARD	-	5.98
		2.25	5.98
Due beyond 12 months			
Telephone Deposits	0.05	0.05	
Cylinder Deposit	0.01	0.01	
	2.31	6.05	
7	Current Tax Assets (Net)		
	Advance Tax & With holding taxes receivable	2,335.61	1,855.87
	Less: 'Income tax provision	(1,685.66)	(1,617.84)
		649.95	238.03
8	Deferred Tax assets (refer note no - 26)		
	Opening	429.49	417.04
	Additions during the year	53.00	12.45
	Closing	482.49	429.49
11	Other non-financial assets		
	Income Tax Receivable for earlier years	22.23	29.84
	Prepaid Expenses	2.00	4.08
	Salary Advance	2.05	2.46
		26.29	36.38

Note - 9 & 10 - Plant, Property and Equipment & Intangible assets Schedule as at 31st March 2025

(₹ in lakh)

Particulars	Gross Carrying Value		Additions	Disposal/ Written off	As at		Withdrawn	As at		Net Carrying Value
	As at 01.04.2024	As at 31.03.2025			As at 01.04.2024	As at 31.03.2025		As at 01.04.2024	As at 31.03.2025	
Plant, Property and Equipment										
Furnitures & Fixtures	4.19	4.19	-	-	2.30	0.25	-	2.55	1.64	1.89
Vehicles (Cars)	4.88	4.88	-	-	4.64	-	-	4.64	0.24	0.24
Office Equipment	5.85	5.85	-	-	3.72	0.71	-	4.43	1.42	2.12
Computer	13.55	13.55	-	-	4.40	3.37	-	7.78	5.77	9.14
Subtotal (A)	28.47	28.47	-	-	15.07	4.32	-	19.39	9.08	13.40
Intangible assets										
ILMAS Software	24.90	24.90	-	-	21.56	3.34	-	24.90	-	3.34
Subtotal (B)	24.90	24.90	-	-	21.56	3.34	-	24.90	-	3.34
Total (A + B)	53.37	53.37	-	-	36.63	7.67	-	44.29	9.08	16.74

Particulars	Gross Carrying Value		Disposal/ Written off	As at 31.03.2024	Depreciation Block		Withdrawn	As at 31.03.2024	Net Carrying Value	
	As at 01.04.2023	Additions			As at 01.04.2023	Additions			As at 31.03.2024	As at 31.03.2023
Plant, Property and Equipment										
Furnitures & Fixtures	2.36	1.83	-	4.19	1.99	0.32	-	2.30	1.89	0.38
Vehicles (Cars)	4.88	-	-	4.88	4.64	-	-	4.64	0.24	0.24
Office Equipment	4.73	1.11	-	5.85	2.89	0.83	-	3.72	2.12	1.84
Computer	3.63	9.92	-	13.55	2.43	1.98	-	4.40	9.14	1.20
Subtotal (A)	15.60	12.87	-	28.47	11.95	3.12	-	15.07	13.40	3.66
Intangible assets										
ILMAS Software	24.90	-	-	24.90	13.26	8.30	-	21.56	3.34	11.64
Subtotal (B)	24.90	-	-	24.90	13.26	8.30	-	21.56	3.34	11.64
Total (A + B)	40.50	12.87	-	53.37	25.20	11.42	-	36.63	16.74	15.30

Notes forming part of Financial Statements

(₹ in lakh)

Note No	Particulars	As at 31st March, 2025	As at 31st March, 2024
12	Borrowings (other than Debt Securities)		
	- Measured at Amortised cost		
	Loan from related parties (un-secured) (refer note no - 42)		
	- Loan from NABARD		
	- Due within 12 months	80,467.81	63,342.17
	- Due beyond 12 months	70,653.81	73,195.91
	Accrued Interest on the above	81.69	75.62
		151,203.31	136,613.70
	Loan from unrelated parties (secured) (refer note no - 42)		
	- Due within 12 months	13,412.57	9,992.76
	- Due beyond 12 months	6,868.45	4,725.74
	Accrued Interest on the above	138.87	92.72
		20,419.90	14,811.23
	Measured at Fair value through Profit and Loss	-	-
	Measured at Fair value through OCI	-	-
		171,623.21	151,424.93

13	Other Financial Liabilities		
	Due beyond 12 months	-	-
	Due within 12 months		
	Other Payables including Outstanding expenses	33.66	247.02
	Dividend payable for earlier years	0.04	0.04
		33.70	247.07

14	Provisions		
	Provision for Employee Benefits (refer note no - 35)		
	Due beyond 12 months		
	Leave Encashment	30.94	14.33
	Gratuity		
	- For Deputed staff	-	-
	- For Other than deputed staff	94.37	61.60
		125.31	75.93

	Due within 12 months		
	Leave Encashment	4.83	3.62
	Gratuity		
	- For Deputed staff	24.75	26.62
	- For Other than deputed staff	4.70	7.36
		34.28	37.59
	Other provisions		
	Due within 12 months		
	Provision for CSR expenditure (refer note - 48)	22.90	37.77
		22.90	37.77
		182.49	151.30

15	Other non-financial liabilities		
	Due within 12 months		
	- Excess TDS received from borrowers	-	21.14
	- Statutory payables	28.63	15.66
	- Loan Installments received in advance	5,674.74	0.94
		5,703.37	37.74
	Due beyond 12 months		
	Subsidy Reserve Fund	-	49.81
		-	49.81
		5,703.37	87.55

16	Share Capital		
	Authorized Capital	15,000.00	15,000.00
	15,00,00,000 Equity shares of Rs.10/ each (Previous year 15,00,00,000 Equity Shares of Rs.10/- each)		
	Issued, Subscribed & "Fully-paid up"	12,382.20	12,382.20
	12,38,21,988 Equity shares of Rs.10/- each (Previous year 12,38,21,988 Equity Shares of Rs.10/- each)		
	TOTAL	12,382.20	12,382.20

a. Reconciliation of the number of equity shares outstanding at the beginning and end of the year

Particulars	As at 31st March, 2025	As at 31st March, 2024
Number of Shares outstanding at the beginning of the year	123,821,988	123,821,988
Add : Issued during the year	-	-
Less: Shares bought back during the year	-	-
Number of Shares outstanding at the end of the year	123,821,988	123,821,988

b. Reconciliation of the equity share capital outstanding at the beginning and end of the year

(₹ in lakh)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Equity Share Capital Outstanding at the beginning of the year	12,382.20	12,382.20
Add : Share Capital Issued during the year	-	-
Less: Shares bought back during the year	-	-
Equity Share Capital Outstanding at the end of the year	12,382.20	12,382.20

c. Rights, preferences and restrictions attaching to each class of shares including restrictions on distribution of dividends and repayment of capital

The Company has only one class of equity shares having par value of Rs. 10 per share. Each share holder is entitled to one vote per share. The distribution of dividend is in proportion to the number of equity shares held by each share holders.

Repayment of capital will be in proportion to number of equity shares held.

d. Details of shareholder holding more than 5 %

National Bank for Agriculture and Rural Development (NABARD)

Number of Shares			
%	31st March 2025	%	31st March 2024
91.09%	1,127.88	91.09%	1,127.88

e. For a period of years, immediately preceding the Balance sheet

Aggregate number & class of shares :

- Allotted as fully paid up pursuant to contract(s) without payment being received in cash : NIL
- Allotted as fully paid up by way of bonus shares: NIL
- Bought back : NIL

f. Shareholding of Promoters

Shares held by promoters at the end of the reporting period	For the year ended 31st March 2025			For the year ended 31st March 2024		
	Promoter Name	No.of Shares	% of Shares	% Change during the year	No.of Shares	% of Shares
National Bank for Agriculture and Rural Development (NABARD)	1,127.88	91.09	-	1,127.88	91.09	-
Govt of Andhra Pradesh	46.66	3.77	-	46.66	3.77	-
Govt of Telangana	34.66	2.80	-	34.66	2.80	-
Union Bank of India	20.00	1.62	-	20.00	1.62	-
Canara Bank	8.00	0.65	-	8.00	0.65	-
IMC Limited	0.50	0.04	-	0.50	0.04	-
KCP Sugars Ltd	0.50	0.04	-	0.50	0.04	-
Individuals #	0.03	Negligible	-	0.03	Negligible	-

#200 equity shares having par value of Rs. 10 per share fully paid up along with corresponding dividend amount has been transferred to Investor Education and Protection Fund (IEPF).

Note No - 17 - Other Equity

(₹ in lakh)

Particulars	Reserves and Surplus				Other Comprehensive Income	Total
	Securities premium	General Reserve	Statutory reserve fund	Retained earnings		
Opening balance as at 01st April 2024	3,337.82	-	3,467.71	11,391.76	-	18,197.30
Adjustment for changes in accounting policies & Prior period items				(0.37)		(0.37)
Restated balance as at 01st April 2024	3,337.82	-	3,467.71	11,391.39	-	18,196.92
Add: Profit for the year	-	-	-	5,323.16		5,323.16
Add: Other Comprehensive Income for the year	-	-	-	(9.68)		(9.68)
Total Comprehensive Income for the year	-	-	-	5,313.47	-	5,313.47
Additions		-				-
Appropriation to Statutory Reserve			1,062.69	(1,062.69)		-
Transactions with owners in their capacity as owners						-
Less: Dividend distributed during the year				(247.64)		(247.64)
Balance at the 31st March 2025	3,337.82	-	4,530.41	15,394.52	-	23,262.75

Particulars	Reserves and Surplus				Other Comprehensive Income	Total
	Securities premium	General Reserve	Statutory reserve fund	Retained earnings		
Opening balance as at 01st April 2023	3,337.82	-	2,460.16	7,580.23	-	13,378.21
Adjustment for changes in accounting policies & Prior period items				28.97		28.97
Restated balance as at 01st April 2023	3,337.82	-	2,460.16	7,609.20	-	13,407.18
Add: Profit for the year	-	-	-	5,043.99		5,043.99
Add: Other Comprehensive Income for the year	-	-	-	(6.23)		(6.23)
Total Comprehensive Income for the year	-	-	-	5,037.76	-	5,037.76
Additions		-				-
Appropriation to Statutory Reserve			1,007.55	(1,007.55)		-
Transactions with owners in their capacity as owners						-
Less: Dividend distributed during the year				(247.64)		(247.64)
Balance at the 31st March 2024	3,337.82	-	3,467.71	11,391.76	-	18,197.30

Notes to Statement of Profit and Loss

(₹ in lakh)

Note	Particulars	For the year ended 31st March 2025				For the year ended 31st March 2024			
		On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at fair value through profit or loss	On Financial Assets measured at fair value through OCI	Total	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at fair value through profit or loss	On Financial Assets measured at fair value through OCI	Total
18	Interest Income								
	Interest on Term Loan	17,161.29	-	-	17,161.29	13,901.78	-	-	13,901.78
	Interest on Securitisation	-	2,007.67	-	2,007.67	-	1,545.41	-	1,545.41
	Interest on Deposits	260.18	-	-	260.18	246.05	-	-	246.05
	Total	17,421.47	2,007.67	-	19,429.14	14,147.84	1,545.41	-	15,693.25

Note	Particulars	For the year ended 31st March 2025	For the year ended 31st March 2024
19	Fees and Commission Income		
	- Arrangement fee on PTC's		37.09
			6.69
		37.09	6.69

Note	Particulars	For the year ended 31st March 2025	For the year ended 31st March 2024
20	Other Income		
	'Ledger Folio Charges	1.14	1.23
	Miscellaneous Income	0.60	1.21
	Prepayment charges	17.97	19.03
	Other Receipts		
	- Interest on Income Tax refund	5.36	10.11
	- Recoveries from bad debts written off earlier (refer note no - 39)	230.25	13.22
	Total	255.32	44.80

