PRASADITYA

ARC LIMITED

(Formerly Pridhvi Asset Reconstruction
And Securitisation Company Limited)



ANNUAL REPORT
2025-26

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Auditors

M/s. C V Ramana Rao & Co.,
Chartered Accountants
D.No.1-88-19, Plot No.135/4, Sector-4,
MVP Colony, Visakhapatnam – 530 017, A.P. India
Tel: (91-891) 2754071

Bankers

Union of Bank of India
Mid Corporate Branch
Punjagutta, Hyderabad - 500 033

Registered & Corporate Office

D.No: 1-55, Raja Praasadamu, 4th Floor, Masjid Banda Road, Kondapur, Hyderabad – 500 084
Tel: 040-41413333 Email: co@prasadityaarc.co.in
Web: www.prasadityaarc.co.in

The Philosophy....

Vision

To create value to the stakeholders through focused and pro-active approach in revival and reconstruction of impaired assets.

Mission

- To foster innovation and novelty in revival and resolution of stressed assets through application of best legal, financial and managerial skills.
- To contribute in developing a strong market for distressed assets.
- To build a strong brand, recognized for its transparency, ethical practices and efficiency in resolution of stressed assets.
- To grow constantly in its financial, human and intellectual capital to serve the growing demands of the industry.

Values

- **Efficient Management**

  The Promoters, Directors and the Management team work with a deep sense of understanding and commitment in achieving Company's objectives.

- **Service**

  To respond to clients' needs with passion; adding qualitative and quantitative value to the service.

- **Transparency**

  To build a strong brand recognized for its transparency, ethical practices and efficiency in resolution of stressed assets.

- **Professional Excellence**

  To act responsibly with high degree of honesty and integrity and to strive for personal and professional excellence.

- **Performance**

  To provide effective, efficient and accountable support and be responsive to change, develop and execute plans that will deliver best results.

NOTICE

Notice is hereby given that the Nineteenth Annual General Meeting of the Company will be held onSaturday,the 26th September, 2026 at 5.30 PM at Door No.1-55, 6th Floor, 'Raja Praasadamu', Masjid Banda Road, Kondapur, Hyderabad – 500084 to transactthe following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement for the financial year ended 31st March, 2026 together with Directors' and Auditors' Reports thereon.
2. To receive, consider and adopt the Audited Consolidated Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement for the financial year ended 31st March, 2026 together with Directors' and Auditors' Reports thereon.
3. To appoint a Director in place of Sri. M. Siva Rama Vara Prasad (DIN No. 00170919), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

4. Re-appointment of Sri. Koteswara Rao SSR, Chairperson (DIN No. 00964290) as Independent Director of the Company

To consider and if thought fit to pass with or without modifications the following resolution as a Special Resolution

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013, the Rules made thereunder and subject to the approval of the Reserve Bank of India, approval of theMembers of the Company, be and is hereby accorded for re-appointment of Sri.Koteswara Rao SSR, Chairperson (DIN No. 00964290), an Independent Non-Executive Director, who is beyond the age of 70 years, whose current period of office is expiring at the conclusion of this Annual General Meeting; who has submitted a declaration confirming the criteria of Independence under Section 149(6) of the Companies Act, 2013 and who is eligible for re-appointment for a second term under the provisions of the Companies Act, 2013 and Rules made thereunder, as an Independent Non-Executive Director of the Company, to hold office for a term of five consecutive years from this Annual General Meeting, whose term shall not be subject to retirement by rotation."

5. Appointment of Sri. V. Ramagopal (DIN No. 02889497),as Independent Director of the Company

To consider and if thought fit to pass with or without modifications the following resolution as a Special Resolution

"RESOLVED THAT pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder as amended or re-enacted from time to time read with Schedule IV to the Companies Act, 2013, Sri.V.Ramagopal (DIN No. 02889497), who is beyond the age of 70 years, was appointed by the Board of Directors as an Additional Director of the Company on 27.12.2025, who holds office till the conclusion of this Annual General Meeting and has submitted a declaration confirming the criteria of Independence under Section 149(6) of the Companies Act, 2013 and is eligible for appointment under the provisions of the Companies Act, 2013 and Rules made thereunder, the members of the company accorded their consent for appointment of Sri.V.Ramagopal (DIN No. 02889497) as an Independent Non-Executive Director of the Company, to hold office for five consecutive years on the Board of the Company from 27.12.2025 to 26.12.2030, whose term shall not be subject to retirement by rotation."

