

**SAMUNNATI FINANCE PRIVATE LIMITED**

**CIN: U65990TN2021PTC146392**

**Annual Report  
FY 2024-25**

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**NOTICE OF THE FOURTH ANNUAL GENERAL MEETING OF THE MEMBERS OF SAMUNNATI FINANCE PRIVATE LIMITED**

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To,  
The Members,  
Statutory Auditors,  
Secretarial Auditors,  
Debenture holders,  
Board of Directors of  
SAMUNNATI FINANCE PRIVATE LIMITED

**NOTICE** is hereby given that the Fourth Annual General Meeting (“**AGM**”) of Samunnati Finance Private Limited (the “**Company**”) will be held on Tuesday, September 30, 2025 at 11.00 A.M. IST through Video Conferencing (“**VC**”) / Other Audio-Visual Means (“**OAVM**”) in compliance with the applicable provisions of the Companies Act, 2013 and Rules made thereunder read with General Circular No. 14/2020 dated April 08, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 05, 2020, General Circular No. 02/2021 dated January 13, 2021, General Circular No. 21/2021 dated December 14, 2021, General Circular No. 02/2022 dated May 05, 2022, General Circular No. 10/2022 dated December 28, 2022, General Circular No. 09/2023 dated September 25, 2023, General Circular No. 09/2024 dated September 19, 2024 and other applicable circulars issued by the Ministry of Corporate Affairs (“**MCA**”) (hereinafter collectively referred to as “**Circulars**”), to transact the businesses set out below. Members participating through the VC / OAVM facility shall be reckoned for the purpose of quorum under Section 103 of the Companies Act, 2013.

The proceedings of the AGM will be recorded at the Registered Office of the Company situated at Baid Hi Tech Park, 7<sup>th</sup> Floor, No 129B, East Coast Road, Thiruvanmiyur, Chennai - 600 041.

In compliance with the Circulars issued by the MCA, the Notice of the AGM and the Audited Financial Statements for the Financial Year 2024-25, along with the Reports of the Board of Directors and Auditors thereon and other documents required to be attached thereon is being circulated to the Members of the Company through electronic mode.

**ORDINARY BUSINESS:**

**ITEM NO. 1 - TO CONSIDER AND ADOPT THE AUDITED FINANCIAL STATEMENTS OF THE COMPANY FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025 ALONG WITH THE REPORTS OF THE BOARD OF DIRECTORS AND AUDITORS THEREON**

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

**Samunnati Finance Private Limited**

Registered & Corporate Office:  
Baid Hi Tech Park, 7<sup>th</sup> Floor, No. 129 B,  
East Coast Road, Thiruvanmiyur, Chennai 600041

+91 044 66762400  
info@samunnati.com  
www.samunnati.com

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**“RESOLVED THAT** the Audited Financial Statements of the Company along with the Reports of the Board of Directors and Auditors thereon for the Financial Year ended March 31, 2025, as circulated to the Members and laid before the Meeting, be and are hereby approved and adopted.”

**SPECIAL BUSINESSES:**

**ITEM NO. 2 - APPROVAL FOR GRANTING EXEMPTION TO SECRETARIAL AUDITOR FROM ATTENDING ANNUAL GENERAL MEETINGS**

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 118 read with Section 146 of the Companies Act, 2013 (“the Act”) and other applicable provisions, if any, of the Act and the Secretarial Standard 2 (“**Secretarial Standard on General Meetings**”), consent of the members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as “**Board**” which term shall include a Committee thereof authorised for the purpose) to consider granting exemption to the Secretarial Auditor of the Company from attending the Annual General Meeting of the Company.

**RESOLVED FURTHER THAT** for the purpose of granting exemption to the Secretarial Auditor of the Company from attending the Annual General Meeting of the Company, the Board of Directors of the Company be and is hereby authorized to take all such steps and actions and give such directions as may be in its absolute discretion deemed necessary and to settle any question that may arise in this regard, without being required to seek any further consent or approval of the members or otherwise and that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

**ITEM NO. 3 - APPROVAL FOR GRANTING EXEMPTION TO AUDITORS FROM ATTENDING GENERAL MEETINGS**

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 146 of the Companies Act, 2013 (“the Act”) and other applicable provisions, if any, of the Act, consent of the members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as “**Board**” which term shall include a Committee thereof authorized for the purpose) to consider granting exemption to the Auditors of the Company from attending the General Meetings of the Company.

**RESOLVED FURTHER THAT** for the purpose of granting exemption to the Auditors of the Company from attending the General Meetings of the Company, the Board be and is hereby authorized to take all such steps and actions and give such directions as may be in its absolute discretion deemed necessary and to settle any question that may arise in this regard, without being required to seek any further consent or approval of the members or otherwise and that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

**By Order of the Board of Directors**

**S/d-  
Gurunath N  
Director  
DIN: 02799586**

**Place: Chennai  
Date: August 13, 2025**

**NOTES:**

- 1) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING, IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY SUBJECT TO PROVISIONS OF THE ARTICLES OF ASSOCIATION.** However, as per the Circulars issued by MCA, the entitlement for appointment of proxy has been dispensed with for the General Meetings conducted through VC / OAVM. Accordingly, the Attendance Slip, Proxy Form and Route Map have not been annexed to this Notice of AGM.
- 2) Corporate Members intending to nominate their authorised representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
- 3) The explanatory statement as required under Section 102 of the Companies Act, 2013 is annexed hereto and forms an integral part of the notice.
- 4) Members may kindly note that since the Annual General Meeting of the Company is scheduled to be held through VC / OAVM, the login credentials shall be shared with the Members along with the instructions for logging in, to their registered mail ids. In case of any clarifications in this regard, Members can reach out to us at [secretarial@samunnati.com](mailto:secretarial@samunnati.com) or 044-66762400.
- 5) The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 and Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 read with rules issued thereunder shall be available electronically for inspection.

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**ANNEXURE TO THE NOTICE****A. EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

The following statement contains all the material facts relating to the special businesses as set out in this Notice:

**ITEM NO. 2 - APPROVAL FOR GRANTING EXEMPTION TO SECRETARIAL AUDITOR FROM ATTENDING ANNUAL GENERAL MEETINGS**

Pursuant to the provisions of Section 118 read with Section 146 of the Companies Act, 2013 and Secretarial Standard 2, the Secretarial Auditor of the Company is required to attend the Annual General Meeting of the Company unless exempted by the members of the Company.

The Board is of the opinion that there may be certain circumstances where the Secretarial Auditor may not be in a position to attend the Annual General Meeting of the Company. In view of this, approval of the members is being sought authorising the Board to consider granting exemption to the Secretarial Auditor from attending the Annual General Meeting of the Company, on a case-to-case basis.

Accordingly, your Directors recommend the aforesaid resolution for approval of members.

None of the Directors/ Key Managerial Personnel and their relatives are interested in the aforesaid resolution either financially or otherwise.

**ITEM NO. 3 - APPROVAL FOR GRANTING EXEMPTION TO AUDITORS FROM ATTENDING GENERAL MEETINGS**

Pursuant to the provisions of Section 146 of the Companies Act, 2013, the auditors of the Company are required to attend the General Meetings of the Company unless exempted by the members of the Company.

The Board is of the opinion that there may be certain circumstances where the auditors may not be in a position to attend the General Meetings of the Company. In view of this, approval of the members is being sought authorising the Board to consider granting exemption to the Auditors from attending the General Meetings of the Company, on a case to case basis.

Accordingly, your Directors recommend the aforesaid resolution for approval of members.

None of the Directors/ Key Managerial Personnel and their relatives are interested in the aforesaid resolution either financially or otherwise.

**By Order of the Board of Directors**

**S/d-  
Gurunath N  
Director  
DIN: 02799586**

**Place: Chennai  
Date: August 13, 2025**

**Samunnati Finance Private Limited**

**DIRECTORS' REPORT  
For the Financial Year 2024-25**

**Samunnati Finance Private Limited**

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Dear Members,

Your Directors are pleased to present the Fourth Annual Report together with the Audited Financial Statements of Samunnati Finance Private Limited (“the Company”) for the year ended March 31, 2025.

## A. FINANCIAL PERFORMANCE

The summarised financial performance of your Company is given in the table below.

INR in million

Particulars	As on March 31, 2025 (Audited)	As on March 31, 2024 (Restated)
Revenue from Operations (A)	2,559	1,964
Other Income (B)	129	105
<b>Total Income (A+B)</b>	<b>2,688</b>	<b>2,069</b>
<u>Expenditure</u>		
<b>Total Expenses</b>	<b>2,620</b>	<b>1,906</b>
<b>Profit / (Loss) before Tax</b>	<b>68</b>	<b>163</b>
Less: Tax expenses:		
1. Current tax	54	-
2. Deferred tax	(15)	-
<b>Profit/ (Loss) after tax</b>	<b>29</b>	<b>163</b>
Other Comprehensive Income	(36)	(35)
<b>Total Comprehensive Income/ (Loss) for the year</b>	<b>(7)</b>	<b>128</b>

*\*previous year figures have been restated, pursuant to implementation of Scheme of Arrangement, to conform with current period presentation.*

## B. COMPANY OVERVIEW AND SUMMARY OF OPERATIONS

Your Company was incorporated on September 22, 2021, as a Private Limited Company under the provisions of the Companies Act 2013, with its registered office in Chennai. Your Company is a wholly owned subsidiary of Samunnati Agri Value Chain Solutions Private Limited (formerly known as Samunnati Financial Intermediation & Services Private Limited). Your Company has received the Certificate of Registration No. N-07-00908 dated December 19, 2024 for undertaking the business of a non-deposit accepting Non-Banking Financial Company (NBFC-ND) under Section 45-IA of the Reserve Bank of India Act, 1934, on December 20, 2024.

FY’2025 marked a defining milestone in Samunnati’s journey with the rollout of Samunnati 2.0 - a strategic organisational realignment designed to unlock inclusive and scalable growth over the next decade. Pursuant to implementation of the Scheme of Arrangement for the organizational realignment, the NBFC business of the Holding Company, Samunnati Agri Value Chain Solutions Private Limited (formerly known as Samunnati Financial Intermediation & Services Private Limited) has been transferred and vested as a going concern into the Company through slump sale, with effect from December 20, 2024 (i.e. the Effective Date). Further to this, your Company has commenced NBFC business w.e.f. December 21, 2024.

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Your Company operates in the agri space and is engaged in the business of providing financial assistance and improving access to finance to underserved geographies and customer segments by providing or arranging loans and advances. Samunnati views finance not as a product, but as an enabler of transformation. Samunnati's mission to "make markets work for smallholder farmers" is embedded in its lending architecture. Samunnati recognises that agri-finance must be contextual, customized and connected to value chain realities. Your Company has been purpose-built to bridge the financing gap with agility, innovation and empathy. Through deep engagement with ecosystem actors, namely the FPOs, agri-enterprises, input providers and aggregators, Samunnati has designed solutions that are both responsive and scalable. These solutions are not only aligned with agricultural cycles and customer risk profiles but are also supported by digital enablement, data insights and capacity-building interventions.

The key highlights of performance of the Company for FY 2025 were as given below:

- **Gross Transaction Value (GTV):** The GTV during FY 2025 was INR 46,145 MN, reflecting a 30% year-on-year growth
- **Segment Contribution:** During FY 2025, the GTV from Agri Enterprises (AEs) was INR 31,173 MN and INR 14,972 MN from Farmer Collectives (FPOs).
- **Asset Under Management (AUM):** The AUM as of March 31, 2025 was INR 15,092 MN, a 13% increase over the AUM as of March 31, 2024.
- **Portfolio Mix:** The portfolio mix of the AUM as of March 31, 2025 was 52% for AEs; 48% for FPOs
- **Revenue:** Interest Income increased to INR 2,559 MN during FY 2025 compared to INR 1,964 MN during FY 2024 which represents a growth of more than 30% year-on-year.
- **Borrowings:** In line with the increase in the AUM of the Company the borrowings including debt securities increased from INR 11,372 MN as of March 31, 2024 to INR 13,886 MN as of March 31, 2025.
- **Net Worth:** The Net Worth of the Company as of March 31, 2025 was INR 3,672 MN.
- **Total Assets:** The Total Assets of the Company increased from INR 15,328 MN as of March 31, 2024 to INR 17,922 MN as of March 31, 2025.

This growth is indicative of two things: Samunnati's ability to deepen its penetration among underserved FPOs, and its success in scaling partnerships with mature agri-enterprises that anchor value chains.

FY'2025 was also a year of strong asset quality. Your Company's overall Repayment Efficiency (RE) stood at 97.6%, reflecting robust underwriting and disciplined collections.

During the year under review, Samunnati marked a significant milestone with the issuance of the first-ever Green Bond for INR 500 MN which demonstrates growing market appetite for green assets in agriculture.

Your Company's financing model is a testament to the power of purpose-led design. Samunnati sees finance not just as capital, but as a force that empowers, includes and transforms. FY'2025 demonstrated that inclusive finance, when deployed with precision and empathy, can be both a growth engine and a resilience lever for Indian agriculture.

With renewed purpose, sharpened tools, and a growing network, your Company has stepped into the next year prepared to serve deeper, grow stronger and make markets work even better for smallholder farmers.

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## C. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### Addressing the Financing Gap in Indian Agriculture

#### (i) **A Purpose-Led Approach to Inclusive Agri-Finance**

Agriculture remains the lifeline of India's rural economy, providing employment, food security and livelihoods to more than 40% of the country's population. Yet, despite its centrality, the sector contributes only about 18% to the national GDP, highlighting a persistent structural disconnect. At the core of this paradox lies a long-standing challenge: access to timely and adequate finance.

India's agricultural economy is characterized by fragmentation, uncertainty and informality. Over 86% of Indian farmers are smallholders, operating on less than two hectares of land. This inherent scale limitation reduces their ability to access competitive inputs, modern infrastructure and remunerative markets. Consequently, many farmers are caught in a cycle of low productivity, high dependency and financial exclusion.

Access to finance is a critical enabler for transforming agriculture. It determines a farmer's ability to invest in seeds, irrigation, fertilizers, post-harvest handling and sustainable infrastructure. However, formal financial services have historically underserved the sector. Smallholder farmers, FPOs and agri-enterprises often face multiple barriers including lack of credit history, inadequate collateral, irregular income flows and low financial literacy. These challenges are compounded by unpredictable weather, volatile prices and logistical inefficiencies, creating a high-risk perception that deters traditional lenders.

The consequences of this exclusion are far-reaching. Farmers compromise on input quality, delay essential cultivation steps and often resort to distress selling. This leads to income volatility, loss of value and an erosion of trust in institutional finance. The absence of long-term, affordable credit solutions also hampers investment in infrastructure, mechanization and climate-smart practices, which are essential for boosting productivity and resilience.

#### (ii) **Samunnati's Commitment: A Market-Responsive Lending Model**

Samunnati views finance not as a product, but as an enabler of transformation. Samunnati's mission to "make markets work for smallholder farmers" is embedded in its lending architecture. Samunnati recognises that agri-finance must be contextual, customized and connected to value chain realities. Your Company has been purpose-built to bridge the financing gap with agility, innovation and empathy.

Through deep engagement with ecosystem actors, namely the FPOs, agri-enterprises, input providers and aggregators, Samunnati has designed solutions that are both responsive and scalable. These solutions are not only aligned with agricultural cycles and customer risk profiles but are also supported by digital enablement, data insights and capacity-building interventions.

(iii) **Samunnati's Financial Solutions: Designed for Agri Ecosystem Needs**

a) **Agri Receivable Finance (ARF)**

ARF is a working capital product designed for agri-enterprises and FPOs dealing with institutional buyers. In many such cases, receivables are locked for 30-90 days, affecting liquidity and delaying operations. With ARF, Samunnati unlocks working capital against verified invoices, enabling clients to maintain continuity, meet procurement cycles and negotiate better pricing.

b) **Short-Term Agri Loans**

These loans are structured for tenures up to 12 months and are ideal for mid-sized and large agri-enterprises. The funds are used for seasonal needs like input procurement, aggregation, and primary processing. The quick turnaround time and flexible structuring ensure that clients can act on market opportunities without delays.

c) **Long-Term Agri Loans**

Longer tenures, up to five years, support infrastructure development such as warehouses, cold storage, transport vehicles and processing units. These loans also cover allied agri-activities like dairy, poultry and aquaculture. Samunnati's long-term financing solutions encourage asset creation, business expansion and technology adoption, contributing to the broader goal of rural transformation.

These offerings are integrated with risk management tools, repayment flexibility and advisory support. They are also delivered via a relationship-based model that fosters trust and builds borrower capability over time.

(iv) **FY'2025 in Review: Building Scale and Depth**

The financial year 2024-25 began with optimism. A timely and adequate monsoon created favourable conditions for sowing, especially across key regions cultivating rice, pulses and oilseeds. However, the year also brought significant volatility in market prices, influenced by domestic policy shifts, international commodity movements and geopolitical disruptions. Despite these headwinds, Samunnati's lending operations showed resilient performance.

The key highlights of performance of the Company for FY 2025 were as given below:

- **Gross Transaction Value (GTV):** The GTV during FY 2025 was INR 46,145 MN, reflecting a 30% year-on-year growth
- **Segment Contribution:** During FY 2025, the GTV from Agri Enterprises was INR 31,173 MN and INR 14,972 MN from Farmer Collectives (FPOs).
- **Asset Under Management (AUM):** The AUM as of March 31, 2025 was INR 15,092 MN, a 13% increase over the AUM as of March 31, 2024.
- **Portfolio Mix:** The portfolio mix of the AUM as of March 31, 2025 was 52% for AEs; 48% for FPOs

**Samunnati Finance Private Limited**

This growth is indicative of two things: Samunnati's ability to deepen its penetration among underserved FPOs, and its success in scaling partnerships with mature agri-enterprises that anchor value chains.

Samunnati's segment-wise diversification ensures that your Company balances impact and viability. While Agri Enterprise customers often require larger ticket sizes and faster turnarounds, FPOs benefit from patient capital, advisory linkage and tailored underwriting. Samunnati's portfolio construction strategy ensures financial sustainability while staying mission aligned.

**(v) Portfolio Quality and Risk Management**

FY'2025 was also a year of strong asset quality. Our overall Repayment Efficiency (RE) of your Company stood at 97.6%, reflecting robust underwriting and disciplined collections. The segment wise Repayment Efficiency were as given below:

- **AE Segment RE: 98.4%**, supported by mature credit cycles and structured supply chains
- **FPO Segment RE: 94.7%**, a commendable performance given the inherent volatility in collective agriculture

Your Company continued to invest in risk analytics, early warning systems and customer engagement to proactively manage delinquencies. The performance gap between FPOs and AEs was addressed through deeper onboarding diligence, field-based monitoring and customized repayment plans aligned to crop cash flows.

**(vi) Profitability: A Strategic Inflection Point**

One of the most significant outcomes of FY'2025 was the second year of net profitability. Your Company recorded a Profit After Tax (PAT) of INR 29 MN, marking the second year of successive sustainable financial returns.

The performance was enabled by better capital utilisation, lower cost of funds due to lender diversification and operational efficiencies driven by digitisation (ASCEND platform) and relationship-tiering (VAN model)

Your Company's profitability reinforces Samunnati's belief that impact and returns are not mutually exclusive. With the right design, governance and execution, agri-finance can be both inclusive and viable.

**(vii) Looking Ahead: Expanding the Arc of Inclusion**

Your Company's focus for FY 2026 remains on three strategic levers:

- **Geographic Deepening:** Expand your Company's presence in underserved agri-clusters across eastern and central India.
- **Digital Scale:** Fully leverage ASCEND to drive faster loan processing, reduce turnaround times and embed risk flags into the system.
- **Segment Innovation:** Co-create new products for women-led FPOs, allied sector enterprises and climate-smart investments.

Your Company also aims to strengthen its ESG-aligned lending approach. This includes integrating social performance metrics, conducting borrower impact assessments and expanding the gender-inclusive portfolio share.

(viii) **Internal Control and its adequacy**

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to your Company's policies, safeguarding of its assets, prevention and detection of fraud, error-reporting mechanisms, accuracy and completeness of the accounting records, and timely preparation of reliable financial disclosures. The internal control systems of your Company are supplemented with internal audit, regular reviews by the management and checks by the statutory auditors. During the year, no material or serious omissions and commissions have been observed by the internal auditors, management or the statutory auditors, reflecting the efficiency and adequacy of internal controls.

(ix) **Awards and Recognitions**

During the year under review, the Company has received the following awards and recognitions:

- Samunnati has been honored with the "Best New Application Development Initiative" award at the prestigious DNA Awards 2024 by Banking Frontiers for your Company's innovative platform, "FPONext". This recognition highlights your Company's commitment to innovation and excellence in the NBFC sector.
- Samunnati has been recognised with the 2024 ASK Private Wealth Hurun India Future Unicorn Award in the Finance category at the India Future Unicorn Awards held on November 20, 2024, in Bengaluru.
- Samunnati has been certified as a great workplace (Category: Mid-Sized Organisations). Samunnati was certified as a Great Place to Work for the fifth time in a row during the year under review. This remarkable achievement stands as a testament to your Company's enduring culture of trust, collaboration and growth.

**D. COMPOSITE SCHEME OF ARRANGEMENT**

The Board of Directors of the Company had at the Meeting held on October 29, 2021, approved a Composite Scheme of Arrangement ("**Scheme**") for:

- (a) the slump sale (i.e., transfer and vesting) of the Business Undertaking of the Holding Company, Samunnati Agri Value Chain Solutions Private Limited (formerly known as Samunnati Financial Intermediation & Services Private Limited) as a going concern into the Company, and
- (b) post giving effect to (a) above, the amalgamation of Samunnati Agro Solutions Private Limited into the Holding Company, Samunnati Agri Value Chain Solutions Private Limited.

Your Company had obtained the approvals of all stakeholders for the Scheme and had, along with Samunnati Agri Value Chain Solutions Private Limited and Samunnati Agro Solutions Private Limited, filed a joint petition before the National Company Law Tribunal, Chennai ("NCLT") for approval for the Scheme.

The NCLT heard the matter and took on record the NOCs submitted by the regulators and in view of the absence of any material objections from any statutory authorities and as all the requisite statutory compliances had been fulfilled, the NCLT sanctioned the Scheme and pronounced the order sanctioning the Scheme on December 23, 2022.

The Appointed Date and Effective Date of the Scheme was the date of receipt of the NBFC license by the Company or filing the copy of the NCLT order with the Registrar of Companies, whichever is later.

Your Company received the Certificate of Registration No. N-07-00908 dated December 19, 2024, for undertaking the business of a non-deposit accepting Non-Banking Financial Company (NBFC-ND) under Section 45-IA of the Reserve Bank of India Act, 1934, from the Reserve Bank of India on December 20, 2024.

Your Company, Samunnati Agri Value Chain Solutions Private Limited and Samunnati Agro Solutions Private Limited, filed the certified copy of the order of the Hon'ble National Company Law Tribunal, Chennai Bench, Chennai, sanctioning the Scheme pronounced on December 23, 2022 ("Certified Order"), with the Registrar of Companies, Chennai, Tamil Nadu ("ROC") in e-Form INC-28 on December 20, 2024. Consequent to filing of the Certified Order with ROC, the Composite Scheme of Arrangement came into effect on December 20, 2024 and the same was implemented as follows:

- i) The NBFC business of Samunnati Agri Value Chain Solutions Private Limited was transferred and vested as a going concern into the Company through slump sale, without any further act or deed, with effect from the Effective Date (i.e. December 20, 2024) and Samunnati Agri Value Chain Solutions Private Limited surrendered its NBFC license.
- ii) Post giving effect to (i) above, Samunnati Agro Solutions Private Limited was amalgamated with and into Samunnati Agri Value Chain Solutions Private Limited and Samunnati Agro Solutions Private Limited was dissolved without being wound up, on December 20, 2024.

The NCDs and Commercial Papers of Samunnati Agri Value Chain Solutions Private Limited which were listed on BSE Limited, have been delisted and have been listed on BSE Limited, in the name of your Company.

Your Company along with Samunnati Agri Value Chain Solutions Private Limited had made an application to the Hon'ble National Company Law Tribunal, Chennai bench ("NCLT") seeking condonation of the delay in filing Certified Order of NCLT in e-Form INC 28 with the Registrar of the Companies, Chennai. The NCLT has condoned the delay vide order dated March 4, 2025 and a copy of the said order has been filed with the Registrar of Companies, Chennai in e-Form INC 28. The NCLT had inadvertently mentioned in the order condoning the delay that the Effective Date of the Scheme was March 4, 2025 although the Effective Date as per the Scheme was the date of filing of e-Form INC 28 with the Registrar of Companies, Chennai which was December 20, 2024. In this regard, an application was filed with NCLT pleading to rectify the said sentence in the order. The NCLT had vide order pronounced on July 10, 2025, rectified the Effective Date to be December 20, 2024 and a copy of the said NCLT order dated July 10, 2025 has been filed with the Registrar of Companies, Chennai, in e-Form INC 28.

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**E. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF THE REPORT**

The Company raised further equity through allotment of Equity Shares on rights basis to the Holding Company, Samunnati Agri Value Chain Solutions Private Limited, since the end of FY 2025, the details of which are given below:

Date of Allotment	Name of the Shareholder	Kind of Security	No of Shares	Amount (INR)
June 27, 2025	Samunnati Agri Value Chain Solutions Private Limited	Equity Shares	15,450,111	42,48,78,052.50

Consequent to the same, the paid-up share capital as on the date of this report stands at, INR 364,80,25,340/- (Rupees Three Hundred and Sixty Four Crore Eighty Lakhs Twenty Five Thousand Three Hundred and Forty Only) divided into 36,48,02,534 (Thirty Six Crore Forty Eight Lakhs Two Thousand Five Hundred and Thirty Four) equity shares of face value of INR 10/- (Indian Rupees Ten only) each.

No other material changes and commitment that affect the financial position of the Company has occurred between the end of the financial year to which the financial statements relate and the date of this report.

**F. ALTERATION OF ARTICLES OF ASSOCIATION**

The Members of the Company at the Extra Ordinary General Meeting (02/2024-25) held on February 14, 2025 have approved the alteration of Articles of Association of the Company to include an enabling clause providing for appointment of a Nominee Director by the Debenture Trustee on the Board of the Company, in the event of 2 (two) consecutive defaults in payment of interest or default in security creation for the debentures, or default in redemption of debentures pursuant to the SEBI (Issue and Listing of Non-Convertible Securities) (Amendment) Regulations, 2023 read with SEBI (Debenture Trustees) Regulations, 1993 and Rule 18 of the Companies (Share Capital and Debentures) Rules 2014 read with Section 71 of the Companies Act, 2013.

**G. DIVIDEND**

Your Directors' do not recommend any dividend for the year under review.

**H. TRANSFER TO RESERVES**

The Company has made Profit After Tax of INR 29 MN during the Financial Year 2024-25. Further to this, the Company has transferred INR 6 MN, being 20% of the profits, to statutory reserve pursuant to the provisions of Section 45-IC of the Reserve Bank of India Act, 1934.

**I. CAPITAL ADEQUACY RATIO**

The Company's Capital Adequacy ratio stood at 23.06% as on March 31, 2025, which is well within the regulatory limits applicable for NBFC-ND-SI as stipulated by the Reserve Bank of India.

**J. CHANGE IN THE NATURE OF BUSINESS, IF ANY**

During the year under review, your Company has implemented the Composite Scheme of Arrangement with effect from December 20, 2024, wherein the NBFC business of Samunnati Agri Value Chain Solutions Private Limited has been transferred as a going concern by way of a Slump Sale to your Company. Your Company has received the Certificate of Registration No. N-07-00908 dated December 19, 2024 for undertaking the business of a non-deposit accepting Non-Banking Financial Company (NBFC-ND) under Section 45-IA of the Reserve Bank of India Act, 1934, on December 20, 2024.

Further to this, your Company has commenced the business of a Non deposit taking Non-Banking Financial Company w.e.f. December 21, 2024.

**K. NON-ACCEPTANCE OF DEPOSITS**

During the year under review, your Company has neither invited nor accepted any deposits from public in terms of Section 73 of the Companies Act, 2013 and consequently, no amount on account of principal or interest on deposits from public was outstanding as on March 31, 2025.

**L. INTERNAL FINANCIAL CONTROL OVER FINANCIAL REPORTING**

The internal financial controls with reference to the Financial Statements are commensurate with the size and nature of business of the Company. Further, the internal financial control system of the Company is supplemented with internal audit, regular reviews by the management and checks by the Statutory Auditors. It provides reasonable assurance in respect of providing financial and operational information, complying with applicable statutes, safeguarding of assets of the Company, prevention and detection of frauds, accuracy and completeness of accounting records and ensuring compliance with the Company's policies. The Audit Committee monitors this system and ensures adequacy of the same. The Statutory Auditors of the Company also provide their opinion on the internal financial control framework of the Company.

During the year, no material or serious omissions and commissions have been observed by the Auditors, reflecting the efficiency and adequacy of internal financial controls.

**M. SHARE CAPITAL**

The Authorised Share Capital of your Company as on March 31, 2025, was INR 500,00,00,000/- (Indian Rupees Five Hundred Crores only) consisting of 50,00,00,000 equity shares of INR 10/- each and the paid-up share capital was INR 349,35,24,230/- (Indian Rupees Three Hundred Forty Nine Crores Thirty Five Lakhs Twenty Four Thousand Two Hundred and Thirty only) consisting of 34,93,52,423 equity shares of INR 10/- each.

During the year under review, your Company has increased the authorised capital of the Company from INR 12,50,00,000/- (Indian Rupees Twelve Crores Fifty Lakhs only) to INR 500,00,00,000/- (Indian Rupees Five Hundred Crores only) by creation of 48,75,00,000 additional Equity Shares of face value of INR 10/- each at the Extra Ordinary General Meeting held on December 20, 2024.

During the year under review, your Company has issued and allotted 33,68,52,423 equity shares of face value INR 10/- each aggregating to INR 336,85,24,230/- (Indian Rupees Three Hundred and Thirty Six Crores Eighty Five Lakhs Twenty Four Thousand Two Hundred and Thirty only), to Samunnati Agri Value Chain Solutions Private Limited, for consideration other than cash towards the Slump Sale Consideration for transfer of the NBFC Business Undertaking in accordance with the Scheme, as per the details given below:

Name of Allottee	Date of Allotment	Face Value (INR)	No. of Equity Shares	Amount (INR)
Samunnati Agri Value Chain Solutions Private Limited	January 16, 2025	10/-	33,68,52,423	336,85,24,230

The details of the opening and closing Authorised and Paid-up Capital of the Company is provided below:

Particulars	(INR)	
	Opening (April 01, 2024)	Closing (March 31, 2025)
Authorised Capital	12,50,00,000/-	500,00,00,000/-
Paid Up Capital	12,50,00,000/-	349,35,24,230/-

**N. DISCLOSURE UNDER SECTION 67(3)(C) OF THE COMPANIES ACT, 2013**

The disclosure with regard to voting rights not exercised directly by the employees of the Company as required under Section 67(3)(c) of the Companies Act, 2013 read with rule 16(4) of the Companies (Share Capital and Debentures) Rules, 2014 is not applicable to the Company.

**O. DISCLOSURE REGARDING ISSUE OF EQUITY SHARES WITH DIFFERENTIAL RIGHTS**

The Company has not issued any Equity Shares with differential rights during FY 2024-25.