Notes to Statement of Profit and Loss

(₹ in lakh)

Note	Particulars	For the year ended 31st March 2025		For the year ended 31st March 2024	
		On Financial Liabilities measured at Amortised Cost	On Financial Liabilities measured at Fair value through profit and loss	On Financial Liabilities measured at Amortised Cost	On Financial Liabilities measured at Fair value through profit and loss
21	Finance Costs				
	Interest on Refinance	10,546.36	-	7,397.54	-
	Interest on Borrowing - Bajaj	1,183.36	-	848.51	-
	Interest on Borrowing -Aditya Birla	111.57			
	Total	11,841.28	-	8,246.04	-

(₹ in lakh)

Note	Particulars	For the year ended 31st March 2025	For the year ended 31st March 2024
22	Impairment allowance on		
	- Assests measured at amortised cost	(86.43)	(58.26)
	- Measured at Fair value through Profit and Loss	-	-
	'- Measured at Fair value through OCI	-	-
	Total	(86.43)	(58.26)

(₹ in lakh)

Note	Particulars	For the year ended 31st March 2025	For the year ended 31st March 2024
23	Employee Benefit Expenses (Refer note no - 35)		
	Salaries and wages	579.21	584.85
	Contribution to provident Fund	16.90	11.45
	Staff Welfare	20.31	15.56
	Conveyance Allowance	28.96	29.22
	Leave Salary & Leave Fare Concession	35.73	27.67
	Gratuity for current year		
	- For Deputed staff	12.06	11.56
	'- For Other than deputed staff	22.12	13.26
	Total	715.29	693.57

(₹ in lakh)

Note	Particulars	For the year ended 31st March 2025	For the year ended 31st March 2024
24	Other expenses		
	Auditors Remuneration (refer note - 28)		
	- Statutory Audit Fee	2.60	2.00
	Directors sitting fee	30.74	28.85
	Travelling expenses	45.21	30.32
	Insurance Premium	0.36	0.21
	Printing & Stationery	6.46	4.52
	Postage & Telegrammes	0.94	0.51
	Telephone Expenses	0.39	0.33
	Duties & Taxes	1.28	3.22
	Office Maintenance	5.61	6.15
	News Papers & Subscriptions	7.06	8.20
	Demat Charges	0.89	0.86
	Bank Charges	0.29	0.10
	Maintenance of Vehicles	1.06	0.66
	Tea & Refreshment	1.99	0.70
	Professional fees	18.74	8.18
	General expenses	7.38	6.02
	Promotional expenses	13.47	11.48
	Grant expenses	3.40	-
	Legal Expenses	24.28	11.34
	Advertisement Expenses	1.19	2.07
	Board Meeting Expenses	0.92	0.17
	CSR Expenses	100.68	70.30
	Computer Software Charges	0.48	0.21
	Website Renewal fee	0.32	0.30
	Training fee	7.15	3.23
	HR Software charges	1.76	0.54
	Total	284.67	200.49

Note 25 – Earnings per Share (EPS) –

Basic EPS is calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS is calculated by dividing the profit attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

(Amount ₹ in lakh)

Particulars	2024-25	2023-24
Total Comprehensive Income as per statement of Profit and loss	5,313.47	5,037.76
Less : Transfer to Statutory Reserve	(1062.69)	(1,007.55)
Net profit attributable to Equity Share holders (A)	4,250.78	4030.21
Weighted average No. of Equity shares (no.'s) (B)	123,821,988	123,821,988
Basic Earnings per share (A/B)	3.43	3.25
Diluted Earnings per share (A/B)	3.43	3.25

The entity neither have any financial liabilities nor issued any stock options issued which are potentially convertible into equity shares and hence the Diluted earnings remains same as Basic earnings per share.

Note 26 – Disclosure pursuant to Ind AS 12 "Income Taxes"

A. Major components of tax expense / (income):

(Amount ₹ in lakh)

S.no	Particulars	2024-25	2023-24
(a)	Profit or Loss section:		
	(i) Current Income Tax:		
	- Current Income Tax Expense	1,685.66	1,617.84
	- Tax Expense of Prior Periods	0.37	(2.10)
		1,686.03	1,615.74
	(ii) Deferred income tax liability / (asset), net		
	Tax expense on origination and reversal of temporary differences	(49.74)	(10.35)
	Effect of previously unrecognised tax losses used to reduce tax expense		
		(49.74)	(10.35)
	Income tax expense reported in Profit or Loss [(i) + (ii)]	1,636.29	1,605.39
(b)	Other Comprehensive Income (OCI) section:		
	(i) Items not to be reclassified to profit or loss in subsequent periods		
	- Remeasurements of defined benefit liability (asset)	(3.26)	(2.10)
	(ii) Items to be reclassified to profit or loss in subsequent periods		
	Income tax expense reported in Other Comprehensive Income [(i) + (ii)]	(3.26)	(2.10)
	Retained earnings:		
	- Current Income Tax	1,686.03	1,615.74
	- Deferred Tax	(52.99)	(12.45)
	Income tax expense reported in retained earnings	1,633.03	1,603.29

B. Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate applicable in India:

(Amount ₹ in lakh)

S.no	Particulars	2024-25	2023-24
(a)	Profit before tax (including OCI component)	6,946.13	6,643.15
(b)	Corporate tax rate as per Income Tax Act 1961	25.17%	25.17%
(c)	Tax on Accounting profit (c)=(a)*(b)	1,748.20	1,671.95
(d)	(i) Tax effect on items which are tax deductible (Deductions)	-	-
	(A) Impairment allowances and Bad debts	(88.72)	(85.44)
	(ii) Tax effect on items which are non-tax deductible (Disallowances)		
	(A) CSR expenses	25.34	17.69
	(B) Other items	0.83	13.64
	Total effect of tax adjustments [(i) + (ii)]	(62.55)	(54.11)
(g)	Tax expense recognised during the year (g)=(c)+(d)	1,685.66	1,617.84
(h)	Effective tax Rate (f)=(g)/(a)	24.27%	24.35%

C. Movement in deferred tax balances

Particulars	As at 31st March, 2025				
	Net Balance as at 31st March 2024	Recognised in Profit or Loss	Recognised in OCI	Net for the period	Deferred Tax Assets (net)
Tax effect of items constituting deferred tax assets					
Property, plant and equipment	0.42	0.04		0.04	0.46
Intangibles	1.80	0.18		0.18	1.98
Loans and Advances	453.35	(11.25)		(11.25)	442.10
Borrowings	2.49	(4.72)		(4.72)	(2.22)
	458.06	(15.74)	-	(15.74)	442.32
Tax effect of items constituting deferred tax liabilities					
Employee benefits	(28.57)	71.99	(3.26)	68.74	40.17
	(28.57)	71.99	(3.26)	68.74	40.17
Total	429.49	56.25	(3.26)	52.99	482.48

Particulars	As at 31st March, 2024				
	Net Balance as at 1st April 2023	Recognised in Profit or Loss	Recognised in OCI	Net for the period	Deferred Tax Assets (net)
Tax effect of items constituting deferred tax assets					
Property, plant and equipment	0.57	(0.15)		(0.15)	0.42
Intangibles	0.59	1.21		1.21	1.80
Loans and Advances	441.62	11.73		11.73	453.35
Borrowings	1.36	1.13		1.13	2.49
Unamortised expenditure	3.08	(3.08)		(3.08)	
	447.22	10.84	-	10.84	458.06
Tax effect of items constituting deferred tax liabilities					
Employee benefits	(30.17)	3.70	(2.10)	1.60	(28.57)
	(30.17)	3.70	(2.10)	1.60	(28.57)
	417.04	14.54	(2.10)	12.45	429.49

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income and the period over which deferred income tax assets will be recovered.

D) Current Tax Balances

(Amount ₹ in lakh)

Particulars	2024-25	2023-24
Current Tax Assets (Net)		
Net off provision for tax	649.95	238.03

Note 27 – Contingent Liabilities And Commitments

Particulars	As at 31 March 2025	As at 31 March 2024
a) Contingent liabilities		
Demand/claims by various Government authorities not acknowledged as debts and contested by the Company	-	-
b) Commitments		
Capital commitments		
Others – Loan commitments pending disbursement	5,000.00	1,700.00

Note 28 – Auditors’ Remuneration (Exclusive Of Taxes)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Payment to the auditor's for : (exclusive of taxes)		
Statutory Audit and related services	2.60	2.00
Tax Audit Fees*	0.50	0.50
Other services	-	-

* Tax Audit fees to be paid for other than Statutory Auditors.

Note 29 – Measurement Of Fair Values**Accounting Classification –**

Classification of financial assets and financial liabilities

(Amount ₹ in lakh)

Particulars	As at 31st March 2025			
	Amortised Cost	FVTPL	FVOCI	Total
1 Financial assets				
(a) Cash and cash equivalents	6,356.03	-	-	6,356.03
(b) Bank balances other than (a) above	0.04	-	-	0.04
(c) Loans	1,81,899.72	-	-	1,81,899.72
(d) Investments		23,761.81	-	23,761.81
(e) Other financial assets	2.31	-	-	2.31
	1,88,258.10	23,761.81	-	2,12,019.91
2 Financial Liabilities				
(a) Borrowings (Other than Debt Securities)	1,71,623.21	-	-	1,71,623.21
(b) Other financial liabilities	33.70	-	-	33.70
	1,71,656.91	-	-	1,71,656.91

Particulars		As at 31st March 2024			
		Amortised Cost	FVTPL	FVOCI	Total
1	Financial assets				
(a)	Cash and cash equivalents	3,097.27	-	-	3,097.27
(b)	Bank balances other than (a) above	0.04	-	-	0.04
(c)	Loans	1,58,448.22	-	-	1,58,448.22
(d)	Investments		20,218.13	-	20,218.13
(e)	Other financial assets	6.04			6.04
		1,61,551.58	20,218.13	-	1,81,769.71
2	Financial Liabilities				
(a)	Borrowings (Other than Debt Securities)	1,51,424.93	-	-	1,51,424.93
(b)	Other financial liabilities	247.07	-	-	247.07
		1,51,672.00	-	-	1,51,672.00

The fair value of financial instruments have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements). The categories used are as follows:

Level 1 : Level 1 hierarchy includes financial instruments measured using unadjusted quoted prices in active markets that the Company has the ability to access for the identical assets or liabilities. A financial instrument is classified as a Level 1 measurement if it is listed on an exchange. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued at the closing Net Asset Value (NAV).

Level 2 : The fair value of financial instruments that are not traded in active markets is determined using valuation techniques which maximize the use of observable market data either directly or indirectly, such as quoted prices for similar assets and liabilities in active markets, for substantially the full term of the financial instrument but do not qualify as Level 1 inputs. If all significant inputs required to fair value an instrument are observable the instrument is included in level 2.

Level 3 : If one or more of the significant inputs is not based on observable market data, the instruments are included in level 3. That is, Level 3 inputs incorporate market participants' assumptions about risk and the risk premium required by market participants in order to bear that risk. The entity develops Level 3 inputs based on the best information available in the circumstances.