6. Approval for modification to the terms of appointment of the Managing Director & CEO of the company

To consider and if thought fit to pass with or without modifications the following resolution as an Ordinary Resolution

"RESOLVED THAT in addition to the existing terms of appointment of Sri. R. Mallikarjuna, Managing Director & CEO of the company, approval of the Members of the company, be and is hereby

accorded to include his appointment is subject to retirement by rotation as per applicable laws."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby severally authorized to take such steps and to do all such acts, deeds, matters and things as may be necessary to give effect to the above resolution."

NOTES:

1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING, IS ENTITLED TO APPOINT A PROXY OR PROXIES WHO CAN ATTEND AND VOTE INSTEAD OF THE MEMBER AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2) A person can act as proxy on behalf of members holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
3) The Proxy Form duly completed must be lodged at the Registered Office of the Company at least 48 hours before the time fixed for the Meeting.
4) Corporate Members intending to send their authorized representatives are requested to send a duly certified copy of the Board resolution authorizing their representatives to attend and vote at the Annual General Meeting.
5) In terms of provisions of Section 152 of the Companies Act, 2013, Sri. M. Siva Rama Vara Prasad, Director, retires by rotation at the Meeting set out in the Notice. The Nomination and Remuneration Committee and the Board of Directors of the Company recommend his re-appointment.
6) In terms of provisions of Section 139, 142 and all other applicable provisions of the Companies Act, 2013, M/s.C.V.Ramana Rao & Co., Chartered Accountants were appointed as statutory auditors in the Annual General Meeting held on 5th September, 2022 for a second term of five years i.e., upto the Annual General Meeting to be held in the year 2027.
7) The relevant details with respect to Director seeking appointment and re-appointment at this AGM are provided as Annexure A.
8) Explanatory statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed.
9) Members holding physical shares are requested to intimate immediately any change in their address and updated email address by writing to the Company with details of registered folio number for future communication.
10) Members holding physical shares are requested to convert their shares into dematerialized form. As per the notification of the Ministry of Corporate Affairs vide no. G.S.R. 853 (E) dated 10th September, 2018, unless the shares are in the dematerialized form the request for transfer of shares shall not be accepted and processed.
11) Members holding shares in dematerialized form are requested to intimate any changes pertaining to their bank details, PAN, nomination, change of address, contact details, etc., to their Depositary Participant (DP).
12) Attendance slip, proxy form and the route map showing directions to reach the venue of the Annual General Meeting are annexed hereto.

Dated:17.06.2026

Registered Office:
D.No.1-55, Raja Praasadamu,
4th Floor, Wing-I,
Masjid Banda Road,Kondapur,
Hyderabad – 500 084.
CIN: U67120TG2007PLC053327
Website: www.prasadityaarc.co.in
Email id: co@prasadityaarc.co.in

By order of the Board

Koteswara Rao SSR
Chairperson
DIN No. 00964290

Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013

The following Statement set out all material facts relating to Item No.4, 5 & 6 mentioned in the accompanying Notice.

Item No. 4

Pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder, at the 14th Annual General Meeting held on 27th August, 2021, Sri.Koteswara Rao SSR (DIN No. 00964290) was appointed as an Independent Director of the Company for a term of 5 (five) consecutive years upto conclusion of this Annual General Meeting, will complete his initial term and is eligible for re-appointment.

The Company has received declaration from Sri.Koteswara Rao SSR (DIN No. 00964290) confirming the criteria of Independence as prescribed under Section 149(6) of the Companies Act, 2013 and being eligible for re-appointment as Independent Director for the second term provided his consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014, as amended from time to time.

Sri.Koteswara Rao SSR (DIN No. 00964290) is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013, as amended from time to time.

