

To,
The Members,
CAPFLOAT FINANCIAL SERVICES PRIVATE LIMITED

Your Directors have pleasure in presenting their 32nd Annual Report on the business and operations of the Company and the accounts for the Financial Year ended on 31st March 2025.

1. Financial Summary or Highlights/Performance of the Company:

The summary of the Company's financial performance, both on a standalone and consolidated basis, for the financial year 2024-25 as compared to the previous FY 2023-24 is given below:

(Amount in Rs. millions)

Particulars	Standalone Basis		Consolidated Basis	
	2024-25	2023-24	2024-25	2023-24
Gross Income	3249.23	3401.85	4050.79	3839.36
Loss Before Interest and Depreciation	874.71	783.34	487.36	893.30
Finance Cost	921.92	949.73	989.68	950.63
Depreciation and Amortization	62.34	88.37	124.68	118.48
Other Comprehensive Income/(loss)	(0.78)	0.29	3.09	1.26
Net Loss Before Tax	(1858.97)	(254.76)	(1601.72)	(175.81)
Taxation including Deferred Taxes	0	0	1.71	1.80
Net Loss After Tax	(1858.97)	(254.76)	(1603.43)	(177.61)

2. Brief description of the Company's working during the year/State of Company's Affair:

Financial performance:

The Company reported a neutral gross income for the financial year 2024–25. Total standalone revenue for the year stood at INR 3,249.23 million, compared to INR 3,401.85 million in the previous year. The credit cost for the year ended 2025 nearly doubled to INR 2,099.48 million owing to higher disbursements done in Checkout Finance (CF) during H2FY24 and higher than expected risk on these disbursement cohorts. This led to widening of standalone loss for the year to INR 1,858.97 million, as against a loss of INR 254.76 million in the previous financial year.

Business Performance:

During the year, the Company reinforced its focus on existing product lines and expanded its partnership with Xiaomi under the Xiaomi Easy Finance (XEF) program. Checkout Finance (CF) remained the Company's

flagship product, allowing customers to make online and offline purchases with deferred or split payment options—without requiring a credit card.

CF continued to grow, while the personal loan cross-sell segment saw a decline due to macroeconomic headwinds affecting the unsecured lending space. For the year ended 31 March 2025, the Company had a total customer base of 10.40 million. Gross Merchandise Value (GMV) financed under CF rose to INR 72,039 million (FY24: INR 65,261 million), while GMV under the personal loan cross-sell product declined to INR 6,441 million (FY24: INR 10,084 million).

To manage losses and reduce portfolio risk, the Company implemented tighter underwriting norms, reduced credit limits in CF, and made strategic investments in collections infrastructure. These measures yielded early positive results, with Gross Non-Performing Assets (GNPA) reducing to 2.7% from a peak of 3.2%. The Company expects a substantial decline in impairment losses in FY26.

During the year, the Company commenced co-lending partnerships with The South Indian Bank for CF and Aditya Birla Capital Limited (formerly Aditya Birla Finance Limited) for the personal loan cross-sell product.

As of March 31, 2025, total Assets Under Management (AUM), including off-book assets, stood at INR 12,604 million for CF and INR 8,217 million for the personal loan cross-sell portfolio.

CF continues to gain significant traction, driven by the rapid growth of e-commerce and low credit card penetration in the market. It is expected to remain the Company's primary growth engine in the near term, with the personal loan cross-sell business also positioned for gradual recovery.

Funding round:

During the year, the Company completed a rights issue of Series G CCPS, resulting in an infusion of USD 20 million from an existing investor.

Additionally, in January 2025, the Company announced its acquisition by a wholly owned subsidiary of Amazon.com Inc. The Reserve Bank of India (RBI) approved the transaction on June 12, 2025.

Liquidity and Cash Management:

From a liquidity perspective, the Company ended the financial year with a free cash of Rs. 1,321 million and showed a strong liquidity position throughout the year despite a challenging macro-economic environment. The Company remains well capitalised with a capital-to-risk weighted asset ratio (CRAR) of 30.00% as on 31 March 2025.

3. Change in nature of business:

There has been no change in the nature of business for the Company during the financial year under purview.