**P. DISCLOSURE REGARDING ISSUE OF EMPLOYEE STOCK OPTIONS / SWEAT EQUITY SHARES**

The Company has not issued any Employee Stock options or Sweat Equity Shares during FY 2024-25. However, the employees of the Company have been issued Employee Stock Options by the Holding Company, Samunnati Agri Value Chain Solutions Private Limited.

**Q. EXTRACT OF THE ANNUAL RETURN**

In accordance with Section 134(3)(a) and Section 92(3) of the Companies Act, 2013, the Annual Return in Form MGT-7 is placed on the website of the Company and is available on <https://www.samunnatifinance.com/2025/04/04/annual-returns-samunnati/>

**R. NOMINATION AND REMUNERATION POLICY**

The Nomination and Remuneration Policy, inter-alia, provides for criteria and qualifications for appointment of Director, Key Managerial Personnel and Senior Management, Board diversity, remuneration to Directors, Key Managerial Personnel, etc. The policy can be accessed at the following link: <https://www.samunnatifinance.com/policies/>

The non-executive director and independent directors do not have any pecuniary interest in the Company and are only paid sitting fees for attending Board and Committee Meetings.

Mr. Anil Kumar S G and Mr. Gurunath N, are executive directors in the Holding Company, Samunnati Agri Value Chain Solutions Private Limited.

**S. CORPORATE GOVERNANCE**
**i. Details of Directors and Key Managerial Personnel and changes during the year**

Sr No.	Name of the Director	DIN	Category	Changes during the year, if any
1.	Mr. Anil Kumar S G	01189011	Director	Nil
2.	Mr. Gurunath N	02799586	Director	Nil
3.	Mr. Ramakrishnan C S	09371306	Director	Resigned as Director w.e.f. December 20, 2024
4.	Mr. Thyagarajan Subramanian	09371374	Director	Nil
5.	Mr. Krishnan K	01109189	Independent Director	Appointed with effect from December 20, 2024
6.	Mr. Narasimhan Srinivasan	01501266	Independent Director	Appointed with effect from December 20, 2024
7.	Mr. Suraj Vasudev Sharma	N.A.	Company Secretary	Nil

**ii. Details of meetings of the Board**

The Board of Directors of the Company met 6 (Six) times during the financial year 2024-25 and the gap between any two meetings did not exceed 120 days. The details of Board Meetings held during the year and the attendance of Directors at the said Meetings are given below:

**Samunnati Finance Private Limited**

Registered & Corporate Office:  
Baid Hi Tech Park, 7<sup>th</sup> Floor, No. 129 B,  
East Coast Road, Thiruvannamiyur, Chennai 600041

+91 044 66762400  
info@samunnati.com  
www.samunnati.com

CIN - U65990TN2021PTC146392

BOARD MEETINGS		
S. No.	Date of Meeting	No. of Directors who attended the meeting
1.	May 16, 2024	3/4
2.	August 02, 2024	4/4
3.	September 06, 2024	3/4
4.	November 08, 2024	4/4
5.	December 20, 2024	5/6
6.	February 13, 2025	5/5

iii. Details of attendance of Directors, Remuneration and shares held

Sr No.	Name of Director	Direct or since	Capacity	DIN	Number of Board Meetings		No. of other Directorships	Remuneration			No. of shares held in and convertible instruments held in the Company
					Held	Attended		Salary and other compensation	Sitting Fees <sup>#</sup>	Commission	
1.	Mr. Narasimhan Srinivasan	20/12/2024	Independent Director	01501266	2	2	1	Nil	INR 3,50,000/-	Nil	Nil
2.	Mr. Krishnan K	20/12/2024	Independent Director	01109189	2	2	4	Nil	INR 3,50,000/-	Nil	Nil
3.	Mr. Anil Kumar S G	22/09/2021	Director	01189011	6	5	3	Nil	Nil	Nil	Nil
4.	Mr. Gurunath N	22/09/2021	Director	02799586	6	5	1	Nil	Nil	Nil	1 <sup>^</sup>
5.	Mr. Thyagarajan Subramanian	29/10/2021	Director	09371374	6	5	1	Nil	INR 2,75,000/-	Nil	Nil
6.	Mr. Ramakrishnan C S*	29/10/2021	Director	09371306	5	5	-	Nil	Nil	Nil	Nil

\* Resigned with effect from December 20, 2024

<sup>#</sup> Aggregate of sitting fees paid for Board & Committee meetings

<sup>^</sup> Share held in beneficial interest of Samunnati Agri Value Chain Solutions Private Limited (formerly known as Samunnati Financial Intermediation & Services Private Limited)

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

Sr No.	Name of Director	Capacity	Nature of change	Effective Date
1.	Mr. Ramakrishnan C S	Director	Resignation	20/12/2024
2.	Mr. Krishnan K	Independent Director	Appointment	20/12/2024
3.	Mr. Narasimhan Srinivasan	Independent Director	Appointment	20/12/2024

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CIN - U65990TN2021PTC146392

iv. **Details of Committees of the Board**

During the year under review, your Company has implemented the Composite Scheme of Arrangement with effect from December 20, 2024. Pursuant to receipt of the Certificate of Registration from the Reserve Bank of India and implementation of the Scheme, your Company has commenced the business of a Non deposit taking Non-Banking Financial Company.

In accordance with the applicable provisions of the Companies Act, 2013 and the RBI regulations, your Company has constituted the following committees of the Board of Directors:

**Audit Committee**

**Composition**

The composition of the Audit Committee as on the date of this report is as follows:

Sr. No.	Members of Audit Committee
1.	Mr. Krishnan K (Chair)
2.	Mr. N Srinivasan
3.	Mr. Anil Kumar S G

**Terms of Reference**

The terms of reference of the Audit Committee are as given below:

- i. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- ii. The recommendation for appointment, compensation and terms of appointment of auditors of the company and, if required, the replacement or removal of auditors and the fixation of audit fees.
- iii. Approval of payment to auditors for any other services rendered by the auditors.
- iv. Review and monitor the auditors' independence, performance of Statutory and Internal Auditors, adequacy of the Internal Control Systems and effectiveness of audit process.
- v. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - b. Changes, if any, in accounting policies and practices and reasons for the same.
  - c. Major accounting entries involving estimates based on the exercise of judgment by management.
  - d. Significant adjustments made in the financial statements arising out of audit findings
  - e. Compliance with listing and other legal requirements relating to financial statements
  - f. Disclosure of any related party transactions
  - g. Modified opinion(s) in the draft audit report.



- vi. reviewing, with the management, the quarterly financial statements before submission to the board for approval
- vii. Examination of the financial statements and the auditors' report thereon before submission to the board for approval.
- viii. Valuation of undertakings or assets of the company, wherever it is necessary
- ix. To review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- x. Discussion with internal auditors on any significant findings and follow up there on.
- xi. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- xii. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern
- xiii. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors
- xiv. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate
- xv. To review functioning of the vigil mechanism.
- xvi. Evaluation of internal financial controls and risk management systems
- xvii. approval or any subsequent modification of transactions of the company with related parties including ; in case any transaction involving any amount not exceeding one crore rupees is entered into by a director or officer of the company without obtaining the approval of the Audit Committee and it is not ratified by the Audit Committee within three months from the date of the transaction, such transaction shall be voidable at the option of the Audit Committee and if the transaction is with the related party to any director or is authorised by any other director, the director concerned shall indemnify the company against any loss incurred by it.
- xviii. omnibus approval for related party transactions proposed to be entered into by the company, subject to conditions as prescribed under the Act, Rules framed thereunder, as amended from time to time.
- xix. To call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and to discuss any related issues with the internal and statutory auditors and the management of the company.
- xx. scrutiny of inter-corporate loans and investments;
- xxi. Monitoring the end use of funds raised through issue (public issue, rights issue, preferential issue and related matters, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- xxii. Annual review of Company Policies, pertaining to Audit and Accounts, framed pursuant to RBI Guidelines/ Regulations/ Directions and suggesting changes, if any required to the Board for adoption.
- xxiii. To discuss and follow up on the observations relating to Inspection Report/ Risk Assessment Report of the RBI

## Samunnati Finance Private Limited

- xxiv. To obtain and review quarterly/ half-yearly compliance reports of the Compliance Officer;
- xxv. To review compliance with KYC/ AML Guidelines including periodic review of audit reports on adherence to KYC/AML guidelines
- xxvi. To review penalties imposed/ penal action taken against the Company under various laws and statutes and corrective action taken;
- xxvii. To review IT Governance & Infrastructure and Information Security Risk related aspects of the Company.
- xxviii. To ensure that an Information System Audit of the Internal Systems and processes is conducted at least once a year to assess the operational risks faced by Company
- xxix. Any other requirement in accordance with the applicable provisions of the Companies Act and RBI Regulations as may be applicable from time to time.
- xxx. The audit committee shall mandatorily review the following information:
  - a. management discussion and analysis of financial condition and results of operations;
  - b. statement of significant related party transactions (as defined by the audit committee), submitted by management;
  - c. management letters / letters of internal control weaknesses issued by the statutory auditors;
  - d. internal audit reports relating to internal control weaknesses; and
  - e. the appointment, removal and terms of remuneration of the chief internal auditor
  - f. information systems audit reports to ensure confidentiality, integrity and availability of the organization's IT infrastructure;
  - g. the appointment, removal and terms of remuneration of the information systems auditor;
  - h. statement of deviations:
    - I. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
    - II. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- xxxi. Any other responsibility as may be assigned by the Board from time to time.

#### Details of Meetings of Audit Committee and attendance

Sr No.	Name of Director	Member of Committee since	Capacity	Number of Meetings of the Audit Committee		No. of shares held in the Company
				Held	Attended	
1.	Mr. Krishnan K	20/12/2024	Chairman	1	1	Nil
2.	Mr. N Srinivasan	20/12/2024	Member	1	1	Nil
3.	Mr. Anil Kumar S G	20/12/2024	Member	1	1	Nil

AUDIT COMMITTEE		
S. No.	Date of Meeting	No. of Members who attended the Meeting
1.	February 12, 2025	3/3

### Risk Management Committee

#### Composition

The composition of the Risk Management Committee as on the date of this report is as follows:

Sr. No.	Members of Risk Management Committee
1.	Mr. N Srinivasan (Chair)
2.	Mr. Krishnan K
3.	Mr. Anil Kumar S G
4.	Mr. Gurunath N

#### Terms of Reference

The terms of reference of the Risk Management Committee are as given below:

- i. To formulate a detailed risk management policy which shall include:
  - (a) To framework, for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the committee.
  - (b) Measures for risk mitigation including system and processes for internal control of identified risk
  - (c) Business continuity plan.
- ii. To ensure that appropriate methodology, processes and system are in place to monitor and evaluate risks associated with the business of the company;
- iii. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy risk management systems;
- iv. To review risk management systems, their adequacy and make recommendations for improvement;
- v. To consider risk related MIS and reports and offer suggestions and recommendations to the Board;
- vi. To recommend to Board prudential limits on risk exposures in loans and investments portfolios;
- vii. To review credit risk, operational risks, market risk, liquidity risk, investment risk, etc. and decide the policy and strategy for integrated risk management;
- viii. To review compliance with risk policies, monitor risk tolerance limits.
- ix. To provide oversight of risk across organization and inculcate a healthy risk culture.
- x. Review of significant risks including risk exposure related to specific issues, concentrations and limits excesses;
- xi. Nurture a healthy and independent risk management function in the company
- xii. Approve the Enterprise Risk Management (ERM) framework;

### **Samunnati Finance Private Limited**

- xiii. To Periodically oversee and review the functioning of the ALCO (Management level Committee), including review of the Minutes and decisions of the ALCO meetings and to give necessary directions to the ALCO as the Committee may deem fit;
- xiv. To carry out prudent risk diversification ensuring that credit exposure to any group or industry does not exceed the internal limits.
- xv. To review risk return profile of the Company, capital adequacy based on risk profile of Company's balance sheet, business continuity plan, disaster recovery plan, key risk indicators and significant risk exposures
- xvi. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- xvii. To keep the Board of Directors informed about the nature and content of its discussions, recommendations and action to be taken;
- xviii. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee and further recommended to the Risk Management Committee.

**Details of Meetings of Risk Management Committee and attendance**

Sr No.	Name of Director	Member of Committee since	Capacity	Number of Meetings of the Risk Management Committee		No. of shares held in the Company
				Held	Attended	
1.	Mr. N Srinivasan	20/12/2024	Chairman	1	1	Nil
2.	Mr. Krishnan K	20/12/2024	Member	1	1	Nil
3.	Mr. Anil Kumar S G	20/12/2024	Member	1	1	Nil
4.	Mr. Gurunath N	20/12/2024	Member	1	1	1^

*^Share held in beneficial interest of Samunnati Agri Value Chain Solutions Private Limited (Formerly known as Samunnati Financial Intermediation & Services Private Limited*

RISK MANAGEMENT COMMITTEE		
S. No.	Date of Meeting	No. of Members who attended the Meeting
1.	February 12, 2025	4/4

**Nomination and Remuneration Committee**

**Composition**

The composition of the Nomination and Remuneration Committee as on the date of this report is as follows:

Sr. No.	Members of Nomination and Remuneration Committee
1.	Mr. Krishnan K (Chair)
2.	Mr. N Srinivasan
3.	Mr. Anil Kumar S G

**Samunnati Finance Private Limited**

### Terms of Reference

The terms of reference of the Nomination and Remuneration Committee are as given below:

- i. Formulation of the criteria for determining qualifications, expertise, positive attributes, fit and proper criteria and independence (if applicable) of a Director and recommend to the Board a policy, relating to the compensation for the Directors, key managerial personnel and other employees;
- ii. Identification of persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal;
- iii. Carry out a due diligence process as prescribed by the RBI to determine the suitability of the person proposed to be appointed or reappointed as the Director
- iv. Annual review of Fit & Proper and other Statutory declarations/disclosures received from Directors and ascertain 'Fit and Proper' status of proposed/ existing Directors;
- v. Formulation of criteria / specify the manner for effective evaluation of Board, its Committees and Independent Directors, and review its implementation and compliance;
- vi. To advise the Board on whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of independent Directors
- vii. Annual appraisal of the performance of the Managing Director / CEO / Wholetime Directors and fixing his/her terms of remuneration;
- viii. Annual appraisal of the Senior Management team reporting to the Managing Director / CEO;
- ix. Annual Performance Review of the staff;
- x. Framing guidelines for the Employee Stock Option Plan (ESOP) or modifications thereto and recommend to Board / Shareholders for adoption;
- xi. Administration of Employee Stock Option Plan (ESOP) framed by Company from time to time,
- xii. Any other responsibilities as may be assigned by the Board from time to time.

### Details of Meetings of Nomination and Remuneration Committee and attendance

No meeting of the Nomination and Remuneration Committee was held during the year as given below:

Sr No.	Name of Director	Member of Committee since	Capacity	Number of Meetings of the Nomination & Remuneration Committee		No. of shares held in the Company
				Held	Attended	
1.	Mr. Krishnan K	20/12/2024	Chairman	-	-	Nil
2.	Mr. N Srinivasan	20/12/2024	Member	-	-	Nil
3.	Mr. Anil Kumar S G	20/12/2024	Member	-	-	Nil

## IT Strategy Committee

### Composition

The composition of the IT Strategy Committee as on the date of this report is as follows:

Sr. No.	Members of IT Strategy Committee
1.	Mr. Krishnan K (Chair)
2.	Mr. Anil Kumar S G
3.	Mr. Gurunath N
4.	Mr. Suresh Rajagopalan - CTO
5.	Chief Information Officer

### Terms of Reference

The terms of reference of the IT Strategy Committee are as given below:

- i. Approving IT strategy and policy documents and ensuring that the management has put an effective strategic planning process in place;
- ii. Ascertaining that management has implemented processes and practices that ensure that the IT delivers value to the business;
- iii. Ensuring IT investments represent a balance of risks and benefits and that budgets are acceptable;
- iv. Monitoring the method that management uses to determine the IT resources needed to achieve strategic goals and provide high-level direction for sourcing and use of IT resources;
- v. Ensuring proper balance of IT investments for sustaining the Company's growth
- vi. To approve a forward looking IT Infrastructure Road map across the Company and to review the road map on a periodical basis.
- vii. To ensure that the recommendations from the IS Audit are carried out
- viii. To review the implementation of any new critical business applications across the Company.
- ix. To recommend to Board the IT Budget for the Company on a yearly basis
- x. To institute an effective governance mechanism and risk management process for all IT outsourced operations.
- xi. To review and amend the IT strategies in line with the corporate strategies, Board Policy reviews, cyber security arrangements and any other matter related to IT Governance.
- xii. To oversee implementation of processes and practices and ensuring that maximum value is delivered to business.
- xiii. To define and ensure effective implementation of standards of IT Governance, Business Continuity and Data Governance.
- xiv. To ensure that there is an appropriate framework of information security risk assessment within the Company;
- xv. To assess exposure to IT Risks and its controls and evaluating effectiveness of management's monitoring of IT risks.
- xvi. To provide direction to IT architecture design and ensure that the IT architecture reflects the need for legislative and regulatory compliance, the ethical use of information and business continuity.
- xvii. To approve capital and revenue expenditure in respect of IT Procurements

The role of the IT Strategy committee with respect to outsourced operations shall include

- i. Instituting an appropriate governance mechanism for outsourced processes, comprising of risk- based policies and procedures, to effectively identify, measure, monitor and control risks associated with outsourcing in an end to end manner;
- ii. Defining approval authorities for outsourcing depending on nature of risks and materiality of outsourcing;
- iii. Developing sound and responsive outsourcing risk management policies and procedures commensurate with the nature, scope, and complexity of outsourcing arrangements;
- iv. Undertaking a periodic review of outsourcing strategies and all existing material outsourcing arrangements;
- v. Evaluating the risks and materiality of all prospective outsourcing based on the framework developed by the Board;
- vi. Periodically reviewing the effectiveness of policies and procedures;
- vii. Communicating significant risks in outsourcing to the Board on a periodic basis;
- viii. Ensuring an independent review and audit in accordance with approved policies and procedures;
- ix. Ensuring that contingency plans have been developed and tested adequately;
- x. To ensure that the Company’s business continuity preparedness is not adversely compromised on account of outsourcing.

**Details of Meetings of the IT Strategy Committee and attendance**

Sr No.	Name of Director	Member of Committee since	Capacity	Number of Meetings of the IT Strategy Committee		No. of shares held in the Company
				Held	Attended	
1.	Mr. Krishnan K	20/12/2024	Chairman	1	1	Nil
2.	Mr. Anil Kumar S G	20/12/2024	Member	1	1	Nil
3.	Mr. Gurunath N	28/04/2025	Member	-	-	1^
4.	Mr. Rajasekhar Vallabhaneni *	20/12/2024	Member	1	1	Nil
5.	Mr. Suresh Rajagopalan	28/04/2025	Member	-	-	Nil
6.	Mr. Lakshmana Perumal	20/12/2024	Member	1	1	Nil

<sup>^</sup>Share held in beneficial interest of Samunnati Agri Value Chain Solutions Private Limited (Formerly known as Samunnati Financial Intermediation & Services Private Limited

\* ceased to be a member of the Committee with effect from April 28, 2025

IT STRATEGY COMMITTEE		
S. No.	Date of Meeting	No. of Members who attended the Meeting
1.	February 11, 2025	4/4

**Samunnati Finance Private Limited**

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info@samunnati.com  
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CIN - U65990TN2021PTC146392

## Corporate Social Responsibility Committee

### Composition

The composition of the CSR Committee as on the date of this report is as follows:

Sr. No.	Members of Corporate Social Responsibility Committee
1.	Mr. N Srinivasan (Chair)
2.	Mr. Anil Kumar S G
3.	Mr. Gurunath N

### Terms of Reference

The terms of reference of the CSR Committee are as given below:

- i. The Committee shall formulate and annually review the CSR Policy and associated frameworks, processes and practices of the Company and make appropriate recommendations to the Board.
- ii. The Committee shall ensure that the Company is taking the appropriate measures to undertake and implement CSR projects successfully, shall monitor the CSR Policy from time to time and shall institute a transparent monitoring mechanism for implementation of the CSR Projects or programs or activities undertaken by the Company.
- iii. The Committee shall identify the areas of CSR activities pursuant to the provisions of Section 135 and Schedule VII of the Act, and other applicable regulations (as may be modified from time to time) and recommend the amount of expenditure to be incurred on such activities.
- iv. The Committee shall coordinate with Foundation or such other agency for implementing programs and executing initiatives as per CSR policy and shall review the performance of the Projects/ Programmes undertaken by the Foundation or such other agency periodically.
- v. The Committee may form and delegate authority to management subcommittees as required and when appropriate.

### Details of Meetings of the CSR Committee and attendance

Sr No.	Name of Director	Member of Committee since	Capacity	Number of Meetings of the CSR Committee		No. of shares held in the Company
				Held	Attended	
1.	Mr. N Srinivasan	20/12/2024	Chairman	1	1	Nil
2.	Mr. Anil Kumar S G	20/12/2024	Member	1	1	Nil
3.	Mr. Gurunath N	20/12/2024	Member	1	1	1^

*^Share held in beneficial interest of Samunnati Agri Value Chain Solutions Private Limited (Formerly known as Samunnati Financial Intermediation & Services Private Limited)*

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE		
S. No.	Date of Meeting	No. of Members who attended the Meeting
1.	February 12, 2025	3/3

### Stakeholders Relationship Committee

#### Composition

The composition of the Stakeholders Relationship Committee as on the date of this report is as follows:

Sr. No.	Members of Stakeholders Relationship Committee
1.	Mr. N Srinivasan (Chair)
2.	Mr. Krishnan K
3.	Mr. Gurunath N

#### Terms of Reference

The terms of reference of the Stakeholders Relationship Committee are as given below:

- i. consider and review the mechanism of redressal of grievances of shareholders including complaints related to transfer of shares, non-receipt of annual report and non- receipt of declared dividends, debenture holders and other security holders of the company.
- ii. Any other responsibilities as may be assigned by the Board from time to time.

#### Details of Meetings of the Stakeholders Relationship Committee and attendance

Sr No.	Name of Director	Member of Committee since	Capacity	Number of Meetings of the Stakeholders Relationship Committee		No. of shares held in the Company
				Held	Attended	
1.	Mr. N Srinivasan	20/12/2024	Chairman	1	1	Nil
2.	Mr. Krishnan K	20/12/2024	Member	1	1	Nil
3.	Mr. Gurunath N	20/12/2024	Member	1	1	1 <sup>^</sup>

<sup>^</sup>Share held in beneficial interest of Samunnati Agri Value Chain Solutions Private Limited (Formerly known as Samunnati Financial Intermediation & Services Private Limited)

STAKEHOLDERS RELATIONSHIP COMMITTEE		
S. No.	Date of Meeting	No. of Members who attended the Meeting
1.	February 12, 2025	3/3

### Samunnati Finance Private Limited

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CIN - U65990TN2021PTC146392

## Finance Committee

### Composition

The composition of the Finance Committee as on the date of this report is as follows:

Sr. No.	Members of Finance Committee
1.	Mr. Anil Kumar S G
2.	Mr. Gurunath N

### Terms of Reference

The terms of reference of the Finance Committee are as given below:

- i. To approve borrowings from banks and other financial institutions, to give guarantee, to provide/create security in the form of hypothecation of assets/mortgage/such other forms and register the security interest (under applicable laws) as may be required by the banks/ financial institutions from time to time in respect of the loans availed by the Company and / or by other Company's in the Samunnati Group, upto a maximum total limit as may be approved by the Board of Directors periodically;
- ii. To approve opening and closing of bank accounts with reference to current, Escrow or deposit accounts and accounts for investment in mutual funds or any type of accounts at various locations;
- iii. To approve addition or deletion of Authorised Signatories for the bank accounts (including but not restricted to current, Escrow, deposit accounts and accounts for investment in mutual funds) maintained by the Company and for mortgage/other transactions;
- iv. To approve raising of funds through securitization of the loan receivables or other receivables standing in the books of the Company, with or without security interest, by way of an outright portfolio sale by assignment to a special purpose vehicle, trust or any other mode or instruments;
- v. To approve borrowing and raising long term resources through issuance of Non-Convertible Debentures (NCDs) and to approve issue, make offer(s) or invitation to subscribe to un-subordinated or subordinated, listed or unlisted, secured or unsecured redeemable Non-Convertible Debentures; in one or more tranches on a Private Placement basis or any other mode upto a total limit or sub limits as may be approved by the Board of Directors periodically;
- vi. To extend corporate and finance guarantees to the Company's co-lending and other partners within the overall limits approved by the Board from time to time.

## **Samunnati Finance Private Limited**

**Details of Meetings of the Finance Committee and attendance**

Sr No.	Name of Director	Member of Committee since	Capacity	Number of Meetings of the Finance Committee		No. of shares held in the Company
				Held	Attended	
1.	Mr. Anil Kumar S G	20/12/2024	Member	16	16	Nil
2.	Mr. Gurunath N	20/12/2024	Member	16	16	1^

^Share held in beneficial interest of Samunnati Agri Value Chain Solutions Private Limited (Formerly known as Samunnati Financial Intermediation & Services Private Limited)

FINANCE COMMITTEE		
S. No.	Date of Meeting	No. of Members who attended the Meeting
1.	December 27, 2024	2/2
2.	December 30, 2024	2/2
3.	January 10, 2025	2/2
4.	January 24, 2025	2/2
5.	January 28, 2025	2/2
6.	January 30, 2025	2/2
7.	February 04, 2025	2/2
8.	February 12, 2025	2/2
9.	February 17, 2025	2/2
10.	February 24, 2025	2/2
11.	February 28, 2025	2/2
12.	March 04, 2025	2/2
13.	March 13, 2025	2/2
14.	March 18, 2025	2/2
15.	March 24, 2025	2/2
16.	March 31, 2025	2/2

**Investment Committee**

**Composition**

The composition of the Investment Committee as on the date of this report is as follows:

Sr. No.	Members of Investment Committee
1.	Mr. Anil Kumar S G
2.	Mr. Gurunath N

**Samunnati Finance Private Limited**

### Terms of Reference

The terms of reference of the Investment Committee are as given below:

- a) Oversee the Company's activities in the investment portfolio and its management.
- b) Establish limitations on the minimum and maximum amounts that can be invested, subject to the overall limits as mentioned in the Investment Policy of the Company, in securities in relation to total assets or capital funds, as applicable, considering the following factors:
  - Quality of the investment securities
  - Liquidity management needs
  - Collateral requirements
  - Capital charge position
  - Income potential
  - Regulatory guidelines
  - Holding period strategy
  - Company's strategic outlook
- c) Monitor the performance of the Company's investment portfolio and plan the future investment strategy
- d) Ensure that the Investment Policy and guidelines laid down in this document along with the guidelines of various regulatory authorities are adhered to
- e) Approve panel of brokers suitable for conduct of treasury business.
- f) Ensure compliance with the relevant Board approved policies of the Company
- g) To perform such other responsibilities as may be required from time to time, depending upon the Company's requirements and as may be necessitated by the Regulatory authorities and the Board of Directors of the Company.

The Investment Committee shall also:

- Review the performance of the investment portfolio and investment procedures.
- Ensure that adequate records and accounts are maintained which reflect the investment positions and outcomes.
- Ensure that a system of good internal controls are maintained.
- Formulate strategy to manage accounting and economic risk in the investment portfolio.

### Details of Meetings of the Investment Committee and attendance

Sr No.	Name of Director	Member of Committee since	Capacity	Number of Meetings of the Investment Committee		No. of shares held in the Company
				Held	Attended	
1.	Mr. Anil Kumar S G	20/12/2024	Member	4	4	Nil
2.	Mr. Gurunath N	20/12/2024	Member	4	4	1 <sup>^</sup>

<sup>^</sup>Share held in beneficial interest of Samunnati Agri Value Chain Solutions Private Limited (Formerly known as Samunnati Financial Intermediation & Services Private Limited)

INVESTMENT COMMITTEE		
S. No.	Date of Meeting	No. of Members who attended the Meeting
1.	December 27, 2024	2/2
2.	January 10, 2025	2/2
3.	February 11, 2025	2/2
4.	March 10, 2025	2/2

v. **Meeting of Independent Directors**

Pursuant to Schedule IV of the Companies Act, 2013, the Independent Directors of the Company met on February 12, 2025 without the presence of the Non-Independent Directors and Members of the Management. The details of attendance at the said meeting of Independent Directors is given below:

INDEPENDENT DIRECTORS MEETING		
S. No.	Date of Meeting	No. of Independent Directors who attended the Meeting
1.	February 12, 2025	2/2

The Independent Directors reviewed the performance of the Non-Independent Directors and the Board of Directors as a whole for FY 2025 and assessed the quality, quantity and timeliness of flow of information between the Company management and the Board of Directors that is necessary for the Board to perform their duties effectively and reasonably for FY 2025.

I. **FIT AND PROPER CRITERIA OF DIRECTORS**

The Company has put in place a Board approved policy for ascertaining the fit and proper criteria of the Directors at the time of appointment, and on a continuing basis. The fit and proper disclosure and undertaking from the Directors in accordance with the RBI master directions is obtained at the time of appointment / re-appointment and also on an annual basis and the same is reviewed by the Nomination & Remuneration Committee and the Board. The Company also obtains deed of covenant signed by the Directors at the time of their appointment as Directors of the Company.

J. **DETAILS OF GENERAL BODY MEETINGS**

The details of General Meetings of the Company held during the year and the special resolutions passed at the said meetings, are as given below:

Sr No.	Type of Meeting (Annual/ Extra-Ordinary)	Date and Place	Special resolutions passed
1.	Annual Meeting General	September 30, 2024 Chennai - Video Conferencing -	Nil
2.	Extra Ordinary General Meeting	December 20, 2024, Chennai	<ul style="list-style-type: none"> <li>i. To approve issuance of Non-Convertible Debentures on Private Placement basis for FY 2024-25</li> <li>ii. To approve granting of loans, give guarantee or provide security to companies in which directors are interested under Section 185 of the Companies Act, 2013</li> <li>iii. Approval of the limits for securitisation of receivables and portfolio sale of the Company for FY 2024-25</li> </ul>
3.	Extra Ordinary General Meeting	February 14, 2025 Chennai	<ul style="list-style-type: none"> <li>i. Approval for issuance of Non-Convertible Debentures on Private Placement basis for FY 2025-26</li> <li>ii. Approval of the limits for Securitisation of Loan receivables and Sale of loan portfolio of the Company for FY 2025-26</li> <li>iii. Approval for reduction of tenure of M/s. V. Narayanan &amp; Co, Chartered Accountants, as the Statutory Auditors of the Company</li> <li>iv. Approval for the Alteration of the Articles of Association of the Company</li> </ul>

#### **K. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

The particulars of loans, investments and guarantees for FY 2024-25 have been provided in the notes to the Financial Statements of the Company.

#### **L. REGULATORY COMPLIANCE**

The Company has complied with all the mandatory regulatory requirements of the Reserve Bank of India guidelines, the Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other applicable statutes and regulations.

#### **M. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES**

Your Company had no subsidiary/Joint Venture/Associate Company as of March 31, 2025.

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**N. RELATED PARTY TRANSACTIONS**

During the year under review, your Company had undertaken transactions with the holding company, Samunnati Agri Value Chain Solutions Private Limited and Samunnati Agri Innovations Lab Private Limited, which is a subsidiary of the holding company.