Sri Koteswara Rao SSR (DIN No. 00964290) is a Senior Chartered Accountant with over 60 years of professional practice. Considering his experience and expertise in the fields related to the company's business and his valuable guidance towards overall growth of the company; outcome of performance evaluation of the Independent Directors,as per the recommendations of the Nomination and Remuneration Committee and the Board of Directors in their meetings held on 14th May, 2026, considered that his continued association would be of immense benefit to the Company. Notwithstanding the fact that he is above 70 years of age, consent of the Members is sought for passing Special Resolution as set out in item No.4 of the Notice for re-appointment of Sri. Koteswara Rao SSR (DIN No. 00964290)as an Independent Non-Executive Directors of the Company, subject to approval of the Reserve Bank of India. Further, he is not liable to retire by rotation as provided under Section 152(6) of the Companies Act, 2013.

None of the other Directors, Key Managerial Personnel of the company or their relatives, except Sri.Koteswara Rao SSR (DIN No. 00964290) being appointee, and his relatives to the extent of their shareholding interest, if any, in the company may be deemed interested in the resolution set out at Item No. 4 of the Notice with regard to his appointment.

The Board recommends the resolution set forth in Item No.4 of the Notice for approval of the members.

Item No. 5:

Pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder, Sri.V.Ramagopal (DIN No. 02889497) was appointed as an Additional Director of the Company by the Board in its meeting held on 27.12.2025, with the recommendations of the Nomination and Remuneration Committee and approval of the Reserve Bank of India vide its letter CO.DOR.HGG.No. S6042/18-03-019/2025-2026 Dt. 03.11.2025, and who holds office up to the conclusion of this Annual General Meeting.

The Company has received declaration from Sri. V. Ramagopal (DIN No. 02889497) confirming the criteria of Independence as prescribed under Section 149(6) of the Companies Act, 2013 and being eligible for appointment as an Independent Director provided his consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014, as amended from time to time.

Sri. V. Ramagopal (DIN No. 02889497) is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013, as amended from time to time.

Sri. V. Ramagopal (DIN No. 02889497) has retired as Executive Director of Indian Bank. He has vast experience in strategic planning, business development, merchant banking, corporate banking, credit, funds and investments, international banking and stressed asset management.The Board of Directors in their meeting held on 27.12.2025, considered that his association would be of immense benefit to the Company. Notwithstanding the fact that he is above 70 years of age, consent of the Members is sought for passing Special Resolution as set out in item No. 5 of the Notice for appointment of Sri. V. Ramagopal (DIN No. 02889497) as an Independent Non-Executive Director of the Company and is not liable to retire by rotation as provided under Section 152(6) of the Companies Act, 2013.

None of the Directors, Key Managerial Personnel of the Company or their relatives, except Sri. V. Ramagopal (DIN No. 02889497) being appointee, and his relatives to the extent of their shareholding interest, if any, in the company may be deemed interested in the resolution set out at Item No. 5 of the Notice with regard to his appointment.

The Board recommends the resolution set forth in Item No. 5 of the Notice for approval of the Members.

Item No. 6

As per the provisions of Section 196, 197, 203 read with provisions of Schedule V of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and other applicable provisions (including any modification or re-enactment thereof), if any, of the Companies Act, 2013, Sri. R. Mallikarjuna (DIN No. 10428677) was appointed as Managing Director & CEO of the Company w.e.f. 04.04.2024 up to 21.09.2027 at the Annual General Meeting held on 27.09.2024.

As per the provisions of Section 152(6) of the Companies Act, 2013, not less than two-thirds of the total number of directors other than Independent Directors (non-rotational) of a public company are subject to retire by rotation, of which one-third of rotational directors shall retire by rotation and are eligible for reappointment.

Considering the above provisions, the Board of Directors at the meeting held on 14.05.2026, sought consent of the Members for passing an Ordinary Resolution as set out in item No. 6 of the Notice for modification to the terms of appointment of Managing Director & CEO by inclusion of clause making him liable to retire by rotation as per applicable laws.

None of the Directors, Key Managerial Personnel of the Company or their relatives, except Sri. R. Mallikarjuna (DIN No. 10428677) being appointee, and his relatives to the extent of their shareholding interest, if any, in the company may be deemed interested in the resolution set out at Item No. 6 of the Notice with regard to his appointment.

The Board recommends the resolution set forth in Item No. 6 of the Notice for approval of the Members.