4. Dividend:

The Board has not recommended any dividend as the financial year under review ended with loss to the Company.

5. Transfer of Unclaimed Dividend to Investor Education and Protection Fund:

There was no dividend declared and paid, during last year. Hence, the provisions of Section 125(2) of the Companies Act, 2013 do not apply.

6. Reserve:

The Board of the Company has decided not to transfer any amount to any of the reserves.

7. Deposits:

The Company is registered with the RBI as a Non-deposit taking Non-Banking Finance Company and hence does not have any deposits from the public under Section 73 of the Companies Act, 2013.

8. Share Capital:

a. Buy Back of Securities

The Company has not bought back any of its securities during the year under review.

b. Sweat Equity

The Company has not issued any Sweat Equity Shares during the year under review.

c. Change in Share Capital

During the year under review, there was change in the Authorized Share Capital of the company.

On 26th July, 2024 the Authorised share capital of the company has been increased from INR. 90,96,88,360/- (Rupees Ninety Crores Ninety Six Lakhs Eighty Eight Thousand Three Hundred and Sixty only) to INR. 102,13,98,360/- (Indian Rupees One Hundred and Two Crores Thirteen Lakhs Ninety Eight Thousand Three Hundred and Sixty only).

On 14th August, 2024 the Authorised share capital of the company has been increased from INR. 102,13,98,360/- (Indian Rupees One Hundred and Two Crores Thirteen Lakhs Ninety Eight Thousand Three Hundred and Sixty only) to INR. 102,26,88,360/- (Indian Rupees One Hundred and Two Crores Twenty Six Lakhs Eighty Eight Thousand Three Hundred and Sixty only).

During the Financial year 2024-25 the Paid up Share Capital of the company has increased as in below:

On 28th August, 2024, the Paid-up share capital of the Company has been increased from INR. 648.56 million

to INR. 760.27 million by way of allotment of 11,17,100 (Eleven Lakhs Sixty Seventeen Thousand One Hundred) preference shares of face value of Rs. 100/- (Rupees Hundred Only) to the existing equity shareholders.

d. Disclosure Regarding Issue of Employee Stock Options

Our company has established share incentive schemes viz. “Capital Float ESOP 2014” (“ESOP Plan”) pursuant to which options to acquire shares could be granted to employees as defined in the “ESOP Plan”.

The Board of Directors of the Company, *inter alia*, administers the Capital Float Employees’ Stock Option Scheme of the Company in accordance with the provisions of the Memorandum and Articles of Association of the Company, the Companies (Share Capital and Debentures) Rules, 2014, as amended from time to time (the “Rules”) with the approval of the members of the Company.

Disclosures with respect to Employee Stock Option Scheme of the Company:

Sl. No	Particulars	Disclosures
1.	Total no. of options in force as on 01.04.2024	5,78,892 Options
2.	Options Granted during the year	5,928 Options
3.	Exercise Price	Rs 200/-, Rs 650/-
4.	Option Vested till date	4,88,677 Options
5.	Options Exercised during the year	Nil
6.	The total no. of shares arising as a result of exercise of options	Nil
7.	Option Lapsed	55,757 Options
8.	Variation in terms of Options	Nil
9.	Money realized by exercise of options	Nil
10.	Total no. of options in force as on March 31, 2025	5,29,063
11.	Employees wise details of option granted during the year: (i) key managerial personnel; (ii) any other employee who receives a grant of options during that year; (iii) identified employees who were granted option, during any one year, equal to or exceeding	Nil Annexure-1

	one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant.	
	Basic and Diluted Earnings Per Share (EPS) before exceptional items pursuant to issue of shares on exercise of options calculated in accordance with IndAs-33 as per standalone financials of Parent Company	Basic Earnings Per Share: Rs. (207.81) Diluted Earnings Per Share: Rs. (207.81)

9. Details of Directors and Key Managerial Personnel:

During the year under review, following appointment/cessations took place:

- Mr. Venkataraman Murali was re-appointed as an Independent Director of the Company, effective from July 26, 2024.
- Mr. Ravi Shankar Venkataraman Ganapathy Agraharam resigned as Nominee Director of the Company, effective from August 28, 2024.
- Mr. Preetham Nagaraja Murthy appointed as Nominee Director of the Company, effective from October 14, 2024.
- Ms. Seema Patel resigned from her position as Company Secretary, effective from March 31, 2025.
- Ms. Mauli Agarwal was appointed as Company Secretary of the Company, effective from March 31, 2025.