Fair values of financial assets and financial liabilities measured at fair value, including their levels in the fair value hierarchy, and Fair value of Statement of Financial Position are presented below:

(Amount ₹ in lakh)

Particulars	Carrying Value	Fair value	Fair value		
			Level - I	Level - II	Level - III
As at 31st March 2025					
Financial Assets					
a) Cash and cash equivalents	6,356.03	6,356.03	6,356.03	-	-
b) Bank Balances other than (a) above	0.04	0.04	0.04	-	-
c) Loans	1,81,899.73	1,81,899.73	-	-	181,899.73
d) Investments	23,761.81	23,761.81	-	-	23,761.81
e) Other Financial Assets	2.31	2.31	-	-	2.31
Total	2,12,019.92	2,12,019.92	6,356.07	-	2,05,663.85
Financial Liabilities					
a) Borrowings	1,71,623.21	1,71,623.21	-	-	1,71,623.21
b) Other Financial Liabilities	33.70	33.70	-	-	33.70
Total	1,71,656.91	1,71,656.91	-	-	1,71,656.91

Particulars	Carrying Value	Fair value	Fair value		
			Level - I	Level - II	Level - III
As at 31st March 2024					
Financial Assets					
a) Cash and cash equivalents	3,097.27	3,097.27	3,097.27	-	-
b) Bank Balances other than (a) above	0.04	0.04	0.04	-	-
c) Loans	1,58,448.22	1,58,448.22	-	-	1,58,448.22
d) Investments	20,218.13	20,218.13	-	-	20,218.13
e) Other Financial Assets	6.04	6.04	-	-	6.04
Total	1,81,769.71	1,81,769.71	3,097.31	-	1,78,672.39
Financial Liabilities					
a) Borrowings	1,51,424.93	1,51,424.93	-	-	1,51,424.93
b) Other Financial Liabilities	247.07	247.07	-	-	247.07
Total	1,51,672.00	1,51,672.00	-	-	1,51,672.00

Unobservable inputs used in measuring fair value –

Type of financial instrument	Valuation technique	Significant unobservable input	Fair value measurement sensitivity to unobservable inputs
Loans	Discounted cash flow	Interest rate to discount future cash flows	Significant decrease in discount factor would result in higher fair value
Investments	Discounted cash flow	Interest rate to discount future cash flows	Significant decrease in discount factor would result in higher fair value
Borrowings	Discounted cash flow	Interest rate to discount future cash flows	Significant increase in discount factor would result in lesser fair value

Note 30 – Technology change –

During the period under reporting, entity has adopted new technology platform viz., Loan Management system(LMS) for effective management of the Loans issued. Accordingly, the entity has changed the repayment due dates of loan accounts from last date of the month to the first date of the month to be in line with the LMS adopted.

There is no financial implications on the entity due to the said adoption.

Note 31 – FINANCIAL INSTRUMENTS – RISK MANAGEMENT (refer note – 4)

The Company's activities expose it to a variety of risks namely :

- Credit risk ;
- Liquidity risk ; and
- Interest rate risk

Risk management framework –

Risk Management policy outlines the approach and mechanisms of risk management in the company, including identification, reporting and measurement of risk in various activities undertaken by the company. The general objective of risk management is to support business units by ensuring risks are timely identified and adequately considered in decision-making, and are viewed in conjunction with the earnings.

The Company's risk management policies are established to identify and analyse the risks faced by the company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how the management monitors compliance with the Company risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

The Risk Management committee of Board exercises supervisory power in connection with the risk management of the company, monitoring of the exposures, reviewing adequacy of risk management process, reviewing internal control systems, ensuring compliance with the statutory/regulatory framework of the risk management process.

The note below explains the sources of risk which the entity is exposed to and how the entity manages the risk in its financial statements –

Risk	Exposure arising from	Management of Risk
Credit Risk	<p>Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from loans and advances and Investments.</p> <p>Credit risk encompasses both, direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks.</p>	<p>The Company adheres to high standards of credit risk management and mitigation. The lending proposals are subjected to assessment of promoters; group financial strength and leverage; operational and financial performance track record; client cash flows; The company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for Group of Counterparties and by monitoring exposures in relation to such limits.</p>
Liquidity Risk	<p>Liquidity risk is the risk that the Company is unable to meet its financial obligations when they fall due without adversely affecting its financial condition. Liquidity risk arises because of mismatches in the timing of the cash flows</p>	<p>Board of Directors (the Board) of the company defines its liquidity risk management strategy and sets the overall policy and risk tolerances.</p> <p>In order to manage/mitigate liquidity risk, in addition to regulatory limits on liquidity gaps, the company has also defined prudential internal limit for Liquidity Gap tolerance for its time bucket which is approved by the Board.</p> <p>Treasury is responsible for managing liquidity under the liquidity risk management framework as approved by the Board .</p> <p>ALCO is responsible for ensuring adherence to the risk tolerance/limits set by the Board.</p> <p>Liquidity risk management strategies and practices are reviewed to align with changes to the external environment, including regulatory changes, business conditions and market developments. Actual and anticipated cash flows generated are monitored to ensure compliance with limits.</p> <p>The Company has formulated a policy on Liquidity Risk Management Framework which covers liquidity risk management, stress testing, maturity profiling and liquidity risk measurement, interest Rate Risk and liquidity risk monitoring tools.</p>

Interest rate risk	Interest rate risk consists primarily of risk inherent in ALM activities and relates to the potential adverse impact of changes in market interest rates on future net interest income. Interest rate risk arises from mismatches in re-pricing of interest rate sensitive assets (RSA) and rate sensitive liabilities (RSL)	Board of Directors (the Board) of the Company is the guiding body for management of its interest rate risk and sets the overall policy and risk limits. In order to manage/mitigate interest rate risk, the Company has defined Interest Rate Sensitive Gap tolerance limits for each time bucket, which is approved by the Board. Finance Department is entrusted with the responsibility of managing interest rate risk within the overall risk limits as approved by the Board. ALCO is responsible for ensuring adherence to the risk tolerance/limits set by the Board.
--------------------	--	---

Credit Risk –

Credit risk is the risk that the Company will incur a loss because its customers fail to discharge their contractual obligations. The Company has a comprehensive framework for monitoring credit quality of its loans primarily based on days past due monitoring at period end. Repayment by individual customers and portfolio is tracked regularly and required steps for recovery are taken through follow-ups and legal recourse.

Credit Quality of Financial Loans and Investments –

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

(Amount ₹ in lakh)

Particulars	31 March 2025	31 March 2024
Gross carrying value of Loans and Advances		
Neither Past due nor impaired	1,82,390.73	1,59,504.88
Past due but not impaired		
0 - 30 days past due	-	-
31 – 60 days past due	486.98	-
61 – 90 days past due	-	-
Impaired (more than 90 days)	208.72	216.48
Total Gross Carrying value as at reporting date	1,83,086.43	1,59,721.36

The Company reviews the credit quality of its loans based on the ageing of the loan at the period end. Since the company is into lending activities, there is no significant credit risk of any individual customer that may impact company adversely, and hence the Company has calculated its ECL allowances on a collective basis.

Inputs considered in ECL model –

In assessing the impairment of financial loans under Expected Credit Loss (ECL) Model, the assets have been segmented into three stages. The three stages reflect the general pattern of credit deterioration of a financial

instrument. The differences in accounting between stages, relate to the recognition of expected credit losses and the measurement of interest income.

The Company categorises loan assets into stages primarily based on the Months Past Due status.

Stage 1 : 0-30 days past due

Stage 2 : 31-90 days past due

Stage 3 : More than 90 days past due

The Company has computed expected credit losses based on a provision matrix which uses historical credit loss experience of the Company as per simplified approach specified in Ind AS 109.

- a. **Default** – The Company considers a financial asset to be in “default” and therefore Stage 3 (credit impaired) for ECL calculations when the borrower becomes 90 days past due on its contractual payments.
- b. **Exposure at default** – “Exposure at Default” (EAD) represents expected exposure in the event of a default and is the gross carrying amount in case of the financial assets held by the entity.
- c. **“Loss given default” (LGD)** is an estimate of loss from a transaction given that a default occurs.
- d. **Estimations and assumptions considered in the ECL model** –
 - “Loss given default” (LGD) is common for all three Stages and is considered based on RBI circular, DBOD.No.BP.BC.67/21.06.202/2011-12 dated 22 December 2011, which suggest for in the absence of credible information for computing LGD, it can be considered at 65%.
 - “Probability of Default” (PD) is applied on Stage 1 and Stage 2 on basis of average of past 48 to 60 months yearly movement and no future adjustment are made for macro-economic factors and for Stage 3 considered at 100%.
- e. **Measurement of ECL** – As prescribed under para 5.5 in Ind AS 109, 12-months ECL is computed for financial instruments which are in Stage – I, and Life time ECL for those in Stage – II & III.

Policy for write off of Loan Assets – The gross carrying amount of a financial asset is written off when there is no realistic prospect of further recovery. This is generally the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write off.

However, financial assets that are written off could still be subject to enforcement activities under the Company’s recovery procedures, considering legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Classification of Loans –

S.no	Particulars	As at 31 March 2025				
		Amortised cost	At Fair Value			Total
			Through OCI	Through PL	Sub-total	
A.	Loans					
(i)	Repayable on demand	-	-	-	-	-
(ii)	Term Loans	1,83,086.43	-	-	-	1,83,086.43
(iii)	Others		-	-	-	
	Total	1,83,086.43	-	-	-	1,83,086.43
	Less: Impairment allowance	(1,186.71)				(1,186.71)
	Total	1,81,899.73	-	-	-	1,81,899.73
B.						
(i)	Secured by tangible assets	1,83,086.43	-	-	-	1,83,086.43
(ii)	Secured by intangible assets					
(iii)	Covered by Guarantees					
(iv)	Unsecured					
	Total	1,83,086.43	-	-	-	1,83,086.43
	Less: Impairment allowance	(1,186.71)	-	-	-	(1,186.71)
	Total	1,81,899.72	-	-	-	1,81,899.72
C.						
	Loans in India					
(i)	Public sector					
(ii)	Others	1,83,086.43	-	-	-	1,83,086.43
	Total	1,83,086.43	-	-	-	1,83,086.43
	Less: Impairment allowance	(1,186.71)	-	-	-	(1,186.71)
	Total	1,81,899.72	-	-	-	1,81,899.72
	Loans outside India	-	-	-	-	-

S.no	Particulars	As at 31 March 2024				
		Amortised cost	At Fair Value			Total
			Through PL	Through OCI	Sub-total	
A.	Loans					
(i)	Repayable on demand	-	-	-	-	-
(ii)	Term Loans	1,59,721.36	-	-	-	1,59,721.36
(iii)	Others	-	-	-	-	-
	Total	1,59,721.36	-	-	-	1,59,721.36
	Less: Impairment allowance	(1,273.14)	-	-	-	(1,273.14)
	Total	1,58,448.22				1,58,448.22
B.		-				-
(i)	Secured by tangible assets and Book Debts	1,59,721.36	-	-	-	1,59,721.36
(ii)	Secured by intangible assets	-				-
(iii)	Covered by Guarantees	-				-
(iv)	Unsecured	-				-
	Total	1,59,721.36	-	-	-	1,59,721.36
	Less: Impairment allowance	(1,273.14)				(1,273.14)
	Total	1,58,448.22				1,58,448.22
C.		-				-
	Loans in India	-				-
(i)	Public sector	-				-
(ii)	Others	1,59,721.36	-	-	-	1,59,721.36
	Total	1,59,721.36	-	-	-	1,59,721.36
	Less: Impairment allowance	(1,273.14)				(1,273.14)
	Total	1,58,448.22				1,58,448.22
	Loans outside India	-	-	-	-	-

Impairment Allowance –

The expected credit loss allowance provision for Loans and Advances is determined as follows –

(Amount ₹ in lakh)

Particulars	Performing Loans - 12 month ECL	Underperforming loans - 'lifetime ECL not credit Impaired'	Impaired loans - 'lifetime ECL credit impaired'	Total
Gross Balance as at 31 March 2025	1,82,390.74	486.98	208.72	1,83,086.43
Expected credit loss rate	0.57%	1.06%	65.00%	0.65%
Carrying amount as at 31 March 2025 (net of impairment provision)	1,81,344.88	481.80	73.05	1,81,899.73
Gross Balance as at 31st March 2024	1,59,504.88	-	216.48	1,59,721.36
Expected credit loss rate	0.68%	-	89.64%	0.80%
Carrying amount as at 31 March 2024 (net of impairment provision)	1,58,425.80	-	22.43	1,58,448.22