Pursuant to notification G.S.R. 464(E) issued by the Ministry of Corporate Affairs dated June 5, 2015, a holding company, subsidiary company and subsidiary of a holding company which are private limited companies under the Companies Act, 2013, are not considered as “Related Parties”.

As Samunnati Agri Value Chain Solutions Private Limited, Samunnati Agri Innovations Lab Private Limited and the Company are all private limited companies, the transactions entered into are not considered as related party transaction for the purpose of Section 188 of the Companies Act, 2013.

However, as a matter of transparent disclosure, the extract of e-Form AOC-2, under Section 134(3)(h) of the Act, read with Rule 8(2) of the Companies (Accounts) Rules 2014, is provided in **Annexure - 1**. The e-Form AOC-2 would be attached as part of e-Form AOC-4.

Your Company has put in place a board approved Related Party Transaction policy. The policy is reviewed by the Audit Committee and Board on an annual basis. The Policy ensures that related party transactions of the Company are carried out in a transparent manner at arm’s length basis as per the legal provisions and are in ordinary course of business. The policy also aims at providing guidance in situations of potential conflict of interest and compliance matters relating to related party transactions. The related party transaction policy can be accessed at the following link: <https://www.samunnatifinance.com/policies/>

**O. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS**

Your Company along with Samunnati Agri Value Chain Solutions Private Limited had made an application to the Hon’ble National Company Law Tribunal, Chennai bench (“NCLT”) seeking condonation of the delay in filing certified copy of the order of NCLT in e-Form INC 28 with the Registrar of the Companies, Chennai. The NCLT has condoned the delay vide order dated March 4, 2025 and a copy of the said order has been filed with the Registrar of Companies, Chennai, in e-Form INC 28. The NCLT had inadvertently mentioned in the order condoning the delay that the Effective Date of the Scheme was March 4, 2025 although the Effective Date as per the Scheme was the date of filing of e-Form INC 28 with the Registrar of Companies, Chennai which was December 20, 2024. In this regard, an application was filed with NCLT pleading to rectify the said sentence in the order. The NCLT had vide order pronounced on July 10, 2025, rectified the Effective Date to be December 20, 2024 and a copy of the said NCLT order dated July 10, 2025 has been filed with the Registrar of Companies, Chennai, in e-Form INC 28.

During the year under review, no other significant and material orders have been passed by the regulators, Courts or tribunals impacting the going concern status and future operations of the Company.

**Samunnati Finance Private Limited**

**P. DETAILS OF CREDIT RATINGS OF THE COMPANY DURING FY 2024-25**

During the year under review, the rating given by the Rating Agencies are as given below:

Rating agency	Nature of Facilities	Ratings as on April 01, 2024	Changes/revisions of rating during the year, if any	Ratings as on March 31, 2025
CRISIL	Long-term Facility	BBB Stable	-	BBB Stable
CRISIL	Short-term Facility	A2	-	A2
India Ratings	Long-term Facility	BBB Stable	-	BBB Stable
India Ratings	Short-term Facility	A2	-	A2

**Q. DETAILS OF DEBENTURE TRUSTEE OF LISTED DEBENTURES**

The Non-Convertible Debentures of the Company are listed on the Bombay Stock Exchange.

The details of Debenture Trustees of the listed NCDs are given below:

Name of the Debenture Trustee	Complete Postal Address	Email ID and Contact Number
Catalyst Trusteeship Limited	Unit no. 901, 9 <sup>th</sup> Floor, Tower B, Peninsula Business Park, Senapati Bapat Marg, Lower Parel (W), Mumbai - 400013	Email ID: dt@ctltrustee.com Contact No: 022-4922 0555
Orbis Trusteeship Services Private Limited	4A, Ocus Technopolis, Sector 54, Golf Club Road, Gurgaon, Haryana - 122002	Email ID: trusteeship@orbisfinancial.in Contact No: 0124 454 6527 / 565
Vardhaman Trusteeship Private Limited	Turner Morrison Building, Unit No. 15, 6 Lyons Range, Kolkata, 700001	Email id: Corporate@vardhmantrustee.com Contact No: 022 4264 8335

**R. DECLARATION FROM INDEPENDENT DIRECTORS**

The Independent Directors of the Company have submitted declarations as required under Section 149(7) of the Companies Act, 2013 (“the Act”) stating that they meet the criteria of independence as provided in Section 149(6) of the Act. In the opinion of the Board, the Independent Directors fulfil the conditions specified in the Act and the rules made thereunder for appointment as Independent Directors including their integrity, expertise and experience, and confirm that they are independent of the Management.

**S. RECEIPT OF ANY COMMISSION BY MD/WTD FROM A COMPANY OR RECEIPT OF COMMISSION/REMUNERATION FROM ITS HOLDING OR SUBSIDIARY**

Mr. Anil Kumar S G is employed as Executive Chairman of Samunnati Agri Value Chain Solutions Private Limited, Holding Company and is receiving remuneration in his capacity as the Executive Chairman of the Holding Company.

Mr. Gurunath N is employed as Whole-time Director of Samunnati Agri Value Chain Solutions Private Limited, Holding Company and is receiving remuneration in his capacity as the Whole-time Director of the Holding Company.

None of the other Directors of the Company are receiving any commission or remuneration from the Holding Company or any of the fellow subsidiaries, except sitting fee for attending Board and Committee Meetings where they are directors of the said company(ies).

**T. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013**

The Company has complied with the provisions relating to the constitution of Internal Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Your Company believes in providing a safe and harassment free workplace for every individual and endeavours to create and provide an environment that is free from discrimination and harassment including sexual harassment. The policy on Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, can be accessed at the following link: <https://www.samunnatifinance.com/policies/>

During the financial year 2024-25, your Company has not received any complaints pertaining to sexual harassment as given below:

S. No.	Particulars	No. of Complaints
1.	Number of complaints of sexual harassment received in the year	Nil
2.	Number of complaints disposed off during the year	Nil
3.	Number of cases pending for more than ninety days	Nil

**U. STATUTORY AUDITORS, THEIR REPORT AND FINANCIAL STATEMENTS**

The report of the Statutory Auditors along with the Financial Statements together with the Notes to the Financial Statements are enclosed to this report. The observations made in the Auditors' Report are self-explanatory, contain no qualification, reservations, adverse remarks and disclaimers and therefore do not call for any further comments. The Statutory Auditors have issued an unmodified opinion on the audited financial statements of the Company for FY 2025.

The Board of Directors at its Meeting held on September 06, 2024, recommended to the Members the appointment of M/s V. Narayanan & Co, Chartered Accountants (Firm Registration Number 0023985) as Statutory Auditors of the Company for a period of 5 (Five) consecutive years. Subsequently, the Members, at the 3<sup>rd</sup> Annual General Meeting held on September 30, 2024, had approved the appointment of M/s V. Narayanan & Co, Chartered Accountants, as the Statutory

Auditors from the conclusion of the 3<sup>rd</sup> Annual General Meeting till the conclusion of 8<sup>th</sup> Annual General Meeting (i.e. for FY 2024-25 to FY 2028-29).

Your Company has received the Certificate of Registration No. N-07-00908 dated December 19, 2024 for undertaking the business of a non-deposit accepting Non-Banking Financial Company (NBFC-ND) under Section 45-IA of the Reserve Bank of India Act, 1934, on December 20, 2024. Further to this, your Company has commenced NBFC business w.e.f. December 21, 2024.

In accordance with the Guidelines for Appointment of Statutory Auditors of NBFCs issued by the Reserve Bank of India (RBI) vide ref. no. RBI/2021-22/25 - DoS. CO. ARG/SEC. 01/08.91.001/2021-22 dated April 27, 2021, the Members, at the Extraordinary General Meeting (02/2024-25) held on February 14, 2025, had approved the reduction of tenure of appointment of M/s V. Narayanan & Co, Chartered Accountants (Registration No. 002398S), as the Statutory Auditors of the Company for a period of 3 (Three) consecutive years till the conclusion of 6<sup>th</sup> Annual General Meeting (i.e. for FY 2024-25 to FY 2026-27).

**V. DETAILS OF FRAUDS REPORTED BY THE STATUTORY AUDITORS**

During the year under review, the Statutory Auditors of the Company have examined the books as required under Section 143(12) of the Companies Act, 2013 and have not identified any frauds by or against the Company.

**W. DETAILS OF PENALTIES AND FINES PAID BY THE COMPANY**

During the year under review, the Company has not paid any penalty or fines which are material in nature.

**X. COST AUDITOR AND COST AUDIT REPORT**

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 are not applicable for the business activities carried out by the Company.

**Y. SECRETARIAL AUDIT AND SECRETARIAL AUDIT REPORT**

Pursuant to Section 204 of the Companies Act, 2013 and the rules made thereunder, the Board of Directors had appointed Ms. Jayashree S Iyer, Practicing Company Secretary (Membership No. F10394/Certificate of Practice No. 21403), to undertake the Secretarial Audit of the Company for the Financial Year 2024-25. The Secretarial Audit Report in the prescribed Form MR-3 is annexed as Annexure 2.

There are no qualifications, reservations or adverse remarks or adverse disclaimers made by the Secretarial Auditor in her Report dated June 04, 2025.

**Z. COMPLIANCE WITH THE SECRETARIAL STANDARDS**

The Company has complied with all the applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).

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**AA. INTERNAL AUDITOR**

The Company has an Internal Audit department and the Head of the department has a dotted line reporting to the Audit Committee of the Company.

In line with the requirements of Section 138 of the Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rules 2014, the Board of Directors, based on the recommendation of the Audit Committee, had appointed M/s. RGN Price & Co LLP (Firm Registration Number - 002785S) as the Internal Auditors of the Company for Q4 FY 2024-25 (i.e. for the period from December 20, 2024 to March 31, 2025).

The Internal Auditors (both external and in-house) of the Company carried out the Internal Audit and have confirmed that the checks and control systems prevalent are commensurate with the size and turnover of the Company. The significant observations from the Internal Audit were tabled to the Audit Committee on a quarterly basis.

**BB. DISCLOSURE ON ESTABLISHMENT OF VIGIL MECHANISM / WHISTLE BLOWER POLICY**

The Company believes in the conduct of the affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. The Company has implemented a vigil mechanism to provide a framework for the Company's employees and Directors to promote responsible and secure whistle blowing.

The Company has established a Board approved policy on whistle blowing and separate email addresses are designated wherein the employees or the stakeholders can report the matters falling under the purview of Vigil Mechanism. There was no complaint received under this category during the Financial Year ended March 31, 2025.

**CC. CORPORATE SOCIAL RESPONSIBILITY**

In compliance with the requirements of Section 135 and Schedule VII of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended, the Board of Directors has adopted a policy on CSR as recommended by the CSR Committee and the said policy is available on the Company's website, at <https://www.samunnatifinance.com/policies/>

During the year under review, the Company was not under an obligation under Section 135 of the Companies Act, 2013 to spend for CSR activities as the Net Worth, Turnover or Net Profits of the Company during the preceding financial year has not exceeded the thresholds provided in Section 135 of the Companies Act, 2013. The annual report on CSR activities is provided in **Annexure 3** to this report.

**DD. SAMUNNATI'S ENVIRONMENTAL AND SOCIAL POLICY**

Your Company maintains a systematic and comprehensive Enterprise Risk Management (ERM) approach to proactively identify and address potential risks, leading to enhanced decision making and improving the overall resilience across businesses. The Company has risk management and

**Samunnati Finance Private Limited**



# Samunnati

internal controls to monitor and manage the various risks associated with the business. The key objectives of the ERM of Samunnati are:

- to establish methodologies and lay down a multi-tier governance structure;
- to build a profitable and sustainable business with conservative risk management approach;
- to have risk management as an integral part of the organization's business strategy; and
- to undertake business activities that are well understood and within acceptable risk appetite.

The ERM embeds an Environmental and Social Management System (ESMS) with an aim to ensure that Samunnati's business activities consider and address environmental and social risks and also impacts associated with the projects or businesses that Samunnati finances.

To achieve long-term value through sustainability, Samunnati has rolled out its Environmental and Social Management System (ESMS) to implement the E&S Policy and Operational Principles. Accordingly, the Company shall:

- not extend loans to any activity that features in Samunnati's 'Exclusion List' or is prohibited by local, national or international laws, as applicable;
- assess and identify potential environmental and social risk and impacts associated with borrower's activities;
- influence borrowers to comply with national, environmental and social legal requirements;
- encourage borrowers to adopt international good practices and safeguards, as relevant;
- promote prevention and control of pollution to protect the environment;
- promote resource use efficiency and sustainable production of living and natural resources;
- promote safe and healthy work environment and treating all workers fairly;
- proactively engage with the stakeholders towards timely redressal of grievances; and
- protect its borrower through robust processes and effective communication.

During the year under review, Samunnati marked a significant milestone with the issuance of the first-ever Green Bond for INR 500 MN. Subscribed by Northern Arc Capital, the bond advances climate-aligned agri-finance and demonstrates growing market appetite for green assets in agriculture.

## EE. HUMAN RESOURCES

The Company had 317 employees on payroll as on March 31, 2025. The management team of the Company comprises of passionate professionals committed to achieve organizational goals.

Samunnati has built the rigour around employee engagement conducting several programs on mental and social well-being apart from the employee connect program. Samunnati has put in place a Learning Management System (Skillsedge) to administer training programs online for its employees. Skillsedge was accessible on the go through mobile applications and apart from the in-house training content, also provided access to an external library of valuable materials. Samunnati has also undertaken employee wellness initiatives through wellness partner ANYO offering employees, free access to expert services through ANYO app, weekly 15-minutes virtual reboot sessions on various health and wellness topics facilitated by experts and in-person sessions.

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## FF. TECHNOLOGY RELATED UPDATES

### 1. Technology initiatives

Samunnati's Tech initiatives for FY 2025 were focused on continuing the digitization of your Company's processes and integrations that ensures seamless data flow across applications, aligned to the Technology roadmap. All the new, upgraded features and integrations were aimed at reducing the Turn Around Time and improving the end user efficiency and also ensuring the systems are ready for the growth target of your Company for next 5 years.

### 2. Core systems updates

#### **Loan Origination System:**

Existing Loan Origination System had limitations in terms of scalability and integrating with other systems and partner ecosystem. With your Company's focus on enhancement of partner-based lending and also to strongly focus on co-lending as a route to scale the operations the Company needed a robust system that is highly scalable and can readily integrate with partners. With this focus, the Company has been on the look out for a new platform that provides the said capability and also a Low Code / No Code alternative for Current LOS Application.

The Company has completed the vendor selection and proof of concept and based on the proof of concept approved the migration to the new platform which is expected to be completed by Q2 FY 2026.

One.Samunnati houses modules like generic ticketing system, internal audit, Samunnati Associate onboarding, Tele Calling, Lead Management, etc. This portal also hosts the Insights Dashboard.

#### **Loan Management System:**

Encore, the LMS system which is offered in a SaaS model to Samunnati has been upgraded to their latest version 6.8 and new features are enabled. LOS and LMS are fully integrated ensuring seamless data flow.

#### **Analytics and insights**

All data sources were converted to data pipelines to hydrate data into the Azure data lake and based on the data, an integrated reporting across the processes and systems are enabled for the business users. The platform continues to integrate, process and transforms both near-real time and batch data, serving as a single source of truth for business and customer metrics.

With this data, use cases like early warning system and portfolio quality analysis and default loan prediction has progressed to a usable insight under the data intelligence category.

The insights dashboard portal continues to house customized dashboards for the Farmer Collective and Agri Enterprises verticals serving the needs of business leaders, support teams and field force.

### **Unnati**

Unnati was implemented to cater to the B2B2C segment for one loan product. In this, the credit line is sanctioned to farmers/members of FPOs or partners. The mobile first platform is a configurable and agile platform for onboarding partners, products and business rules. The platform is made compliant to digital lending guidelines and fair practice code.

### **Credit Marketplace:**

Seamless access to loan solutions provided by Samunnati, equipped with user-friendly features for tracking existing loans and initiating new requests. The platform furnishes comprehensive details about loan products and facilitates inquiries, enables document submission through a simple chat feature. Continuous backend support is available to assist with proposals. Also integrated flow into Loan origination was completed.

## **3. Information Security**

The Company continues to strengthen the information and cyber security infrastructure through the following activities:

- a. Comprehensive Endpoint Security
  - Device Management and Protection
  - Anti-Virus/Spyware/Malware/Ransomware Protection
  - File/Web/Network Threat Protection
  - Programme/Windows Application Control
  - Web Access Control and Content Filtering
- b. Data Loss Prevention for company owned devices
  - Device Protection
  - Drive Encryption
- c. Additional Security Measures
  - Cloud Apps Protection
  - Added Azure Cloud Servers to Security Operation Centre (WatchGuard SOC) Dashboard for real-time monitoring
  - Location-based access restrictions. Work emails/applications are accessible only from Indian locations and exceptions are provided on need basis for short-term
  - Work Profile Creation in Personal Mobile Devices
  - Work Email/Applications are accessible only from company owned devices or work profile in personal mobile devices

### **Samunnati Finance Private Limited**

- d. e-Waste processing through empaneled vendor for secure disposal.
- e. Annual Vulnerability and Penetration Test (VAPT) for Infra/Network at Chennai Corporate Office.
- f. All IT and IS policies and procedures are reviewed and updated periodically and based on RBI's master directions.

## **GG. RISK MANAGEMENT**

Samunnati has implemented comprehensive risk management practices to effectively identify, assess and mitigate risks in order to safeguard financial stability, ensuring prudent lending practices and protecting interest of all stakeholders.

The risk management approaches followed are:

- a) **Account Acquisition** - This involves careful selection of customers based on the defined credit policy of the Company. Clear definition of prudential norms in terms of client wise exposures, sector wise exposures are defined and monitored through a strong governance mechanism.
- b) **Account Management** - Considering the nature of customers who are repeat borrowers under revolving credit facility, the account management is done through periodic visits to ensure completion of post sanction covenants, ascertaining end use of funds and assessing early warning signals.
- c) **Portfolio Management** - A strong follow-up and collections team and Risk Monitoring department, supported by daily MIS on portfolio performance aid the Company's efforts to have a satisfactory loan book, in tune with the risk appetite.
- d) **Risk Framework** - Samunnati follows a structured approach to identify, assess and manage risk. The key components of the framework are as under:
  - a. **Risk Governance:** A clear governance structure that defines roles, responsibilities for risk management.
  - b. **Risk Identification:** Identifying and categorizing various types of risk that Samunnati faces including credit risk, market risk, liquidity risk, operational risk, legal and regulatory risk and strategic risk.
  - c. **Risk Assessment:** Assess the magnitude and likelihood of identified risks using various risk metrics using both quantitative and qualitative methods.
  - d. **Risk appetite and Tolerance:** Samunnati has defined risk appetite, which represents the level of risk that Samunnati is willing to take to achieve its objectives. Risk tolerance limits to determine the acceptable level of risk exposure under each risk category, which effectively guides risk management decisions and action.
  - e. **Risk Mitigation strategies:** Samunnati has developed various risk mitigation strategies and controls to manage identified risks viz, by devising robust credit policies, underwriting standards and risk acceptance criteria.

### **Samunnati Finance Private Limited**

- f. **Information, Communication and Reporting:** Enterprise risk management requires a continual process of obtaining and sharing necessary information, from both internal and external sources, which flows up, down and across the organisation.

#### **HH. DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 134(3)(c) of the Companies Act, 2013, the Directors, based on the representations received from the operating management after due enquiry, confirm that:

- a) In the preparation of the annual accounts for the financial year ended March 31, 2025, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) They have, in the selection of the accounting policies, consulted the Statutory Auditors and have applied them consistently and made judgments and estimates that are reasonable and prudent to give a true and fair view of the Company as at March 31, 2025 and of the profit and loss of the Company for that period;
- c) The Directors had taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the 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 Board of 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.

#### **II. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The disclosure of particulars regarding conservation of Energy, Technology Absorption & Foreign Exchange Earnings and Outgo in terms of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules 2014, are given below:

##### **Conservation of Energy**

Sr. No	Particulars	
1.	The steps taken or impact on conservation of energy	The Company is taking adequate steps to conserve the energy at all the levels and has also implemented various measures for reduction in consumption of energy like:

		<ul style="list-style-type: none"> <li>a. Recycling and reduced usage of paper</li> <li>b. Energy efficient lighting in its offices</li> <li>c. Introduction of mobile based training application for employees</li> <li>d. Virtual meetings, reviews, planning and mobile based learning sessions</li> </ul>
2.	The steps taken by the company for utilising alternate sources of energy	Not Applicable
3.	The capital investment on energy conservation equipment	During the year under review, there is no capital investment made on energy consumption equipment

### **Technology Absorption**

The Company has no Technology Absorption during the period under review as given below:

i. the efforts made towards technology absorption;	NA
ii. the benefits derived like product improvement, cost reduction, product development or import substitution;	NA
iii. in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)	NA
a) the details of technology imported;	NA
b) the year of import;	NA
c) whether the technology been fully absorbed;	NA
d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	NA
iv. the expenditure incurred on Research and Development	NA

### **Foreign exchange earnings and outgo:**

Particulars	Inflow	Outflow
Current Year (FY 2024-25)	NIL	INR 825.27 MN
Previous Year (FY 2023-24)	INR 2.94 MN	INR 192.05 MN

### **JJ. OTHER DISCLOSURES AND AFFIRMATIONS**

Pursuant to the provisions of the Companies (Accounts) Rules, 2014, the Company affirms that for the year ended on March 31, 2025:

- a. There were no proceedings on the Company pending under the Insolvency and Bankruptcy Code, 2016, before the National Company Law Tribunal or any other court/tribunal.
- b. There was no instance of one-time settlement with any bank or financial institution.

### **Samunnati Finance Private Limited**

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CIN - U65990TN2021PTC146392

c. The Company has complied with the provisions of the Maternity Benefit Act, 1961.

**KK. ACKNOWLEDGEMENT**

Your Directors place on record their appreciation for employees who have contributed to the growth and performance of your Company. Your Directors thank the clients, vendors, bankers, Members, auditors and business partners of the Company for their continued support. Your Directors also thank the Central and State Governments and other statutory authorities for their continued support.

For **Samunnati Finance Private Limited**

S/d-

**Gurunath N**  
**Director**  
**DIN: 02799586**

**Place: Chennai**  
**Date: August 13, 2025**

S/d-

**Anil Kumar S G**  
**Director**  
**DIN: 01189011**

**Form No. AOC-2**

*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 transactions under fourth proviso thereto*

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

1.	Name of the Company	Samunnati Finance Private Limited
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**1. Details of contracts or arrangements or transactions not at arm's length basis**

Number of contracts or arrangements or transactions not at arm's length basis	NIL
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Block-1	
Corporate identity number (CIN) or foreign company registration number (FCRN) or Limited Liability Partnership number (LLPIN) or Foreign Limited Liability Partnership number (FLLPIN) or Permanent Account Number (PAN)/Passport for individuals or any other registration number	N.A.
Name(s) of the related party	N.A.
Nature of relationship	N.A.
Nature of contracts/ arrangements/ transactions	N.A.
Duration of the contracts / arrangements/ transactions	N.A.
Salient terms of the contracts or arrangements or transactions including actual / expected contractual amount	N.A.
Justification for entering into such contracts or arrangements or transactions	N.A.
Date of approval by the Board (DD/MM/YYYY)	N.A.
Amount paid as advances, if any	N.A.
Date on which the resolution was passed in general meeting as required under first proviso to section 188 (DD/MM/YYYY)	N.A.
SRN of MGT-14	N.A.

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

Number of material contracts or arrangements or transactions at arm's length basis	4
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Block-1	
Corporate identity number (CIN) or foreign company registration number (FCRN) or Limited Liability Partnership number (LLPIN) or Foreign Limited Liability Partnership number (FLLPIN)	U46539TN2014PTC096252

**Samunnati Finance Private Limited**

or Permanent Account Number (PAN)/Passport for individuals or any other registration number	
Name(s) of the related party	Samunnati Agri Value Chain Solutions Private Limited ( <i>formerly known as Samunnati Financial Intermediation &amp; Services Private Limited</i> )
Nature of relationship	Holding Company  Mr. Krishnan K, Mr. Anil Kumar S G and Mr. Gurunath N are common directors.  Mr. N Srinivasan was also a common director until he was an Independent Director of the Holding Company (i.e. between December 20, 2024 to February 26, 2025)
Nature of contracts/ arrangements/ transactions	Loan given to the Holding Company
Duration of the contracts / arrangements/ transactions	12 months
Salient terms of the contracts or arrangements or transactions including actual / expected contractual amount	Interest Income on loan for FY 2025 - INR 13 MN  Loan outstanding at the end of the year - Nil
Date of approval by the Board (DD/MM/YYYY)	December 20, 2024
Amount paid as advances, if any	Not Applicable

<b>Block-2</b>	
Corporate identity number (CIN) or foreign company registration number (FCRN) or Limited Liability Partnership number (LLPIN) or Foreign Limited Liability Partnership number (FLLPIN) or Permanent Account Number (PAN)/Passport for individuals or any other registration number	U46539TN2014PTC096252
Name(s) of the related party	Samunnati Agri Value Chain Solutions Private Limited ( <i>formerly known as Samunnati Financial Intermediation &amp; Services Private Limited</i> )
Nature of relationship	Holding Company  Mr. Krishnan K, Mr. Anil Kumar S G and Mr. Gurunath N are common directors.  Mr. N Srinivasan was also a common director until he was an Independent Director of the Holding Company (i.e. between December 20, 2024 to February 26, 2025)
Nature of contracts/ arrangements/ transactions	Corporate Guarantee taken from the Holding Company in respect of loan borrowed
Duration of the contracts / arrangements/ transactions	Co-terminus with the tenure of the respective loan

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CIN - U65990TN2021PTC146392

Salient terms of the contracts or arrangements or transactions including actual / expected contractual amount	Corporate Guarantee taken from Holding Company during FY 2025 - INR 1,100 MN  Corporate Guarantee Fee Expense for FY 2025 - INR 2 MN
Date of approval by the Board (DD/MM/YYYY)	Approved by the Finance Committee at the time of availing the respective loans by the Company
Amount paid as advances, if any	Not Applicable
<b>Block - 3</b>	
Corporate identity number (CIN) or foreign company registration number (FCRN) or Limited Liability Partnership number (LLPIN) or Foreign Limited Liability Partnership number (FLLPIN) or Permanent Account Number (PAN)/Passport for individuals or any other registration number	U74999TN2017PTC149059
Name(s) of the related party	Samunnati Agri Innovations Lab Private Limited (formerly known as Kamatan Farm Tech Private Limited)
Nature of relationship	Fellow Subsidiary
Nature of contracts/ arrangements/ transactions	Corporate Guarantee given in respect of loan borrowed by the Fellow Subsidiary
Duration of the contracts / arrangements/ transactions	Co-terminus with the tenure of the respective loan
Salient terms of the contracts or arrangements or transactions including actual / expected contractual amount	Corporate Guarantee given during FY 2025 - INR 26 MN
Date of approval by the Board (DD/MM/YYYY)	December 20, 2024
Amount paid as advances, if any	Not Applicable

<b>Block - 4</b>	
Corporate identity number (CIN) or foreign company registration number (FCRN) or Limited Liability Partnership number (LLPIN) or Foreign Limited Liability Partnership number (FLLPIN) or Permanent Account Number (PAN)/Passport for individuals or any other registration number	U46539TN2014PTC096252
Name(s) of the related party	Samunnati Agri Value Chain Solutions Private Limited (formerly known as Samunnati Financial Intermediation & Services Private Limited)
Nature of relationship	Holding Company  Mr. Krishnan K, Mr. Anil Kumar S G and Mr. Gurunath N are common directors.  Mr. N Srinivasan was also a common director until he was an Independent Director of the Holding

**Samunnati Finance Private Limited**

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	Company (i.e. between December 20, 2024 to February 26, 2025)
<b>Nature of contracts/ arrangements/ transactions</b>	Corporate Guarantee given to the Holding Company in respect of loan borrowed by the Holding Company
<b>Duration of the contracts / arrangements/ transactions</b>	Co-terminus with the tenure of the respective loan
<b>Salient terms of the contracts or arrangements or transactions including actual / expected contractual amount</b>	Corporate Guarantee given to Holding Company during FY 2025 - INR 800 MN
<b>Date of approval by the Board (DD/MM/YYYY)</b>	December 20, 2024
<b>Amount paid as advances, if any</b>	Not Applicable

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**JAYASHREE S IYER**  
**COMPANY SECRETARY & INSOLVENCY PROFESSIONAL**  
**C.P.No.21403/IBBI/IPA-002/IP-N00741/2018-19/12211**

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**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH 2025

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

The Board of Directors

**M/s. Samunnati Finance Private Limited**

CIN No.: U65990TN2021PTC146392

Baid Hi Tech Park, 7th Floor,

No 129 B, East Coast Road,

Thiruvanmiyur,

Chennai, 600041

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Samunnati Finance Private 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 our opinion thereon.

Based on my verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2025 generally complied with the statutory provisions listed hereunder:

- (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 to the extent applicable to the Company;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent applicable to the Company;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations to the extent applicable to the Company;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’) (from the date the Company received the Certificate of Registration from the Reserve Bank of India i.e. 20<sup>th</sup> December, 2024):
  - (a) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (b) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
  - (c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the extent applicable to the Company;

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- (d) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (vi) Other laws, as amended from time to time, specifically applicable to the Company (from the date the Company received the Certificate of Registration from the Reserve Bank of India i.e. 20<sup>th</sup> December, 2024) viz.,
  - (a) Reserve Bank of India Act, 1934, Rules, Regulations, Guidelines, Circulars, Directions, Notifications made thereunder;
  - (b) Non-Banking Financial Company - Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016;
  - (c) Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016;
  - (d) Non-Banking Financial Companies – Corporate Governance (Reserve Bank) Directions, 2015;
  - (e) Master Direction – Reserve Bank of India (Non-Banking Financial Company– Scale Based Regulation) Directions, 2023
  - (f) Master Direction - Information Technology Framework for the NBFC Sector

I further report that based on the information received, explanations given, process explained, records maintained, statutory compliance and statutory internal audit reports submitted to the Board on quarterly basis, and taken on record by the Board of Directors of the Company, in my opinion 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 including the returns to be filed with the Reserve Bank India framed by the statutory authorities from time to time. The Company is regular in making statutory payments and there have been no prosecution or notices issued to the Company or its officers other than those disclosed to the stock exchanges.

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

- (i) Secretarial Standards issued and amended by The Institute of Company Secretaries of India;
- (ii) The Debt Listing Agreement entered into by the Company with BSE Limited.

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

I report that there were no events or actions in pursuance of:

- (i) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (iii) 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;

**JAYASHREE S IYER**  
**COMPANY SECRETARY & INSOLVENCY PROFESSIONAL**  
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- (iv) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
- (v) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (vi) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

I further report that:

- (i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.
- (ii) 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.
- (iii) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance as stipulated in the Companies Act, 2013, 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.
- (iv) As per the minutes of the meetings duly recorded and confirmed by the Directors, the decisions of the Board were carried through by majority while there were no dissenting views recorded as part of the minutes.
- (v) The Compliance by the Company of the applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this audit since the same have been subject to review by statutory financial auditors, tax auditors and other designated professionals.