After the review period, during the year following changes were taken place:

- Mr. Mahendra Jaywant Nerurkar was appointed as Additional Director of the Company, effective from September 03, 2025.
- Mr. Nirav Ashwin Kamdar was appointed as Additional Director of the Company, effective from September 03, 2025.
- Mr. Mahavir Jindal was appointed as Additional Director of the Company, effective from September 03, 2025.
- Mr. Preetham Nagaraja Murthy was appointed as Additional Director of the Company, effective from September 03, 2025.

10. Board & Key Managerial Personnel (KMP):

Details of the Board of Directors and Key Managerial Personnel for the Financial Year ending on March 31, 2025, as follows:

Name of Directors & Key Managerial Personnel	DIN/PAN	Designation
Gaurav Dinesh Hinduja	01264801	Director
Sashank R Rishyasringa	06466985	Director
Ravi Chandra Adusumalli	00253613	Nominee director
Mohamed Salim Asaria	08880222	Nominee director
Preetham Nagaraja Murthy	08716895	Nominee director

Ina Malhotra	08741492	Independent director
Venkataraman Murali	02820596	Independent Director
Akshay J Sarma	BFIPS1908F	Chief Financial Officer
Mauli Agarwal	AUNPA8614R	Company Secretary

11. Particulars of Employees:

Particulars of employees, under Rule 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 can be made available on request to the Company Secretary of the Company.

12. Company's Policy relating to Directors Appointment, Payment of Remuneration and Discharge of their Duties:

To comply with the Master Directions- Non Banking Financial Company – Systemically Important Non Deposit Taking Company (Reserve Bank) Directions, 2016 to consider the appointment of directors, payment of managerial remuneration, independence of Directors and other related matters, the company has constituted the Nomination and Remuneration Committee and adopted the Nomination and Remuneration Policy, which is available on the website of the Company at www.axio.co.in.

Nomination and Remuneration committee was constituted with 4 (Four) Directors as below:

- a) Mr. Sashank R Rishyasringa
- b) Mr. Murali Venkataraman
- c) Ms. Ina Malhotra
- d) Mr. Mohamed Salim Asaria

13. Declaration of Independence:

Declaration of Independence received from the Independent Director under section 149 of the Companies Act, 2013.

14. Corporate Social Responsibility (CSR):

The Company is not covered under the criterial in Section 135(1) of Companies Act, 2013 and therefore no CSR committee of the board has been constituted.

15. Disclosure of Composition of Audit Committee and Vigil Mechanism:

The company has constituted the Audit Committee under the provisions of Master Directions- Non Banking Financial Company – Systemically Important Non Deposit Taking Company (Reserve Bank) Directions, 2016.

Audit committee was constituted with three Directors as below:

- a) Mr. Sashank R Riahyasringa
- b) Mr. Murali Venkataraman

c) Ms. Ina Malhotra

16. Number of Meetings:

Board Meetings

The Board of Directors met Fifteen (15) times during the financial year and the details of which are given below. The maximum gap between any two Board Meetings was less than 120 (one Hundred and Twenty) days.

Sl. No.	Date of board meeting	Total strength of the Board	No of directors present
1.	26.04.2024	7	4
2.	05.06.2024	7	6
3.	30.06.2024	7	6
4.	25.07.2024	6	4
5.	14.08.2024	7	4
6.	19.08.2024	7	5
7.	28.08.2024	6	5
8.	27.09.2024	6	6
9.	14.10.2024	6	5
10.	28.11.2024	7	6
11.	19.12.2024	7	6
12.	20.01.2025	7	5
13.	18.02.2025	7	5
14.	18.03.2025	7	6
15.	31.03.2025	7	5