Analysis and Reconciliation of Exposure and ECL –

An analysis of changes in the gross carrying amount and the corresponding ECLs in relation to Loans and Advances is, as follows –

Gross Exposure Reconciliation –

(Amount ₹ in lakh)

Particulars	Stage – I	Stage – II	Stage – III	Total
Gross carrying amount balance as at 1st April 2023	1,02,037.98	-	479.42	1,02,517.40
Changes due to loans recognised in the opening balance that have:				
- Transfers to Stage I	-	-	-	-
- Transfers to Stage II	-	-	-	-
- Transfers to Stage III	-	-	-	-
Loans that have been derecognized during the year	(11,123.72)		-	(11,123.72)
New Loans originated during the year	1,03,043.37		-	1,03,043.37
Write-off's	-	-	-	-
Recoveries	(34,452.76)	-	(262.94)	(34,715.69)
Gross carrying amount balance as at 31st March 2024	1,59,504.88	-	216.48	1,59,721.36
Changes due to loans recognised in the opening balance that have:				
- Transfers to Stage I	(316.91)		316.91	-
- Transfers to Stage II	-	-	-	-
- Transfers to Stage III	-	-	-	-
Loans that have been derecognized during the year	(7,065.94)		(216.48)	(7,065.94)

New Loans originated during the year	82,843.05	486.98	-	83,330.03
Write-off's	-	-	-	-
Recoveries	(52,574.35)	-	(108.19)	(52,682.53)
Gross carrying amount balance as at 31st March 2025	1,82,390.74	486.98	208.72	1,83,086.43

Reconciliation of ECL Balance –

Particulars	Stage – I	Stage – II	Stage – III	Total
Gross carrying amount balance as at 01 April 2023	970.84	-	360.56	1,331.40
Changes due to loans recognised in the opening balance that have:				
- Transfers to Stage I	-	-	-	-
- Transfers to Stage II	-	-	-	-
- Transfers to Stage III	-	-	-	-
Loans that have been derecognised during the year	(211.33)	-	-	(211.33)
New Loans originated during the year	543.50			543.50
Write-off's	-	-	-	-
Remeasurement	(223.93)	-	(166.51)	(390.43)
Gross carrying amount balance as at 31 March 2024	1,079.08	-	194.05	1,273.14
Changes due to loans recognised in the opening balance that have:				
- Transfers to Stage I	-	-	-	-
- Transfers to Stage II	-	-	-	-
- Transfers to Stage III	-	-	-	-
Loans that have been derecognised during the year	(100.33)	-	(194.05)	(100.33)
New Loans originated during the year	374.30	5.18	-	379.48
Write-off's	-	-	-	-
Remeasurement	(307.20)	-	135.67	(171.53)
Gross carrying amount balance as at 31 March 2025	1,045.86	5.18	135.67	1,186.71

Liquidity Risk –

Liquidity risk is the risk that the Company is unable to meet its financial obligations when they fall due without adversely affecting its financial condition. Liquidity risk arises because of mismatches in the timing of the cash flows.

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established Asset and Liability Management Committee (ALCO) for the management of the Company's short, medium and long-term funding and liquidity management requirements. 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.

Maturity profile of non-derivative Financial liabilities and Financial Assets –

As on 31 March 2025

Particulars	1 day to 30 /31 days	Over 1 month upto 2 Month	Over 2 months upto 3 months	Over 3 month & up to 6 month	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	4,802.34	--	--	--	--	--	--	--	4,802.34
Advances	8,181.04	6,726.32	6,689.58	20,177.15	37,682.96	90,700.10	12,929.28	--	183,086.43
Investments	1,998.87	1,827.88	1,797.66	4,872.97	11,535.06	1,729.37	--	--	23,761.81
Total	14,982.25	8,554.20	8,487.24	25,050.12	49,218.02	92,429.47	12,929.28	--	211,650.58
Borrowings	1,583.56	1,357.99	22,902.52	23,889.88	44,365.56	77,166.53	357.17	--	171,623.21

As on 31 March 2024

Particulars	1 day to 30 /31 days	Over 1 month upto 2 Month	Over 2 months upto 3 months	Over 3 month & up to 6 month	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	1,959.69	--	--	--	--	--	--	--	1,959.69
Advances	5,043.74	5,518.61	5,750.83	17,461.58	33,486.18	79,196.94	13,193.71	69.78	159,721.36
Investments	1,734.71	1,702.63	1,783.34	5,192.51	5,724.56	4,080.38	--	--	20,218.13
Total	8,738.14	7,221.24	7,534.17	22,654.09	39,210.74	83,277.32	13,193.71	69.78	181,899.19
Borrowings	925.23	833.28	17,856.62	19,063.45	34,826.36	76,134.34	1,785.64	-	151,424.93

Market Risk / Price Risk –

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt.

The Company is exposed to market risk which primarily includes risk of change in market value of investments.

Thus, exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities. Objective of Market risk management is to minimize impact of change in Market value of lending/investments.

Currency risk –

Company's operating currency is Indian Rupee only and not exposed to Foreign currency risk.

Operational Risks –

The Company has an internal framework for reporting and capturing operational risk incidents. Significant incidents

reported are investigated to assess weaknesses in controls and identify areas for improvement. The Company also has a Whistle Blower policy and platform, which is open to employees and vendors for raising their concerns, with full confidentiality, on any fraud, malpractice or any other untoward activity or event. Disaster recovery and Business Continuity Plans (BCP) have been established for significant businesses to ensure continuity of operations and minimal disruption to customer services.

The Company has internal policies and processes in place for managing operational risk in material products, activities and systems.

Interest rate risk –

The aim of managing interest-rate risk is to limit the sensitivity of the balance sheet to interest rate fluctuations. ALCO is the guiding body for management of interest rate risk and sets the overall policy and risk limits with approvals from RMC and the Board. The treasury team is entrusted with the responsibility of managing the same.

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing instruments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating rate bearing instruments will fluctuate because of fluctuations in the interest rates.

Sensitivity analysis w.r.t Interest rate risk as follows –

Particulars	Carrying value	Fair Value	Impact of interest income in Profit & Loss statement	
			1% increase	1% decrease
Term loans measured at amortised cost	183,086.43	183,086.43	1,573.24	(1,573.24)
Investments (PTCs) measured at FVTPL	23,761.81	23,761.81	186.13	(186.13)

Note 32 – Investment in Pass Through Certificates (refer note 5) –

The Company purchased retail loans/receivables (under securitization of debts) from Special Purpose Vehicle (SPV vide Pass Through Certificates (PTCs), a financial instrument issued to the investors (company) by the SPVs evidencing the beneficial ownership of the investors in the receivables. The financial instruments are rated by an independent credit rating agency. On the recommendation of the credit rating agency, additional credit support is provided in order that the instrument may receive the desired level of rating. Typically, the servicing of the receivables is continued by the seller. Cash flows as and when they are received are passed onto the investors.

Accordingly, the company classified such PTCs purchases under the “Investment” in accordance with Ind AS 32, and classified the same as ‘Fair Value Trough Profit and Loss’ (FVTPL) no provision for Expected Credit Loss (ECL) is made in accordance with Ind AS 109 as long as the contractual cash inflows remains intact as per contractual terms with the SPVs.

Any default in such PTC’s shall be recognised in the statement of Profit and Loss Statement immediately.

The details of the such investments as at end of the reporting period is as follows:

PTC Reference	31st March 2025			31st March 2024		
	Credit rating	Amount O/s	%	Credit rating	Amount O/s	%
PTC-1	-	-	-	A (SO)	1,069.66	5.29
PTC-2	-	-	-	-	-	-
PTC-3	-	-	-	A (SO)	388.26	1.92
PTC-4	-	-	-	A (SO)	1,604.36	7.94
PTC-5	-	-	-	A (SO)	2,054.47	10.16
PTC-6	-	-	-	A (SO)	1,143.65	5.66
PTC-7	A(SO)	191.85	0.81	A (SO)	3,200.89	15.83
PTC-8	-	-	-	A+ (SO)	2,925.95	14.47
PTC-9	A(SO)	641.63	2.70	A (SO)	2,331.41	11.53
PTC-10	AA-(SO)	639.50	2.69	AA- (SO)	5,499.49	27.20
PTC-11	A(SO)	2,778.01	11.69	-	-	-
PTC-12	A(SO)	3,973.66	16.72	-	-	-
PTC-13	A- (SO)	1,388.34	5.84	-	-	-
PTC-14	A- (SO)	982.72	4.14	-	-	-
PTC-15	A (SO)	1,999.42	8.41	-	-	-
PTC-16	A (SO)	2,729.35	11.49	-	-	-
PTC-17	AA- (SO)	5,293.97	22.28	-	-	-
PTC-18	A+ (SO)	3,143.36	13.23	-	-	-
		23,761.81	100%	-	20,218.13	100%
Out of the above						
- Current		22,032.45	93%		16,137.76	80%
- Non current		1,729.36	7%		4,080.37	20%

Note 33 – Related Party Disclosure –

As per Ind AS 24 on 'Related Party disclosures', the related parties of the company are as follows:

Holding Entity	National Bank for Agriculture and Rural Development (NABARD)
Subsidiaries of the Holding entity	NABFOUNDATION
	NABKISAN
	NABFINS
	NABVENTURES
	NABCONS
	NABSANRAKSHAN
Key Management Personnel	Smt. Bonani Roychoudhury (Managing Director up to 30.01.2025)
	Shri LS Naveenkumar, Chief Financial Officer
	Smt. Suzette Pereira , Company Secretary
	Shri Ravi Krishan Takkar , Non-Executive Chairman & Independent Director
	Shri Subrata Gupta (Non-executive Director up to 01.12.2024)
	Shri Lalit Kumar Vaid, Independent Director
	Shri Arvind Kumar Jain, Independent Director
	Shri Subrat Kumar Nanda, Nominee Director
	Shri K Dharmiah, Nominee Director
	Shri Manikumar S, Nominee Director
	Shri Partho Saha, Nominee Director

(Independent directors are classified as Key Management Personnel as per definition of Ind AS 24, however directors continue to be Independent Director as defined in section 149 (6) of the Companies Act, 2013)

During the year following transaction were entered into with related parties in the ordinary course of business –

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
I. Holding Company		
Transactions during the year		
Loans received	83,925.72	1,01,960.60
Loans repaid	693,42.18	49,035.51
Interest paid on loans	104,64.67	7,321.92
Interest accrued on loans	81.69	75.62
Dividend paid	225.58	225.58
Office Maintenance charges	5.00	5.00
Reimbursement of Salaries and allowances of deputed staff	133.65	158.36
Grants received	21.94	2.09
II Fellow Subsidiaries - NABFOUNDATION		
CSR Contribution	101.11	5.31
III Key Managerial Personnel		
Compensation to Key Managerial person#	202.61	197.43

#Compensation to Key Managerial person –

Particulars	For the year ended 31st March 2025	For the year ended 31st March 2024
Short-term employee benefits	174.41	170.98
Other Contribution to funds	-	-
Sitting fees and commission	28.20	26.45
Total	202.61	197.43

Details of Key Managerial Remuneration Paid

Particulars	For the year ended 31st March 2025	For the year ended 31st March 2024
Smt Bonani Roychoudhury	98.27	51.76
Dr. Ushamani P	--	51.58
Shri Vijay Turumella	--	8.55
Shri L S Naveen Kumar	65.09	48.94
Smt Suzette Ruth Ramcy Dsouza	11.05	10.15
Shri Arvind Kumar Jain	7.70	7.25
Shri Ravi Krishan Takkar	8.30	6.75
Shri Subrata Gupta	5.05	7.55
Shri Lalit Kumar Vaid	7.15	4.90
Total	202.61	197.43

Balance outstanding –

Name of the related party	Particulars	Balance as at 31 March 25	Balance as at 31 March 24
NABARD	Loan outstanding	1,51,121.62	1,36,538.08
	Interest accrued on above	81.69	75.62
	Other receivables	-	5.98

NOTE 34 – OPERATING SEGMENTS –

- 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 2025 or 31 March 2024.