Dated:17.06.2026

Registered Office:
D.No.1-55, Raja Praasadamu,
4th Floor, Wing-I,
Masjid Banda Road,Kondapur,
Hyderabad – 500 084.
CIN: U67120TG2007PLC053327
Website: www.prasadityaarc.co.in
Email id: co@prasadityaarc.co.in

By order of the Board

Koteswara Rao SSR
Chairperson
DIN No. 00964290

ANNEXURE-A

Details of Director seeking appointment / re-appointment at this Annual General Meeting

(Pursuant to Secretarial Standard-2 on General Meetings)

Name of the Director	Sri. Koteswara Rao SSR	Sri. V. Ramagopal
DIN No	00964290	02889497
Designation	Chairman & Independent Director	Independent Director
Date of Birth	25.03.1943	19.12.1951
Date of First Appointment on the Board	21.10.2020	27.12.2025
Qualification	Chartered Accountant	Postgraduate in Biochemistry from Banaras Hindu University, Varanasi and a Certified Associate of Indian Institute of Bankers (CAIIB).
Experience & Expertise	Sri. Koteswara Rao SSR is a distinguished Chartered Accountant with over 60 years of professional experience in accounting, auditing, taxation, corporate advisory, and financial management. He is the Senior Partner of M/s. Brahmayya & Co., Chartered Accountants, Hyderabad, one of the leading professional accounting and advisory firms in India.	Sri. V Ramagopal joined Indian Bank as Officer in 1973, then joined Andhra Bank in 1976 as Scale II Officer and held various positions. He was elevated as General Manager in 2005 and worked till 2009. He was appointed as Executive Director of Indian Bank in 2009 and retired on 31.12.2011. Mr. Ramagopal has vast experience in strategic planning, business development, merchant banking, corporate banking, credit, funds and investments, international banking and stressed asset management.
Directorship in other public Companies (Excluding foreign companies and section 25 Companies)	1. Sanzyme Private Limited 2. Sanzyme Biologics Private Limited 3. Andhra Chamber of Commerce 4. Suraj Laboratories Private Limited	Nil
Shareholding	NA	NA
Disclosures of relationships between Directors interest	NA	NA
Terms and Conditions of Appointment with details of Remuneration	Re-appointment in terms of Section 152(6) of the Companies Act, 2013, subject to the approval of RBI and members of the company.	Appointment as an Independent Director of the Company for five consecutive financial years with effect from 27.12.2025 up to 26.12.2030, subject to the approval of members of the company.

DIRECTORS' REPORT

To the Members,

Your Directors are pleased to present the 19th Annual Report together with the audited financial statements of the Company for the financial year ended 31st March, 2026.

During the FY 2025–26, the Company name was changed from **"Pridhvi Asset Reconstruction and Securitisation Company Ltd**" to **"Prasaditya ARC Limited"** with approval of the Registrar of Companies (ROC) and the Reserve Bank of India (RBI). As such Annual Report for FY 2025-26 is the first Report in the name of Prasaditya ARC Limited.

Financial Results

The net worth of your company as at 31.03.2025 was Rs.264.87 crores, (as per GAAP) which exceeds the threshold of Rs.250 crores for Ind AS implementation. Hence, as notified under section 133 of the Companies Act, 2013, financial statements are prepared under Ind AS format for FY 2025-26. The statements for FY 2024-25 are reworked as per guidelines under Ind AS. There has been no change in the legal status or constitution of the Company during the financial year under review. The Company does not have any subsidiary, associate or joint venture. However, in accordance with Ind AS 110 "Consolidated Financial Statements", the Company has consolidated the accounts of 9 Trusts where the Company acts as a Trustee and has control over them, into the Consolidated Financial Statements of the Company.

The performance of the Company for the year ended 31st March, 2026 is summarized below:

Consolidated financial performance:

(Rupees in Lakhs)

Particulars	2025-26	2024-25
Gross income	15612.18	11298.79
Expenses	4430.70	2485.11
Profit Before Tax and Exceptional items (PBT)	11181.48	8813.68
Tax expense	2758.60	2228.56
Profit After Tax	8422.88	6585.12
Other Comprehensive Income	5.70	0.51
Total Comprehensive Income	**8428.58**	**6585.63**

Standalone financial performance:

(Rupees in Lakhs)

Particulars	2025-26	2024-25
Gross income	15776.65	11411.96
Expenses	4140.66	2418.59
Profit Before Tax and Exceptional items (PBT)	11635.99	8993.37
Tax expense	2815.49	2251.31
Profit After Tax	8820.50	6742.06
Other Comprehensive Income	5.70	0.51
Total Comprehensive Income	**8826.20**	**6742.57**