The attendance of the Directors at the Board Meetings are as under:

Name of the Directors	Number of meetings attended/total meetings held during the FY 2024-25
Mr. Gaurav Dinesh Hinduja	15/15
Mr. Sashank R Rishyasringa	15/15
Mr. Ravi Chandra Adusumalli	8/15
Mr. Ganapathyagraharam Venkataraman Ravishankar	2/6
Mr. Murali Venkataraman	12/14
Mrs. Ina Malhotra	15/15
Mr. Mohamed Salim Asaria	9/15
Mr. Preetham Nagaraja Murthy	5/6

Nomination and Remuneration Committee Meetings

The Nomination and Remuneration Committee met One (1) time during the financial year and the details of which is given below.

Sl. No.	Date of meeting	Total strength of the Committee	No of members present
1	12.09.2024	4	4

The attendance of the Members at the Committee Meetings are as under:

Name of the Directors	Number of meetings attended/total meetings held during the FY 2024-25
Mr. Mohamed Salim Asaria	1/1
Mr. Sashank R Rishyasringa	1/1
Mr. Murali Venkataraman	1/1
Mrs. Ina Malhotra	1/1

Audit committee Meetings

The Audit Committee met Five (5) time during the financial year and the details of which is given below.

Sl. No.	Date of meeting	Total strength of the Committee	No of members present
1	30.06.2024	3	3
2	27.09.2024	3	3
3	28.11.2024	3	3
4	18.02.2025	3	3
5	31.03.2025	3	3

The attendance of the Members at the Committee Meetings are as under:

Name of the Members	Number of meetings attended/total meetings held during the FY 2024-25
Mr. Sashank R Rishyasringa	5/5
Mr. Murali Venkataraman	5/5
Mrs. Ina Malhotra	5/5

Risk Management Committee Meetings

The Risk Management Committee met Five (5) time during the financial year and the details of which is given below.

Sl. No.	Date of meeting	Total strength of the Committee	No of members present
1	27.06.2024	3	3
2	17.09.2024	3	3
3	28.11.2024	3	3
4	17.02.2025	3	3
5	31.03.2025	3	3

The attendance of the Members at the Committee Meetings are as under:

Name of the Members	Number of meetings attended/total meetings held during the FY 2024-25
Mr. Gaurav Dinesh Hinduja	5/5
Mr. Murali Venkataraman	5/5
Mrs. Ina Malhotra	5/5

Technology Strategy Committee Meetings

The IT strategy Committee met Five (5) time during the financial year and the details of which is given below.

Sl. No.	Date of meeting	Total strength of the Committee	No of members present
1	04.06.2024	3	3
2	24.09.2024	4	3
3	28.11.2024	4	4
4	19.12.2024	4	4
5	31.03.2025	4	4

The attendance of the Members at the Committee Meetings are as under:

Name of the Members	Number of meetings attended/total meetings held during the FY 2024-25
Mr. Sashank R. Rishyasringa	5/5
Mr. Murali Venkataraman	5/5
Mr. Patanjali Somayaji	5/5
Mr. Gaurav Dinesh Hinduja	3/4

Willful Defaults Identification Committee Meeting (WDI)

The WDI Committee met One (1) time during the financial year and the details of which is given below.

Sl. No.	Date of meeting	Total strength of the Committee	No of members present
1	11.03.2025	4	4

The attendance of the Members at the Committee Meetings are as under:

Name of the Members	Number of meetings attended/total meetings held during the FY 2024-25
Mr. Sashank R. Rishyasringa	1/1
Mr. Prasanna Nirmal Kumar	1/1
Mr. Pradeep Vishwanath	1/1
Mr. Gaurav Dinesh Hinduja	1/1

New Product Committee (NPC)

The NPC Committee met Two (2) time during the financial year and the details of which is given below.

Sl. No.	Date of meeting	Total strength of the Committee	No of members present
1	13.03.2025	2	2
2	27.03.2025	2	2

The attendance of the Members at the Committee Meetings are as under:

Name of the Members	Number of meetings attended/total meetings held during the FY 2024-25
Mr. Sashank R. Rishyasringa	2/2
Mr. Gaurav Dinesh Hinduja	2/2

Customer Protection Committee (CPC)

The CPC Committee met One (1) time during the financial year and the details of which is given below.