Note 35 – Employee Benefit Expenses

- a. The Managing Director is on deputation from NABARD. Remuneration of the Managing Director including provident fund, gratuity and leave Salary is reimbursed to NABARD on the basis of the advice received from NABARD.
- b. The Services of a Deputy General Manager, an Assistant General Manager, a Manager and an Assistant Manager are utilised by the company on placement basis. As per the terms of placement, 100% of the remuneration paid to these officials on placement are being reimbursed to NABARD based on the advice received from NABARD and the same is charged to the Statement of Profit and Loss.
- c. Liability in respect of leave encashment has been provided as per the policy of the Company amounting to INR 35.77 lakh and has the same made in accordance with Actuarial valuation. The summary of the same is indicated below -

Particulars	2024-25	2023-24
Defined benefit obligation – Opening	17.95	15.03
Current service cost	15.04	5.65
Interest Expense	1.18	0.78
Defined benefit cost included in P&L	16.22	6.43
Benefit payments from Employer	(3.35)	(9.40)
Remeasurements - Due to Demographic assumptions	3.84	(0.61)
Remeasurements - Due to Financial Assumptions	0.59	0.21
Remeasurements - Due to Experience Adjustments	0.52	6.29
Net Actuarial Loss/(Gain) recognised in the Other Comprehensive Income	4.95	5.89
Defined benefit obligation - at the end	35.77	17.95
Total defined benefit cost recognized in P&L	21.17	12.32
Discount Rate	6.95%	7.23%
Salary Escalation Rate	15%	15%

d) **Defined Contribution Plans** – Contribution to Defined Contribution Plans, recognised as expense for the year is as under:

Particulars	2024-25	2023-24
Employer's Contribution to Provident Fund (#)	16.90	11.45
Employer's Contribution to Superannuation Fund	-	-
Employer's Contribution to Pension Scheme	-	-

There is no legal or constructive obligation to pay further contributions in respect of above.

'e) Defined Benefit Plan (Gratuity)–

1. Movement in defined benefit Obligations –

Particulars	2024 – 25	2023 – 24
Defined Benefit Obligation at beginning of the year	68.96	53.26
Current Service Cost	17.13	9.26
Actuarial (Gain)/Loss		-
Due to Financial Assumptions	2.38	1.09
Due to Experience Adjustments	(4.67)	3.51
Due to Demographic Assumptions	10.27	(2.16)
Interest Cost	4.99	4.00
Benefits Paid		-
Defined Benefit Obligation at end of the year	99.07	68.96

2. Movement in plan assets –

Particulars	2024 – 25	2023 – 24
Fair value of Plan Assets at beginning of the year	-	-
Return on Plan Assets	-	-
Employer Contribution	-	-
Benefits Paid	-	-
Fair value of Plan Assets at end of the year	-	-

3. Amounts recognized in the Statement of Financial Position –

Particulars	2024 – 25	2023 – 24
Defined Benefit Obligation at the beginning of the period	68.96	53.26
Current Service Cost	17.13	9.26
Past Service Cost	-	-
Interest Cost	4.98	4.00
Actuarial (Gain)/Loss (as per 1 above)	7.99	2.44
Defined Benefit Obligation at the end of the period	99.07	68.96
Fair Value of Plan Assets	-	-
Funded Status	-	-
Effect of Asset Ceiling / Onerous Liability	-	-
Net Defined Benefit Liability / (Asset)	99.07	68.96
Of which, Short term Liability	4.70	7.36

4. Recognised in statement of profit and loss –

Particulars	2024 – 25	2023 – 24
Current Service Cost	17.13	9.26
Past service cost	-	-
Loss / (Gain) on settlement	-	-
Interest Expense on obligation	4.99	4.00
Interest (Income) on Plan Assets	-	-
Recognised in Statement of Profit and loss	22.12	13.26

5. Remeasurement (gains)/losses in Other Comprehensive Income –

Particulars	2024 – 25	2023 – 24
Actuarial (Gain)/Loss		
Due to Demographic Assumptions	10.27	(2.16)
Due to Financial Assumptions	2.37	1.09
Due to Experience Adjustments	(4.66)	3.51
Return on plan assets excluding interest income	-	-
Recognised in OCI	7.99	2.44

6. Summary –

Particulars	2024 – 25	2023 – 24
Defined benefit obligation at the beginning	68.96	53.26
Defined Benefit Cost included in P & L	22.11	13.26
Total Remeasurements included in OCI	7.99	2.44
Net Defined Benefit Liability / (Asset) at the end	99.07	68.96

7. Key actuarial assumptions –

Particulars	2024 – 25	2023 – 24
Discount rate	6.95%	7.23%
Salary Escalation	15.00%	15.00%

8. Sensitivity analysis for significant assumptions –

Discount Rate, and Salary Escalation Rate are significant actuarial assumptions. The change in the Present Value of Defined Benefit Obligation for a change of 100 Basis Points from the assumed assumption is given below :

Scenario	Defined benefit obligation	% Change
Under Base Scenario	99.07	0.00%
Salary Escalation - Up by 1%	102.79	3.76%
Salary Escalation - Down by 1%	95.14	-3.96%
Discount Rates - Up by 1%	91.01	-8.14%
Discount Rates - Down by 1%	108.41	9.43%

9. Maturity Profile - Expected benefits for year 1 to Expected benefits for year 10 and above

Year 1	4.70
Year 2	12.23
Year 3	5.67
Year 4	6.33
Year 5	15.81
Year 6	6.06
Year 7	8.63
Year 8	16.08
Year 9	5.24
Year 10	5.35
Year 11 +	125.03

Besides, the above the company has an accumulated provision of INR 24.75 lakh towards the NABARD deputed staff at the end of the current reporting period (Previous year INR 26.61 lakh).



Note 36 – Maturity Analysis of Assets and Liabilities –

Particulars		31st March 2025			31st March 2024		
	ASSETS	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
1	FINANCIAL ASSETS						
a	Cash and Cash Equivalents	6,356.03	-	6,356.03	3,097.27		3,097.27
b	Bank Balances other than (a) above	0.04	-	0.04	0.04		0.04
c	Loans	79,469.95	1,02,429.78	1,81,899.72	67,261.13	91,187.09	1,58,448.22
d	Investments	22,032.45	1,729.36	23,761.81	16,137.76	4,080.37	20,218.13
e	Other Financial Assets	2.25	0.06	2.31	5.98	0.06	6.04
2	NON FINANCIAL ASSETS						
a	Current Tax Assets (Net)	649.95	-	649.95	238.03	-	238.03
b	Deferred Tax Assets (Net)	-	482.49	482.49	-	429.49	429.49
c	Property, Plant And Equipment	-	9.08	9.08	-	13.40	13.40
d	Other Intangible Assets	-	-	-	-	3.34	3.34
e	Other Non - Financial Assets	26.28	-	26.28	36.38	-	36.38
	TOTAL – ASSETS	1,08,536.95	1,04,650.76	2,13,187.72	86,776.59	95,713.76	1,82,490.35
	LIABILITIES AND EQUITY			-			-
1	FINANCIAL LIABILITIES						
a	Borrowings (Other Than Debt Securities)	94,100.94	77,522.27	1,71,623.21	73,503.28	77,921.66	1,51,424.93
b	Other Financial Liabilities	33.70	-	33.70	247.07	-	247.07
2	NON - FINANCIAL LIABILITIES						
a	Provisions	57.18	125.31	182.49	75.36	75.93	151.30
b	Other Non-Financial Liabilities	5,703.37	-	5,703.37	37.74	49.81	87.55
3	EQUITY						
a	Equity Share Capital	-	12,382.20	12,382.20	-	12,382.20	12,382.20
b	Other Equity	-	23,262.75	23,262.75	-	18,197.30	18,197.30
	TOTAL - LIABILITIES AND EQUITY	99,895.20	1,13,292.52	2,13,187.72	73,863.45	1,08,626.89	1,82,490.35

Note 37 – Consumables

All the purchases towards stationery and other consumables have been made as per the requirement and consumed immediately, hence no material Inventory of consumables is available with the company. Accordingly all the purchases made towards consumables has been charged off in the statement of profit & loss.

Note 38 - Legal suits filed by company –

As on 31.03.2025, out of 145 NPA Accounts (including Technically Written off accounts), the Company has filed legal suits in respect of 115 NPA accounts for recovery of outstanding amount of ₹2344.69 lakh including interest whose status is as given below.

Preliminary decreed and amount	Filed for final decree and amount	Final decreed and amount	Out of final decreed, EP filed	Posted for final hearings	Total no of suit filed accounts and amount
30 accounts INR 177.93 lakh	44 accounts INR 682.18 lakh	10 accounts INR 1107.94 lakh	17 accounts INR 47.8 lakh	14 accounts INR 328.84 lakh	115 accounts INR 2344.69 lakh

SARFAESI proceedings were initiated against 04 NPA loan accounts amounting to INR 242 lakh together with interest, which are having non agriculture securities to the tune of INR 478 lakh as on 31 March 2025.

Note 39 - One-time settlement arrangements –

During the current year, the Company closed 06 accounts under One Time Settlement (5 Technically written off accounts and 01 NPA account) with a recovery of INR 383.75 lakh and company is pursuing recovery of INR 73.88 lakh in respect of 11 NPA accounts approved under One Time Settlement as on 31 March 2025.

Out of the above, an amount of INR 230.25 lakh was recovered from 5 from loan accounts during the year which were technically written off has been considered as other income. (refer note - 20)

Note 40 - Relation with Struck off companies

Name of Struck off company	Nature of transactions with Struck off companies	Balance Outstanding	Relationship with the Struck off company. If any, to be disclosed
Not Applicable	Investment in Shares	Nil	Not Applicable
Not Applicable	Receivables	Nil	Not Applicable
Not Applicable	Payables	Nil	Not Applicable
Not Applicable	Shares held by Struck off companies	Nil	Not Applicable
Not Applicable	Other outstanding Balances to be specified	Nil	Not Applicable

Note No 41 - Disclosure under Benami Transactions (Prohibition) Act, 1988 –

No proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

Note 42 – Details of Borrowings**Refinance from NABARD – (Note no – 12)**

The company has “Refinance” arrangements with NABARD, and the refinance is being availed by the company after disbursement of loan. The Refinance arrangements are unsecured in nature and there was no default in repayment of loan instalments or interest payments. The following are the repayment terms:

Sl.No.	Rate of Interest (%)	Outstanding (INR in Lakh)
1	8.75%	254.08
2	8.55%	10,038.93
3	8.50%	49,026.01
4	8.45%	25,010.93
5	8.40%	2,118.79
6	8.35%	8,946.66
7	8.30%	5,019.71
8	8.25%	259.12
9	8.20%	4,118.11
10	8.15%	2,876.00
11	8.10%	1,974.15
12	8.05%	579.59
13	8.00%	34,447.44
14	7.95%	5,560.01
15	7.65%	239.10
16	7.60%	592.20
17	7.15%	7.00
18	6.00%	53.79
	Total	151,121.62

The current maturities (payable within the period of 12 months) of “Refinance” commitments, are classified as Current Liabilities amounting to INR 80,467.81 lakh and the remaining commitments are classified under Non-current Liabilities amounting to INR 70,653.81 lakh. Interest accrual on the same amounts to INR 81.69 lakh.