I further report that during the audit period:

1. Post receipt of the NBFC license dated December 19, 2024 in the name of Samunnati Finance Private Limited on December 20, 2024, the Company has given effect to the Scheme on December 20, 2024.

**Scheme** - The Hon'ble National Company Law Tribunal, Chennai Bench, Chennai ("NCLT") had vide order pronounced on December 23, 2022, sanctioned the Scheme of Arrangement for:

- (a) the slump sale (i.e., transfer and vesting) of the NBFC business of Samunnati Agri Value Chain Solutions Private Limited (formerly known as Samunnati Financial Intermediation & Services Private Limited) as a going concern to Samunnati Finance Private Limited; and
- (b) post giving effect to (a) above, the amalgamation of Samunnati Agro Solutions Private Limited into Samunnati Agri Value Chain Solutions Private Limited

**JAYASHREE S IYER**  
**COMPANY SECRETARY & INSOLVENCY PROFESSIONAL**  
**C.P.No.21403/IBBI/IPA-002/IP-N00741/2018-19/12211**

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2. NBFC License dated December 19, 2024 was received by the Company on December 20, 2024. Form INC 28 was filed with the Registrar of Companies, Chennai on December 20, 2024 and the Scheme has been given effect.
3. Slump Sale of the NBFC business undertaking of the Holding Company to Samunnati Finance Private Limited as a going concern was carried out w.e.f. December 20, 2024. Samunnati Finance Private Limited commenced operations as an NBFC from December 21, 2024.
4. The NBFC business undertaking of the Holding Company was valued at INR 3,368,524,230/- (Indian Rupees Three Thousand Three Hundred and Sixty Eight Million Five Hundred and Twenty Four Thousand Two Hundred and Thirty only) and Samunnati Finance Private Limited has allotted 336,852,423 equity shares of face value INR 10/- each, at par, in favour of the Holding Company, towards the Slump Sale consideration.
5. The NCDs and Commercial Papers which were listed on BSE Limited, have been delisted in the name of the Holding Company w.e.f. January 15, 2025 and have been listed in the name of Samunnati Finance Private Limited w.e.f. January 22, 2025.
6. The Holding Company along with Samunnati Finance Private Limited made an application to the Hon'ble National Company Law Tribunal, Chennai bench ("NCLT") seeking condonation of the delay in filing certified copy of the order of NCLT in Form INC 28 with the Registrar of the Companies, Chennai. The NCLT condoned the delay vide order dated March 4, 2025 and a copy of the said order was filed with the Registrar of Companies, Chennai in Form INC 28.


Jayashree S Iyer  
Company Secretary  
FCS 10394 / C P 21403  
PR 1382/2021

UDIN:F010394G000540968

Place : Chennai

Date : 04.06.2025

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

**JAYASHREE S IYER**  
**COMPANY SECRETARY & INSOLVENCY PROFESSIONAL**  
**C.P.No.21403/IBBI/IPA-002/IP-N00741/2018-19/12211**

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**‘ANNEXURE – A’**

To,  
The Board of Directors  
**M/s. Samunnati Finance Private Limited**  
CIN No.: U65990TN2021PTC146392  
Baid Hi Tech Park, 8th Floor,  
No 129 B, East Coast Road,  
Thiruvanmiyur,  
Chennai, 600041

My report of even date is to be read along with this letter.

1. Maintenance of Secretarial records is the responsibility of the management of M/s. Samunnati Agri Value Chain Solutions Private Limited (the ‘Company’). My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The review was done to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of provisions of all laws, rules, regulations, standards applicable is the responsibility of the management of the Company. My examination was limited to the verification of records and procedures on test check basis for the purpose of issue of the Secretarial Audit Report.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.


Jayashree S Iyer  
Company Secretary  
FCS 10394 / C P 21403  
PR 1382/2021  
UDIN:F010394G000540968

Place : Chennai  
Date : 04.06.2025

**Annual Report on Corporate Social Responsibilities (CSR) Activities**
**1. Brief outline on CSR Policy of the Company**

Samunnati goes beyond business to make a sustainable, positive social, economic and environmental impact on the lives of the people. The Company envisions sustainable and inclusive development of small holder farmers and the agriculture ecosystem as a whole. With the endeavour of equal prosperity to all, Samunnati as an agriculture ecosystem enabler strives for inclusive and sustainable development of small holder farmers with positive environmental, social and economic impact.

The primary purpose of the Company's CSR philosophy is to contribute to the development of socially and economically challenged communities of the country with specific focus on creating sustainable livelihoods, supporting rural development projects, promoting education and skill development, promoting environmental sustainability, and supporting innovations that largely benefit the agriculture ecosystem.

The CSR activities of the Company are wheeled through various CSR entities including Samunnati Foundation.

In line with the provisions of Section 135 of the Companies Act, 2013, the Company has constituted the CSR Committee. The Company has put in place a Board approved Corporate Social Responsibility (CSR) Policy which governs the CSR activities of the Company.

**2. Composition of the CSR Committee:**

S. No.	Name of the Member	Designation	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. N. Srinivasan	Chairman	1	1
2.	Mr. Anil Kumar S G	Member		
3.	Mr. Gurunath N	Member		

- a) Composition of CSR committee and CSR Policy approved by the Board are disclosed on the website of the Company and can be accessed at the following link: <https://www.samunnatifinance.com/policies/>
- b) 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): **Not applicable**
- c) Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: **Nil**

**Samunnati Finance Private Limited**

- d) Average net profit (PBT) of the Company as per Section 135(5): **NIL**
- e) (a) Two percent of average net profit of the Company as per section 135(5): **NIL**  
 (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **Nil**  
 (c) Amount required to be set off for the financial year, if any: **Nil**  
 (d) Total CSR obligation for the financial year: **NIL**

*The Net Worth, Turnover or Net Profits of the Company during the preceding financial year has not exceeded the thresholds provided in Section 135 of the Companies Act, 2013. Hence the Company is not mandated to spend for CSR activities.*

- f) (a) CSR amount spent or unspent for the financial year: **NIL**

Total Amount Spent for the Financial Year (in INR)	Amount Unspent (in INR)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
<b>NIL</b>					

- (b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project.	Project duration	Amount allocated for the project (in INR)	Amount spent in the current financial Year (in INR)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in INR)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency
				State District						Name CSR Registration number
<b>NIL</b>										

- (c) Details of CSR amount spent against other than ongoing projects for the financial year: **Not applicable**
- (d) Amount spent in Administrative Overheads - **Not Applicable**
- (e) Amount spent on Impact Assessment, if applicable - **Not Applicable**
- (f) Total amount spent for the Financial Year - **Nil**
- (g) Excess amount for set off, if any: **Nil**

### Samunnati Finance Private Limited

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 Baid Hi Tech Park, 7<sup>th</sup> Floor, No. 129 B,  
 East Coast Road, Thiruvannamiyur, Chennai 600041

+91 044 66762400  
 info@samunnati.com  
 www.samunnati.com

CIN - U65990TN2021PTC146392

- g) a) Details of Unspent CSR amount for the preceding three financial years: **Nil**
- b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **Nil**
- h) 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**

**For Samunnati Finance Private Limited**

**S/d-**

**Director**

**Place: Chennai**

**Date: August 13, 2025**

**S/d-**

**Chairman of CSR Committee**

**Independent Auditor's Report**

**To the Members of Samunnati Finance Private Limited**

**Report on the Audit of the Financial Statements**

**Opinion**

1. We have audited the accompanying financial statements of Samunnati Finance Private Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.
2. 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 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2025, and its loss (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

**Basis for Opinion**

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act 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 we have obtained is sufficient and appropriate to provide a basis for our opinion.



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**Key Audit Matters**

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

Key audit matters	How the matter was addressed in the audit
<p><b>1. Impairment of financial assets (loans) based on Expected Credit Losses (ECL) (Refer note 2.4 for material accounting policy and notes 6 and 32 for financial disclosures in the accompanying financial statements)</b></p> <p>As at 31 March 2025, the Company reported total gross loans of ₹15,222 million (31 March 2024: ₹ 13,458 million) and expected credit loss provisions of ₹ 210 million (31 March 2024: ₹ 325 million).</p> <p>Ind AS 109, Financial Instruments ('Ind AS 109') requires the Company to provide for impairment of its financial assets using the expected credit loss ('ECL') approach involving an estimation of probability of loss on the financial assets, considering reasonable and supportable information about past events, current conditions and forecasts of future economic conditions which could impact the credit quality of the Company's financial assets.</p> <p>Expected credit loss cannot be measured precisely but can only be estimated through use of statistics. The estimation of impairment loss allowance on financial instruments involves significant judgement and estimates and applying appropriate measurement principles, including additional considerations on account of Reserve Bank of India guidelines in relation to restructuring.</p> <p>The Company measures 12-month ECL for Stage 1 loan assets and lifetime ECL for Stage 2 and Stage 3 loan assets. Significant management judgment and assumptions involved in measuring ECL is required with respect to:</p> <ul style="list-style-type: none"> <li>segmentation of loan assets in pools based on common risk characteristics</li> </ul>	<p>Our audit focused on assessing the appropriateness of management's judgment and estimates used in the expected credit losses through procedures which included, but were not limited to the following:</p> <ul style="list-style-type: none"> <li>Examined the policy approved by the Board of Directors ('Board') with respect to process and procedures for assessing and measuring credit risk on the lending exposures of the Company and evaluated its appropriateness in accordance with the requirements of Ind AS 109.</li> <li>Evaluated the design and tested the operating effectiveness of controls across the process relevant to ECL measurement, including around the judgements and estimates made by the management. These controls, amongst others, included controls over the allocation of assets into stages along with management's monitoring of and completeness of the underlying data used in the models, credit monitoring, passing of journal entries and preparing disclosures.</li> <li>Tested the completeness of loans included in the ECL calculations as of 31 March 2025 by reconciling such data with the balances as per loan book register.</li> <li>Tested, on a sample basis, the appropriateness of determining EAD, the data used in the PD and LGD model for ECL calculation by reconciling it to the source information systems of the Company. Further, tested classification of assets into stage 1, 2 and 3 categories, on a sample basis, to verify that these were allocated to the appropriate stage.</li> </ul>

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- staging of loans and in particular determining the criteria based on days passed due, (i.e. Stage 2) and credit-impaired (i.e. Stage-3).
  - factoring in future macro-economic and industry specific estimates and forecasts
  - past experience on customer behaviour on repayments.
  - varied statistical modelling techniques to determine PD, LGD and exposure at default (EAD) basis the default history of loans, subsequent recoveries made.
  - effect of discounting the cash flows by estimating the timing of expected credit shortfalls associated with the defaults.
- Obtained an understanding of the modelling techniques adopted by the Company including the key inputs and assumptions. Challenged the management on post model adjustments in order to assess the reasonableness of the adjustments.
  - Performed an overall assessment of the ECL provision levels at each stage, including management's assessment and provision on account of the Company's portfolio as well as the macroeconomic environment.
  - Evaluated whether the change in default definition was appropriately supported by the historical credit behaviour of the customers. We assessed the consistency of the change with regulatory guidance and industry practices and verified that the historical data substantiated the appropriateness of the staging criteria.
  - We reviewed the calculation of the PD and LGD parameters including the segmentation considered for the computation and assessed the accuracy of the impact arising from the model changes.
  - Evaluated the appropriateness of the methodology and policy laid down and implemented by the company for the loan portfolio written-off net of recoveries during the year and tested the authorization of write off loans on sample basis.
  - On a test check basis, ensured compliance with RBI Master Circular on 'Prudential Norms on Income Recognition, Asset Classification and Provisioning pertaining to advances' ('IRACP') read with RBI circular on 'Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances – Clarifications' dated 12 November 2021 along with RBI notification RBI/2021-2022/158 dated 15 February 2022, in relation to identification, upgradation and provisioning of non-performing assets (NPAs) and ensured that the Company has considered NPAs as credit impaired loans

During the current financial year, the company revised its Expected Credit Loss (ECL) model, which included a change in the default definition, segmentation approach for pooling exposures, modifications were made to the methodology for calculating the Probability of Default (PD) and Loss Given Default (LGD). These changes have a significant impact on the measurement of credit risk and the resulting ECL provision for the year. The financial implications of these changes are disclosed in Note No. 6 of the accompanying financial statements.

Similarly the company is also required to make judgements to identify loans which are non-recoverable and thereby determined to be written off.

Considering the significance of the above matter to the financial statements and since the matter required our significant attention to test the calculation of expected credit losses, we have identified this as a key audit matter for current year audit.

	<ul style="list-style-type: none"><li>• Obtained written representations from the management in relation to appropriateness of such ECL methodology and reasonableness of the judgements and assumptions used.</li><li>• Assessed the appropriateness and adequacy of the related presentation and disclosures in the accompanying financial statements in accordance with the applicable Indian Accounting Standards and related RBI circulars.</li></ul>
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Key audit matter	How the matter was addressed in the audit
<p><b>2. Business Combination</b></p> <p>Refer notes 2.4 to the accompanying financial statements for material accounting policy information on business combination and note 39 for the details of business acquired during the year.</p> <p>Pursuant to Composite Scheme of Arrangement ('Scheme') through the National Company Law Tribunal ('NCLT') order dated 23 December 2022, the NBFC business of the Holding Company, Samunnati Agri Value Chain Solutions Private Limited (formerly Samunnati Financial Intermediation &amp; Services Private Limited) was transferred through slump sale as a going concern to the Company for which a consideration of ₹ 3,369 million was paid by way of equity shares issued during the year. The effective date of this transfer was determined to be 20 December 2024 as provided in the Scheme pursuant to which the Company has received the Certificate of Registration (COR) for undertaking the business of a Non-Banking Financial Company under Section 45-IA of the Reserve Bank of India Act, 1934.</p> <p>The Company has accounted for aforementioned business combination in accordance with the principles of Appendix 'C' to Ind AS 103 'Business Combinations' ('Ind AS 103') which requires accounting for the transaction retrospectively from the beginning of the earliest period presented due to which the financial information has been restated for previous year.</p> <p>Considering the materiality of the amounts and the complexity of the accounting treatment involved, we have identified the accounting for aforesaid business combination as a key audit matter for the current year audit.</p>	<p>Our audit procedures relating to business combinations included, but were not limited to, the following:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding from the management with respect to the Business Combination process of the Company and evaluated the design and implementation, and tested the operating effectiveness of the controls over the accounting of business combinations which includes identification of assets and liabilities acquired;</li> <li>• Obtained the understanding of the terms of agreements entered by the company for the Business combination arrangement and approval of board of directors to test management's identification of assets acquired and liabilities assumed;</li> <li>• Assessed appropriateness of the accounting policy adopted by the management in accordance with the principles of Ind AS 103;</li> <li>• Verified the arithmetical accuracy of the computation of Capital reserve - Business combination reserve;</li> <li>• Assessed the adequacy and appropriateness of the disclosures made in the Financial Statements in accordance with the requirements of Ind AS 103: "Business Combinations".</li> </ul>

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Key audit matter	How the matter was addressed in the audit
<p><b>3. Information Technology (“IT”) Systems and Controls for the financial reporting process</b></p> <p>The Company is highly dependent on its information technology (IT) systems and manual IT dependent controls for carrying on its operations which require large volume of transactions to be processed in numerous locations on a daily basis.</p> <p>As a result, there is a high degree of reliance and dependency on such IT systems for the financial reporting process of the Company. Appropriate IT general controls and application controls are required to ensure that such IT systems are able to process the data, as required, completely, accurately and consistently for reliable financial reporting.</p> <p>The accuracy and reliability of the financial reporting process depends on the IT systems and the related control environment, including:</p> <ul style="list-style-type: none"> <li>• IT general controls over user access management and change management across applications, networks, database, and operating systems.</li> <li>• IT application controls.</li> </ul> <p>Due to the pervasive nature and importance of the role of IT systems and related control environment on the Company’s financial reporting process, we have identified testing of such IT systems and related control environment as a key audit matter for the current year audit</p>	<p>In our audit, our focus was on user access management, change management and system application controls over key financial accounting and reporting systems. We performed a range of audit procedures with the involvement of our IT specialists, which included but were not limited to, the following:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the Company’s IT related control environment, IT applications, databases and IT Infrastructure. Based on our understanding, we have evaluated and tested relevant IT general controls on the systems identified as relevant for our audit of the financial statements.</li> <li>• On such in-scope IT systems, we have tested key IT general controls with respect to the following domains: <ul style="list-style-type: none"> <li>a) User access management, which includes user access provisioning, de-provisioning, access review, password policies, sensitive access rights to ensure that privileged access to applications, operating system and databases in the production environment were granted only to authorized personnel</li> <li>b) Program change management, which includes controls on moving program changes to production environment by authorised personnel as per defined policy and procedures along with adequate segregation of environment.</li> <li>c) Other areas that were assessed under the IT control environment included backup management.</li> </ul> </li> <li>• Obtained system generated reports from management and verified with the manual IT dependent controls to ensure the accuracy and reliability of the financial information.</li> <li>• Obtained written representations from management on whether IT general controls and automated IT controls are designed and were operating effectively during the year.</li> </ul>

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**Information other than the Financial Statements and Auditor's Report thereon**

5. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

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**

6. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation 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 Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. 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.
7. In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
8. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Financial Statements**

9. 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 Standards on Auditing 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.

10. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act 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 Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements 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 Board of Directors 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; and
  - 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.
11. 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.
12. 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.
13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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**Other Matter**

14. The financial statements of the Company for the year ended 31 March 2024 were audited by the predecessor auditor, PKF Sridhar & Santhanam LLP, who have expressed an unmodified opinion on those financial statements vide their audit report dated 28 May 2024.

**Report on Other Legal and Regulatory Requirements**

15. Based on our audit, we report that the provisions of section 197 read with Schedule V to the Act are not applicable to the Company since the Company is not a public company as defined under section 2(71) of the Act. Accordingly, reporting under section 197(16) is not applicable.
16. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
17. Further to our comments in Annexure A, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:
- 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 of the accompanying financial statements;  
  
In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - The financial statements dealt with by this report are in agreement with the books of account;
  - In our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;
  - On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025 from being appointed as a director in terms of section 164(2) of the Act;
  - With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2025 and the operating effectiveness of such controls, refer to our separate report in Annexure B wherein we have expressed an unmodified opinion; and
  - With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
    - the Company does not have any pending litigations which would impact its financial position as at 31 March 2025;
    - the Company, as detailed in note 5 to the financial statements, has made provision as at 31 March 2025, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
    - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2025.;

- iv.
- a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 46 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
  - b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 46 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
  - c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year ended 31 March 2025.
- vi. Based on our examination which included test checks, the Company, in respect of financial year commencing on 1 April 2024, has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Furthermore, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For **V Narayanan & Co**  
Chartered Accountants  
Firm's Registration No: 002398S

*Dileep*

**Dileep Thammana**  
Partner  
Membership No: 227512  
UDIN: 25227512BM LZ KV4146



**Place:** Chennai  
**Date:** 19 May 2025

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**Annexure A referred to in paragraph 16 of the Independent Auditor's Report of even date to the members of Samunnati Finance Private Limited on the financial statements for the year ended 31 March 2025**

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 report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, and relevant details of right-of-use assets.
- (B) The Company does not have any intangible assets and accordingly, reporting under clause 3(i)(a)(B) of the Order is not applicable to the Company.
- (b) The Company has a regular programme of physical verification of its property, plant and equipment, and relevant details of right-of-use assets under which the assets are physically verified in a phased manner over a period of 3 years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. However, no physical verification was carried out by the management of the Company during the year, and we are therefore unable to comment on the discrepancies, if any, which could have arisen on such verification.
- (c) The title deeds of all the immovable properties held by the Company (other than properties Where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in Note 46 to the financial statements, are held in the name of the Company, except for the following properties, for which the Company's management is in the process of getting the registration in the name of the Company.

Description of property	Gross carrying value (Rs. In millions)	Held in name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in name of company
Freehold Land	2	Samunnati Agri value chain solutions Private Limited (Formerly "Samunnati Financial Intermediation & Services Private Limited")	No	20 December 2024 to 31 March 2025	During the year, the Company acquired all immovable properties held as on 31 March 2025 from its holding company through business combination on 20 December 2024.  However, as of the reporting date, the legal title deeds of these properties continue to be in the name of the holding company.

- (d) The Company has adopted cost model for its Property, Plant and Equipment including right-of-use assets. Accordingly, reporting under clause 3(i)(d) of the Order is not applicable to the Company.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.
- (ii) (a) The Company does not hold any inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.
- (b) The Company has not been sanctioned working capital limits by banks or financial institutions on the basis of security of current assets at any point of time during the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) (a) The Company is a Non-Banking Finance Company and its principal business is to give loans. Accordingly, reporting under clause 3(iii)(a) of the Order is not applicable to the Company.
- (b) In our opinion, and according to the information and explanations given to us, guarantees provided, security given and terms and conditions of the grant of all loans and advance in the nature of loans and guarantees provided are, prima facie, not prejudicial to the interest of the Company.
- (c) In The company is a Non - Banking Financial Company ('NBFC') registered under the provisions of the Reserve Bank of India Act, 1934 and rules made thereunder and is regulated by various regulations, circulars and norms issued by the Reserve Bank of India including Master Circular Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances. In respect of loans and advances in the nature of loans granted by the Company, we report that the schedule of repayment of principal and payment of interest has been stipulated, and the repayments/ receipts of principal and interest are regular except for instances as below, as also disclosed under Note 32 to the financial statements.

Particulars – Days Past Due	Aggregate amount outstanding for overdue loans as at 31 March 2025 (Rs in millions)	No. of Cases
SMA 0 (upto 30 days)	1,208	5,927
SMA 1 (31-60 days)	777	1,870
SMA 2 (61- 90 days)	416	788
More than 90 days	614	5,236

Having regard to the nature of business of the Company and volume of the transactions, it is impractical to furnish the item-wise listing for the above-mentioned cases of delay in repayment of principal and interest.

- (d) According to the information and explanations given to us, the total amount which is overdue for 90 days or more in respect of loans and advances in the nature of loans given in the course of the business operations of the Company aggregates to Rs 614 million as at 31 March 2025 in respect of 5,236 number of loans, as also disclosed in Note 32 to the financial statements. Further, reasonable steps as per the policies and procedures of the Company have been taken for recovery of such principal and interest amounts overdue.

- (e) The Company is a Non-Banking Finance Company and its principal business is to give loans. Accordingly, reporting under clause 3(iii)(e) of the Order is not applicable to the Company
- (f) The Company has not granted any loans or advances in the nature of loans, which are repayable on demand or without specifying any terms or period of repayment.
- (iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act in respect of provided by it, as applicable. Further, the Company has not entered into any transaction covered under section 185 of the Act.
- (v) The provisions of the sections 73 to 76 and any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended), are not applicable to the Company being an non-banking financial company registered with the Reserve Bank of India ('the RBI'), and also the Company has not accepted any deposits from public or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act. Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) 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 services / business activities. Accordingly, reporting under clause 3(vi) of the Order is not applicable.
- (vii) (a) In our opinion and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company, though there have been slight delays in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.  
(b) According to the information and explanations given to us, we report that there are no statutory dues referred to in subclause (a) above that have not been deposited with the appropriate authorities on account of any dispute.
- (viii) According to the information and explanations given to us, we report that no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.
- (ix) (a) According to the information and explanations given to us the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.  
(b) According to the information and explanations given to us including confirmations received from banks/ financial institution and other lenders and representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.  
(c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.  
(d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have, prima facie, not been utilised for long term purposes.

- (e) According to the information and explanations given to us, we report that the Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting under clause 3(ix)(e) and clause 3(ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under 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 fraud by the Company or no fraud on the Company has been noticed or reported during the period covered by our audit.
- (b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the 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 for the period covered by our audit.
- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.
- (xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system which is commensurate with the size and nature of its business as required under the provisions of section 138 of the Act.
- (b) We were unable to obtain some of the Internal Audit Reports of the Company on timely basis, hence the Internal Audit Reports have been considered by us, only to the extent made available to us.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and such registration has been obtained by the Company.
- (b) In our opinion and according to the information and explanations given to us, the Company has conducted Non-Banking Financial activities during the year under a valid Certificate of Registration (CoR) from the RBI as per the Reserve Bank of India Act, 1934.

- (c) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the RBI. Accordingly, reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.
- (xvii) The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.
- (xviii) There has been resignation of the statutory auditors during the year and based on the information and explanations given to us by the management and the response received by us pursuant to our communication with the outgoing auditors, there have been no issues, objections or concerns raised by the outgoing auditors.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information in the financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) According to the information and explanations given to us, the Company does not meet the criteria as specified under sub-section (1) of section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and according, reporting under clause 3(xx) of the Order is not applicable to the Company.
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For M/s. V. Narayanan and Co.,  
Chartered Accountants  
Firm's Registration No.: 002398S

*Dileep*

**Dileep Thammana**  
Partner  
Membership No.: 227512  
UDIN 25227512BMLZKY4146



Place: Chennai  
Date: 19 May 2025

Head Office: 23/12, C V Raman Road, Sriram Colony, Abiramapuram, Chennai, Tamil Nadu- 600018  
Branch address - 45/58, Vallalar Street, Periyakuppam, Tiruvallur, Tamil Nadu- 602001  
Other Branches - Bengaluru | Trichy  
Email – auditdt@vnctvl.com

**Annexure B referred to in paragraph 17 of the Independent Auditor's Report of even date to the members of Samunnati Finance Private Limited on the financial statements for the year ended 31 March 2025**

**Independent Auditor's Report on the internal financial controls with reference to the financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

1. In conjunction with our audit of the financial statements of (Samunnati Finance Private Limited) ('the Company') as at and for the year ended 31 March 2025, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

**Responsibilities of Management and Those Charged with Governance for Internal Financial Controls**

2. The Company's Management and Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note"). 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 the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements**

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. 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 with reference to financial statements .

**Head Office:** 23/12, C V Raman Road, Sriram Colony, Abiramapuram, Chennai, Tamil Nadu- 600018  
**Branch address** - 45/58, Vallalar Street, Periyakupam, Tiruvallur, Tamil Nadu- 602001  
**Other Branches** - Bengaluru | Trichy  
**Email** – auditdt@vncvtl.com



6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 with Reference to Financial Statements**

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

**Opinion**

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2025, based on the internal control with reference to financial statements criteria established by the company considering the essential components of internal control stated in the Guidance Note.

For V Narayanan & Co  
Chartered Accountants  
Firm's Registration No: 002398S

*Dileep*

Dileep Thammana  
Partner  
Membership No. 227512  
UDIN: 25227512BMLZKV4146

Place: Chennai  
Date: 19 May 2025



**Samunnati Finance Private Limited**

**Balance sheet as at 31 March 2025**

*(All amounts are in millions of Indian Rupees (₹), unless otherwise stated)*

Particulars	Note	As at 31 March 2025	As at 31 March 2024 Restated
<b>ASSETS</b>			
<b>Financial assets</b>			
Cash and cash equivalents	3	1,099	1,270
Bank balances other than cash and cash equivalents	4	1,484	656
Derivative financial instruments	5	24	-
Loans	6	15,012	13,133
Other financial assets	7	214	236
		<b>17,833</b>	<b>16,295</b>
<b>Non-financial assets</b>			
Deferred tax assets (net)	8	27	-
Property, plant and equipment	10	6	4
Right of use assets	10	1	4
Other non-financial assets	9	55	25
		<b>89</b>	<b>33</b>
<b>Total Assets</b>		<b>17,922</b>	<b>16,328</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Financial liabilities</b>			
Derivative financial instruments	5	-	27
Trade Payables	11	-	-
- Total outstanding dues of micro enterprises and small enterprises		-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		55	28
Debt securities	12	4,805	5,076
Borrowings (other than debt securities)	13	9,081	6,296
Other financial liabilities	14	160	39
		<b>14,101</b>	<b>11,466</b>
<b>Non-financial liabilities</b>			
Current tax liabilities (Net)	15	-	-
Provisions	16	64	46
Other non-financial liabilities	17	59	19
		<b>149</b>	<b>65</b>
<b>Equity</b>			
Equity Share capital	18	3,494	125
Other equity	19	178	3,672
		<b>3,672</b>	<b>3,797</b>
<b>Total liabilities and equity</b>		<b>17,922</b>	<b>16,328</b>
Summary of material accounting policies	2		

The accompanying notes forms an integral part of the financial statements.