Sl. No.	Date of meeting	Total strength of the Committee	No of members present
1	13.03.2025	2	2

The attendance of the Members at the Committee Meetings are as under:

Name of the Members	Number of meetings attended/total meetings held during the FY 2024-25
Mr. Vivian Josey	1/1
Mr. BS Yasaswi	1/1

Mr. Sachu Krishnan	1/1
Mr. Kishan R	1/1
Ms. Mauli Agarwal	1/1

Special Committee of the Board for Monitoring and Follow-Up of Cases of Fraud (SCBMF)

The SCBMF Committee met One (1) time during the financial year and the details of which is given below.

Sl. No.	Date of meeting	Total strength of the Committee	No of members present
1	18.03.2025	4	4

The attendance of the Members at the Committee Meetings are as under:

Name of the Members	Number of meetings attended/total meetings held during the FY 2024-25
Mr. Gaurav Dinesh Hinduja	1/1
Mr. Prasanna Nirmal Kumar	1/1
Mr. Atal Sharma	1/1
Ms. Nagalakshmi Karnati	1/1

General Meeting of the members:

The General Meeting met Five (5) time during the financial year and the details of which is given below.

Sl. No.	Date of meeting	Total strength of the Members	No of members present
1	26.07.2024	44	3
2	14.08.2024	44	3
3	28.08.2024	44	3
4	30.09.2024	44	3
5	12.03.2025	44	3

The attendance of the Members at the Meetings are as under:

Name of the Members	Number of meetings attended/total meetings held during the FY 2024-25
Mr. Sashank R Risyasringa	5/5
Mr. Gaurav Dinesh Hinduja	5/5
Mr. Akshay Sarma	5/5

17. Board Evaluation:

The Nomination and Remuneration Committee and the Board have carried out the annual performance evaluation of the Board as a whole, its committees and individual Director. The Independent Directors have carried out the annual performance evaluation of the Chairperson, Non-Independent Directors and the Board as a whole. A structured questionnaire covering various aspects of the evaluation was finalized by the NRC in line with guidance note issued by the Companies Act, 2013. The feedback and results of the questionnaire were collated, and consolidated report was shared with the Board for improvements of its effectiveness. The Board expressed its satisfaction with the evaluation process.

18. Particulars of Loan, Guarantees and Investments under Section 186:

The Company, being a non-banking finance company registered with the Reserve Bank of India and engaged in the business of giving loans, is exempt from complying with the provisions of section 186 of the Companies Act, 2013.

Accordingly, the disclosures of the loans given as required under the aforesaid section have not been given in this Report.

19. Particulars of Contracts or Arrangements with Related Parties:

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis.

The particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Act read with Companies (Accounts) Rules, 2014 are prescribed in the Form AOC – 2.

20. Extract of Annual Return:

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return is available at the website of the Company at www.axio.co.in.

21. Material Changes and Commitments Affecting the Financial Position During the Financial Year:

There have been no material changes and commitments affecting the financial position during the financial year.

22. Material Changes and Commitments Affecting the Financial Position Between the Financial Year and Date of the Report:

There have been no events after the reporting date that require disclosure in the financial statements.

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

The Company, being a non-banking finance company (NBFC), does not have any manufacturing activity. The directors, therefore, have nothing to report on 'conservation of energy and technology absorption'.

During the year under review, foreign exchange outflow was RS.68.66 million. There was no foreign exchange earnings.

24. Details of Subsidiary, Joint Venture or Associates:

Axio Digital Private Limited and Axio Capital Private Limited are wholly owned subsidiaries of the company.

During the reporting period the company had applied for liquidation of Axio Capital Private Limited.

25. Risk Management:

The Company recognizes that, risk is an integral and unavoidable component of business and is committed to managing the risk in a proactive and effective manner.