(ii) Borrowing other than Refinance (Note no .12) –

The company has availed secured Term loan by hypothecation of book debts at 110% of the loan outstanding and there was no default in repayment of loan instalments or interest payments. The following are the repayment terms:

Sl.No.	Rate of Interest (%)	Outstanding (INR in Lakh)
1	9.50%	5,519.60
2	8.85%	3,893.35
3	8.75%	4,309.75
4	8.65%	5,933.72
5	8.10%	624.60
	Total	20,281.02

The current maturities (payable within the period of 12 months) of term loan, are classified as Current Liabilities amounting to INR 13,412.57 lakh and the remaining commitments are classified under Non-current liabilities borrowing amounting to INR 6,868.45 lakh. Interest accrual on the same amounts to INR 138.87 lakh.

Note 43 – Disclosure under MSME

There are no dues to any Micro and Small Enterprises to whom the company owes outstanding for more than 45 days as at the Balance Sheet date. The information regarding Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the company.

Note 44 – Grants

During the year, NABARD has granted of INR 21.94 lakh under Climate Ready WASH funding programme to create awareness on climate ready WASH activities. The expenditure for the said programme has been incurred by the company and reimbursement of the expenses incurred has been received from NABARD as per the Sanctioned terms and conditions of the Grant. Accordingly, amount received and spent was netted off while presenting in the financial statements.

Note 45 –

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.

Note 46 – Foreign Currency Transactions

Particulars	2024-25	2023-24
a. Earnings in Foreign Currency	Nil	Nil
b. Expenditure in Foreign Currency	Nil	Nil

Note 47 – CAPITAL –

Capital Management –

The Company's capital management strategy is to effectively determine, raise and deploy capital to create value for its shareholders. The same is done through a mix of either equity and/or convertible and/or combination of short term/long term debt as may be appropriate.

The company determines the amount of capital required based on operations, capital expenditure and strategic investment plans. The capital structure is monitored based on net debt to equity and maturity profile of overall debt portfolio.

The Company is subject to the capital adequacy requirements of the Reserve Bank of India (RBI). Under RBI's capital adequacy guidelines, the Company is required to maintain a capital adequacy ratio consisting of Tier I and Tier II Capital. The total of Tier II Capital at any point of time, shall not exceed 100 percent of Tier I Capital.

The minimum capital ratio as prescribed by RBI guidelines and applicable to the Company, consisting of Tier I and Tier II capital, shall not be less than 15 percent of its aggregate risk weighted assets on-balance sheet and of risk adjusted value of off-balance sheet.

The Company has complied with all regulatory requirements related capital and capital adequacy ratios as prescribed by RBI.

(Amount ₹ in lakh)

Particulars	31st March 2025	31st March 2024
Tier – I capital	35,162.46	30,146.67
Tier – II capital	1,051.04	1,079.08
Total	36,213.50	31,225.75
Aggregate of Risk Weighted Assets	1,98,017.52	1,70,768.09
Tier – I Capital ratio	17.76%	17.65%
Tier – II Capital ratio	0.53%	0.63%
CRAR	18.29%	18.28%

"Tier I Capital" means owned fund as reduced by investment in shares of other non-banking financial companies and in shares, debentures, bonds, outstanding loans and advances including hire purchase and lease finance made to and deposits with subsidiaries and companies in the same group exceeding, in aggregate, ten per cent of the owned fund.

"Owned Fund" means paid up equity capital, preference shares which are compulsorily convertible into equity, free reserves, balance in share premium account and capital reserves representing surplus arising out of sale proceeds of asset, excluding reserves created by revaluation of asset, as reduced by accumulated loss balance, book value of intangible assets and deferred revenue expenditure, if any.

“Tier II capital” includes the following –

- a. preference shares other than those which are compulsorily convertible into equity.
- b. revaluation reserves at discounted rate of fifty five percent;
- c. General provisions (including that for Standard Assets) and loss reserves to the extent these are not attributable to actual diminution in value or identifiable potential loss in any specific asset and are available to meet unexpected losses, to the extent of one and one fourth percent of risk weighted assets hybrid debt capital instruments; and
- d. subordinated debt to the extent the aggregate does not exceed Tier I capital.

Aggregate Risk Weighted Assets –

Under RBI Guidelines, degrees of credit risk expressed as percentage weightages have been assigned to each of the on-balance sheet assets and off- balance sheet assets. Hence, the value of each of the on-balance sheet assets and off- balance sheet assets requires to be multiplied by the relevant risk weights to arrive at risk adjusted value of assets. The aggregate shall be considered for reckoning the minimum capital ratio.

Note 48 – Disclosure in respect of Corporate Social Responsibility under Section 135 of the Act and Rules thereon:

The Management of the Company has formulated a policy for Corporate Social Responsibility and the following are the disclosure for the financial year.

1. Amount required to be spent by the company during the year	INR 100.68 Lakh An excess amount of INR 0.79 lakh sanctioned during FY 2023-24 has been set off against Current year CSR budget as per CSR rules and regulations. Hence, available CSR Budget after set-off of INR 0.79 Lakh - INR 99.89 Lakh.
2. Amount of expenditure incurred	An expenditure of INR 99.89 lakh has been sanctioned of which, INR 76.99 lakh has been incurred and provision has been made for an unspent CSR amount of INR 22.90 lakh towards ongoing projects sanctioned during FY 2024-25.
3. Shortfall at the end of the year	INR 22.90 lakh to be disbursed during FY 2025-26 towards ongoing projects sanctioned during FY 2024-25.
4. Total of previous year shortfall	Nil
5. Reason for shortfall	Sanctioned expenditure to be incurred and released in tranches based on progress in implementation of CSR projects (Ongoing projects)
6. Nature of CSR activities	Water, Sanitation & Hygiene and Sustainable Livelihood

7. Details of related party transactions	<p>Unspent CSR amount of INR 24.22 lakh pertaining to FY 2023-24 sanctioned to NABFOUNDATION has been incurred during FY 2024-25.</p> <p>Further, out of total sanctioned amount of INR 99.89 lakh, INR 76.99 lakh disbursed to NABFOUNDATION in FY 2024-25. However, INR 22.90 lakh to be incurred and released in tranches based on progress in implementation of CSR projects.</p>
--	---

*Out of total disbursed amount of INR 76.99 lakh during the year, an amount of INR 3.74 lakh pertaining to the ongoing CSR project on ensuring Water Security in 10 villages of Jaisalmer district could not be utilized by the implementing agency. Out of INR 54.84 lakh disbursed for the project, INR 51.10 lakh had been utilized by 31 March 2025. The unutilised amount of INR 3.74 lakh was refunded to the company post reporting date and the same has been transferred to the unspent CSR account.

Movement of provisions for CSR Expenditure

(INR Lakh)

Particulars	2024-25	2023-24
Opening Balance	37.77	45.55
Add: Unspent during the year	22.90	37.77
Less: Spent during the year	37.77	45.55
Closing Balance	22.90	37.77

Details of CSR allocation and spending –

Particulars	2024-25	2023-24
Amount required to be spent (A)	100.68	70.30
Budgeted and allocated		
Budget available from the previous year (amount set-off during the year) (B)	0.79	2.07
Allocated during the year (C)	99.89	69.02
Total Budget available (D=A-B)	99.89	68.23
Excess / (Short) allocation of funds (E = C – D) (to be set off in the next year)	0.00	0.79
CSR expenses incurred pertains to the current year including previous year's set off (F)	77.78	32.53
CSR expenses incurred pertains to the previous year (G)	37.77	45.55
Balance to be spent in the next year (H = A – F)	22.90	37.77
Balance amount pertaining Previous year's (I)	0.00	0.00
Closing Balance of Provision (J=H+I)	22.90	37.77

Note – 49 DISCLOSURE PURSUANT TO RESERVE BANK OF INDIA Notification No. RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 dated 19 October 2023

(Amount ₹ in lakh)

Asset classification as per RBI Norms	Gross carrying amount as per Ind AS 109	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP Norms
a	b	c	d = b-c	e	f = c - e
A. Performing Assets					
Standard	1,82,877.71	1,051.04	1,81,826.67	730.19	320.85
Total (A)	1,82,877.71	1,051.04	1,81,826.67	730.19	320.85
B. Non-Performing Assets					
Sub-standard	208.72	135.67	73.05	20.87	114.80
Doubtful Assets			-		
- Upto 1 year			-		-
- 1 to 3 years			-	-	-
> 3 years			-		-
Total Doubtful	-	-	-	-	-
Loss Assets	-	-	-	-	-
Total (B)	208.72	135.67	73.05	20.87	114.80
Total (A + B)	1,83,086.43	1,186.71	1,81,899.73	751.06	435.65

Note 50 – Ratios –

Particulars	Formula Components	2024-25	2023-24	% Of Change	Explanation
Current Ratio	Current Assets/Current Liabilities	1.09	1.17	-8%	--
Debt-Equity Ratio	Total debt/Tangible Networth (Tangible Networth =Share Capital + reserves - DTA - Intangible Assets)	4.88	5.02	-3%	--
Debt Service Coverage Ratio	Net Profit+ Depreciation+ Interest on Borrowings+ loan repayments (including interest)/ Total amount of Interest and Principal of long term loan payable (or) paid during the year	1.09	1.27	-14%	--
Return on Equity (%)	PAT/Average Net worth	16.05	17.88	-10%	--
Net Profit (%)	PAT/Total Income	26.94	32.00	-16%	--
Return on Capital employed (%)	(i) Return = PBIT (ii) Total capital employed = Net worth + Total long term Debt or Total Assets - Current liabilities	16.61	13.73	21%	--
Return on Investment (%)	Total interest earned on Investments/Average Investments	8.94	10.40	-13%	--
Net Capital Turnover Ratio	Revenue from Operations / Current Assets- Current Liabilities	2.25	1.22	85%	Increased due to increase in Revenue from operations
Inventory Turnover Ratio	Not applicable				
Trade Receivable Turnover Ratio	Not applicable				
Trade Payable Turnover Ratio	Not applicable				

Note – 51 – Willful defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

Note – 52 – Other Disclosures –

a. Investments –

Particulars	As at 31.03.2025	As at 31.03.2024
Value of Investment		
(i) Gross Value of Investments	23,761.81	20,218.13
(a) In India	23,761.81	20,218.13
(b) Outside India	-	-
(ii) Provision for Depreciation	-	-
(a) In India	-	-
(b) Outside India	-	-
(iii) Net Value of Investments	23,761.81	20,218.13
(a) In India	23,761.81	20,218.13
(b) Outside India	-	-
Movement of Provisions held towards depreciation on Investments		
(i) Opening Balance	-	-
(ii) Add: Provision made during the year	-	-
(iii) Less: Write-off/write back of excess provisions during the year	-	-
(iv) Closing Balance	-	-

b. Derivatives –

The company has no transactions/ exposure in derivatives in the current year and previous year. Hence, disclosure requirement as per RBI Master Directions is not applicable.

c. Disclosure relating to Securitization –

The company does not have any securitized Assets in terms of the RBI Master Direction No. RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 dated 19 October 2023.

d. Details of non-performing financial assets purchased/sold –

The company has not purchased/sold non performing financial assets from other NBFCs during the year.

e. Exposure to Real Estate Sector (both direct and indirect) –

Category	As at 31.03.2025	As at 31.03.2024
Direct Exposure	-	-
Indirect Exposure		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	16,791.61	13,339.17

f. Exposure to Capital Markets –

The company does not have any exposure to the Capital Markets as at 31 March 2025.

g. Details of financing of parent company products – No such financing arrangements are made.

h. During the year there are no instances of Single Borrower Limit/Group Borrower Limit exceeding the prudential limit stipulated in respect of sanctioned limit or entire outstanding.

i. Unsecured Advances – During the year, the company has not given any advances with intangible collaterals such as charge over the rights, licenses, authority, etc.