Your company has shown an impressive performance in FY 2025-26. The Company's gross income is Rs.15776.65 lakhs against Rs.11411.96 lakhs, resulting in increase of 38% on gross income. Profit Before Tax (PBT) is Rs. 11635.99 lakhs and net profit after tax is Rs.8820.50 lakhs against Rs.8993.37 lakhs and Rs.6742.06 lakhs respectively in the previous year, resulting in increase of PAT by 31%. The Company's net worth as on 31st March, 2026 stood at Rs.36588.48 lakhs against Rs.27762.28 lakhs as on 31st March 2025, resulting in increase of 32%.

Dividend

To further strengthen the financial position and net worth of the company, your directors did not propose dividend for the financial year ended 31st March 2026.

Transfer to Reserves

Your directors recommended to transfer Rs.1041 lakhs to Debenture Redemption Reserve and Rs.9000 lakhs to general reserve for FY 2025-26. The net surplus of Rs.2187.48 lakhs is retained in the Statement of Profit and Loss.

Share Capital

In the Extra Ordinary General Meeting held on 9th March, 2026 the company sought approval of the Members:

1. The Authorised Share Capital of Rs.200 crores, comprising Rs.175 crores equity capital (1,75,00,000 shares @ Rs.100/- each) and Rs.25 crores preference capital (25,00,000 shares @ Rs.100/- each) was reclassified as Rs.200 crores equity capital, comprising of 2,00,00,000 equity shares @ Rs.100/- each.
2. Equity shares with face value of Rs.100/- each was sub-divided into Equity share of face value of Rs.10/- each, thereby the number of Equity shares increased to 20,00,00,000 with face value of Rs.10/- each, with record date as 01.04.2026.

Change in Nature of Business

During the Financial year, there is no change in the nature of business of the company

Performance of the Company in acquisitions and resolutions

A summary of the debts acquired and realized during FY 2025-26 is given below. A detailed analysis of the performance of the company is discussed in the management discussion and analysis.

(Rs. in crores)

Acquisitions	2025-26	2024-25
Number of seller Banks/FIs	14	13
Debt acquired	6189.61	4504.84
Cost of acquisition	1664.02	1718.24

Redemptions	2025-26	2024-25
Number of Trust accounts	63	40
Amount redeemed	546.93	360.50

Management Discussion and Analysis

Acquisitions: In FY 2025-26, banks in private and public sectors offered NPAs for sale on cash basis as in the previous year. Only Small Finance Banks and NBFCs offered their stressed accounts for sale on security receipts basis. Most of the loans are secured/unsecured retail loans comprising of housing, consumer loans, clean loans, micro finance loans, etc., put for sale on portfolio basis in large baskets, spread across the country. The acquisitions in the year amounted to Rs.1664.02 crores, of which your company's share of acquisition cost was Rs.298.04 crores. Bids are placed by your company exercising due caution and after satisfactory due diligence of few accounts in each pool.

Recoveries

FY 2025-26 has been a remarkable year for your company in terms of recovery of debts. The recovery in accounts amounted to Rs.846 crores, resulting in redemption of security receipts of Rs.546.93 crores in 63 trust accounts against Rs.360.50 crores in 40 trust accounts in the previous year. Recovery is at expected in retail loan portfolios acquired by the company and this has facilitated deployment of funds in further acquisitions.

Profitability

During FY 2025-26 the profit before tax is Rs.116.37 crores, profit after tax is Rs. 88.21 crores. Due to the continuous efforts of the management, the company could recover Rs.3.49 crores from accounts written off earlier.

Future Prospects

As was the practice in the Asset Reconstruction industry during the past few years, Banks/FIs are preferring to sell stressed accounts on cash basis. Your company does not foresee any change in this position in the near future. Acquisition of standalone corporate / MSME accounts has given way to acquisition of retail accounts in portfolios. With limited resources at their disposal, the ARCs are finding it difficult to acquire assets on cash basis. Hence your company is continuing acquisition of secured/unsecured retail accounts in portfolios on security receipt basis from SFBs and NBFCs. Recovery of these loans is undertaken by the seller institutions.