As per our report of even date attached


For V Narayanan & Co  
Chartered Accountants  
Firm Registration No.: 002398S

  
**Dileep Thammana**  
Partner  
Membership No.: 227512  
Place: Chennai  
Date: 19 May 2025




For and on behalf of the Board of Directors of  
Samunnati Finance Private Limited

  
**S G Anil Kumar**  
Director  
DIN : 01189011  
Place: Chennai  
Date: 19 May 2025

  
**Gurunath Neelamani**  
Director  
DIN : 02799586  
Place: Chennai  
Date: 19 May 2025



  
**Suraj Vasudev Sharma**  
Company Secretary  
Membership No.: A66143  
Place: Chennai  
Date: 19 May 2025

**Samunnati Finance Private Limited**  
**Statement of profit and loss for the year ended 31 March 2025**  
*(All amounts are in millions of Indian Rupees (₹), unless otherwise stated)*

Particulars	Note	Year ended	Year ended
		31 March 2025	31 March 2024
<b>Restated</b>			
<b>Revenue from operations</b>			
Interest income	20	2,559	1,964
<b>Total revenue from operations (I)</b>		<b>2,559</b>	<b>1,964</b>
Other income (II)	21	129	105
<b>Total income (I+II)</b>		<b>2,688</b>	<b>2,069</b>
<b>Expenses</b>			
Finance costs	22	1,635	1,108
Impairment on financial instruments	23	90	34
Employee benefits expenses	24	511	427
Depreciation expense	25	5	15
Other expenses	26	379	322
<b>Total expenses</b>		<b>2,620</b>	<b>1,906</b>
<b>Profit before tax</b>		<b>68</b>	<b>163</b>
<b>Tax expense</b>	27		
Current tax		54	-
Deferred tax		(15)	-
		39	-
<b>Profit for the year</b>		<b>29</b>	<b>163</b>
<b>Other comprehensive income/(loss)</b>			
Items that will not be reclassified to profit or loss			
Re-measurements of the defined benefit obligation		1	(2)
Income tax relating to above items		-	-
Items that will be reclassified to profit or loss			
Gains and losses on hedge accounting		(49)	(33)
Income tax relating to above items		12	-
<b>Other comprehensive loss for the year (net of income taxes)</b>		<b>(36)</b>	<b>(35)</b>
<b>Total comprehensive income/(loss) for the year (net of income taxes)</b>		<b>(7)</b>	<b>128</b>
<b>Earnings per equity share:</b>	28		
Basic and Diluted (₹)		0.08	0.47
Summary of material accounting policies	2		

For V Narayanan & Co  
Chartered Accountants  
Firm Registration No.: 002398S

*J. S. S.*

Dileep Thamman  
Partner  
Membership No.: 227512

Place: Chennai  
Date: 19 May 2025



For and on behalf of the Board of Directors of  
Samunnati Finance Private Limited

*S. G. Anil Kumar*  
S G Anil Kumar  
Director  
DIN : 01189011

Place: Chennai  
Date: 19 May 2025



*Gurunath Neelamani*

Gurunath Neelamani  
Director  
DIN : 02799586

Place: Chennai  
Date: 19 May 2025

*Suraj Vasudev Sharma*

Suraj Vasudev Sharma  
Company Secretary  
Membership No.: A66143  
Place: Chennai  
Date: 19 May 2025

**Samunnati Finance Private Limited**  
**Statement of Cash Flows for the year ended 31 March 2026**  
*(All amounts are in millions of Indian Rupees (₹), unless otherwise stated)*

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
<b>A. Operating activities</b>		
Profit before tax	68	163
<b>Adjustments for:</b>		
Depreciation and amortization	5	15
(Profit) on sale of property, plant and equipment	-	(2)
Interest expense on lease liability	-	1
Impairment on financial instruments	452	158
Amortization of borrowing cost	119	49
	<b>676</b>	<b>221</b>
<b>Cash used in operations</b>	<b>644</b>	<b>384</b>
<b>Changes in working capital and other changes:</b>		
(Increase) in Loans	(2,331)	(3,138)
Decrease/(increase) in Other financial assets	22	(221)
(Increase)/Decrease in Other non-financial assets	(30)	1
Decrease in Net movement in provisions	19	12
Decrease/(increase) in Trade payables	27	(17)
Decrease/(increase) in Other financial liabilities	121	(23)
Decrease in Other non-financial liabilities	40	9
(Increase) in Borrowings	(181)	(64)
Decrease in Debt securities	35	-
<b>Net cash generated (used) in operations</b>	<b>(1,634)</b>	<b>(3,057)</b>
Income taxes paid (net of refunds)	(28)	-
<b>Net cash generated (used in) operating activities (A)</b>	<b>(1,662)</b>	<b>(3,067)</b>
<b>B. Investing activities</b>		
Purchase of property, plant and equipment	(4)	-
Proceeds from sale of property, plant and equipment	-	3
Movement in deposits with banks and financial institutions	(828)	(413)
<b>Net cash (used in) investing activities (B)</b>	<b>(832)</b>	<b>(410)</b>
<b>C. Financing activities</b>		
Proceeds from debt securities	19,033	11,965
Repayment of debt securities	(19,341)	(11,979)
Proceeds from issue of share capital	-	100
Repayment of interest portion of lease liability	-	(1)
Proceeds from borrowings other than debt securities	51,762	38,052
Repayment of borrowings other than debt securities	(49,014)	(36,198)
<b>Net cash generated from financing activities (C)</b>	<b>2,440</b>	<b>1,959</b>
<b>Net (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(54)</b>	<b>(1,508)</b>
Cash and cash equivalents at the beginning of the year	1,270	936
Adjustment on account of business combination	(116)	1,842
<b>Cash and cash equivalents at the end of the year</b>	<b>1,099</b>	<b>1,270</b>
<b>Components of cash and cash equivalents</b>		
Cash and cash equivalents at the end of the year		
- Balances with banks in current accounts	399	1,270
- Cheques on hand	700	-
<b>Total</b>	<b>1,099</b>	<b>1,270</b>

For V Narayanan & Co  
Chartered Accountants  
Firm Registration No.: 002396S



**Dileep Thammana**  
Partner  
Membership No.: 227512

Place: Chennai  
Date: 19 May 2025



For and on behalf of the Board of Directors of  
Samunnati Finance Private Limited

  
**S G Anil Kumar**  
Director  
DIN: 01189011

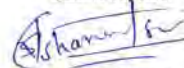
Place: Chennai  
Date: 19 May 2025





**Gurunath Neelamani**  
Director  
DIN: 02799586

Place: Chennai  
Date: 19 May 2025



**Suraj Vasudev Sharma**  
Company Secretary  
Membership No.: A66143  
Place: Chennai  
Date: 19 May 2025

Samunnati Finance Private Limited  
Statement of Changes in Equity for the year ended 31 March 2025  
(All amounts are in millions of Indian Rupees (₹), unless otherwise stated)

A. Equity share capital

Particulars	For the year ended 31 March 2025		For the year ended 31 March 2024	
	Number	Amount	Number	Amount
Balance at the beginning of the year	12,500,000	125	2,500,000	25
Issued during the year	336,852,423	3,369	10,000,000	100
<b>Balance at the end of the year</b>	<b>349,352,423</b>	<b>3,494</b>	<b>12,500,000</b>	<b>125</b>

B. Other equity

Particulars	Shares to be issued under business combination	Capital reserve - Business combination reserve	Retained Earnings	Other comprehensive income	Statutory Reserve	Total
Restated balance as at 01 April 2023	3,369	(1,667)	-	-	-	1,702
Movement in reserves of acquired business	-	1,842	-	-	-	1,842
Profit for the year	-	-	163	-	-	163
Remeasurement of net defined benefit liability	-	-	(2)	-	-	(2)
Comprehensive income/(loss) for the year	-	-	-	(33)	-	(33)
<b>Balance as at 31 March 2024</b>	<b>3,369</b>	<b>175</b>	<b>161</b>	<b>(33)</b>	<b>-</b>	<b>3,672</b>
Movement in reserves acquired through business combination	-	(175)	(24)	81	-	(118)
Shares issued during the year	(3,369)	-	-	-	-	(3,369)
Profit for the year	-	-	29	-	-	29
Transfer to statutory reserve	-	-	(6)	-	-	(6)
Transfer from retained earnings	-	-	-	-	6	6
Comprehensive income/(loss) for the year	-	-	1	(37)	-	(36)
<b>Balance as at 31 March 2025</b>	<b>-</b>	<b>-</b>	<b>161</b>	<b>11</b>	<b>6</b>	<b>178</b>

Summary of material accounting policies  
The accompanying notes form an integral part of the financial statements.  
As per our report of even date attached

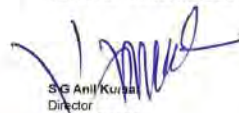
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For V Narayanan & Co  
Chartered Accountants  
Firm Registration No.: 002398S


  
Deep Thammana  
Partner  
Membership No.: 227512  
Place: Chennai  
Date: 19 May 2025



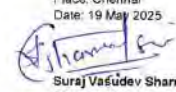
For and on behalf of the Board of Directors of  
Samunnati Finance Private Limited

  
S G Anil Kumar  
Director  
DIN : 01189011

Place: Chennai  
Date: 19 May 2025

  
Gurunath Neelamani  
Director  
DIN : 02799586

Place: Chennai  
Date: 19 May 2025

  
Suraj Vasudev Sharma  
Company Secretary  
Membership No.: A66143

Place: Chennai  
Date: 19 May 2025



## 1 Corporate information

Samunnati Finance Private Limited ('the Company') is a Non-Banking Financial Institution (NBFI) incorporated on 22 September 2021 and has its registered office at No: 129-B, 7th Floor, Baid Hi Tech Park, ECR, Thiruvanniyur, Chennai - 600041. The Company has received Certificate of Registration dated 19 December 2024 from the Reserve Bank of India, to carry on the business of Non-Banking Financial Institution without accepting deposits. The Company is classified as middle layer based on the scale based regulatory framework. The NBFC business was acquired from its holding company during the current year (Refer note 38)

The company is primarily engaged in lending to provide liquidity and develop access to debt capital markets for farmer collectives and Agri Enterprises.

## 2 Statement of compliance and basis of preparation

### 2.1 Basis of preparation

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under section 133 of the Companies Act, 2013 (the Act) along with other relevant provisions of the Act, Framework for Scale Based Regulation for Non-Banking Financial Companies ('the NBFC Master Directions') and notification for Implementation of Indian Accounting Standard vide circular RBI/2019-20/170 DOR(NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13 March 2020 and RBI/2020-21/15 DOR (NBFC).CC.PD.No.116/22.10.106/2020-21 dated 24 July 2020 ('RBI Notification for Implementation of Ind AS') issued by RBI.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to the existing accounting standard requires a change in the accounting policy hitherto in use.

These financial statements were approved by the Company's Board of Directors and authorized for issue on 19 May 2025.

### 2.2 Presentation of financial statements

The financial statements have been prepared on a historical cost basis, except for certain financial instruments that are measured at fair value. The financial statements are prepared on a going concern basis, as the Management is satisfied that the Company shall be able to continue its business for the foreseeable future and no material uncertainty exists that may cast significant doubt on the going concern assumption. In making this assessment, the Management has considered a wide range of information relating to present and future conditions, including future projections of profitability, cash flows and capital resources.

The Balance Sheet, the Statement of Profit and Loss and Statement of Changes in Equity are presented in the format prescribed under Division III of Schedule III as amended from time to time, for Non Banking Financial Companies ('NBFC') that are required to comply with Ind AS. The statement of cash flows has been presented as per the requirements of Ind AS 7 Statement of Cash Flows.

### 2.3 Functional and presentation currency

These financial statements are presented in Indian Rupees ('INR' or '₹') which is also the Company's functional currency. Amounts less than the rounding off norms adopted by the Company are disclosed as 0. All amounts are rounded-off to the nearest millions, unless otherwise indicated.

### 2.4 Use of estimates and judgements

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. Revisions to estimates are 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 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 estimation and judgement or complexity in determining the carrying amount of some assets and liabilities.

#### i) Business model assessment

Classification and measurement of financial assets depends on the results of business model test and the solely payments of principal and interest ('SPPI') test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortized cost or fair value through other comprehensive income or fair value through profit and loss that are derecognized prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

#### ii) Measurement of fair value changes

A number of the 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 values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

#### iii) Effective Interest Rate ('EIR') method

The Company's EIR methodology recognizes interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioral life of loans given / taken and recognizes the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges). This estimation, by nature, requires an element of judgement regarding the expected behavior and life-cycle of the instruments, as well as expected changes to interest rates and other fee income/ expense that are integral parts of the instrument.



**2.4 Use of estimates and judgements (Contd)****iv) Property, Plant and Equipment (PPE)**

Management reviews its estimate of the useful lives of depreciable/amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

**v) Income tax**

Significant estimates are involved in determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions.

**vi) Deferred tax assets**

Significant management judgement is exercised by reviewing the deferred tax assets at each reporting date to determine the amount of deferred tax assets that can be retained/ recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

**vii) Impairment of financial assets**

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' model (ECL), for evaluating impairment of financial assets other than those measured at Fair value through profit and loss.

**Overview of the Expected Credit Loss (ECL) model****Expected Credit Loss, at each reporting date, is measured through a loss allowance for a financial asset:**

At an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. At an amount equal to 12-month expected credit losses, if the credit risk on a financial instrument has not increased significantly since initial recognition.

Lifetime expected credit losses means expected credit losses that result from all possible default events over the expected life of a financial asset.

12-month expected credit losses means the portion of Lifetime ECL that represent the ECLs that result from default events on financial assets that are possible within the 12 months after the reporting date.

The Company performs an assessment, at the end of each reporting period, of whether a financial assets credit risk has increased significantly since initial recognition. When making the assessment, the change in the risk of a default occurring over the expected life of the financial instrument is used instead of the change in the amount of expected credit losses.

**For non-impaired financial assets (Stage 1 and Stage 2):**

\* Stage 1 is comprised of all non-impaired financial assets which have not experienced a significant increase in credit risk (SICR) since initial recognition. A 12-month ECL provision is made for stage 1 financial assets. In assessing whether credit risk has increased significantly, the Company compares the risk of a default occurring on the financial asset as at the reporting date with the risk of a default occurring on the financial asset as at the date of initial recognition.

\* Stage 2 is comprised of all non-impaired financial assets which have experienced a significant increase in credit risk since initial recognition. The Company recognizes lifetime ECL for stage 2 financial assets. In subsequent reporting periods, if the credit risk of the financial instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then entities shall revert to recognizing 12 months ECL provision.

**For impaired financial assets (Stage 3):**

Financial assets are classified as stage 3 when there is objective evidence of impairment as a result of one or more loss events that have occurred after initial recognition with a negative impact on the estimated future cash flows of a loan or a portfolio of loans. The Company recognizes lifetime ECL for impaired financial assets.

The loans are segmented into homogenous product categories to determine the historical PD/LGD as per similar risk profiles, this segmentation is subject to regular review. The loan portfolio are segmented into two broad categories i.e., loans to Community-Based Organizations or Farmer Producer Organizations 'CBO/FPO and Others' and Agri enterprises

The company has rebutted the presumption prescribed under Ind AS 109 that the credit risk increases significantly since initial recognition when contractual payments are more than 30 days (Stage 2) and that default occurs when a financial asset is 90 days past due (Stage 3). The risk profiling is determined for each business vertical indicated below based on historical and market trends and directions from RBI including guidance for identification of NPA in agricultural advances.

Name of the Pool of loan assets	Stage	Loans Days Past Due (DPD)
CBO/FPO and Others	Stage 1	Upto 120 Days
	Stage 2	121 Days to 360 Days
	Stage 3	More than 360 Days
Agri enterprises	Stage 1	Upto 60 Days
	Stage 2	61 Days to 180 Days
	Stage 3	More than 180 Days

**Estimation of Expected Credit Loss:**

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

**Probability of Default (PD)** - The Probability of Default is an estimate of the likelihood of default over a given time horizon. The Company uses historical information to determine PD. Considering the different categories of customers, the Company has bifurcated its loan portfolio into two pools (CBO/FPO and others). For each pool of loan assets, the PD is calculated using Incremental 30 DPD approach considering fresh slippage using historical information.

**Exposure at Default (EAD)** - The Exposure at Default is an estimate of the exposure at a future default date, considering expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments. Management had assumed that the outstanding balance as at each reporting date (including interest and other components) as the exposure at default for purpose of computing the ECL.



2.4 Use of estimates and judgements (Contd)

vii) Impairment of financial assets (Contd)

Estimation of Expected Credit Loss: (Contd)

Loss Given Default (LGD) – The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realization of any collateral.

To mitigate its credit risks on financial assets, the Company seeks to use collateral, where possible. The collateral comes in various forms, such as land, building, books debts, securities, letters of credit/guarantees, etc. However, the fair value of collateral affects the calculation of ECL. The fair value of the same is based on management judgements.

Forward looking information - While estimating the expected credit losses, the Company reviews macro-economic developments occurring in the economy and market it operates in. On a periodic basis, the Company analyses if there is any relationship between key economic trends like GDP, benchmark rates set by the Reserve Bank of India, inflation etc. with the estimate of PD, LGD determined by the Company based on its internal data. While the internal estimates of PD, LGD rates by the Company may not be always reflective of such relationships, temporary overlays, if any, are embedded in the methodology to reflect such macroeconomic trends reasonably.

Impairment of non-financial assets (PPE)

The impairment assessment of non-financial assets is determined based on estimation of recoverable amount of such assets. The assumptions used in computing the recoverable amount are based on management judgement considering the timing of future cash flows, discount rates and the risks specific to the asset.

viii) Defined benefit plans and other long term employee benefits

The cost of the defined benefit plan and other long term employee benefits, and the present value of such obligation are determined by the independent actuarial valuer. An actuarial valuation involves making various assumptions that may differ from actual developments in future. Management believes that the assumptions used by the actuary in determination of the discount rate, future salary increases, mortality rates and attrition rates are reasonable. Due to the complexities involved in the valuation and its long term nature, this obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

ix) Provisions and other contingent liabilities

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigation, arbitration and regulatory inspections in the ordinary course of the Company's business.

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

Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

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

a) Revenue recognition

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 amortised cost. The 'effective interest method' 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 amortised 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 calculates interest income by applying the effective interest rate to the net amortized cost of the financial asset. 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) Property, Plant and Equipment (PPE)

i. Recognition and measurement

PPE are stated at cost of acquisition (including incidental expenses), less accumulated depreciation and accumulated impairment loss, if any.

Assets held for sale or disposals are stated at the lower of their net book value and net realizable value.

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.

Depreciation on PPE is provided on straight-line basis in accordance with the useful lives specified in Schedule II to the Companies Act, 2013 on a pro-rata basis. Assets costing less than Rs. 5,000 are fully depreciated in the period of purchase.



**2.5 Summary of material accounting policies (contd)**

Useful life of assets adopted by the Company is as follows:

Asset Classification	Life in Years
Furniture and fittings	10
Office equipment	5
Computers & accessories	3
Vehicles	4-8
Leasehold improvements	5

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 recognized in other Income / netted off from any loss on disposal in the Statement of profit and loss in the year the asset is derecognized.

**d) Foreign exchange transactions and translations****i) Initial recognition**

Transactions in foreign currencies are recognized at the prevailing exchange rates between the reporting currency and a foreign currency on the transaction date.

**ii) Conversion**

Transactions in foreign currencies are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in Statement of profit and loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the Statement of profit and loss on a net basis.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. Thus, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognized in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVTOCI are recognized in other comprehensive income. Non-monetary items that are measured at historical cost in foreign currency are not retranslated at reporting date.

**e) Financial Instruments****i) Recognition and initial measurements**

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 recognized immediately in Statement of profit and loss.

**ii) Classifications and subsequent measurement of financial assets**

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

- Amortized cost;
- Fair value Through Other Comprehensive Income (FVTOCI) - debt instruments;
- Fair value Through Other Comprehensive Income (FVTOCI) - equity instruments; and
- Fair Value Through Profit or Loss (FVTPL)

**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, and other financial instruments at amortized cost.

**FVTOCI - debt instruments**

The Company measures its debt instruments at FVTOCI 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.

**FVTOCI - 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 FVTOCI, when such instruments meet the definition of Equity under Ind AS 32 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.

**FVTPL**

All financial assets not classified as measured at amortized cost or FVTOCI are measured at FVTPL. This includes all derivative financial assets.



## 2.5 Summary of material accounting policies (contd)

iii) **Subsequent measurement of financial assets**

Financial assets at amortized cost are subsequently measured at amortized cost using effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in Statement of profit and loss. Any gain and loss on derecognition is recognized in Statement of profit and loss. Debt investment at FVTOCI are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognized in Statement of profit and loss. Other net gains and losses are recognized 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 FVTOCI. These elected investments are measured at fair value with gains and losses arising from changes in fair value recognized 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. These investments in equity are not held for trading. Instead, they are held for strategic purpose. Dividend income received on such equity investments are recognized in Statement of profit and loss.

e) **Financial Instruments (Contd)**iii) **Subsequent measurement of financial assets**

Equity investments that are not designated as measured at FVTOCI are designated as measured at FVTPL and subsequent changes in fair value are recognized 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 recognized in Statement of profit and loss.

iv) **Financial liabilities and equity instruments****Classification of debt and 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 of its liabilities. Equity instruments issued by Company are recognized at the proceeds received. Transaction costs of an equity transaction are recognized as a deduction from equity.

**Financial liabilities**

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

v) **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 recognized less, when appropriate, the cumulative amount of income recognized in accordance with the principles of Ind AS 115 "Revenue from contracts with customers".

vi) **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 recognized on its balance sheet, but retains either all or substantially all of 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 recognized in Statement of profit and loss.

vii) **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.

viii) **Impairment of financial instruments**

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' model (ECL), for evaluating impairment of financial assets other than those measured at Fair value through profit and loss.

*Expected Credit Loss, at each reporting date, is measured through a loss allowance for a financial asset:*

- At an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition.
- At an amount equal to 12-month expected credit losses, if the credit risk on a financial instrument has not increased significantly since initial recognition.

Lifetime expected credit losses means expected credit losses that result from all possible default events over the expected life of a financial asset.

12-month expected credit losses means the portion of Lifetime ECL that represent the ECLs that result from default events on financial assets that are possible within the 12 months after the reporting date.

The Company performs an assessment, at the end of each reporting period, of whether a financial assets credit risk has increased significantly since initial recognition. When making the assessment, the change in the risk of a default occurring over the expected life of the financial instrument is used instead of the change in the amount of expected credit losses.



2.5 Summary of material accounting policies (contd)

e) Financial Instruments (Contd)

viii) Impairment of financial instruments

While performing an assessment of change in risk of default at the end of each reporting period for loan assets, the portfolio of loans are classified into two broad categories i.e., loans to Community-Based Organizations or Food Producing Organizations ('CBO/FPO') and Others. Such classification is made based on the nature of customers and risk profile.

In each of such categories of loan assets, the Company categorizes its loans into three stages as described below:

For non-impaired financial assets (Stage 1 and Stage 2):

- Stage 1 is comprised of all non-impaired financial assets which have not experienced a significant increase in credit risk (SICR) since initial recognition. A 12-month ECL provision is made for stage 1 financial assets. In assessing whether credit risk has increased significantly, the Company compares the risk of a default occurring on the financial asset as at the reporting date with the risk of a default occurring on the financial asset as at the date of initial recognition.

+ Stage 2 is comprised of all non-impaired financial assets which have experienced a significant increase in credit risk since initial recognition. The Company recognizes lifetime ECL for stage 2 financial assets. In subsequent reporting periods, if the credit risk of the financial instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then entities shall revert to recognizing 12 months ECL provision.

For impaired financial assets (Stage 3):

Financial assets are classified as stage 3 when there is objective evidence of impairment as a result of one or more loss events that have occurred after initial recognition with a negative impact on the estimated future cash flows of a loan or a portfolio of loans. The Company recognizes lifetime ECL for impaired financial assets.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. For debt securities at FVTOCI, the loss allowance is recognized in OCI and carrying amount of the financial asset is not reduced in the balance sheet.

ix) Write offs

Loans are written off (either partially or in full) when there is no realistic prospect of 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 subjected to write-offs. Any subsequent recoveries against such loans are credited to the Statement of Profit and Loss.

x) Derivative financial instruments

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognized in profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

i) Hedge accounting policy

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

(i) Fair value hedges

The change in the fair value of a hedging instrument is recognized in the statement of profit and loss as finance costs. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognized in the statement of profit and loss as finance costs.

For fair value hedges relating to items carried at amortized cost, any adjustment to carrying value is amortized through profit or loss over the remaining term of the hedge using the EIR method. EIR amortization may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged.

If the hedged item is derecognized, the unamortized fair value is recognized immediately in profit or loss.

When an unrecognized firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognized as an asset or liability with a corresponding gain or loss recognized in profit or loss.

(ii) Cash flow hedge

The effective portion of the gain or loss on the hedging instrument is recognized in OCI in the Effective portion of cash flow hedges, while any ineffective portion is recognized immediately in the statement of profit and loss. The Effective portion of cash flow hedges is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

The amounts accumulated in OCI are accounted for, depending on the nature of the underlying hedged transaction. If the hedged transaction subsequently results in the recognition of a non-financial item, the amount accumulated in equity is removed from the separate component of equity and included in the initial cost or other carrying amount of the hedged asset or liability. This is not a reclassification adjustment and will not be recognized in OCI for the period. This also applies where the hedged forecast transaction of a non-financial asset or non-financial liability subsequently becomes a firm commitment for which fair value hedge accounting is applied.

For any other cash flow hedges, the amount accumulated in OCI is reclassified to profit or loss as reclassification adjustment in the same period or periods during which the hedged cash flows affect profit or loss.

If cash flow hedge accounting is discontinued, the amount that has been accumulated in OCI must remain in accumulated OCI if the hedged future cash flows are still expected to occur. Otherwise, the amount will be immediately reclassified to profit or loss as a reclassification adjustment. After discontinuation, once the hedged cash flow occurs, any amount remaining in accumulated OCI must be accounted for depending on the nature of the underlying transaction as described above.

f) Employee benefits

a) Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized 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.

b) Contribution to PF and other funds

Company's contribution paid/payable during the year to provident fund and employees state insurance is recognized in the Statement of profit and loss.



The Company has no further obligation other than the contributions made.

c) **Gratuity**

The Company's liability towards gratuity scheme is determined by independent actuaries, using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. Past services are recognized at the earlier of the plan amendment / curtailment and recognition of related restructuring costs/ termination benefits.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of profit and loss.

d) **Remeasurement gains and losses**

Remeasurement of defined benefit plans, comprising of actuarial gains / losses, return on plan assets excluding interest income are recognized 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.

e) **Leave encashment/ compensated absences/ sick leave.**

The Company provides for the encashment / availment of leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits for future encashment / availment. The liability is provided based on the number of days of unutilized leave at each balance sheet date on the basis of an independent actuarial valuation.

2.5 Summary of material accounting policies (contd)

g) **Finance cost**

Finance costs include interest expense computed by applying the effective interest rate on respective financial instruments measured at Amortised cost. Financial instruments include term loans and commercial papers. Finance costs are charged to the Statement of profit and loss.

h) **Taxation - current tax and deferred tax**

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

a) **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.

b) **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 recognized 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.

i) **Impairment of assets other than financial assets**

The Company reviews the carrying amounts of its tangible and intangible assets at the end of each reporting period, to determine whether there is any indication that those assets have impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Recoverable amount is determined for an individual asset, unless the asset does not generate cash flows that are largely independent of those from other assets or group of assets.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount such that the increased carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognized for the asset (or cash-generating unit) in prior years. The reversal of an impairment loss is recognized in Statement of profit and loss.

j) **Provisions, contingent liabilities and contingent assets**

Provisions are recognized when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic resources will be required from the Company and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain. Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company; or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.



**2.5 Summary of material accounting policies (contd)**

**j) Provisions, contingent liabilities and contingent assets (Contd)**

In those cases, where the outflow of economic resources as a result of present obligations is considered improbable or remote, no liability is recognized or disclosure is made.

Any reimbursement that the Company can be virtually certain to collect from a third party with respect to the obligation (such as from insurance) is recognized as a separate asset. However, this asset may not exceed the amount of the related provision.

Contingent assets are not recognized. However, when inflow of economic benefits is probable, the related asset is disclosed.

**k) Leases - Company as a lessee**

The Company's lease asset classes primarily consist of leases for office premises. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

(i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

**l) 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.

**m) 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.

**n) Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company is primarily engaged in financing Agri businesses. The Company's activity falls within a single primary business segment. The Company operates primarily in India and there is no other geographical segment.

**Information about major customers**

The Company operates in a single business segment i.e., Agri financing, which has similar risks and returns taking into account the organizational structure and the internal reporting systems. No revenue from transactions with a single external customer or counterparty amounted to 10% or more of the company's total revenue in year ended 31 March, 2025 or 31 March, 2024. The Company operates in single geography i.e. India and therefore geographical information is not required to be disclosed separately.

**o) Events after reporting date**

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

**p) Recent Accounting Pronouncements**

New Standards, Interpretations and Amendments Adopted by the Company Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31st March, 2025, MCA has notified amendments to Ind AS 116 - Leases, relating to sale and leaseback transactions, which is applicable to the Company w.e.f. 1st April, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it is not likely to have any significant impact in its financial statements.

On May 9, 2025, MCA notifies the amendments to Ind AS 21 - Effects of Changes in Foreign Exchange Rates. These amendments aim to provide clearer guidance on assessing currency exchangeability and estimating exchange rates when currencies are not readily exchangeable. The amendments are effective for annual periods beginning on or after April 1, 2025. The Company is currently assessing the probable impact of these amendments on its financial statements.

**q) Business Combination**

Business Combination as per the principles of Appendix C of IND AS 103 - Business Combination, where the net assets acquired have been recognized at carrying value. No adjustments have been made to reflect the fair values, or recognize any new assets or liabilities. The only adjustments made are to harmonize the accounting policies. The financial statements have been restated for prior periods as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. The difference between the net assets acquired and consideration paid has been transferred to capital reserve (business combination reserve) and the same has been presented separately.



Particulars	As at							
	31 March 2025	31 March 2024						
<b>3 Cash and cash equivalents</b>								
Balances with banks								
In current accounts	399	1,270						
Cheques on hand	700	-						
	<u>1,099</u>	<u>1,270</u>						
<b>4 Bank balances other than cash and cash equivalents</b>								
In other deposit accounts (Original maturity more than three months)	684	2						
Balances with banks to the extent held as margin money	800	654						
	<u>1,484</u>	<u>656</u>						
<b>Details of balances with banks to the extent held as margin money or security against the borrowings</b>								
<b>Maturity period of less than 12 months</b>								
(i) Held as collateral against borrowings and securitization transactions	724	656						
	<u>724</u>	<u>656</u>						
<b>Maturity period of more than 12 months</b>								
(ii) Held as collateral against borrowings and securitization transactions	76	-						
	<u>76</u>	<u>-</u>						
<b>Total</b>	<u>800</u>	<u>656</u>						
<b>5 Derivative financial instruments</b>								
(Also refer note 31, 32)								
	<b>As at 31 March 2025</b>				<b>As at 31 March 2024</b>			
	<b>Notional amounts</b>	<b>Fair value assets</b>	<b>- Fair value Liabilities</b>	<b>-</b>	<b>Notional amounts</b>	<b>Fair value assets</b>	<b>- Fair value Liabilities</b>	<b>-</b>
<b>Part I</b>								
(i) Interest rate derivatives								
Forward rate agreements and interest rate swaps	3,885		24	-	1,818		-	27
<b>Part II</b>								
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:								
(i) Cash flow hedging - Interest rate derivatives	3,885		24	-	1,818		-	27
The Company has a Board approved policy for entering into derivative transactions. Derivative transaction comprises of Currency, Interest Rate Swaps. The Company undertakes such transactions for hedging interest / foreign exchange risk on borrowing. The Asset Liability Management Committee periodically monitors and reviews the risks involved.								
<b>6 Loans</b>								
<b>At amortized cost</b>								
					<b>As at</b>	<b>As at</b>		
					<b>31 March 2025</b>	<b>31 March 2024</b>		
<b>A Based on nature</b>								
Term Loans to Customers					15,222	13,458		
<b>Total Gross</b>					<u>15,222</u>	<u>13,458</u>		
Less: Impairment loss allowance					(210)	(325)		
<b>Total Net</b>					<u>15,012</u>	<u>13,133</u>		
<b>B Based on security</b>								
<b>Secured by tangible assets (i)</b>								
Total Gross					1,616	1,109		
Less: Impairment allowance					(7)	(57)		
<b>Total Net</b>					<u>1,609</u>	<u>1,052</u>		
<b>Unsecured (ii)</b>								
Unsecured (ii)					13,606	12,349		
Less: Impairment allowance					(203)	(268)		
<b>Total Net</b>					<u>13,403</u>	<u>12,081</u>		
<b>Total (B) - (i) + (ii)</b>					<u>15,012</u>	<u>13,133</u>		
<b>C Based on region</b>								
<b>(i) Loans in India</b>								
(a) Public sector					-	-		
(b) Others					15,222	13,458		
<b>Gross Loans in India</b>					<u>15,222</u>	<u>13,458</u>		
Less: Impairment loss allowance					(210)	(325)		
<b>Total (i)</b>					<u>15,012</u>	<u>13,133</u>		
<b>(ii) Loans outside India</b>								
Loans outside India					-	-		
<b>Total (ii)</b>					<u>-</u>	<u>-</u>		
<b>Total (C) = (i) + (ii)</b>					<u>15,012</u>	<u>13,133</u>		

**Note:**

- There is no loan asset measured at FVTOCI or FVTPL or designated at FVTPL.
- The Company has not granted any loans or advances to promoters, directors, key managerial personals, and other related parties.