j. Registration obtained from Financial Sector Regulations :

Sl.No.	Regulator	Registration Number
1.	Ministry of Corporate Affairs	U65910TG1997PLC026442
2.	Reserve Bank of India	B – 09.00004

k. There are no Penalties levied by RBI and any other regulators.

l. Percentage of Loans against Gold jewellery to Total Assets – NA

m. Restructuring of loans – During the financial year, the company has not restructured any loan account.

n. Rating assigned by Credit Rating Agencies and Migration of Rating during the year – During the year, Credit Rating of the company “IND AA/Stable” was affirmed by India Ratings.

o. Information with regard to joint venture and overseas subsidiary – NA

p. Provisions and Contingencies –

(Amount ₹ in lakh)

Breakup of Provisions and Contingencies	31.03.2025	31.03.2024
Provision for Depreciation on Investment	--	--
Provision for -		
- Standard Assets	1,051.04	1,079.08
- Non performing Assets	135.77	194.05
Provision made towards Income Tax	1,685.66	1,617.84
Other Provisions		
Provision for Gratuity	123.82	95.58
Provision for Leave encashment	35.77	17.95
Provision for CSR expenditure	22.90	37.77
Contingent Liabilities	-	-

q. **Draw Down from Reserves** – Draw down from Reserves during the current year is Nil.

r. **Concentration of Deposits, Advances, Exposures and NPAs**

s. **Concentration of Advances**

(INR in lakh)

Particulars	31.03.2025	31.03.2024
Total Advances to twenty largest borrowers	108,956.07	96,830.55
Percentage of Advances to twenty largest borrowers to Total Advances	59.51%	60.62%

t. **Concentration of Exposures**

Particulars	31.03.2025	31.03.2024
Total Advances to twenty largest borrowers/Customers	108,956.07	96,830.55
Percentage of Exposure to twenty largest borrowers/customers to Total Exposure of the NBFC on borrowers/customers	59.51%	60.62%

u. **Concentration of NPAs**

(INR in Lakh)

Particulars	31.03.2025	31.03.2024
Total Exposure to top four NPA accounts	208.72	216.48

v. **Movement of NPA's –**

(Amount ₹ in lakh)

Particulars	2024-25	2023-24
i. Net NPA's to Net Advances (%)	0.04%	0.01%
ii. Movement of NPA's (Gross)		
a) Opening balance	216.48	479.42
b) Additions during the year	208.72	-
c) Reductions during the year	(216.48)	(262.94)
d) Closing balance	208.72	216.48
iii. Movement of Net NPA's		
a) Opening balance	22.43	118.86
b) Additions during the year	73.05	-
c) Reductions during the year	(22.43)	(96.43)
d) Closing balance	73.05	22.43
iv. Movement of Provisions for NPA's (excluding provisions on standard assets)		
a) Opening balance	194.05	360.56
b) Provisions made during the year	135.67	-
c) Write-off/Write-back of excess provisions	(194.05)	(166.51)
d) Closing balance	135.67	194.05

Sector wise NPAs (percentage of NPAs to total advances in that sector) –

Sector	31.03.2025	31.03.2024
Agriculture & Allied activities	-	100.00
MSME	--	--
Corporate borrowers	0.11	0.04
Services	--	--
Unsecured Personal Loans	--	--
Auto Loans	--	--
Other Personal Loans	--	--
Others	--	--

w. Sectoral exposure –

Sectors	31.03.2025			31.03.2024		
	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities	-	-	-	155.19	155.19	100.00%
2. Industry	-	-	-	-	-	-
3. Services	-	-	-	-	-	-
4. Personal Loans	-	-	-	-	-	-
5. Others	183,086.43	208.72	0.11%	159,566.17	61.29	0.04%
Microfinance	22,416.38	208.72		33,969.47	-	-
MSME	88,439.27	-	-	85,096.68	-	-
Vehicle	27,631.10	-	-	21,529.23	-	-
Housing	16,791.61	-	-	13,339.17	-	-
Others	27,808.08	-		5,631.62	61.29	

x. Information with regard to Intra-group exposure – Nil

y. Details of Unhedged foreign currency exposure – Nil

z. Information with regard to Off-balance Sheet SPVs sponsored – Nil

aa. There are no instances of breach of covenant of loan availed or debt securities issued during the current year.

ab. Details of Divergence in Asset Classification and Provisioning – Nil

Disclosure required in terms of Guidelines on Liquidity Risk Management Framework of Notification No. RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 dated 19 October 2023

Public disclosure on liquidity risk

- i. Funding Concentration based on significant counterparty (both deposits and borrowings)

(INR in lakh)

Number of Significant Counterparties	Total Amount	% of Total deposits	% of Total Liabilities
03	171,623.21	Not Applicable	80.50%

- ii. Top 20 large deposits – Not applicable

The company has not accepted deposits during this year or previous years

- iii. Top 10 borrowings

(INR in Lakh)

Sr No.	Particulars	Amount	% of Total Borrowings
1	Refinance from NABARD	151,203.31	88.10%
2	Borrowings other than Refinance	20,419.90	11.90%

- iv. Funding Concentration based on significant instrument/product (net of impairment allowance)

(INR in Lakh)

Sr No.	Name of the instrument / product	Amount	% of Total Liabilities
1	Term Loans	181,899.72	85.32%
2	Investment in Securitization – PTC	23,761.81	11.15%

- v. Stock Ratios:

(INR in Lakh)

Sr No.	Name of the instrument / product	Amount	% of Total Liabilities
(a)	Commercial papers as a % of total public funds, total liabilities and total assets	-	0.00%
(b)	Non-convertible debentures (original maturity of less than one year) as a % of total public funds, total liabilities and total assets	-	0.00%
(c)	Other short-term liabilities, if any as a % of total public funds, total liabilities and total assets	99,895.20	46.86%

- vi. Institutional set-up for liquidity risk management

(INR in Lakh)

Sr No.	Lender	Amount	% of Total Borrowings
1	Financial Institutions	171,623.21	100.00%

Note – 53 – DISCLOSURE OF COMPLAINTS:

	Particulars	2024-25 (No.)	2023-24 (No.)
(a)	No. of complaints pending at the beginning of the year	Nil	Nil
(b)	No. of complaints received during the year	Nil	Nil
(c)	No. of complaints redressed during the year	Nil	Nil
(d)	No. of complaints pending at the end of the year	Nil	Nil

Note – 54 – Comparatives

Previous Year figures are regrouped / reclassified wherever necessary to make them comparable with current year's classification / disclosure

As per our Report of even Date

For Tukaram & Co LLP

Chartered Accountants

Firm Registration No. 004436S/S200135

Sd/-

J Poornachandar

Partner

M.No. 221627

UDIN:25221627BMKZCD6910

Place: Hyderabad

Date: 30 April 2025

For NABSAMRUDDHI Finance Limited

Sd/-

Ravi Krishan Takkar

Chairman and Independent Director

DIN: 07734571

Date: 30 April 2025

Sd/-

L S Naveenkumar

Chief Financial Officer

PAN: AIUPK2404Q

Date: 30 April 2025

Sd/-

Lalit Kumar Vaid

Independent Director

DIN: 10065080

Date: 30 April 2025

Sd/-

Suzette Pereira

Company Secretary

M No. A46491

Date: 30 April 2025

Particulars		Amount		
2. Unquoted:				
(i) Shares :	(a) Equity			Nil
	(b) Preference			Nil
(ii) Debentures and Bonds				Nil
(iii) Units of mutual funds				Nil
(iv) Government Securities				Nil
(v) Others (Please specify) - Fixed Deposit with Banks				4,800.00
Long Term Investments:				
1. Quoted :				
(i) Shares :	(a) Equity			Nil
	(b) Preference			Nil
(ii) Debentures and Bonds				Nil
(iii) Units of mutual funds				Nil
(iv) Government Securities				Nil
(v) Others (Please specify)				Nil
2. Unquoted :				
(i) Shares :	(a) Equity			Nil
	(b) Preference			Nil
(ii) Debentures and Bonds				Nil
(iii) Units of mutual funds				Nil
(iv) Government Securities				Nil
(v) Others (Please specify) - Investments in PTC's				23,761.81
(5) Borrower Group-wise classification of assets financed as in (2) and (3) above:				
Category		Amount net of provisions		
		Secured	Unsecured	Total
1. Related Parties **				
(a) Subsidiaries		Nil	Nil	Nil
(b) Companies in the same group		Nil	Nil	Nil
(c) Other related parties		Nil	Nil	Nil
2. Other than related parties		183,086.43	-	183,086.43
Total		183,086.43	-	183,086.43
(6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :				
Category		Market Value / Break up or fair value or NAV		Book Value (Net) or Provisions)
1. Related Parties **				
(a) Subsidiaries				
(b) Companies in the same group		Nil		Nil
(c) Other related parties		Nil		Nil
2. Other than related parties		Nil		-
Total		-		-

(₹ in lakh)

Particulars		Amount
(7)	Other Information	
	(i) Gross Non-Performing Assets	208.72
	(a) Related parties	Nil
	(b) Other than related parties	208.72
	(ii) Net Non-Performing Assets	73.05
	(a) Related parties	Nil
	(b) Other than related parties	73.05
	(iii) Assets acquired in satisfaction of debt	Nil

As per our Report of even Date**For Tukaram & Co LLP****Chartered Accountants**

Firm Registration No. 004436S/S200135

Sd/-

J Poornachandar**Partner**

M.No. 221627

UDIN:25221627BMKZCD6910

Place: Hyderabad

Date: 30 April 2025

For NABSAMRUDDHI Finance Limited

Sd/-

Ravi Krishan Takkar**Chairman and Independent Director**

DIN: 07734571

Date: 30 April 2025

Sd/-

L S Naveenkumar**Chief Financial Officer**

PAN: AIUPK2404Q

Date: 30 April 2025

Sd/-

Lalit Kumar Vaid**Independent Director**

DIN: 10065080

Date: 30 April 2025

Sd/-

Suzette Pereira**Company Secretary**

M No. A46491

Date: 30 April 2025

NOTICE TO SHAREHOLDERS

Notice is hereby given that the Twenty Eighth Annual General Meeting of the Members of NABSAMRUDDHI Finance Limited will be held on Friday, 26 September 2025 at 11.00 am through Video Conference/Other Audio Visual Means, to transact the following business. The venue of the meeting shall be deemed to be the Registered Office of the Company at NABARD Regional Office, 1-1-61, Yeduguri Chambers, RTC 'X' Roads, Hyderabad-500020.

ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements for the financial year ended 31 March 2025 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint the Statutory Auditors of the Company for FY 2025-26:

"RESOLVED THAT pursuant to Section 139 (5) and other applicable provisions, if any, of the Companies Act, 2013, the appointment of Statutory Auditors of the Company for the year 2025-26 as may be proposed by the Comptroller and Auditor General of India (CAG) be and is hereby approved, on such remuneration as may be fixed by the Board of Directors of the Company and further resolved that the aforesaid Auditors as may be appointed by the CAG under Section 139 (5) of the Companies Act, 2013 shall hold office from the conclusion of this meeting till the conclusion of the next Annual General Meeting of the Company"

SPECIAL BUSINESS

3. Appointment of Smt. Archana Singh (DIN No 11052384) as Nominee Director

To consider and, if thought fit to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 152 read with all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Articles of Association of the Company, Smt. Archana Singh (DIN: 11052384), who was appointed as an Additional Director up to the conclusion of this Annual General Meeting and being eligible, and upon recommendation of Nomination and Remuneration Committee, be and is hereby appointed as a Nominee Director of the Company, not liable to retire by rotation."