Funds Position

Your company is resorting to market borrowings through offer of secured, non-convertible debentures on private placement basis for business requirements. As the cost of such borrowings is high, your company is making efforts to associate with FPIs and AIFs for resource mobilization and also to partner with them in acquisition of large debts on cash basis. As regulatory matters stand today, this appears to be the only solution to cope up with funds requirement in asset reconstruction business.

Risk Management

In the context of Asset Reconstruction Companies, risk management involves the following 4 key challenges, namely:

1. Availability of resources for acquisition of large debts
2. Acquisition of assets at reasonable price which leaves sufficient margin taking into account delays in litigation, deterioration in value of property / plant and machinery, etc.
3. Delays in resolution of stressed assets on account of procedural problems in resolving legal issues
4. Lack of well-developed vibrant market for distressed assets

To augment resources for business requirements the profit earned is retained in business. Your company ensures a cautious approach while raising resources and in placing bids.

Despite stringent provisions under SARFAESI Act and Insolvency & Bankrupty Code, 2016 (IBC), matters are pending at various levels and stages delaying the process of timely resolution of debts, which involves additional cost and also considerable erosion in the value of underlying assets resulting in lower realizations. The Government at the center is seized of the matter and is bringing about amendments to various laws and IBC to hasten the process of resolution of debts. Your company is taking necessary steps to resolve legal issues by engaging competent senior counsel wherever required.

Unlike well-developed vibrant markets for stressed assets in western countries, scope for sale of distressed assets is very limited in our country. The present regulatory and legal system needs to be further strengthened to ensure quick resolution of debts so that a secondary market for trading in security receipts can be developed to facilitate wider participation in acquisition of non-performing assets.

Internal Financial Control and its adequacy

Your Company has aligned its current systems of internal financial control within the requirement of Companies Act, 2013, on lines of accepted accounting principles. The internal control is intended to increase transparency and accountability in assuring achievement of an organization's objectives in operational effectiveness and efficiency.

Your Company's internal controls are commensurate with its size and the nature of operations. These were designed to provide reasonable assurance regarding recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets, executing transactions with proper authorization, and ensuring compliance with corporate policies. Your Company has a well-defined delegation of powers and all processes and controls are aligned with the best practices.

Corporate Governance

Corporate governance is the system by which companies are directed and controlled to facilitate effective, entrepreneurial and prudent management that will ensure long-term success of the Company. The Board of Directors is responsible for the governance of the Company. Your Company's philosophy on corporate governance ensures fiscal accountability, ethical corporate behavior and fairness to all stakeholders viz., customers, business associates, investors and employees. Your Company has a legacy of fair, transparent and ethical governance practices.

Board of Directors and Committees of the Board

The Board of your Company formulates and evaluates policies and provides strategic direction to the management in achieving corporate objectives and further ensures statutory and regulatory compliances, safeguarding the interest of the stakeholders.

The Board has constituted four committees, namely Audit Committee, Executive Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee.

The Board met 6 times during the year on 17.06.2025, 30.06.2025, 29.09.2025, 17.12.2025, 27.12.2025 and 14.02.2026.

Attendance of Directors at Board Meetings during FY 2025-26 and at the last Annual General Meeting held on 29.09.2025:

Name of the Director	Category	Attendance at meetings during 2025-26	
		Board Meetings	Last AGM
Sri. Koteswara Rao SSR	Chairperson, Non-Executive Independent Director	6	Yes
Ms. K. Sujatha Rao[1]	Non-Executive Independent Director	3	Yes
Sri. Richard B Saldanha[1]	Non-Executive Independent Director	3	Yes
Sri. N. Ramesh Kumar	Non-Executive Independent Director	5	Yes
Sri. J. Krishna Kishore[2]	Non-Executive Independent Director	6	Yes
Smt. K. Kalyani[3]	Non-Executive Independent Director	4	Yes
Sri. V. Ramagopal[4]	Non-Executive Independent Director	2	No
Sri. M. Siva Rama Vara Prasad	Non-Executive Promoter Director	6	Yes
Sri. R. Mallikarjuna	Executive Managing Director & CEO	6	Yes

1. Ms. K. Sujatha Rao and Sri. Richard B Saldanha, Independent Directors retired on 29.09.2025 on completion of their term of office.
2. Sri. J. Krishna Kishore was appointed as Independent Director w.e.f. 17.06.2025
3. Smt. K. Kalyani was appointed as Independent Director w.e.f. 26.08.2025
4. Sri. V. Ramagopal was appointed as Additional Director under Independent Category w.e.f. 27.12.2025

No Director is related to any other Director on the Board in terms of the definition of 'Relative' as provided under the Companies Act, 2013.