6 Loans (continued)

3. During the current financial year, the Company has revised its Expected Credit Loss (ECL) model to enhance the accuracy, fairness, and robustness of its credit risk assessment framework. These refinements are aligned with the Company's evolving business strategy, improved availability of historical credit data, and future business plans. The revised model represents a shift towards a more granular, data-driven, and advanced approach, incorporating refined borrower segmentation and recovery analytics to ensure a more representative estimation of credit losses. The key changes are as follows:

- a) Change in Default and SICR (Significant Increase in Credit Risk) Definition: For the Farmer Collective vertical, the definition of default has been increased from 180 days to 360 days, and the Significant Increase in Credit Risk (SICR) has been increased from 60 days to 120 days.  
b) Pooling Classification for PD Computation: The pooling classification for Probability of Default (PD) computation has been enhanced for greater granularity. Previously, classification was based on the lending method (direct vs. channel partnership). In the current year, pooling is now based on ticket size, allowing for more precise risk segmentation.  
c) LGD Computation Method for Collateral and Guarantee Pool: The Loss Given Default (LGD) calculation has shifted from a collateral coverage ratio-based approach to a recovery-based method, where LGD is now determined using actual post-default recoveries.

The impact due to the change in the model amounts to (-)109 million. The future impact resulting from this model change is not ascertainable

Summary of loans by stage distribution	Gross Carrying Amount	Impairment Loss Allowance	Net Carrying Amount
<b>As at 31 March 2025</b>			
Stage 1 - Considered good	14,599	76	14,523
Stage 2 - Significant increase in credit risk	462	42	420
Stage 3 - Credit impaired	161	92	69
<b>As at the end of the year</b>	<b>15,222</b>	<b>210</b>	<b>15,012</b>
<b>As at 31 March 2024</b>			
Stage 1 - Considered good	12,625	126	12,499
Stage 2 - Significant increase in credit risk	678	67	611
Stage 3 - Credit impaired	155	132	23
<b>As at the end of the year</b>	<b>13,458</b>	<b>325</b>	<b>13,133</b>

7 Other financial assets

(Unsecured, considered good)			
Security deposits		12	10
Employee advances		3	5
Other receivables		10	1
Receivable from related parties (refer note 40)		189	220
<b>Total</b>		<b>214</b>	<b>236</b>

8 Deferred tax assets (net)

Deferred tax assets (net)		27	-
<b>Total</b>		<b>27</b>	<b>-</b>

Tax effect of items constituting deferred tax assets / (liabilities) :	Balance as at 01 April 2024	(Charge) / credit to Statement of profit and loss	(Charge) / credit to OCI	Balance as at 31 March 2025
Impairment loss allowance	-	15	-	15
(Gains) and losses on Hedge Accounting	-	-	12	12
<b>Total</b>	-	<b>15</b>	<b>12</b>	<b>27</b>

9 Other non-financial assets

	As at 31 March 2025	As at 31 March 2024
(Unsecured, considered good)		
Prepaid expenses	40	22
Advance paid to suppliers	10	3
Balances with government authorities	5	-
<b>Total</b>	<b>55</b>	<b>25</b>

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10 Property, plant and equipment

Particulars	Freehold land	Vehicles	Leasehold improvements	Total	Right of use assets (ROU)
<b>Gross Block</b>					
Balance as at 01 April 2023	-	-	-	-	-
Assets acquired under business combination	2	2	22	26	41
Additions	-	-	2	2	-
Disposals	-	-	-	-	-
<b>Balance as at 31 March 2024</b>	<b>2</b>	<b>2</b>	<b>24</b>	<b>28</b>	<b>41</b>
Additions	-	4	-	4	-
Disposals	-	-	-	-	-
<b>Balance as at 31 March 2025</b>	<b>2</b>	<b>6</b>	<b>24</b>	<b>32</b>	<b>41</b>
<b>Accumulated depreciation</b>					
Balance as at 01 April 2023	-	-	-	-	-
Assets acquired under business combination	-	1	18	19	27
Depreciation charge for the year	-	1	4	5	10
On disposals / adjustments	-	-	-	-	-
<b>Balance as at 31 March 2024</b>	<b>-</b>	<b>2</b>	<b>22</b>	<b>24</b>	<b>37</b>
Depreciation charge for the year	-	-	2	2	3
On disposals / adjustments	-	-	-	-	-
<b>Balance as at 31 March 2025</b>	<b>-</b>	<b>2</b>	<b>24</b>	<b>26</b>	<b>40</b>
<b>Net block</b>					
As at 31 March 2024	2	-	2	4	4
As at 31 March 2025	2	4	-	6	1

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Particulars	As at 31 March 2025	As at 31 March 2024
<b>11 Payables</b>		
<b>Trade Payables</b>		
a) - Total outstanding dues of micro enterprises and small enterprises	-	-
b) - Total outstanding dues of creditors other than micro enterprises and small enterprises	55	28
<b>Total</b>	<b>55</b>	<b>28</b>

(i) The classification of the suppliers under Micro, Small and Medium Enterprises Development Act, 2006 is made on the basis of information made available to the Company.

Note: Under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) which came into force from 2 October 2006, certain disclosures are required to be made relating to dues to micro, small and medium enterprises (MSME). On the basis of the information and records available with the Management, none of the Company's suppliers are covered under the MSMED and accordingly, disclosure of information relating to principal, interest accruals and payments are not applicable.

Trade Payables Ageing							As at 31 March 2025
Particulars	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	
(i) MSME - Undisputed	-	-	-	-	-	-	
(ii) Others	-	55	-	-	-	55	
(iii) Disputed dues - MSME	-	-	-	-	-	-	
(iv) Disputed dues - Others	-	-	-	-	-	-	
<b>Total</b>	<b>-</b>	<b>55</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>55</b>	

Trade Payables Ageing							As at 31 March 2024
Particulars	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	
(i) MSME - Undisputed	-	-	-	-	-	-	
(ii) Others	16	12	-	-	-	28	
(iii) Disputed dues - MSME	-	-	-	-	-	-	
(iv) Disputed dues - Others	-	-	-	-	-	-	
<b>Total</b>	<b>16</b>	<b>12</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>28</b>	

	As at 31 March 2025	As at 31 March 2024
<b>12 Debt securities</b>		
<b>At amortized cost</b>		
<b>Secured</b>		
Non-Convertible Redeemable Debentures (refer note 29a)	3,997	4,877
Interest accrued but not due on debentures	35	73
<b>Total (i)</b>	<b>4,032</b>	<b>4,950</b>
<b>Unsecured</b>		
Non-Convertible Redeemable Debentures	-	126
Commercial papers	773	-
<b>Total (ii)</b>	<b>773</b>	<b>126</b>
<b>Total (i+ii)</b>	<b>4,805</b>	<b>5,076</b>
Debt securities in India	2,444	1,799
Debt securities outside India	2,361	3,277
<b>Total</b>	<b>4,805</b>	<b>5,076</b>
<b>13 Borrowings (Other than debt securities)</b>		
<b>At amortised cost</b>		
<b>Secured</b>		
(A) Term loans (refer note 30b)		
From banks	587	278
From other parties	7,944	5,986
(B) Loans repayable on demand (refer note 30b)		
From banks	454	-
Interest accrued but not due on borrowings	69	32
<b>Total</b>	<b>9,054</b>	<b>6,296</b>
(C) Borrowings under securitisation (secured)	37	-
Less: Investment in equity tranche of PTCs	(10)	-
<b>Total</b>	<b>27</b>	<b>-</b>
<b>Total (A+B+C)</b>	<b>9,081</b>	<b>6,296</b>
Borrowings in India	5,048	4,436
Borrowings outside India	4,033	1,860
<b>Total</b>	<b>9,081</b>	<b>6,296</b>

**Note:**

(i) There is no default as on 31 March 2025 and 31 March 2024 in repayment of borrowings and interest in all the above categories of the borrowings.



Particulars	As at 31 March 2025	As at 31 March 2024
<b>14 Other financial liabilities</b>		
Lease liabilities	1	5
Employee related payables	49	24
Payable to group companies	8	-
Other payables	102	10
	<u>160</u>	<u>39</u>
<b>15 Current tax liabilities (net)</b>		
Provision for tax	26	-
Total	<u>26</u>	<u>-</u>
<b>16 Provisions</b>		
Provision for employee benefits		
Provision for gratuity (refer note 29(b))	36	25
Provision for compensated absences (refer note 29(c))	28	21
	<u>64</u>	<u>46</u>
<b>17 Other non-financial liabilities</b>		
Statutory dues payable	40	1
Income received in advance	19	18
	<u>59</u>	<u>19</u>

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	As at 31 March 2025		As at 31 March 2024	
	No of shares	Amount	No of shares	Amount
<b>18 Equity Share capital</b>				
<b>Authorised</b>				
Equity shares of ₹ 10 each	50,00,00,000	5,000	1,25,00,000	125
	<b>50,00,00,000</b>	<b>5,000</b>	<b>1,25,00,000</b>	<b>125</b>
<b>Issued, subscribed and fully paid-up</b>				
Equity shares of ₹ 10 each	34,93,52,423	3,494	1,25,00,000	125
	<b>34,93,52,423</b>	<b>3,494</b>	<b>1,25,00,000</b>	<b>125</b>
<b>a) Reconciliation of number of equity shares and amount outstanding at the beginning and at the end of the reporting period</b>				
<b>Issued, subscribed and paid-up</b>				
Balance at the beginning of the year	1,25,00,000	125	25,00,000	25
Shares issued during the year	-	-	1,00,00,000	100
Share issued during the year under business combination	33,68,52,423	3,369	-	-
Balance at the end of the year	<b>34,93,52,423</b>	<b>3,494</b>	<b>1,25,00,000</b>	<b>125</b>

**b) Shareholders holding more than 5 percent**

	No. of shares	% of holding	No. of shares	% of holding
<b>Equity shares of ₹ 10 each</b>				
Sammunati Agri Value Chain Solutions Private Limited (Formerly Samunnati Financial Intermediation and Services Private Limited)	34,93,52,423	100%	1,25,00,000	100%

c) The Company has issued 33,68,52,423 equity shares of ₹ 10 each as consideration for net assets acquired under business combination (refer note 39). Further, there were no shares bought back or allotted as fully paid up by way of bonus shares for a period of five years immediately preceding the financial year.

**d) Terms and rights attached to equity shares**

The Company has only one class of equity shares having a face value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company shall declare and pay dividends in Indian rupees. The dividend proposed by the Board of Directors shall be subject to the approval of the shareholders in the ensuing Annual General Meeting, except interim dividend which can be approved by the Board of Directors. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**e) Change in Promoter Shareholding**

There is no change in the number of Equity shares held by the Promoters and change in percentage of holding is on account of issue of additional Equity shares to the members other than the promoters, during the respective years

**19 Other equity**

Particulars	As at 31 March 2025	As at 31 March 2024
<b>Capital reserve - Business combination reserve</b>		
Balance as at the beginning of the year	175	(1,667)
Movement	(175)	1,842
<b>Balance as at the end of the year (a)</b>	<b>-</b>	<b>175</b>
<b>Shares to be issued under business combination</b>		
Balance as at the beginning of the year	3,369	3,369
Less: Allotment during the year	(3,369)	-
<b>Balance as at the end of the year (b)</b>	<b>-</b>	<b>3,369</b>
<b>Statutory Reserve</b>		
Balance as at the beginning of the year	-	-
Add: Transfer from retained earnings	6	-
<b>Balance as at the end of the year (c)</b>	<b>6</b>	<b>-</b>
<b>Other Comprehensive Income/(loss)</b>		
Balance as at the beginning of the year	(35)	-
Add: Other comprehensive income/(loss) for the year	(35)	(35)
Add: Pre-business combination profit	81	-
<b>Balance as at the end of the year (d)</b>	<b>10</b>	<b>(35)</b>
<b>Retained earnings</b>		
Balance as at the beginning of the year	163	-
Add: Profit for the year	29	163
Add: Pre-business combination profit	(24)	-
Less: Transfer to statutory reserve	(6)	-
<b>Balance as at the end of the year (e)</b>	<b>162</b>	<b>163</b>
<b>Total other equity (a+b+c+d+e)</b>	<b>178</b>	<b>3,672</b>

**Nature and purpose of other equity**

**(i) Capital reserve - Business Combination reserve**

Represents difference between consideration paid by way of equity shares issued and carrying value of net assets taken over through slump-sale at each reporting

**(ii) Shares to be issued under business combination**

The company has taken over the net assets of Sammunati Agri Value Chain Solutions Private Limited (Samunnati Financial Intermediation and Services Private Limited) on account of business combination for which 336,852,423 shares at face value of ₹10 each has been allotted.

**(iii) Statutory Reserve**

Reserve u/s. 45-IA of RBI Act, 1934 is created in accordance with section 45 IC(1) of the RBI Act, 1934 pursuant to which a Non Banking Finance Company shall create a reserve fund and transfer therein a sum not less than twenty percent of its net profit every year as disclosed in the statement of profit and loss account, before any dividend is declared. As per Section 45 IC(2) of the RBI Act, 1934, no appropriation of any sum from this reserve fund shall be made by the non-banking financial company except for the purpose as may be specified by RBI.

**(iv) Other comprehensive Income**

The Company has applied hedge accounting for designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognized directly in OCI within equity as cash flow hedge reserve. Amounts recognized in the effective portion of cash flow hedges is reclassified to the statement of profit and loss when the hedged item affects profit or loss (e.g. interest payments).

**(v) Retained earnings**

Retained earnings or accumulated surplus/ (loss) represents total of all profits/ (losses) retained since Company's inception. Retained earnings are credited with current year profits, reduced by losses, if any, dividend pay-outs, transfers to General reserve or any such other appropriations to specific reserves. Retained earnings include remeasurement loss/(gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss.



Notes	Particulars	Year ended 31 March 2025	Year ended 31 March 2024
<b>20</b>	<b>Interest income</b>		
	<b>On financial assets measured at amortized cost</b>		
	Interest on receivables from financing activity	2,461	1,912
	Interest income on fixed deposits	34	14
	Interest income on security deposits held with lenders	51	38
	On loan to fellow subsidiary ( refer note no 40b )	13	-
		<u>2,559</u>	<u>1,964</u>
<b>21</b>	<b>Other income</b>		
	Gain on sale of property, plant and equipment	-	2
	Interest on income tax refund	-	11
	Miscellaneous Income	2	-
	Other charges	117	82
	Gain from foreign currency transactions	10	10
		<u>129</u>	<u>105</u>
<b>22</b>	<b>Finance costs</b>		
	Interest on borrowings		
	- term loans from banks	90	83
	- cash credits and overdraft from banks	11	3
	- term loans from others	824	398
	- securitisation	5	-
	Interest expense on debt securities	562	573
	Other borrowing costs	143	50
	Interest expenses on lease liabilities	-	1
		<u>1,635</u>	<u>1,108</u>
<b>23</b>	<b>Impairment on financial instruments</b>		
	<b>At amortized cost</b>		
	Impairment loss allowance on loans	(116)	(688)
	Loans written off	568	846
	Less: Bad debts recovered	(362)	(124)
		<u>90</u>	<u>34</u>
<b>24</b>	<b>Employee benefits expenses</b>		
	Salaries, wages and bonus	460	374
	Contribution to provident and other funds	19	16
	Gratuity and leave encashment expenses ( refer note no 29 )	16	14
	Staff welfare expenses	16	23
		<u>511</u>	<u>427</u>
<b>25</b>	<b>Depreciation (Refer note 10)</b>		
	Depreciation of property, plant and equipment	2	5
	Depreciation of right of use assets	3	10
		<u>5</u>	<u>15</u>
<b>26</b>	<b>Other expenses</b>		
	Legal and professional charges	163	146
	Service fee expenses	47	6
	Technology and communication expenses	27	47
	Membership and subscription charges	32	20
	Travelling and conveyance	43	43
	Insurance	1	2
	Auditors remuneration*	4	6
	Repairs and maintenance - others	6	6
	Rates and taxes	2	1
	Rent	24	14
	Printing and stationery	7	5
	Power and fuel	4	4
	Sitting fees	3	3
	Marketing expenses	8	9
	Miscellaneous expenses	8	10
		<u>379</u>	<u>322</u>
	<b>*Payments to auditors</b>		
	Statutory audit	2	3
	Tax audit	1	-
	Others	1	3
	<b>Total</b>	<u>4</u>	<u>6</u>



Notes	Particulars	Year ended 31 March 2025	Year ended 31 March 2024	
27	<b>Income tax</b>			
a)	<b>Income tax recognized in statement of profit and loss</b>			
	Current tax			
	In respect of current year	54	-	
		<u>54</u>	<u>-</u>	
	<b>Deferred tax</b>			
	In respect of current year origination and reversal of temporary differences	(15)	-	
	Total income tax recognized in statement of profit and loss	<u>(15)</u>	<u>-</u>	
	<b>Total</b>	<u>39</u>	<u>-</u>	
b)	<b>Income tax recognized in other comprehensive income</b>			
	<b>Deferred tax related to items recognized in Other Comprehensive Income during the year:</b>			
	Gains and losses on hedge accounting	12	-	
	<b>Total income tax recognized in other comprehensive income</b>	<u>12</u>	<u>-</u>	
28	<b>Earnings Per Share (EPS)</b>			
	Net profit attributable to equity shareholders ₹ in millions (Basic and Diluted)	A	29	163
	<b>Weighted average number of equity shares outstanding during the year</b>			
	Number of equity shares at the beginning of the year (i)		1,25,00,000	25,00,000
	Shares issued on account of business combination (ii)		33,68,52,423	33,68,52,423
	Add: Weighted average number of equity shares issued during the year (iii)		-	41,36,986
	Number of equity shares at the end of the year (i+ii+iii)	B	34,93,52,423	34,34,89,409
	<b>Basic and diluted earnings per equity share of ₹ 10 each (in ₹)</b>	(A/B)	<b>0.08</b>	<b>0.47</b>

Note: There has been no effect of potential dilutive shares during the financial year 31 March 2025 and 31 March 2024 and hence the basic and diluted EPS are the same.

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29 Employee benefits

a) Defined contribution plan

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund, which is a defined contribution plan. The Company has no obligations other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue.

Defined benefit plans

b) Gratuity

The Company operates a defined benefit plan (the Gratuity plan) covering eligible employees. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employee who has completed five years of continued service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age / resignation date.

In accordance with applicable Indian laws, the Company provides for gratuity, a defined benefit retirement plan ("The Gratuity Plan") covering eligible employees. The gratuity plan provides for a lump sum payment to vested employees on retirement (subject to completion of five years of continuous employment), death, incapacitation or termination of employment that are based on last drawn salary and tenure of employment. The Company does not maintain any plan assets to fund its obligation towards gratuity liability.

The defined benefit plans expose the Company to risks such as Actuarial risk, Liquidity risk, Market risk, Legislative risk. These are discussed as follows:

**Actuarial risk:** It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

**Adverse salary growth experience:** Salary hikes that are higher than the assumed salary escalation will result into an increase in obligation at a rate that is higher than expected.

**Variability in mortality rates:** If actual mortality rates are higher than assumed mortality rate assumption then the gratuity benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

**Variability in withdrawal rates:** If actual withdrawal rates are higher than assumed withdrawal rate assumption then the gratuity benefit will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

**Liquidity risk:** Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign / retire from the Company there can be strain on the cash flows.

**Market risk:** Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in defined benefit obligation of the plan benefits and vice versa. This assumption depends on the yields on the government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

**Legislative risk:** Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act, 1972, thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the defined benefit obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

Details of defined benefit plans as per actuarial valuation are as follows:

I. Amount recognized in the statement of Profit and Loss

Current service cost		
Net interest cost		
<b>Total expenses included in employee benefit expenses</b>		

	Year ended 31 March 2025	Year ended 31 March 2024
	8	5
	2	2
	<b>10</b>	<b>7</b>

II. Amount recognized in Other Comprehensive Income

Remeasurement (gains)/ losses:		
Actuarial (gain)/ losses arising from changes in		
- Experience adjustments		
<b>Total amount recognized in other comprehensive income</b>		

	Year ended 31 March 2025	Year ended 31 March 2024
	(1)	2
	<b>(1)</b>	<b>2</b>

III. Changes in the defined benefit obligation

Opening defined benefit obligation		
Current service cost		
Interest expense		
Remeasurement (gains)/losses arising from changes in -		
- Acquisitions		
- Experience adjustments		
- Disposals		
Benefits paid		
Closing defined benefit obligation		

	As at 31 March 2025	As at 31 March 2024
	25	-
	8	5
	2	1
	3	21
	(1)	2
	(1)	(4)
	<b>36</b>	<b>25</b>

IV. Net defined benefit obligation

Defined benefit obligation		
Current portion of the above		
Non current portion of the above		

	As at 31 March 2025	As at 31 March 2024
	36	25
	2	5
	<b>34</b>	<b>20</b>



## V. Maturity profile of defined benefit obligation (undiscounted)

Within 1 year
Year 2
Year 3
Year 4
Year 5
Years 6-10
Years 11-15
Years 15+

As at 31 March 2025	As at 31 March 2024
2	5
3	3
3	3
4	3
5	3
15	11
13	5
22	4

## VI. Actuarial assumptions and sensitivity

Discount rate (p.a.)
Attrition rate
Rate of salary increase
In- service Mortality rate

As at 31 March 2025	As at 31 March 2024
6.60%	6.60%
10.00%	10.00%
10.00%	10.00%
IAL2012-14UII	IAL2012-14UII

## VII. Quantitative sensitivity analysis for input of significant assumptions on defined benefit obligations are as follows

One percentage point increase in discount rate
One percentage point decrease in discount rate
One percentage point increase in salary growth rate
One percentage point decrease in salary growth rate
Ten percentage point increase in attrition rate
Ten percentage point decrease in attrition rate

Year ended 31 March 2025	Year ended 31 March 2024
(3)	(1)
3	1
3	1
(3)	(1)
(1)	-
1	-

## c) Compensated absences

The Company permits encashment of compensated absences accumulated by their employees on retirement, separation and during the course of service. The liability in respect of the Company, for outstanding balance of privilege leave at the balance sheet date is determined and provided on the basis of actuarial valuation provided by an independent actuary. The Company does not maintain any plan assets to fund its obligation towards compensated absences.

## Actuarial assumptions for compensated absences

## I. Actuarial assumptions and sensitivity

Discount rate (p.a.)
Rate of salary increase
Attrition rate over different age brackets

Year ended 31 March 2025	Year ended 31 March 2024
6.60%	7.00%
10.00%	10.00%
10.00%	10.00%

The estimate of future salary increases, considered in actuarial valuation, considers inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

## II. Expenses recognized in Statement of profit and loss

Included under gratuity and leave encashment expenses

Year ended 31 March 2025	Year ended 31 March 2024
6	7

## III. Net defined benefit obligation

Defined benefit obligation
Current portion of the above
Non current portion of the above

Year ended 31 March 2025	Year ended 31 March 2024
28	20
5	6
23	14

## IV. Through its defined benefit plans the Company is exposed to a number of risks, the most significant of which are detailed below:

## Demographic risks

This is the risk of volatility of results due to unexpected nature of decrements that include mortality attrition, disability and retirement. The effects of this decrement on the defined benefit obligations depend upon the combination of salary increase, discount rate, and vesting criteria and therefore not very straight

## Change in bond yields

A decrease in government bond yields will increase plan liabilities, although this is expected to be partially offset by an increase in the value of the plan's investment in debt instruments.

## Inflation risk

The present value of some of the defined benefit plan obligations are calculated with reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

## Life expectancy

The present value of defined benefit plan obligation is calculated by reference to the best estimate of the mortality of plan participants, both during and after the employment. An increase in the life expectancy of the plan participants will increase the plan's liability.



## 30 Details of security, repayment terms and applicable interest rates on debt securities and borrowings

## a) Debt securities

## For balances outstanding as at 31 March 2025

Original maturity of loan	Face value (amount)	Date of allotment	Maturity date	Rate of interest	Amount due within one year*	Amount due beyond one year	Total*	Security details
<b>Non Convertible Redeemable Debentures</b>								
60 Months	5,000	20-Aug-20	20-Aug-25	13.05%	-	-	-	Loans
60 Months	5,000	20-Aug-20	20-Aug-25	13.05%	-	-	-	
60 Months	1,00,000	26-Jul-21	15-Jul-26	11.24%	-	-	-	
60 Months	1,00,000	26-Jul-21	15-Jul-26	11.24%	-	-	-	
48 Months	10,00,000	15-Feb-22	15-Feb-26	14.71%	226	-	226	
48 Months	10,00,000	15-Feb-22	15-Feb-26	14.94%	226	-	226	
72 Months	5,00,000	10-Aug-22	02-Aug-28	11.29%	5	293	298	
72 Months	5,00,000	10-Aug-22	02-Aug-28	11.29%	5	293	298	
35 Months	1,00,000	01-Dec-23	01-Oct-26	11.00%	106	68	174	
46 Months	1,00,000	20-Feb-24	06-Dec-27	13.73%	8	751	759	
30 Months	1,00,000	28-Mar-24	01-Oct-26	11.00%	57	35	92	
30 Months	1,00,000	28-Mar-24	01-Oct-26	11.00%	19	12	31	
12 Months	1,00,000	10-May-24	24-May-25	11.50%	102	-	102	
18 Months	1,00,000	27-Jun-24	27-Dec-25	10.25%	140	-	140	
15 Months	10,000	02-Sep-24	02-Dec-25	11.37%	203	-	203	
60 Months	1,00,000	19-Sep-24	19-Sep-29	11.50%	1	277	278	
60 Months	1,00,000	19-Sep-24	19-Sep-29	11.50%	1	277	278	
24 Months	1,00,000	27-Sep-24	27-Sep-26	12.50%	240	120	360	
12 Months	10,000	26-Nov-24	05-Dec-25	11.26%	189	-	189	
13 Months	1,00,000	05-Dec-24	05-Jan-26	11.25%	378	-	378	
<b>Commercial Papers</b>								
4 Months	5,00,000	29-Jan-25	29-May-25	12.50%	100	-	100	NIL
4 Months	5,00,000	29-Jan-25	29-May-25	12.50%	200	-	200	
3 Months	5,00,000	21-Feb-25	30-May-25	12.00%	30	-	30	
4 Months	5,00,000	13-Feb-25	17-Jun-25	12.50%	100	-	100	
2 Months	5,00,000	25-Feb-25	28-Apr-25	12.50%	10	-	10	
2 Months	5,00,000	25-Feb-25	28-Apr-25	12.50%	50	-	50	
3 Months	5,00,000	28-Mar-25	26-Jun-25	11.75%	100	-	100	
2 Months	5,00,000	25-Mar-25	23-May-25	13.25%	100	-	100	
3 Months	5,00,000	25-Mar-25	25-Jun-25	13.25%	100	-	100	
					2,696	2,126	4,822	

\*The above amount is post considering the impact of interest paid in advance of ₹17 million for Commercial papers.

## For balances outstanding as at 31 March 2024

Original maturity of loan	Face value (amount)	Date of allotment	Maturity date	Rate of interest	Amount due within one year*	Amount due beyond one year	Total*	Security details
<b>Non Convertible Redeemable Debentures</b>								
72 Months	10,00,000	24-Sep-18	24-Sep-24	14.59%	150	-	150	Loans
72 Months	10,00,000	24-Sep-18	24-Sep-24	12.67%	301	-	301	
72 Months	10,00,000	10-Aug-22	02-Aug-28	11.29%	9	585	594	
60 months	5,000	20-Aug-20	20-Aug-25	13.05%	-	-	-	
60 months	1,00,000	26-Jul-21	15-Jul-26	11.24%	352	-	352	
48 Months	10,00,000	15-Feb-22	15-Feb-26	14.71%	78	223	301	
48 Months	10,00,000	15-Feb-22	15-Feb-26	14.94%	78	223	301	
36 Months	10,00,000	31-Mar-21	01-Apr-24	12.30%	363	-	363	
36 months	10,00,000	05-Apr-21	05-Apr-24	14.07%	316	-	316	
36 months	10,00,000	06-Sep-21	06-Sep-24	12.07%	246	-	246	
36 months	1,00,000	28-Dec-21	27-Dec-24	11.60%	126	-	126	
24 months	10,00,000	20-Apr-23	17-Apr-25	14.25%	36	214	250	
18 months	1,00,000	18-Aug-23	01-Feb-25	12.50%	147	-	147	
35 months	1,00,000	01-Dec-23	01-Oct-26	11.00%	106	184	290	
11 months	1,00,000	12-Feb-24	13-Jan-25	11.50%	126	-	126	
46 months	1,00,000	20-Feb-24	06-Dec-27	13.73%	8	751	759	
12 months	1,00,000	26-Feb-24	06-Mar-25	12.00%	253	-	253	
31 months	1,00,000	28-Mar-24	01-Oct-26	11.00%	69	132	201	
					2,764	2,312	5,076	

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## 30 Details of security, repayment terms and applicable interest rates on debt securities and borrowings

## b) Borrowings (other than debt securities)

For balances outstanding as at 31 March 2025

## I. Long-term

Original maturity of loan	Rate of interest	Due within one year		Due beyond one year		Total	Security details
		No of instalments	Amount	No of instalments	Amount		
<b>Monthly repayment of principal</b>							
24 Months	12.00%	6	25	-	-	25	Loans
20 Months	12.95%	12	177	-	-	177	Loans
24 Months	11.50%	8	90	-	-	90	Loans
24 Months	12.90%	11	147	-	-	147	Loans
13 Months	12.50%	1	16	-	-	16	Loans
24 Months	12.80%	12	131	3	35	165	Loans
24 Months	12.00%	12	51	4	18	70	Loans
23 Months	12.60%	12	115	4	41	156	Loans
60 Months	13.10%	12	20	42	70	90	Loans
36 Months	11.50%	12	51	19	79	130	Loans
15 Months	11.75%	12	80	1	7	87	Loans
25 Months	12.85%	11	92	13	108	200	Loans
<b>Quarterly repayment of principal</b>							
24 Months	12.25%	1	31	-	-	31	Loans
42 Months ECB	12.89%	-	-	4	284	284	Loans
42 Months ECB	12.89%	-	-	4	543	543	Loans
42 Months ECB	12.89%	-	-	4	342	342	Loans
42 Months ECB	12.89%	-	-	4	167	167	Loans
24 Months	12.25%	4	150	1	38	188	Loans
<b>Annual repayment of principal</b>							
48 months ECB	10.91%	1	37	-	-	37	Loans
48 months ECB	10.91%	1	37	-	-	37	Loans
48 months ECB	11.12%	1	22	-	-	22	Loans
48 months ECB	11.12%	1	22	-	-	22	Loans
<b>Bullet Repayment of principal</b>							
37 months ECB	11.18%	1	343	-	-	343	Loans
<b>Half Yearly repayment of principal</b>							
24 Months	5.50%	1	51	-	-	51	Loans
66 Months ECB	12.50%	2	162	6	468	630	Loans
23 Months	5.50%	2	81	-	-	81	Loans
23 Months	4.50%	2	202	-	-	202	Loans
60 Months ECB	11.99%	2	160	6	489	629	Loans
48 Months ECB	11.85%	-	24	5	209	232	Loans
48 Months ECB	11.90%	-	-	5	209	209	Loans
35 Months	4.50%	2	172	4	333	506	Loans
48 Months ECB	11.35%	2	108	6	324	433	Loans
24 Months	4.25%	2	-	-	700	700	Loans
			<b>2,599</b>		<b>4,444</b>	<b>7,043</b>	

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## For balances outstanding as at 31 March 2025