Risk Management Framework: We adopt a systematic approach to mitigate risks associated with accomplishment of objectives, operations, revenues and regulations. We believe that this would ensure mitigating steps proactively and help achieve stated objectives. The entity's objectives can be viewed in the context of five categories: (1) Strategic, (2) Credit, (3) Compliance, and (4) Operations (5) Fraud and Liquidity. These areas are adequately addressed through both internal management reviews, internal audit reviews and reviewed by Board appointed committee.

26. Auditors and Auditors' Report:

Auditors of the Company Nangia & Co LLP, Chartered Accountants, bearing firm registration number 002391C/N500069, appointed at the annual general meeting held on 30th September, 2024, for a term of 3 consecutive years to hold office until the conclusion of the Annual General Meeting of the Company to be held in the year 2027 in terms of provisions of the Section 139 of the Companies Act, 2013.

Notes on financial statement referred to in the Auditor's Report are self-explanatory and do not call for any further comments.

27. Details of Internal Financial Controls with Reference to the Financial Statements:

The Company has documented its internal financial controls considering the essential components of various critical processes, physical and operational, which includes its design, implementation and maintenance along with periodical internal review of operational effectiveness and sustenance.

This ensures orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention of errors, accuracy and completeness of the accounting records and the timely preparation of reliable financial information.

The internal financial controls with reference to the financial statements were adequate and operating effectively as on March 31, 2025. As per the audit report our Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively.

28. Secretarial Auditor's Report:

As per the provisions of Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2020 which came into effect from 1st of April 2020, the Company having outstanding loans or borrowings from banks or public financial institutions of one hundred crore rupees or more shall conduct Secretarial Audit for the financial year 2024-25.

The company appointed Arti Dattaram & Associates, Audit Firm/ Arti D Shinde, Practicing Company Secretary (Certificate of Practice No. 23645) as the secretarial auditor of the Company for financial year 2024-2025.

The Secretarial Audit report in form MR-3 is attached as an annexure-2 to this report.

The Secretarial Auditors made the following observations in their report, and the Board has provided its responses thereto:

1. *"All ROC/MCA forms were filed within the prescribed timeline, except for a few CHG-9 forms which, although initially filed on time, were subsequently marked for resubmission and later rejected"*

Board's reply: The Company initially submitted the charge-related forms within the prescribed timeline under Section 77(1) of the Companies Act, 2013. However, due to the considerable time required to complete the valuation of book debts and receivables, coupled with internal restructuring delays, we were unable to resubmit the forms within the permitted resubmission window.

As the system restricts filing for charge dates beyond 120 days, and the resubmission window had lapsed, we requested revival of the SRNs to facilitate proper filing. Upon revival, the Company promptly prepared and submitted the revised forms along with the requisite valuation report.

All relevant forms were duly filed on **September 13, 2025**, and have since been approved by the Registrar of Companies. The Company remains committed to timely compliance with all statutory requirements going forward.

2. *"Instances of fraud amounting to INR 14 lakhs, which have been reported by the management"*

Board's reply: The Board acknowledges the observation of the auditors regarding the instances of fraud amounting to INR 14 lakhs. The Company has strengthened its internal controls and risk management processes to prevent recurrence of such events, and will remain vigilant to ensure that such instances do not occur in the future. Except for the instances noted, the Board confirms that no other material fraud has been noticed.

29. Obligation of Company under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Our Company has always believed in providing a safe and harassment free workplace for every individual working at its premises through various interventions and practices. The Company always endeavors to

create and provide an environment that is free from discrimination and harassment including sexual harassment.

During the year under review, no case of sexual harassment was reported.

30. Human Resources :

Our Company continuously aims at attracting, retaining and developing of talent on an ongoing basis. The program that provide focused people attention are in action. The Company has program like stock options to attract and retain high performing talent.