Audit Committee

1. Sri. N. Ramesh Kumar, Chairperson, Non-Executive Independent Director
2. Ms. K. Sujatha Rao, Non-Executive Independent Director (upto 29.09.2025)
3. Sri. J. Krishna Kishore, Non-Executive Independent Director (from 17.06.2025)
4. Smt. K. Kalyani, Non-Executive Independent Director (from 29.09.2025)
5. Sri. M. Siva Rama Vara Prasad, Non-Executive Promoter Director

The Audit Committee, inter-alia, oversees the financial reporting process aimed at ensuring correctness, fairness, sufficiency and credibility of financial statements, recommendation for appointment of statutory auditors and their remuneration, review of quarterly and annual financial statements before submission to the Board, review of adequacy of internal control systems and internal audit functions.

The Audit Committee met 4 times during the financial year 2025-26 on 17.06.2025, 29.09.2025, 27.12.2025 and 14.02.2026. Necessary quorum was present for all the meetings.

Executive Committee

1. Sri. Koteswara Rao SSR, Chairperson, Non-Executive Independent Director
2. Sri. M. Siva Rama Vara Prasad, Non-Executive Promoter Director
3. Sri. Richard B Saldanha, Non-Executive Independent Director (upto 29.09.2025)
4. Sri. N. Ramesh Kumar, Non-Executive Independent Director
5. Sri. J. Krishna Kishore, Non-Executive Independent Director (from 29.09.2025)
6. Sri. R. Mallikarjuna, Executive Managing Director & CEO

The Executive Committee is empowered to take decisions relating to sanction of proposals for acquisition of financial assets, investments in security receipts, reconstruction and resolution of financial assets and matters relating to appointment of staff, fixation of their remuneration, promotions, etc. The Executive Committee also recommends policy matters to the Board.

The Committee met 12 times during the financial year 2025-26 on 28.04.2025, 31.05.2025, 26.06.2025, 28.07.2025, 29.08.2025, 27.09.2025, 25.10.2025, 29.11.2025, 27.12.2025, 31.01.2026, 27.02.2026 and 31.03.2026. Necessary quorum was present for all the meetings.

Corporate Social Responsibility Committee

1. Sri. Koteswara Rao SSR, Chairperson, Non-Executive Independent Director
2. Sri. N. Ramesh Kumar, Non-Executive Independent Director
3. Sri. M. Siva Rama Vara Prasad, Non-Executive Promoter Director
4. Sri. R. Mallikarjuna, Executive Managing Director & CEO

Pursuant to Section 135 of the Companies Act, 2013, the Company has constituted a Corporate Social Responsibility (CSR) Committee with the above-mentioned Directors for carrying out CSR activities as per Schedule VII of the Companies Act 2013. The CSR Committee formulated CSR policy for approval by the Board. The Committee oversees implementation of the CSR activities / programs / projects undertaken by implementing agencies and monitors the CSR policy.

The Committee met once during the financial year 2025-26 on 17.06.2025. Necessary quorum was present for the said meeting.

Nomination and Remuneration Committee

1. Sri. M. Siva Rama Vara Prasad, Chairperson, Non-Executive Promoter Director
2. Sri Koteswara Rao SSR, Non-Executive Independent Director
3. Sri. N. Ramesh Kumar, Non-Executive Independent Director
4. Smt. K. Kalyani, Non-Executive Independent Director (from 29.09.2025)

Pursuant to Section 178 of the Companies Act, 2013, the Company has constituted a Nomination and Remuneration Committee. The Committee formulated the Nomination and Remuneration policy for approval by the Board. The Committee formulates the criteria for determining qualifications, positive attributes and independence of a director from time to time. The Committee also carries out evaluation performance of Directors. In compliance with the directives of the Reserve Bank of India, the Committee also carries out evaluation of fit and proper criteria of Directors, Sponsors and MD / WTD / CEO.