## II. Short-term

Original maturity of loan	Rate of interest	Overall Limit	Amount	Security details
<b>Loans repayable on demand</b>				
Repayable on demand	9.50%	200	184	Fixed deposits
Repayable on demand	8.75%	100	98	Fixed deposits
Repayable on demand	9.30%	180	172	Fixed deposits
<b>Bullet Repayment of principal</b>		<b>No of instalments</b>		
3 Months	12.25%	1	101	Loans
3 Months	12.25%	1	101	Loans
<b>Monthly Repayment of Principal</b>			-	-
12 Months	12.90%	6	25	Loans
12 Months	12.90%	6	25	Loans
12 Months	12.90%	6	25	Loans
12 Months	12.90%	6	25	Loans
12 Months	12.90%	6	25	Loans
12 Months	12.90%	6	18	Loans
12 Months	12.90%	6	8	Loans
12 Months	12.90%	6	18	Loans
12 Months	12.90%	6	8	Loans
12 Months	12.90%	9	47	Loans
12 Months	12.90%	9	47	Loans
12 Months	12.90%	9	47	Loans
12 Months	12.90%	9	47	Loans
11 Months	12.90%	10	29	Loans
11 Months	12.90%	10	13	Loans
12 Months	12.90%	11	46	Loans
12 Months	12.90%	11	46	Loans
12 Months	12.90%	11	46	Loans
12 Months	12.90%	11	46	Loans
12 Months	12.90%	11	46	Loans
12 Months	12.90%	11	46	Loans
12 Months	12.90%	11	46	Loans
11 Months	12.50%	11	150	Loans
6 Months	12.25%	1	26	Loans
6 Months	13.00%	6	251	Loans
6 Months	12.85%	3	75	Loans
6 Months	12.85%	3	121	Loans
			<b>1,987</b>	

## Note

a) The above amount excludes unamortized processing fees of ₹ 93 millions

b) The above amount excludes mark to market impact of ₹116 millions

## For balances outstanding as at 31 March 2024

## I. Long-term

Original maturity of loan	Rate of interest	Due within one year		Due beyond one year		Total	Security details
		No of instalments	Amount	No of instalments	Amount		
<b>Monthly repayment of principal</b>							
36 Months	11.65%	3	15	-	-	15	Loans and Cash Collateral
36 Months	11.65%	4	21	-	-	21	Loans and Cash Collateral
25 Months	12.00%	11	37	-	-	37	Loans
24 Months	13.25%	12	151	-	-	151	Loans
18 Months	13.50%	9	79	-	-	79	Loans
24 Months	12.00%	12	50	6	25	75	Loans and Cash Collateral
30 Months	12.95%	12	178	12	177	355	Loans
24 Months	11.50%	12	124	8	90	214	Loans
24 Months	12.90%	12	142	11	147	289	Loans
13 Months	12.25%	12	100	-	-	100	Loans
13 Months	12.25%	8	13	-	-	13	Loans
13 Months	12.50%	11	174	1	16	190	Loans
<b>Quarterly repayment of principal</b>							
36 months	11.50%	3	38	-	-	38	Loans
40 months	11.60%	2	150	-	-	150	Loans
31 months	12.25%	4	125	1	31	156	Loans
<b>Annual repayment of principal</b>							
48 months ECB	10.91%	1	76	1	74	150	Loans
48 months ECB	11.12%	1	45	1	44	89	Loans



For balances outstanding as at 31 March 2024

## I. Long-term (continued)

Original maturity of loan	Rate of interest	Due within one year		Due beyond one year		Total	Security details
		No of instalments	Amount	No of instalments	Amount		
<b>Bullet Repayment of principal</b>							
37 months ECB - Note a)	11.18%	-	11	1	333	344	Loans
			-		-	-	
<b>Half Yearly repayment of principal</b>							
67 months ECB - Note a)	12.50%	-	3	8	624	627	Loans
54 months ECB - Note a)	11.99%	1	79	7	547	626	Loans and Cash Collateral
24 months	5.25%	2	25	-	-	25	
24 months	5.50%	1	50	1	50	100	
24 months	5.50%	1	40	2	80	120	
24 months	4.50%	2	200	2	200	400	
					-	-	
			<b>1,926</b>		<b>2,438</b>	<b>4,364</b>	

## II. Short-term

Original maturity of loan	Rate of interest	No of instalments	Amount	Security details
<b>Bullet Repayment of principal</b>				
3 Months	13.00%	1	50	Loans
<b>Monthly Repayment of Principal</b>				
9 Months	12.75%	2	67	
9 Months	12.75%	5	195	
9 Months	12.75%	7	118	
9 Months	12.75%	8	224	
6 Months	12.50%	1	53	
12 Months	12.25%	12	40	
6 Months	12.60%	1	191	
7 Months	13.25%	6	70	Loans
7 Months	13.00%	7	401	
6 Months	12.25%	6	100	
3 Months	12.75%	3	50	
Quarterly			-	
6 Months	12.60%	5	200	
6 Months	12.90%	6	200	
			<b>1,959</b>	

a) The above amount excludes unamortized processing fees of ₹ 63 millions

b) ECB loan amount excludes forex restatement loss of ₹ 36 millions



31 Fair value measurement

31.1 Financial instruments by category

a) Financial instruments measured at amortized cost as at 31 March 2025

Particulars	As at				
	31 March 2025 Carrying value	Level I	Level II	Level III	Total
<b>Financial assets</b>					
Cash and cash equivalents	1,099	-	-	1,099	1,099
Other bank balances	1,484	-	-	1,484	1,484
Loans	15,012	-	-	15,012	15,012
Other financial assets	190	-	-	190	190
	<b>17,785</b>	<b>-</b>	<b>-</b>	<b>17,785</b>	<b>17,785</b>
<b>Financial liabilities</b>					
Trade payables	55	-	-	55	55
Debt securities	4,805	-	-	4,805	4,805
Borrowings (other than debt securities)	9,081	-	-	9,081	9,081
Other financial liabilities	133	-	-	133	133
	<b>14,074</b>	<b>-</b>	<b>-</b>	<b>14,074</b>	<b>14,074</b>

Financial instruments measured at amortized cost as at 31 March 2024

Particulars	As at				
	31 March 2024 Carrying value	Level I	Level II	Level III	Total
<b>Financial assets</b>					
Cash and cash equivalents	1,270	-	-	1,270	1,270
Other bank balances	656	-	-	656	656
Loans	13,133	-	-	13,133	13,133
Other financial assets	236	-	-	236	236
	<b>15,295</b>	<b>-</b>	<b>-</b>	<b>15,295</b>	<b>15,295</b>
<b>Financial liabilities</b>					
Trade payables	28	-	-	28	28
Debt securities	5,076	-	-	5,076	5,076
Borrowings (other than debt securities)	8,296	-	-	8,296	6,296
Other financial liabilities	39	-	-	39	39
	<b>11,439</b>	<b>-</b>	<b>-</b>	<b>11,439</b>	<b>11,439</b>

b) Financial instruments measured at fair value through OCI as at 31 March 2025

Particulars	As at				
	31 March 2025 Carrying value	Level I	Level II	Level III	Total
<b>Financial assets</b>					
Derivative financial instruments	24	-	-	24	24
	<b>24</b>	<b>-</b>	<b>-</b>	<b>24</b>	<b>24</b>

Financial instruments measured at fair value as at 31 March 2024

Particulars	As at				
	31 March 2024 Carrying value	Level I	Level II	Level III	Total
<b>Financial liability</b>					
Derivative financial instruments	27	-	-	27	27
	<b>27</b>	<b>-</b>	<b>-</b>	<b>27</b>	<b>27</b>

31.2 Foreign exchange risk

	Nominal value of hedging instruments (No. of contracts)		Carrying value of hedge instruments		Maturity date	Changes in fair value of hedging instrument
	Asset	Liability	Asset	Liability		
<b>As at 31 March 2025</b>						
Cash flow hedge	11	-	24	-	15-Mar-29	24
Interest rate derivate						
<b>As at 31 March 2024</b>						
Cash flow hedge	-	7	-	27	15-Mar-29	(27)
Interest rate derivate						
<b>As at 31 March 2025</b>						
			Foreign currency	Notional value	Fair value*	Maturity date*
Buy USD - Sell INR			40.14	3,435.00	-8	15-Mar-29
Buy EURO - Sell INR			4.88	450.37	32	14-Aug-25
<b>As at 31 March 2024</b>						
Buy USD - Sell INR			14.59	1,216.18	(22)	15-Mar-29
Buy EURO - Sell INR			6.73	601.45	(5)	14-Aug-25

\*Fair value represents loss or gain on closing value of hedging instruments as on reporting date and For Maturity date the farthest Maturity date is given



**31.3 Fair value measurement hierarchy**

The Company records certain financial assets and financial liabilities at fair value on a recurring basis. The Company determines fair values based on the price it would receive to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date and in the principal or most advantageous market for that asset or liability.

The guidance specifies a hierarchy of valuation techniques based on whether the inputs to each measurement are observable or unobservable. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect the Company's assumptions about current market conditions. The fair value hierarchy also requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

The Company determines fair values of its financial instruments according to the following hierarchy:

Level 1 - Valuation based on quoted market price: Financial instruments with quoted prices for identical instruments in active markets that the Company can access at the measurement date.

Level 2- Valuation using observable inputs: Financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable.

Level 3 - Valuation technique with significant unobservable inputs: Financial instruments valued using valuation techniques where one or more significant inputs are unobservable.

**32 Financial Risk Management Framework**

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company manages financial risk relating to the operations through internal risk reports which analyze exposure by degree and magnitude of risk. These risks include market risk (including interest rate risk and other price risk), credit risk and liquidity risk. Compliance with policies and exposure limits is reviewed by the management on a continuous basis.

**(a) Credit risk**

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, other bank balances, investments, loan assets and other financial assets. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

**(b) Credit risk management**

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. The Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties, including regular collateral revisions. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

The Company provides for expected credit loss based on the following:

Assets covered	Nature	Basis of expected credit loss
Loans	Low credit risk	12 month expected credit loss
Loans	Moderate credit risk	Life time expected credit loss
Loans	High credit risk	Life time expected credit loss or fully provided for

**Financial assets that expose the entity to credit risk**

Particulars	Nature	As at 31 March 2025	As at 31 March 2024
Cash and cash equivalents (excluding cash on hand)	Low credit risk	1,099	1,270
Bank balance other than above	Low credit risk	1,484	656
Loans*	Low credit risk	14,599	12,825
Loans*	Moderate credit risk	462	678
Loans*	High credit risk	161	155
Other financial assets	Low credit risk	214	236

(\* These represent gross carrying values of loans, without netting off impairment loss allowance

**Cash and cash equivalents and bank deposits**

Credit risk related to cash and cash equivalents (excluding cash on hand) and bank deposits is managed by only investing in highly rated deposits of banks across the country.

**Other financial assets**

Other financial assets measured at amortized cost includes security deposits, employee advances, deposits with financial institutions, payment receivable on securitization, interest strip assets and other receivables. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

**Loans**

The Company closely monitors the credit-worthiness of the borrower's through internal systems and appraisal process to assess the credit risk and define credit limits of borrower, thereby, limiting the credit risk by setting limits on the amount of risk it is willing to accept for the counterparties. These processes include a detailed appraisal methodology, identification of risks and suitable structuring and credit risk mitigation measures. The Company assesses increase in credit risk on an ongoing basis for amounts loan receivables that become past due and default is considered to have occurred when amounts receivable become 180 days for AE (Agriculture Enterprise) and 360 days for CBO/FPO.

**The major guidelines for selection of the client includes:**

1. The client's income and indebtedness levels must be within the prescribed guidelines of Reserve Bank of India;
2. The client must possess the required KYC documents
3. The client must be engaged in some form of economic activity which ensures regular income;
4. Client must agree to follow the rules and regulations of the organization and

5. Credit bureau check – In order to deal with the problem of over extension of credit and indebtedness of the client, the organization undertakes credit bureau checks compulsorily for every client. The credit bureau check helps the organization in identifying clients with poor repayment histories and multiple loans.



**Credit risk exposure**

**(i) Expected credit losses for financial assets other than loans**

The Company have not made expected credit losses for financial assets other than loans since the same is not considered to be significant.

Particulars	Cash and cash equivalents	Other bank balance	Other financial assets
<b>As at 31 March 2025</b>			
Gross carrying amount	1,099	1,484	214
Less: Expected credit losses	-	-	-
<b>Net carrying amount</b>	<b>1,099</b>	<b>1,484</b>	<b>214</b>

Particulars	Cash and cash equivalents	Other bank balance	Other financial assets
<b>As at 31 March 2024</b>			
Gross carrying amount	1,270	656	236
Less: Expected credit losses	-	-	-
<b>Net carrying amount</b>	<b>1,270</b>	<b>656</b>	<b>236</b>

**(ii) Movement of carrying amount and expected credit loss for loans**

**Definition of default:**

The company has rebutted the presumption prescribed under Ind AS 109 that the credit risk increases significantly since initial recognition when contractual payments are more than 30 days (Stage 2) and that default occurs when a financial asset is 90 days past due (Stage 3). The risk profiling is determined for each segmented loan portfolio indicated below based on historical and market trends and directions from RBI including guidance for identification of NPA in agricultural advances.

Stage
Stage 1
Stage 2
Stage 3

**Credit Quality of Loan Assets**

Particulars	As at 31 March 2025	As at 31 March 2024
Stage 1	14,599	12,625
Stage 2	462	678
Stage 3	161	155
<b>Total</b>	<b>15,222</b>	<b>13,458</b>

An analysis of changes in the gross carrying amount and the corresponding ECL allowances is, as follows:

**As at 31 March, 2025**

Particulars	Stage 1	Stage 2	Stage 3
Gross carrying value of opening balances	12,624	678	156
New assets originated during the year, netted off repayments and derecognised portfolio*	2,130	179	23
Transfer to stage 1	373	(345)	(29)
Transfer to stage 2	(264)	264	(0)
Transfer to stage 3	(237)	(314)	551
Amounts written off	(27)	-	(540)
<b>Gross carrying value of closing balances</b>	<b>14,599</b>	<b>462</b>	<b>161</b>

**As at 31 March, 2024**

Particulars	Stage 1	Stage 2	Stage 3
Gross carrying value of opening balances	10,648	155	659
New assets originated during the year, netted off repayments and derecognised portfolio*	2,498	351	(6)
Transfer to stage 1	35	(35)	-
Transfer to stage 2	(303)	303	-
Transfer to stage 3	(254)	(96)	349
Amounts written off	-	-	(846)
<b>Gross carrying value of closing balances</b>	<b>12,624</b>	<b>678</b>	<b>156</b>

**As at 31 March 2025**

Particulars	Stage 1	Stage 2	Stage 3
ECL allowance - opening balances	126	66	133
New assets originated during the year, netted off repayments and derecognised portfolio*	(69)	38	484
Transfer to stage 1	54	(29)	(25)
Transfer to stage 2	(4)	4	(0)
Transfer to stage 3	(3)	(37)	40
Amounts written off	(28)	-	(540)
<b>ECL allowance - closing balances</b>	<b>76</b>	<b>42</b>	<b>92</b>



As at 31 March 2024

Particulars	Stage 1	Stage 2	Stage 3
ECL allowance - opening balances	347	31	635
New assets originated during the year, netted off repayments and derecognised portfolio*	(161)	1	319
Transfer to stage 1	16	(16)	-
Transfer to stage 2	(64)	64	-
Transfer to stage 3	(12)	(14)	25
Amounts written off	-	-	(846)
<b>ECL allowance - closing balances</b>	<b>126</b>	<b>66</b>	<b>133</b>

If the probability of default and loss given default increases or decrease by 100 basis point the expected credit loss will increase or decrease by ₹ 87 millions and ₹(38.44) millions respectively (As at 31 March 2024: ₹ 85.06 millions and ₹ (82.88) millions respectively).

\*Assets originated during the year has been presented on net basis i.e. the collections towards fresh loans has been netted off.

**(c) Liquidity Risk Management :**

Liquidity risk refers to the risk that the Company cannot meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation. The Company maintains adequate reserves and banking facilities, and continuously monitors the forecast and actual cash flows by matching maturing profiles of financial assets and financial liabilities in accordance with the approved risk management policy of the Company periodically. The Company believes that the working capital (including banking limits not utilised) and its cash and cash equivalent are sufficient to meet its short and medium term requirements.

Refer Note 30 (a) 30 (b) and 38 which details the Company's remaining contractual maturity for its financial liabilities with agreed repayment periods. The contractual maturity is based on the earliest date on which the Company may be required to pay.

**(d) Market Risk**

Market Risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market factor. Such changes in the values of financial instruments may result from changes in the interest rates, credit, liquidity, and other market changes. The Company is exposed to two types of market risk as follows:

**(e) Interest Rate Risk**

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company is subject to interest rate risk, principally because the Company lend to customers at fixed interest rates and for periods that may differ from our funding sources, while the borrowings are at both fixed and variable interest rates for different periods. The Company assess and manage the interest rate risk by managing the assets and liabilities. The Asset Liability Management Committee ensures that all significant mismatches, if any, are being managed appropriately. The Company has Board approved Asset Liability Management (ALM) policy for managing interest rate risk and policy for determining the interest rate to be charged on the loans

**Sensitivity**

The sensitivity of the statement of profit and loss is the effect of the changes in market interest rates on bank and other borrowings. Below is the sensitivity of profit and loss in interest rates.

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Interest sensitivity*		
Interest rates – increase by 0.50%	60.17	22.54
Interest rates – decrease by 0.50%	(60.17)	(22.54)

\* Holding all other variables constant

**Price Risk**

The Company's exposure to price risk is not material and it is primarily on account of investment of temporary treasury surpluses in the highly liquid debt funds for very short durations. The Company has a board approved policy of investing its surplus funds in highly rated debt mutual funds and other instruments having insignificant price risk, not being equity funds/ risk bearing instruments.

**Foreign currency risk**

The Company does not have any unhedged foreign currency exposure and hence does not have any foreign currency risk.

**Technology risk**

Technology risk may arise from potential impact to IT systems and data because of hardware or software failure, human errors, as well as engineered cyber-attacks. In an era where technology is an imperative to drive efficiency, effectiveness and innovation, it becomes essential for the NBFC to have well-defined policies and procedures, necessary infrastructure and controls, and periodic audits to guard itself against any looming threats. The Company has implemented the Master Directions on Technology notified by the Reserve Bank of India and has put in place the necessary policies, procedures, controls and governance mechanisms to mitigate this risk. In addition, the Company also undergoes an IT audit by an independent firm on a yearly basis, has periodic vulnerability and penetration tests conducted by a third-party agency to identify and plug any loopholes in its technology infrastructure, process controls and remediation preparedness. The IT Strategy Committee of the Company looks into all these aspects to protect the Company's technology and data assets, and ensure adequate preparedness to manage these risks.

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**33 Capital management**

The Company's capital management objectives are:

- to ensure the Company's ability to continue as a going concern
- to comply with externally imposed capital requirement and maintain strong credit ratings
- to provide an adequate return to shareholders

The Company's capital management strategy is to effectively determine, raise and deploy capital so as 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 on the basis of operations, capital expenditure and strategic investment plans. The capital structure is monitored on the basis of net debt to equity and maturity profile of overall debt portfolio.

	As at 31 March 2025	As at 31 March 2024
<b>Net debt to equity ratio</b>		
Debt	13,886	11,372
Less: Cash and bank balances & other bank balances	(2,583)	(1,926)
<b>Net debt</b>	<b>11,303</b>	<b>9,446</b>
Total equity	3,672	3,797
Net debt to equity ratio (%)	307.82%	248.78%

**34 Leases**

As a lessee

a) Additions to right of use asset

Particulars

Leased premises

	Year ended 31 March 2025	Year ended March 31, 2024
	-	-

b) Carrying value of right of use asset

Particulars

Right of use asset as on the opening date

Additions during the year

Deletions during the year

Depreciation charge for the year

Balance as at the year end

	As at 31 March 2025	As at March 31, 2024
Right of use asset as on the opening date	4	14
Additions during the year	-	-
Deletions during the year	-	-
Depreciation charge for the year	(3)	(10)
<b>Balance as at the year end</b>	<b>1</b>	<b>4</b>

c) Maturity analysis of lease liability

Contractual Undiscounted Cash Flows

Less than 1 year

One to five years

Total undiscounted lease liability

Lease liabilities included in the statement of financial position

Less than 1 year	1	4
One to five years	-	1
<b>Total undiscounted lease liability</b>	<b>1</b>	<b>5</b>
<b>Lease liabilities included in the statement of financial position</b>	<b>1</b>	<b>5</b>

d) Amounts recognized in Statement of profit or loss

Interest on lease liabilities

Depreciation charge for the year

Expenses relating to short-term leases

	Year ended 31 March 2025	Year ended March 31, 2024
Interest on lease liabilities	-	1
Depreciation charge for the year	3	10
Expenses relating to short-term leases	24	14

**35 Commitments and contingent liabilities**

There are no commitments or contingent liabilities during the financial year 31 March 2025 and 31 March 2024.

**36 Operating segments**

The Company has only one business segment and geographical segment, since it is only into the business of loan financing and operates only within India. Therefore, reporting under Ind AS 108 on 'Operating Segments', is not applicable for its financial statements.

**37 Reconciliation of movement in borrowings to cash flows from financing activities**

Particulars	31 March 2024	Cash flows (net)	Exchange difference	Amortization of loan origination cost	31 March 2025
Debt securities	5,076	(1,044)	-	-	4,032
Commercial Paper	-	773	-	-	773
Borrowings (other than debt securities)	6,296	2,884	(6)	(93)	9,081
<b>Total</b>	<b>11,372</b>	<b>2,613</b>	<b>(6)</b>	<b>(93)</b>	<b>13,886</b>

Particulars	01 April 2023	Cash flows (net)	Exchange difference	Amortization of loan origination cost	31 March 2024
Debt securities	5,076	-	-	-	5,076
Borrowings (other than debt securities)	4,442	1,904	22	(72)	6,296
<b>Total</b>	<b>9,518</b>	<b>1,904</b>	<b>22</b>	<b>(72)</b>	<b>11,372</b>



38 Maturity analysis of asset and liabilities

The table below shows the maturity analysis of assets and liabilities according to when they are expected to be recovered or settled.

Particulars	As at 31 March 2025			As at 31 March 2024		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>ASSETS</b>						
<b>Financial assets</b>						
Cash and cash equivalents	1,099	-	1,099	1,270	-	1,270
Other bank balances	1,484	-	1,484	656	-	656
Loans	12,124	2,888	15,012	10,643	2,490	13,133
Other financial assets	238	-	238	226	10	236
	<b>14,945</b>	<b>2,888</b>	<b>17,833</b>	<b>12,795</b>	<b>2,500</b>	<b>15,295</b>
<b>Non-financial assets</b>						
Deferred tax assets (net)	-	27	27	-	-	-
Property, plant and equipment	-	6	6	-	4	4
Right of use assets	1	-	1	-	4	4
Other non-financial assets	55	-	55	25	-	25
	<b>56</b>	<b>33</b>	<b>89</b>	<b>25</b>	<b>8</b>	<b>33</b>
<b>LIABILITIES</b>						
<b>Financial liabilities</b>						
Trade payables	55	-	55	28	-	28
Debt securities	2,679	2,126	4,805	2,764	2,312	5,076
Borrowings (Other than debt securities)	4,637	4,444	9,081	1,932	4,364	6,296
Other financial liabilities	160	-	160	66	-	66
	<b>7,531</b>	<b>6,570</b>	<b>14,101</b>	<b>4,790</b>	<b>6,676</b>	<b>11,466</b>
<b>Non-financial liabilities</b>						
Current tax liabilities (Net)	26	-	26	-	-	-
Provisions	7	57	64	11	35	46
Other non-financial liabilities	59	-	59	19	-	19
	<b>92</b>	<b>57</b>	<b>149</b>	<b>30</b>	<b>35</b>	<b>65</b>

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39 Business combinations

(i) Business Combination of NBFC business.

The Board of Directors of the Company had, at the Meeting held on 28 October 2021, approved a Composite Scheme of Arrangement ("Scheme") for the business combination (i.e., transfer and vesting) of the NBFC business of Samunnati Agri Value Chain Solutions Private Limited (formerly "Samunnati Financial Intermediation & Services Private Limited") ("the Transferor company") as a going concern to the Company Samunnati Finance Private Limited ("the Company or "recipient company")

The Company has been incorporated on 22 September 2021, as a wholly owned subsidiary of the Transferor company to engage in the business of providing financial Assistance and improving access to finance to underserved geographies and customer segments by providing or arranging loans and advances.

The Company had obtained the approval of all stakeholders for the Scheme and had filed a joint petition before the National Company Law Tribunal, Chennai ("NCLT") for approval for the Scheme.

The NCLT heard the matter and took on record the NOCs submitted by the regulators and in view of the absence of any material objections from any statutory authorities and as all the requisite statutory compliances had been fulfilled, the NCLT sanctioned the Scheme and pronounced the order sanctioning the Scheme on 23 December 2022.

The Effective Date of the Scheme is the date of receipt of the NBFC license by the Company or filing the copy of the NCLT order with the Registrar of Companies, whichever is later.

Further to this, the Company had filed an application with the Reserve Bank of India on 01 December 2023, seeking grant of Certificate of Registration (COR) for undertaking the business of a Non-Deposit accepting Non-Banking Financial Company (NBFC-ND) under Section 45-IA of the Reserve Bank of India Act, 1934. The said application has been finally approved and the company has received the COR Dated 19 December 2024 and filed the NCLT order with the ROC on 20 December 2024 "Effective date".

Upon scheme becoming effective, the Company has accounted for the business combination per principles of Appendix C of IND AS 103 - "Business combinations", as it constitutes a transfer of business within common controlled entities.

(ii) Accounting and the impact of business combination

> The assets and liabilities of the acquired business are reflected at their carrying value

> No adjustments are made to reflect fair values, or recognize any new assets or liabilities. The only adjustments that are made are to harmonise accounting policies.

> The financial information in the financial statements of the Company has been restated for prior periods as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.

> The difference between the net assets acquired and consideration paid has been transferred to capital reserve (business combination reserve) and the same has been presented separately as of the acquisition date. Further, the capital reserve has been adjusted due to changes in the net assets taken over as part of the business combination in accordance with the NCLT order dated 23 December 2022 read with principles of Appendix C of Ind AS 103 - Business Combination, resulting in surplus of profit/loss between the date of acquisition and effective date. Accordingly such surplus in capital reserve has been transferred to retained earnings and other comprehensive income as of the effective date.

A. Consideration transferred

Particulars	Amount
Consideration (Shares) (336,852,423 shares of ₹ 10 each)	3,369
<b>Total</b>	<b>3,369</b>

B. Acquisition-related cost

The entity did not incur any acquisition related costs.

C. Identifiable assets acquired and liabilities assumed

The details of assets, liabilities and balances of Samunnati Agri Value Chain Solutions Private Limited (formerly Samunnati Financial Intermediation & Services Private Limited") taken over pursuant to the aforesaid scheme, on 01 April 2023 being the beginning of the earliest reporting period as per the principles of IND AS 103 - Business Combination.

Particulars	As at 01 April 2023
<b>ASSETS</b>	
<b>Financial assets</b>	
Cash and cash equivalents	938
Bank balances other than cash and cash equivalents	218
Loans	10,154
Other financial assets	16
	<b>11,324</b>
<b>Non-financial assets</b>	
Property, plant and equipment	7
Right of use assets	14
Other non-financial assets	25
	<b>46</b>
<b>Total Assets</b>	<b>11,370</b>



Samunnati Finance Private Limited  
Notes to the financial statements for the year ended 31 March 2025  
(All amounts are in millions of Indian Rupees (₹), unless otherwise stated)

Particulars	As at 01 April 2023
<b>LIABILITIES</b>	
<b>Financial liabilities</b>	
Trade Payables	-
- Total outstanding dues of micro enterprises and small enterprises	49
- Total outstanding dues of creditors other than micro enterprises and small enterprises	5,076
Debt securities	4,442
Borrowings (other than debt securities)	58
Other financial liabilities	<u>9,625</u>
<b>Non-financial liabilities</b>	
Provisions	32
Other non-financial liabilities	11
	<u>43</u>
<b>Total liabilities</b>	<u><b>9,668</b></u>
<b>Net assets takeover</b>	<u><b>1,702</b></u>

Reserve adjustment on Merger due to the excess of the net assets taken over against consideration paid to Samunnati Agri Value Chain Solutions Private Limited formerly (Samunnati Financial Intermediation and Services Private Limited):

Particulars	As at 01 April 2023
Purchase consideration	A (3,369)
Net assets taken over	B 1,702
Capital reserve - Business Combination reserve as on acquisition date	C= (A+B) <u>(1,667)</u>

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39 Business combinations (Contd)

D. Equity reconciliation

Particulars	Note	As at 31 March 2024	As at 01 April 2023
Total equity as per audited financials		1	-
Add:-			
Consideration payable	(i)	3,369	3,369
Total comprehensive Income from the acquired business		127	-
		3,496	3,369
Less:-			
Movement in capital reserve - Business Combination reserve	(ii)	(175)	1,667
		(175)	1,667
Equity after applying Ind AS 103		3,672	1,702

E. Balance sheet reconciliation between reported financials and post Ind AS 103 adjustments

Particulars	Note	As at 31 March 2024			As at 01 April 2023		
		Reported balance	Business combination adjustments	Adjusted balance	Reported balance	Business combination adjustments	Adjusted balance
<b>ASSETS</b>							
<b>Financial assets</b>							
Cash and cash equivalents		127	1,143	1,270	-	936	936
Bank balances other than cash and cash equivalents	2	-	854	656	25	218	243
Loans		-	13,133	13,133	-	10,154	10,154
Investments		-	-	-	-	-	-
Other financial assets		-	236	236	-	16	16
		129	15,166	15,295	25	11,324	11,349
<b>Non-financial assets</b>							
Current tax assets (net)		-	-	-	-	-	-
Deferred tax assets (net)		-	-	-	-	-	-
Property, plant and equipment		-	4	4	-	7	7
Right of use assets		-	4	4	-	14	14
Other non-financial assets		-	25	25	-	25	25
		-	33	33	-	46	46
<b>Total Assets</b>		129	15,199	15,328	25	11,370	11,395
<b>LIABILITIES AND EQUITY</b>							
<b>Financial liabilities</b>							
<b>Trade Payables</b>							
- Total outstanding dues of micro enterprises and small enterprises		-	-	-	-	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	2	-	26	28	-	49	49
Debt securities		-	5,076	5,076	-	5,076	5,076
Borrowings (other than debt securities)		-	6,296	6,296	-	4,442	4,442
Other financial liabilities	(i)	-	66	66	-	58	58
		2	11,464	11,466	-	9,625	9,625
<b>Non-financial liabilities</b>							
Provisions		-	46	46	-	32	32
Other non-financial liabilities		1	18	19	-	11	11
		1	64	65	-	43	43
<b>Equity</b>							
Share capital		125	-	125	25	-	25
Other equity	(i)	1	3,671	3,672	-	1,702	1,702
		126	3,671	3,797	25	1,702	1,727
<b>Total liabilities and equity</b>		129	15,199	15,328	25	11,370	11,395



F. Statement of Profit and Loss reconciliation between reported financials and post Ind AS 103 adjustments

Particulars	Year ended 31 March 2024		
	Reported balance	Business combination adjustments	Adjusted balance
<b>Revenue from operations</b>			
Interest income	5	1,959	1,964
<b>Total revenue from operations</b>	<b>5</b>	<b>1,959</b>	<b>1,964</b>
Other income	-	105	105
<b>Total income</b>	<b>5</b>	<b>2,064</b>	<b>2,069</b>
<b>Expenses</b>			
Finance costs	-	1,108	1,108
Impairment on financial instruments	-	34	34
Employee benefits expenses	-	427	427
Depreciation and amortization	-	14	14
Other expenses	4	319	323
<b>Total expenses</b>	<b>4</b>	<b>1,902</b>	<b>1,906</b>
<b>Profit / (loss) before tax</b>	<b>1</b>	<b>162</b>	<b>163</b>
<b>Tax expense</b>			
Current tax	-	-	-
Deferred tax	-	-	-
<b>Profit after tax for the year</b>	<b>1</b>	<b>162</b>	<b>163</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Re-measurements of the defined benefit obligation	-	(2)	(2)
Income tax relating to above items	-	-	-
<b>Items that will be reclassified to profit or loss</b>			
Gains and losses on Hedge Accounting	-	(33)	(33)
Income tax relating to above items	-	-	-
<b>Other comprehensive income for the year (net of tax)</b>	<b>-</b>	<b>(35)</b>	<b>(35)</b>
<b>Total comprehensive income for the year (net of tax)</b>	<b>1</b>	<b>127</b>	<b>128</b>

G. Footnotes to the reconciliations

	31 March 2024	01 April 2023
(i) Other equity		
Consideration payable on account of business combination	3,369	3,369
(ii) Capital reserve		
Consideration	3,369	3,369
Net Assets	3,544	1,702
Movement in business combination reserve	175	(1,667)



40 Related party disclosures

a) Names of related parties and relationship

Relationship	Name of the related party
Holding Company	Samunnati Agri Value Chain Solutions Private Limited formerly ( Samunnati Financial Intermediation & Services Private Limited)
Fellow Subsidiaries	Samunnati Foundation Samunnati Agri Innovations Lab Private Limited Samunnati Investment Management Services Private Limited
<b>Key management personnel (KMP)</b>	
Independent director	Mr. Narasimhan Srinivasan (w.e.f 20 Dec 2024)
Independent director	Mr. Krishnan K (w.e.f. 20 Dec 2024)
Director	Mr. Anil Kumar S G
Director	Mr. Gurunath N
Director	Mr. Thyagarajan S
Director	Mr. Ramakrishnan C S (resigned w.e.f 20 Dec 2024)
Company Secretary	Mr. Suraj Vasudev Sharma - (w.e.f. 18 Jan 2024)

b) Related party transactions

Nature of transactions	Year ended 31 March 2025	Year ended 31 March 2024
<b>Samunnati Agri Value Chain Solutions Private Limited (SAVCSPL)</b>		
Interest income on loans	13	-
Corporate guarantee Fee	2	-
Equity Capital received	3,369	100.00
<b>Key management personnel (KMP)</b>		
Mr. Anil Kumar S G	21	24
Mr. Gurunath N	10	13
Mr. Narasimhan Srinivasan	1	1
Mr. Krishnan K	1	-
Mr. Suraj Vasudev Sharma -Company Secretary - (w.e.f. 18/01/2024)	1	-

c) Balances at the end of the year

Particulars	As at 31 March, 2025	As at 31 March, 2024
<b>Samunnati Agri Value Chain Solutions Private Limited (SAVCSPL)</b>		
Equity Capital received	3494	125
Other Receivables	189	220
<b>Samunnati Foundation</b>		
Other Receivables	1	-
<b>Samunnati Agri Innovations Lab Private Limited</b>		
Other Payables	8	-
Corporate guarantee given	26	-



41 Balance sheet disclosure as required under Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023.

Note:

The NBFC business as a whole was taken over on a going concern basis and hence the disclosures pertaining to the financial year ended 31 March 2024 is provided in the financial statements for the current year for comparability of information and better understanding of the NBFC business as a whole.