31. Directors' Responsibility Statement:

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that—

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had 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 are operating effectively ; and
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

32. Credit Rating:

During the Financial Year 2024-25, ICRA Limited revised the ratings of your Company and rated as follows:

Credit Rating Agency	Borrowing Instruments	Rating Type	
CRISIL	Non-Convertible Debenture	Short Term	CRISIL A3+ (Reaffirmed)
	Commercial Paper	Short Term	CRISIL A3+ (Reaffirmed)
India Rating	Bank Loans	Long Term	IND BBB/Stable
	NCD	Long Term	IND BBB/Stable

33. Significant and Material Orders:

Order from Income Tax Department:

The Company had received a demand notice under section 156 of the Income Tax Act 1961 to pay the sum of Rs 4.64 million for the assessment year 2014-15 on 7th December 2016. Post this, the Company had paid 15% of the demand (Rs. 0.69 million) as an amount paid under protest, after taking an opinion from their tax consultants.

The company has appealed to the CIT (Appeals) against the said notice and currently the matter is pending with the same authority.

Order / Approval from Reserve Bank of India:

After closure of the reporting period, Company had received the RBI approval dated June 12, 2025 with respect to acquisition of 99.99% shareholding and control of the Company by Amazon International Holdings LLC and Amazon.com Investment Holdings LLC.

34. RBI Guidelines:

The Company continues to fulfill all the norms and standards laid down by the RBI pertaining to non-performing assets, capital adequacy, statutory liquidity assets, etc. As against the RBI norm of 15%, the capital adequacy ratio of the Company was 30.00% as on 31st March 2025.

35. Secretarial standards of ICSI:

Pursuant to the approval from the Ministry of Corporate Affairs, the Institute of Company Secretaries of India (ICSI) has, on 23 April 2015, notified the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) effective from 1st July 2015. The Company is compliant with the same.

36. Details of applications made or proceeding pending under Insolvency and Bankruptcy Code 2016:

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

37. Details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the banks or financial institutions along with the reasons thereof:

The company has never made any one-time settlement against the loans obtained from Banks and Financial Institution and hence this clause is not applicable.

38. Fraud Reporting:

During the reporting period, 36 cases of fraud amounting to INR 1.40 million were reported.

39. Maintenance of Cost Records:

The maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 is not applicable for the Company.

40. Acknowledgements:

Your Directors would like to express their sincere thanks for the assistance and co-operation received from investors, bankers, business associates, consultants, various government authorities and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's employees.

For and on behalf of the Board of Directors

For CapFloat Financial Services Private Limited


Director / Authorised Signatory
Gaurav Dinesh Hinduja
Director
DIN: 01264801

For CapFloat Financial Services Private Limited


Director / Authorised Signatory
Sashank R Rishyasringa
Director
DIN: 06466985

Place: Bangalore
Date: 29.09.2025

FORM 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 arm's length transaction under third proviso is given below:

- 1. Details of contracts or arrangements or transactions not at Arm's length basis: NIL.**
- 2. Details of contracts or arrangements or transactions at Arm's length basis**

Sl. No	Name (s) of the related party & nature of relationship	Nature of contracts/arrangements/transaction	Duration of the contracts/arrangements/transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of approval by the Board	Amount paid as advances, if any (RS. in MN, as on 31.03.2025)
1	Gaurav Dinesh Hinduja & Director	Salary & reimbursements	Throughout the financial year	In the Normal Course of Business	14/02/2024 and ratified on 07/08/2025	-
2	Sashank R Rishyasringa & Director	Salary & reimbursements	Throughout the financial year	In the Normal Course of Business	14/02/2024 and ratified on 07/08/2025	-
3	Dinesh J Hinduja & Director's Father	Payment of rent & Interest on NCD	Throughout the financial year	In the Normal Course of Business	14/02/2024 and ratified on 07/08/2025	-
4	Nalini Dinesh Hinduja & Director's Mother	Interest on NCD	Throughout the financial year	In the Normal Course of Business	14/02/2024 and ratified on 07/08/2025	-