4. Appointment of Shri Maheep Panwar as Manager and Chief Operating Officer

To consider and, if thought fit to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 2(51), 2(53), 196, 197, 203 and Schedule V of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 (including any modification or re-enactment thereof) and rules framed thereunder, recommendation of the Nomination and Remuneration Committee and the

Board of Directors and other applicable provisions, if any, of the Companies Act, 2013 as amended from time to time or any re-enactment thereof, the shareholders hereby approve the appointment of Shri Maheep Panwar, as Manager of the Company with effect from 25 July 2025 while continuing in his present capacity as Chief Operating Officer (COO) on the basis of remuneration as per the terms and conditions of NABARD w.e.f 25 July 2025 for a term of 1 year or till culmination of merger of NABSAMRUDDHI Finance Ltd. with NABKISAN Finance Ltd., whichever is earlier and that Shri Maheep Panwar be entrusted with substantial powers of management in respect of the whole of the affairs of the Company and shall perform such duties and exercise such powers as have been or may be entrusted from time to time or conferred upon him by the Board in addition to his duties and responsibilities as Chief Operating Officer subject to the superintendence, control and direction of the Board of Directors.

By the order of the Board
For NABSAMRUDDHI Finance Limited

Sd/-
Ravi Krishan Takkar
Chairman and Independent Director
DIN No. 07734571

Place: Mumbai
Date: 28 August 2025

Corporate Office:

Ground Floor, D Wing, NABARD HO,
C-24, G Block, Bandra Kurla Complex,
Mumbai – 400 051.

NOTES

1. The Ministry of Corporate Affairs (MCA), vide its General Circular No. 20/2020 dated 05 May 2020 read with General Circular No. 14/2020 dated 08 April, 2020 and General Circular No. 17/2020 dated 13 April 2020 and General Circular No. 02/2021 dated 13 January 2021 and General Circular No 2/2022 dated 05 May 2022 and General Circular No 10/2022 dated 28 December 2022, General Circular No 09/2023 dated 25 September 2023 and General Circular No. 09/2024 dated 19 September 2024, has allowed the Companies to conduct the AGM through Video Conferencing (VC) or Other Audio Visual Means (OAVM) upto 30 September 2025. In accordance with the said circulars of MCA, the 28th AGM of the Company shall be conducted through VC / OAVM. The procedure for participating in the meeting through VC / OAVM is explained below.
2. As the AGM shall be conducted through VC / OAVM, the facility for appointment of Proxy by the Members is not available for this AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.
3. Institutional / Corporate Members are requested to send a scanned copy (PDF / JPEG format) of the Authorised Letter authorising its representatives to attend and vote at the AGM, pursuant to Section 113 of the Act, at cs.nabsamruddhi@nabard.org.
4. The Register of Directors and Key Managerial Personnel and their shareholding under Section 170 of the Act, the Register of Contracts with Related party, and contracts and bodies etc. in which Directors are interested under Section 189 of the Act will remain available for inspection through electronic mode during the AGM, for which purpose Members are required to send an e-mail to cs.nabsamruddhi@nabard.org.
5. The Board of Directors of the Company have approved the merger of the Company with NABKISAN Finance Limited (both subsidiaries of NABARD). The Company has filed the Scheme with the National Company Law Tribunal at Hyderabad and the process is ongoing. In case the scheme is approved by the NCLT prior to 26 September 2025, the AGM shall automatically stand cancelled.

ELECTRONIC DISPATCH OF ANNUAL REPORT:

6. In accordance with the General Circular No. 20/2020 dated 5 May 2020, General Circular No. 2/2022 dated 05 May 2022 and General Circular No. 10/2022 dated 28 December 2022, issued by MCA owing to the difficulties involved in dispatching of physical copies of the financial statements (including Report of Board of Directors, Auditor's report or other documents required to be attached therewith), such statements including the Notice of AGM are being sent in electronic mode to Members to their e-mail address.
7. Members holding shares in physical mode and who have not updated their email addresses with the Company are requested to update their email addresses by writing to the Company at cs.nabsamruddhi@nabard.org along with the copy of the signed request letter mentioning the name and address of the Member, self-attested copy of the PAN card, and self-attested copy of any document (eg.: Driving License, Election Identity Card, Passport) in support of the address of the Member. Members holding shares in dematerialised mode are requested to register / update their email addresses with the relevant Depository Participants. In case of any queries / difficulties in registering the e-mail address, Members may write to cs.nabsamruddhi@nabard.org.

8. The Notice of AGM, along with Annual Report for the financial year 2024-25, is available on the website of the Company at www.nabsamruddhi.in
9. Members will be provided with a facility to attend the AGM through VC / OAVM. The link for VC / OAVM will be sent via email to the Members.
10. For convenience of the Members and proper conduct of AGM, Members can login and join at least 30 (thirty) minutes before the time scheduled for the AGM and shall be kept open throughout the proceedings of AGM.
11. Members who need assistance before or during the AGM with use of technology, can either contact Shri. Jairaj Vartak, Chief Technology Officer at it.nabsamruddhi@nabard.org (contact number +91-9326452885); or contact Smt. Suzette Pereira, Company Secretary at cs.nabsamruddhi@nabard.org (contact number +91-9892318600)
12. 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;
13. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act;

PROCEDURE TO RAISE QUESTIONS / SEEK CLARIFICATIONS WITH RESPECT TO ANNUAL REPORT:

14. As the AGM is being conducted through VC / OAVM, for the smooth conduct of proceedings of the AGM, Members are encouraged to express their views / send their queries in advance mentioning their name, demat account number / folio number, email id, mobile number at cs.nabsamruddhi@nabard.org. Questions / queries received by the Company till 5.00 p.m. on Wednesday, 24 September 2025 shall be considered and responded during the AGM.
15. The Members, whose names appear in the Register of Members are entitled to vote on the Resolutions set forth in this Notice. A person who is not a Member as on that date should treat this Notice of AGM for information purpose only.
16. All the documents referred to in the accompanying Notice and Explanatory Statements, shall be available for inspection on the basis of the request being sent on cs.nabsamruddhi@nabard.org.

DEMATERIALIZATION OF SHARES

1. As per the Ministry of Corporate Affairs notification dated 10th September 2018, Sub rule 3 of Rule 9A of the Companies (Prospectus and Allotment of Securities) Rules, 2014 states that-

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; or

(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.

Members holding shares in physical form are requested to consider converting their holding to dematerialized form at the earliest.

Members are requested to note that, dividends if not encashed for a period of 7 years from the date of transfer to the Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends for 7 consecutive years are also liable to be transferred to the Demat account of the IEPF Authority. Members who have so far not claimed the dividends are requested to make claim with the Company immediately as no claim shall lie against the Company in respect of individual amounts/shares once credited to the said IEPF. The list of shareholders whose shares/ unpaid dividend amount have been transferred are displayed on the Company's website.

By the order of the Board
For NABSAMRUDDHI Finance Limited

Sd/-
Ravi Krishan Takkar
Chairman and Independent Director
DIN No. 07734571

Place: Mumbai

Date: 28 August 2025

Corporate Office:

Ground Floor, D Wing, NABARD HO,
C-24, G Block, Bandra Kurla Complex,
Mumbai – 400 051.

Explanatory Statement Under Section 102 Of The Companies Act, 2013

Item No. 3

The Board of Directors, on the recommendation of Nomination and Remuneration Committee, appointed Smt. Archana Singh (DIN : 11052384), nominee of NABARD, as Director of the Company, with effect from 30 April 2025 under 152 and 161 of the Companies Act, 2013 and Article 103 of the Articles of Association of the Company. Smt. Archana Singh shall hold office up to the date of forthcoming Annual General Meeting.

Smt. Archana Singh is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given her consent to act as a Director. A brief profile of Smt. Archana Singh, including nature of her expertise, is enclosed below. Except Smt. Archana Singh, being an appointee, none of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the Notice. The Board recommends the Ordinary Resolution set out at Item No. 3 for the approval of Members.

Brief profile of Smt. Archana Singh

Smt. Archana Singh (BCOM, MBA (Finance), JAIIB) has more than 35 years of experience in NABARD in various departments and assignments and is a seasoned professional with extensive experience in rural development, cooperative banking, farmer producer organizations, and economic upliftment initiatives. She has played a pivotal role in fostering sustainable growth in agriculture and rural finance.

She is currently heading the Inspection Department (ID) in NABARD's Head Office as Chief General Manager.

Item No. 4

The Board of Directors, on the recommendation of Nomination and Remuneration Committee, appointed Shri Maheep Panwar, Deputy General Manager (DGM) of NABARD, as Manager of the Company with effect from 25 July 2025 while continuing in his present capacity as Chief Operating Officer (COO) on the basis of remuneration as per the terms and conditions of NABARD for a term of 1 year or till culmination of merger of NABSAMRUDDHI Finance Ltd. with NABKISAN Finance Ltd., whichever is earlier.

Shri Maheep Panwar is not disqualified from being appointed as a Manager under the Companies Act, 2013 and has given his consent to act as a Manager and COO of the Company. A brief profile of Shri Maheep Panwar, including nature of his expertise, is enclosed below. Except Shri Maheep Panwar, being an appointee, none of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice. The Board recommends the Ordinary Resolution set out at Item No. 4 for the approval of Members.

Brief profile of Shri Maheep Panwar

Mr Maheep Panwar is an MBA and a Graduate in Humanities. He is also a Certified Associate of the Indian Institute of Banking and Finance (IIBF). He is presently Manager and COO of NABSAMRUDDHI Finance Limited. He has more than two decades of experience in development banking and finance while working in NABARD and its Subsidiaries. He has worked in various sectors namely NBFC financing, Consultancy Services, District Credit Planning, Farm Sector Development, Human Resource Management, Development of Rural Financial Institutions and Agricultural Refinance.

Profile of Directors seeking appointment/re-appointment in forthcoming Annual General Meeting

1. Smt. Archana Singh

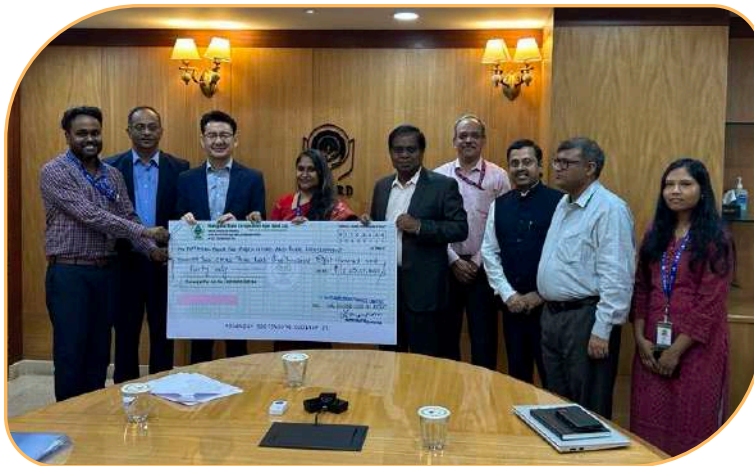
Name of Director	Smt. Archana Singh
DIN	11052384
Age	55 years
Qualification	BCom, MBA in Finance, JAIIB
Experience (including experience in specific function areas)	35 years approx
Date of first appointment on the Board	30 April 2025
Shareholding in the Company as on date of the Notice	Nil
Relationship with other Directors / Key Managerial Personnel	Not related to any Director / Key Managerial Personnel
Number of meetings of the Board attended during the financial year	NA
Directorships of other Boards as on date	M/s AFC India Limited
Membership/Chairmanship of Committees of other Boards as on Date	NIL

Events & Celebrations

27th Annual General Meeting



Handing over of dividend for FY 2023-24 to NABARD, the largest shareholder of NSFL



Workshop/Awareness Camps



Awards & Recognition



NABSAMRUDDHI at various panel discussions/Conclaves/Forums



ANNUAL REPORT

2024-25



NABSAMRUDDHI FINANCE LIMITED

A Subsidiary of NABARD