Liabilities side:

	As at 31 March 2025 Amount outstanding	As at 31 March 2025 Amount overdue	As at 31 March 2024 Amount outstanding	As at 31 March 2024 Amount overdue
1) Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:				
(a) Debentures				
-Secured	4,032	-	4,751	-
-Unsecured	-	-	126	-
(b) Term loans	8,600	-	6,298	-
(c) Commercial paper	773	-	-	-
(d) Cash credit	454	-	-	-

2) Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid)

There are no public deposits held by the Company.

3) Gold loan portfolio

The Company has not provided loan against security of gold during the year ended 31 March 2025 and year ended 31 March 2024.

Assets side:

	As at 31 March 2025 Amount outstanding	As at 31 March 2024 Amount outstanding
4) Break up of loans and advances including bills receivable (receivable from financing activity)		
(a) Secured	1,609	1,052
(b) Unsecured	13,403	12,081

5) Borrower group-wise classification of assets financed as in 4 (a) and (b) above :

As at 31 March 2025			
Category	Secured	Unsecured	Total
1) Related parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2) Other than related parties	1,609	13,403	15,012
Total	1,609	13,403	15,012

As at 31 March 2024

Category	Secured	Unsecured	Total
1) Related parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2) Other than related parties	1,052	12,081	13,133
Total	1,052	12,081	13,133

6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

There are no investments held by the Company

7) Other Information

	As at 31 March 2025	As at 31 March 2024
(i) Gross Non-Performing Assets		
(a) Related parties	-	-
(b) Other than related parties	614	335
(ii) Net Non-Performing Assets		
(a) Related parties	-	-
(b) Other than related parties	480	173
(iii) Assets acquired in satisfaction of debt	-	-

8) Capital to Risk Asset Ratio ('CRAR'):

Particulars	As at 31 March 2025	As at 31 March 2024
CRAR (percent)	23.06%	23.25%
CRAR – Tier I Capital (percent)	22.62%	17.63%
CRAR – Tier II Capital (percent)	0.44%	5.62%
Amount of subordinated debt raised as Tier-II capital	-	-
Amount raised by issue of perpetual debt instruments	-	-



41 Balance sheet disclosure as required under Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023. (continued)

9 ) Investments

There are no investments held by the Company.

10 ) Derivatives

i) Forward Rate Agreement (FRA) / Interest Rate Swap (IRS) (also includes currency interest rate swaps)

Particulars	As at	As at
	31 March 2025	31 March 2024
The notional principal of swap agreements	3,885	1,818
Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	-	-
Collateral required by the Company upon entering into swaps	-	-
Concentration of credit risk arising from the swaps	-	-
The fair value of the swap book Asset / (Liability)	24	(27)

The above instrument is for hedging the External Commercial Borrowing in foreign currency.

ii) Exchange Traded Interest Rate (IR) Derivatives

The Company has not entered into any exchange traded derivative. The Company is not carrying out any activity of providing Derivative cover to third parties.

iii) Disclosures on Risk Exposure in Derivatives

The Company has a Treasury Risk Management Policy approved by the Assets Liability Committee and the Board. This policy provides the framework for managing various risks including interest rate risk and currency risk. The policy provides for use of derivative instruments in managing the risks.

Quantitative Disclosures:

Foreign currency non-repatriate loans availed:

Particulars	As at	As at
	31 March 2025	31 March 2024
	Currency Derivatives	Currency Derivatives
(i) Derivatives (Notional principal amount) for Hedging	3,885	1,818
(ii) Market to Market position		
(a) Asset (+) Estimated gain	24	-
(b) Liability (-) Estimated loss	-	(27)
(iii) Credit exposure	-	-
(iv) Unhedged exposure	-	-

11 ) Disclosure related to securitization

Particulars	Year ended	Year ended
	31 March 2025	31 March 2024
<b>SPVs relating to outstanding securitization transactions</b>		
1. Number of SPVs sponsored by the NBFC for securitization transactions as on the date of the balance sheet	-	-
2. Total amount of securitised assets as per books of the SPVs sponsored as on the date of the balance sheet	-	-
3. Total amount of exposures retained by the NBFC to comply with minimum retention requirement ('MRR')		
Off-balance sheet exposures		
First loss	-	-
Others	-	-
On-balance sheet exposures		
First loss (cash collateral)	-	-
Others (credit enhancement)	-	-
Amount of exposures to securitization transactions other than MRR		
Off-balance sheet exposures		
Exposure to own securitizations		
First loss	-	-
Others	-	-
Exposure to third party securitizations		
First loss	-	-
Others	-	-
Exposure to third party securitizations		
First loss	-	-
Others	-	-

12 ) Details of financial assets sold to securitization/reconstruction companies for asset reconstruction

The Company has not sold financial assets to securitization/reconstruction companies for asset reconstruction in the current and previous year.

13 ) Details of assignment transactions undertaken

There were no assets sold through assignment transactions during the current and previous year.

14 ) Details of non-performing financial assets purchased or sold

The Company has not purchased or sold any non performing financial assets during the current and previous year.

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41 Balance sheet disclosure as required under Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023. (continued)

15 Asset liability management maturity pattern of certain items of assets and liabilities

As at 31 March 2025

Maturity pattern	Assets				Liabilities
	Advances	Investments	Deposits	Total	Borrowings*
1 to 7 days	1,754	-	1,099	2,853	312
8 to 14 days	321	-	-	321	-
14 days to 1 month	1,492	-	-	1,492	360
1 - 2 months	2,303	-	-	2,303	964
2 - 3 months	1,918	-	-	1,918	1,230
3 - 6 months	2,611	-	102	2,713	2,105
6 - 12 months	1,725	-	36	1,761	2,364
1 - 3 years	1,689	-	531	2,220	5,802
3 - 5 years	1,313	-	-	1,313	646
> 5 years	96	-	16	112	-
<b>Total</b>	<b>15,222</b>	<b>-</b>	<b>1,784</b>	<b>17,006</b>	<b>13,783</b>

As at 31 March 2024

Maturity pattern	Assets				Liabilities
	Advances	Investments	Deposits	Total	Borrowings*
1 to 7 days	292	-	-	292	852
8 to 14 days	525	-	-	525	21
14 days to 1 month	1,944	-	300	2,244	268
1 - 2 months	2,284	-	-	2,284	566
2 - 3 months	1,703	-	3	1,706	667
3 - 6 months	2,246	-	-	2,246	2,586
6 - 12 months	1,974	-	239	2,213	1,589
1 - 3 years	1,807	-	114	1,921	3,451
3 - 5 years	593	-	-	593	1,297
> 5 years	90	-	-	90	-
<b>Total</b>	<b>13,458</b>	<b>-</b>	<b>656</b>	<b>14,114</b>	<b>11,297</b>

Note 1:

\*Borrowings does not include unamortized processing fees, interest accrued, mark to market on external commercial borrowings and interest paid on commercial papers.

Note 2:

- i) Amounts overdue against standard assets are considered under 1 to 7 days bucket.  
ii) Amounts overdue against non-performing assets are considered under 3 to 5 years bucket.

16) Exposure to real estate sector

The Company does not have any direct exposures to real estate sector.

17) Exposure to capital market

The Company does not have any exposure to capital market as at 31 March 2025 and 31 March 2024.

18) Details of financing of parent company products

The Company has not financed the parent company.

19) Details of Single Borrower Limit (SGL)/ Group Borrower Limit (GBL) exceeded

The Company has not exceeded Single Borrower Limit (SGL) nor has exceeded the Group Borrower Limit (GBL).

20) Advances against intangible securities

The Company has not given any advances against the rights, licenses, authorisations, etc.

21) Registration obtained from other financial regulators

During the year Company has not obtained any approvals from other financial regulators.

22) Disclosure of penalties imposed by RBI and other regulators

As per Regulation 60(2) of SEBI (LODR) Regulation 2015, the Company had inadvertently delayed intimating the record date for interest payment of NCD's. BSE has levied a fine of Rs. 0.01 million for non compliance (one day delayed filing). (FY 2024).

23) Related party transactions

Refer note 40 for Related party transactions.

24) Ratings assigned by credit rating agencies and migration of ratings during the year

Instrument	Name of the rating agency	As at 31 March 2025		As at 31 March 2024	
		Amount rated (in millions)	Rating assigned	Amount rated (in millions)	Rating assigned
Non Convertible Debentures	CARE	-	Not applicable	450	BBB
Term loans (Long Term rating)	CRISIL	3,000	BBB Stable	3,000	BBB Stable
Term loans (Short Term rating)	CRISIL	-	Not applicable	3,000	A2 Reaffirmed
Commercial Paper	CRISIL	185	A2	-	A2
Non Convertible Debentures ( Short Term )	CRISIL	-	Not applicable	350	A2
Non Convertible Debentures ( Long Term )	CRISIL	5,060	BBB Stable	6,005	BBB Stable

\* Rating assigned as at 31 March 2024 pertains to Samunnati Agri Value Chain Solutions Private Limited (formerly known as Samunnati Financial Intermediation Services Private Limited).



41 Balance sheet disclosure as required under Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023. (continued)

25 ) Provisions and contingencies (shown under the head expenditure in Statement of profit and loss)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Provision for depreciation on investments	-	-
Provision towards NPA	133	162
Provision made towards income tax	54	-
Provision for standard assets	77	163
Provision for depreciation and amortisation on property, plant and equipment, right of use assets.	6	14
Provision for employee benefits (Gratuity and compensated absences)	16	14

26 ) Draw down from reserves

Refer Statement of Changes in Equity for details relating to draw down from reserves.

27 ) Concentration of deposits, advances, exposures and NPAs

Particulars	As at 31 March 2025	As at 31 March 2024
<b>i. Concentration of advances</b>		
Total advances to twenty largest borrowers	3,334	3,020
Percentage of advances to twenty largest borrowers to total advances of the NBFC	22.21%	22.99%
<b>ii. Concentration of exposures (undrawn limits not considered)</b>		
Total exposures to twenty largest borrowers/customers*	3,777	5,631
Percentage of exposures to twenty largest borrowers/customers to total exposure of the NBFC on borrowers/ customers*	25.16%	34.29%
<b>iii. Concentration of NPA</b>		
Total exposures to top four NPA accounts	77	121
<b>iv. Sector-wise NPAs</b>		
Sector wise exposure and NPA is disclosed. Refer Note 45(3).		
<b>v. Movement of NPAs</b>		

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
<b>A Net NPAs to Net Advances (%)</b>	3.20%	1.25%
<b>B Movement of NPAs (Gross)</b>		
a) Opening balance	335	681
b) Additions during the year	1258	832
c) Reductions during the year	415	332
d) Write-off during the year	565	846
e) Closing balance	613	335
<b>C Movement of Net NPAs</b>		
a) Opening balance	172	41
b) Additions during the year	982	749
c) Reductions during the year	723	617
d) Closing balance	431	173
<b>D Movement of provisions for NPAs (excluding provision on standard assets)</b>		
a) Opening balance	162	640
b) Provisions made during the year	276	83
c) Utilisation during the year	165	433
d) Write-back of excess provisions	140	127
e) Closing balance	133	162

vi. Overseas assets

The Company does not have any overseas assets as at 31 March 2025 and 31 March, 2024.

28 ) There are no off-balance sheet SPVs sponsored by the Company as at 31 March 2025 and 31 March 2024 that are required to be consolidated.

29 ) Public Disclosure on Liquidity risk Management

(i) Funding Concentration based on significant Counterparty (both deposits and borrowings)

As at 31 March 2025

S.No.	Number of Significant Counterparties	Amount	% of Total borrowings	% of Total liabilities
1	32	13,296	95.75%	93.31%

As at 31 March 2024

S.No.	Number of Significant Counterparties	Amount	% of Total borrowings	% of Total liabilities
1	22	11,347	94.36%	92.43%

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41 Balance sheet disclosure as required under Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023. (continued)

(ii) Top 20 large deposits as at 31 March 2025 (amount in millions and % of Total Deposits) Nil

(iii) Top 10 borrowings ( amount in millions and % of Total Borrowings)

As at 31 March 2025

Amount	% of Total Borrowings
8,454	64%

As at 31 March 2024

Amount	% of Total Borrowings
8,103	71%

(iv) Funding concentration based on significant instrument/product

As at 31 March 2025

S.No.	Name of the instrument	Amount	% of Total liabilities
1	Cash credit	454	3%
2	Commercial paper	790	6%
3	Non convertible debentures	4,032	29%
4	Overdraft facilities	-	0%
5	Short-term Loans	1,533	11%
6	Long-term loans	6,985	51%
<b>Total</b>		<b>13,794</b>	<b>100%</b>

As at 31 March 2024

S.No.	Name of the instrument	Amount	% of Total liabilities
1	Cash credit	-	0%
2	Commercial paper	658	5%
3	Non convertible debentures	5,076	42%
4	Overdraft facilities	-	0%
5	Short-term Loans	1,959	16%
6	Long-term loans	4,332	36%
<b>Total</b>		<b>12,025</b>	<b>100%</b>

A "significant instrument/product" is defined as a single instrument/product of group of similar instruments/products which in aggregate amount to more than 1% of the liabilities of the Company. Total liabilities has been computed as Total Assets less Equity share capital less Reserve & Surplus and computed basis extant regulatory ALM guidelines.

(v) Stock Ratios

As at 31 March 2025

S.No	Particulars	% of Public funds	% of Total liabilities	% of Total assets
a	Commercial Paper as a % of total public funds, total liabilities and total assets	5.69%	5.54%	4.41%
b	Non-convertible debentures (Original Maturity less than 1 year) as a % of total public funds, total liabilities and total assets	Not applicable	Not applicable	Not applicable
c	Short Term Liabilities as a % of total public funds, total liabilities and total assets	54.90%	53.49%	42.53%

As at 31 March 2024

S.No	Particulars	% of Public funds	% of Total liabilities	% of Total assets
a	Commercial Paper as a % of total public funds, total liabilities and total assets	5.47%	5.37%	3.30%
b	Non-convertible debentures (Original Maturity less than 1 year) as a % of total public funds, total liabilities and total assets	Not applicable	Not applicable	Not applicable
c	Short Term Liabilities as a % of total public funds, total liabilities and total assets	42.38%	41.80%	31.45%

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41 Balance sheet disclosure as required under Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023. (continued)

(vi) Institutional set-up for Liquidity risk management

**Nature of risk:**

- a) Liquidity risk arises from mismatches in the timing of cash flows and loan collection defaults.
- b) Funding risk arises from:
  - i) Inability to raise incremental borrowings to fund business requirement or repayment obligations
  - ii) When assets cannot be funded at the expected term resulting in cashflow mismatches
  - iii) Volatile market conditions impacting sourcing of funds from banks and money markets

**Measurement, monitoring and management of risk**

Liquidity and funding risk is measured by:

- i) Identification of gaps in the structural and dynamic liquidity statements.
- ii) Assessment of incremental borrowings required for meeting the repayment obligation as well as the Company's business plan in line with prevailing market conditions.

**Monitored by:**

- i) assessment of the gap between visibility of funds and the near term liabilities given current liquidity conditions and evolving regulatory directions for NBFCs.
- ii) a constant calibration of sources of funds in line with emerging market conditions in banking and money markets
- iii) periodic reviews by Asset Liability Committee (ALCO) relating to the liquidity position and stress tests assuming varied 'what if' scenarios and comparing probable gaps with the liquidity buffers maintained by the Company.

**Managed by:**

The Company's treasury team under the guidance of ALCO through various means like liquidity buffers, sourcing of long term funds, positive asset liability mismatch, keeping strong pipeline of sanctions and approvals from banks and assignment of loans.

Executive governance structure- Management level Asset Liability Committee (ALCO): The Company's ALCO monitors Asset Liability mismatches to ensure that there are no imbalances or excessive concentrations on either side of the Balance Sheet. The Company continuously monitors liquidity in the market. As a part of its Asset-Liability Management (ALM) strategy, the Company maintains a liquidity buffer managed by an active investment to reduce this risk. As on 31 March 2025, the Company has liquidity of ₹ 1099 millions. The Company maintains a judicious mix of borrowings from banks, Agri Development Institutes, NBFCs and other impact investors and continues to diversify its sources of borrowings. This strategy of balancing varied sources of funds has helped the Company to maintain a healthy asset liability position and contain interest rate movements. During the financial year 2024-25, the weighted average cost of borrowings moved up by 51 basis points despite volatile market conditions. The Company continues to evaluate new sources of borrowing by way of new routes of funding like Commercial Papers, NCDs, Market Linked Debentures, Special Liquidity Schemes of RBI etc.

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42 Additional disclosure pursuant to circular RBI/2022-23/26 DOR.ACC.REC.No.20/21.04.018/2022-23 dated 19 April 2022 on additional disclosures in financial statements w.r.t. 'Scale Based Regulation (SBR): A Revised Regulatory Framework' for NBFCs issued by the RBI

## Section I

## A) Exposure

## 1) Exposure to real estate sector

The Company does not have any direct exposures to real estate sector.

## 2) Exposure to capital market

There is no exposure to capital markets as on 31 March 2025.

## 3) Sectoral Exposure

Sectors	31-Mar-25			31-Mar-24		
	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ Million)	Gross NPAs (₹ Million)	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ Million)	Gross NPAs (₹ Million)	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities	15,222	614	4.03%	13,458	335	2.49%

## 4) Intra-group exposures

## Total amount of intra-group exposures

There are no intra-group exposures during the financial year 31 March 2025 and 31 March 2024.

Amount (Rs)

## ii) Total amount of top 20 intra-group exposures (includes loans to subsidiaries, investment in subsidiaries and corporate guarantees given)

-

## iii) Percentage of intra-group exposures to total exposure of the NBFC on borrowers/customers (includes loans to subsidiaries, investment in subsidiaries and corporate guarantees given)

0%

## 5) Unhedged foreign currency exposure

The Company does not have any unhedged foreign currency exposure and hence does not have any foreign currency risk.

## B) Disclosure of complaints

## 1) Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman

Particulars	31-Mar-25	31-Mar-24
<b>Complaints received by the NBFC from its customers</b>		
1. Number of complaints pending at beginning of the year	2	-
2. Number of complaints received during the year	81	30
3. Number of complaints disposed during the year	79	28
3.1 Of which, number of complaints rejected by the NBFC	-	-
4. Number of complaints pending at the end of the year	4	2

Particulars	31-Mar-25	31-Mar-24
<b>Maintainable complaints received by the NBFC from Office of Ombudsman</b>		
5. Number of maintainable complaints received by the NBFC from Office of Ombudsman	6	5
5.1. Of 5, number of complaints resolved in favor of the NBFC by Office of Ombudsman	4	3
5.2 Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	-	-
5.3 Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	-	-
6. Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

## 2) Top five grounds of complaints received by the NBFCs from customers

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
<b>Current Year</b>					
Loans and advances	-	81	170 % increase	2	2
<b>Total</b>	-	81	170 % increase	2	2
<b>Previous Year</b>					
Loans and advances	-	30	36.36 % increase	2	2
<b>Total</b>	-	30	36.36 % increase	2	2

## Section II

## A) Breach of covenant

There have been breach of financial covenants during the year, however the Company has communicated the breach to its lenders and approval from the lenders have been obtained and hence there are no borrowings that have been classified for immediate repayment.

## B) The disclosures as required by "Master Directions on Fraud Risk Management in Non-Banking Financial Companies (NBFCs)"

During the year ended 31 March 2025, no fraud by the customer have been reported by the Company.



43) Asset classification as per IRAC norms							
Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms	
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7)=(4)-(6)	
<b>Performing assets</b>							
Standard	Stage 1	14,507	74	14,433	59	15	
	Stage 2	102	3	99	2	-	
<b>Subtotal</b>		<b>14,608</b>	<b>77</b>	<b>14,532</b>	<b>61</b>	<b>15</b>	
<b>Non-Performing Assets (NPA)</b>							
Substandard	Stage 1	92	1	91	9	(8)	
	Stage 2	361	40	321	36	4	
	Stage 3	161	92	69	80	80	
<b>Subtotal</b>		<b>614</b>	<b>133</b>	<b>481</b>	<b>56</b>	<b>76</b>	
Doubtful - up to 1 year	Stage 3	-	-	-	-	-	
1 to 3 years	Stage 3	-	-	-	-	-	
More than 3 years	Stage 3	-	-	-	-	-	
<b>Subtotal for doubtful</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Loss</b>	Stage 3	-	-	-	-	-	
<b>Subtotal for NPA</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-	
	Stage 2	-	-	-	-	-	
	Stage 3	-	-	-	-	-	
<b>Subtotal</b>		<b>15,222</b>	<b>210</b>	<b>15,013</b>	<b>117</b>	<b>91</b>	
	Stage 1	14,545	84	14,561	67	17	
	Stage 2	465	42	423	37	6	
	Stage 3	112	84	29	11	72	
<b>Total</b>	<b>Total</b>	<b>15,222</b>	<b>210</b>	<b>15,012</b>	<b>115</b>	<b>95</b>	



44) Disclosures under Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016, as updated for the year ended 31 March 2025

Type of Restructuring Asset Classification details		Other than CDR and SME Debt Restructuring*				
		Standard	Sub-standard	Doubtful	Loss	Total
Restructured assets as on 01 April 2024	No. of borrowers	553	3	-	-	556
	Amount Outstanding	124	29	-	-	153
	Provision thereon	23	14	-	-	37
Fresh restructuring during the year	No. of borrowers	5	-	-	-	5
	Amount Outstanding	66	-	-	-	66
	Provision thereon	6	-	-	-	6
Upgradations to restructured standard category during the year	No. of borrowers	-	-	-	-	-
	Amount Outstanding	-	-	-	-	-
	Provision thereon	-	-	-	-	-
Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the financial year and hence need not be shown as restructured standard advances at the beginning of the next financial year	No. of borrowers	-	-	-	-	-
	Amount Outstanding	-	-	-	-	-
	Provision thereon	-	-	-	-	-
Downgradation of restructured accounts during the year	No. of borrowers	-	-	-	-	-
	Amount Outstanding	-	-	-	-	-
	Provision thereon	-	-	-	-	-
Recoveries during the year	Amount	22	-	-	-	22
Closure/Write off restructured accounts during the year	No. of borrowers	-	2	-	-	2
	Amount Outstanding	-	23	-	-	23
Restructured accounts as on 31 March 2025	No. of borrowers	262	303	-	-	565
	Amount Outstanding	169	6	-	-	175
	Provision thereon	10	2	-	-	12

\* represents one time restructuring in accordance with notification no RBI/2020-21/16 DOR No BP BC/3/21.04 048/2020-21 dated 6 August 2020 and RBI/2021-22/31 DOR.STR.REC..11/21.04.048/2021-22 dated 5 May 2021

(a) Disclosures under Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016, as updated for the year ended 31 March 2024

Type of Restructuring Asset Classification details		Other than CDR and SME Debt Restructuring*				
		Standard	Sub-standard	Doubtful	Loss	Total
Restructured assets as on 01 April 2023	No. of borrowers	6	5	-	-	11
	Amount Outstanding	180	102	-	-	282
	Provision there on	79	111	-	-	190
Fresh restructuring during the year	No. of borrowers	616	-	-	-	616
	Amount Outstanding	15	-	-	-	15
	Provision there on	0	-	-	-	0
Upgradations to restructured standard category during the year	No. of borrowers	-	-	-	-	-
	Amount Outstanding	-	-	-	-	-
	Provision there on	-	-	-	-	-
Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the financial year and hence need not be shown as restructured standard advances at the beginning of the next financial year	No. of borrowers	-	-	-	-	-
	Amount Outstanding	-	-	-	-	-
	Provision there on	-	-	-	-	-
Downgradation of restructured accounts during the year	No. of borrowers	-	-	-	-	-
	Amount Outstanding	-	-	-	-	-
	Provision there on	-	-	-	-	-
Recoveries during the year	Amount	46	-	-	-	46
Closure/Write off restructured accounts during the year	No. of borrowers	69	2	-	-	71
	Amount Outstanding	116	73	-	-	189
Restructured accounts as on 31 March 2024	No. of borrowers	553	3	-	-	556
	Amount Outstanding	124	29	-	-	153
	Provision there on	23	14	-	-	37

\* represents one time restructuring in accordance with notification no RBI/2020-21/16 DOR No BP BC/3/21.04 048/2020-21 dated 6 August 2020 and RBI/2021-22/31 DOR.STR.REC..11/21.04.048/2021-22 dated 5 May 2021



45 The Company has implemented cloud-based ERP from April 01, 2023 which is on SaaS model. The cloud server is located outside India and service provider promises very high level of server uptime and no data loss. As required by the Companies (Accounts) Rules, 2014, the back-up of the books of accounts shall be kept in servers physically located in India on a daily basis. As the original application server is kept outside India, a backup of the books of accounts needs to be taken on a daily basis and needs to be kept in servers in India for retrieval at any time. The Company has subscribed for certain functionality and the maintenance of the backup in India on a daily basis and the same has been implemented from FY 2024-25.

46 Additional regulatory disclosures

- a. The Company owns freehold land as disclosed in note 10, and the title deeds of the freehold land is not held in the name of the Company. However the Company is in the process of getting the registration in the name of the Company.
- b. The Company does not hold any investment property and hence the disclosure on fair valuation of investment property is not applicable to the Company.
- c. The Company has not revalued its property, plant and equipment (including right-of-use assets) and hence the disclosure on revaluation of property, plant and equipment (including right-of-use assets) is not applicable to the Company.
- d. The Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person that are either:
  - (a) repayable on demand or
  - (b) without specifying any terms or period of repayment during the current year.
- e. The Company has borrowings from banks or financial institutions on the basis of security of book debts and cash collaterals. The book debts are separately assigned to each borrower / financial institution and end use certificates are being filed with the borrower / financial institutions.
- f. No benami property are held by the Company and or no proceedings 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.
- g. The Company has not been declared as a willful defaulter by any bank or financial Institution or any other lender.
- h. The Company has reviewed transactions to identify if there are any transactions with struck off companies. To the extent information is available on struck off companies, no companies have been identified as struck off companies.

Name of the struck off company	Nature of transactions with struck off company	Balance outstanding as at 31 March, 2025	Balance outstanding as at 31 March, 2024
NIL	NIL	-	-

The Company does not hold any relationship with the struck off Company.

- i. There is no charges or satisfaction in relation to any debt / borrowings yet to be registered with ROC beyond the statutory period.

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**Samunnati Finance Private Limited**  
**Notes to the financial statements for the year ended 31 March 2025**  
*(All amounts are in millions of Indian Rupees (₹), unless otherwise stated)*

- i. The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
- k. The Company has entered into a scheme of arrangements during current year and the same has been disclosed separately (refer note 39)
- l. Other than the transactions that are carried out as part of Company's normal lending business:
- A) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall -
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;
- m. There are no transactions which have not been recorded in the books of accounts and has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Also, there are no previously unrecorded income and related assets.
- n. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

48 Previous year figures have been regrouped / rearranged, wherever considered necessary, to conform to the classification / disclosure adopted in the current year.

As per our report of even date attached

For V Narayanan & Co  
Chartered Accountants  
Firm Registration No.: 002398S



Dileep Thammana  
Partner  
Membership No.: 227512

Place: Chennai  
Date: 19 May 2025



For and on behalf of the Board of Directors of  
Samunnati Finance Private Limited

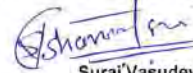


S G Anil Kumar  
Director  
DIN : 01189011

Gurunath Neelamani  
Director  
DIN : 02799586

Place: Chennai  
Date: 19 May 2025

Place: Chennai  
Date: 19 May 2025



Suraj Vasudev Sharma  
Company Secretary  
Membership No.: A66143

Place: Chennai  
Date: 19 May 2025