5	Namitha Hinduja & Director's Sister	Interest on NCD	Throughout the financial year	In the Normal Course of Business	14/02/2024 and ratified on 07/08/2025	-
6	Jai Shamsunder Rupani & Director's sister husband	Interest on NCD	Throughout the financial year	In the Normal Course of Business	14/02/2024 and ratified on 07/08/2025	-
7	Seema Patel (Company Secretary)	Salary & reimbursements	Throughout the financial year	In the normal course of business	14/02/2024 and ratified on 07/08/2025	-
8	Akshay Sarma (Chief Financial Officer)	Salary & reimbursements	Throughout the financial year	In the normal course of business	14/02/2024 and ratified on 07/08/2025	-
9	Mauli Agarwal	Salary & reimbursements	During the financial year	In the normal course of business	-	-
10	DNG Enterprises	Interest on NCD	Throughout the financial year	In the Normal Course of Business	14/02/2024 and ratified on 07/08/2025	-
11	Gokaldas Ventures	Interest on NCD	Throughout the financial year	In the Normal Course of Business	14/02/2024 and ratified on 07/08/2025	-
12	Priya Radhika Shah	Interest on NCD	Throughout the financial year	In the Normal Course of Business	14/02/2024 and ratified on 07/08/2025	-
13	Valiant Investments & Trades Private Limited	Interest on NCD	Throughout the financial year	In the Normal Course of Business	14/02/2024 and ratified on 07/08/2025	-

The above-mentioned transactions were entered into by the Corporation in its ordinary course of business at Arm's length basis.

For and on behalf of the Board of Directors
For CapFloat Financial Services Private Limited


Director / Authorised Signatory
Gaurav Dinesh Hinduja
Director
DIN: 01264801

For CapFloat Financial Services Private Limited


Director / Authorised Signatory
Sashank R Rishyasringa
Director
DIN: 06466985

Place: Bangalore
Date: 29.09.2025



FORM NO. AOC-1

Statement containing salient features of the financial statement of Subsidiaries/associate companies/joint ventures

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

Part "A": Subsidiaries

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

Sl. No. 1

1. Name of the subsidiary: **Axio Digital Private Limited**
2. Reporting period for the subsidiary concerned, if different from the holding Company's reporting period: **Same as Holding Company**
3. Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries. **Not applicable**
4. Share capital: **Rs. 107.26**
5. Reserves & surplus: **Rs. 120.22**
6. Total assets: **Rs. 2022.22**
7. Total Liabilities: **Rs. 1794.74**
8. Investments: **0**
9. Turnover: **Rs. 1132.26**
10. Profit before taxation : **Rs. 248.09**
11. Provision for taxation : **0**
12. Profit after taxation: **Rs. 248.09**
13. Proposed Dividend: **0**
14. % of shareholding: **99.99%**

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations
 - 1.1 Axio Capital Private Limited
2. Names of subsidiaries which have been liquidated or sold during the year.

Part "B": Associates and Joint Ventures: NOT APPLICABLE

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

Name of Associates/Joint Ventures	Name 1	Name 2	Name 3
1. Latest audited Balance Sheet Date			
2. Shares of Associate/Joint Ventures held by the company on the year end			
No.			
Amount of Investment in Associates/Joint Venture			
Extend of Holding %			

- Names of associates or joint ventures, which are yet to commence operations.
- Names of associates or joint ventures which have been liquidated or sold during the year.

Note: This Form is to be certified in the same manner in which the Balance Sheet is to be certified.

For and on behalf of the Board of Directors
For CapFloat Financial Services Private Limited

[Signature]
Director / Authorised Signatory
Gaurav Dinesh Hinduja
Director
DIN: 01264801

[Signature]
Director / Authorised Signatory
Jashank R Rishyasinga
Director
DIN: 06466985

Place: Bangalore
Date: 29.09.2025

As per the Amendment quoted in Rule 8(5) of The Companies (Accounts) Rules, 2018:

1. a statement that the company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 [14 of 2013] along with the following details:-

- (a) number of complaints of sexual harassment received in the year: Nil
- (b) number of complaints disposed off during the year: Nil and
- (c) number of cases pending for more than ninety days: Nil

2. a statement by the company with respect to the compliance to the provisions relating to the Maternity Benefits Act, 1961.

For and on behalf of the Board of Directors
For CapFloat Financial Services Private Limited


Director / Authorised Signatory
Gaurav Dinesh Hinduja
Director
DIN: 01264801

For CapFloat Financial Services Private Limited


Director / Authorised Signatory
Sashank R Rishyasringa
Director
DIN: 06466985

Place: Bangalore
Date: 29.09.2025