The Nomination and Remuneration Committee recommends to the Board of Directors appointment of Directors, Key Managerial Personnel and remuneration payable to them. The Nomination and Remuneration policy of the Company is available on the website.

The Committee met twice during the financial year 2025-26 on 17.06.2025 and 14.02.2026. Necessary quorum was present for both the meetings.

Internal Complaints Committee (The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013):

The Internal Complaints Committee constituted under the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 to provide a safe and conducive work environment to its women employees. The Committee reviewed the status of complaints during the financial year 2025-26.

Your Directors' state that during the financial year 2025-26 no complaints were received under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Independent Directors Meeting

Pursuant to Section 149(8) read with Clause VII (3) of Schedule IV of the Companies Act, 2013, the Independent Directors met separately during the financial year 2025-26 on 14.02.2026. All the Independent Directors were present to assess the quality, quantity and timeliness of flow of information between the management and the Board which is necessary for the Board to effectively and reasonably perform their duties and to review the performance of the Chairperson of the Company, taking into account the views of executive and non-executive directors. Performance evaluation of Independent Directors was done by the entire Board.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013, the Nomination and Remuneration Committee has carried out an annual evaluation of performance of the Board, Board Committees and individual Directors during the financial year 2025-26, after seeking inputs from all the Directors on the basis of criteria such as Board composition and structure, effectiveness of Board processes, information, functioning etc., and performance of the Committees.

Directors

- As per the provisions of Section 149 of the Companies Act, 2013, each of the Independent Directors has submitted declaration that he / she meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013, and there has been no change in the circumstances which may affect their status as an independent director during the year.
- As per the provisions of Section 149(2) of the Companies Act, 2013, Sri Koteswara Rao SSR was appointed as Non-Executive Independent director on the Board of the company for a term of 5 (five) consecutive years at the 14th Annual General Meeting held on 27.08.2021 and will complete his first term at the conclusion of this Annual General Meeting and is eligible for re-appointment.

  Based on the recommendations of the Nomination and Remuneration Committee and considering his skills, rich experience, knowledge, contributions and continued valuable guidance to the management, the Board of Directors in its meeting held on 14.05.2026 recommended to the Members for his reappointment for a second term of 5 (five) years, subject to approval of the Reserve Bank of India.

The resolution seeking approval of the Members for reappointment of Sri Koteswara Rao SSR for a second term of 5 (five) years subject to approval of the Reserve Bank of India, is incorporated in the notice of the forthcoming Annual General Meeting of the company along with explanatory statement.

- With the approval of the Reserve Bank of India on 03.11.2025, Sri. V Ramagopal was appointed as Independent Director on the Board on 27.12.2025. He holds office upto the conclusion of the 19th Annual General Meeting.

  Sri. V Ramagopal is a postgraduate in Biochemistry from Banaras Hindu University, Varanasi and a Certified Associate of Indian Institute of Bankers (CAIIB). Sri.V.Ramagopal (DIN No. 02889497) has retired as Executive Director of Indian Bank. He has vast experience in strategic planning, business development, merchant banking, corporate banking, credit, funds and investments, international banking and stressed asset management.

  The Board of Directors in its meeting held on 27.12.2025 recommended to the Members for confirmation and appointment of Sri. V Ramagopal for a term of 5 (five) years. The resolution seeking approval of the Members for confirmation of appointment of Sri.V.Ramagopal as an Independent Director is incorporated in the notice of the forthcoming Annual General Meeting of the company along with an explanatory statement.

- In accordance with the provisions of the Articles of Association of the Company and provisions of Section 152 of the Companies Act, 2013, Sri M. Siva Rama Vara Prasad, Non-Executive Promoter Director, retires by rotation at the ensuing General Meeting and being eligible, offers himself for re-appointment.

Key Managerial Personnel

There is no change in Key Managerial Personnel - Sri. R. Mallikarjuna, Managing Director & CEO, Sri.V. S. Ranga Rao, Chief Financial Officer and Smt. V. Vani, Company Secretary.

Auditors

M/s. C. V. Ramana Rao & Co., Chartered Accountants who were appointed as Auditors of the Company to hold office for second term of five years from the conclusion of the Fifteenth Annual General Meeting of the Company held on 5th September, 2022, shall continue as Auditors till the conclusion of the 20th Annual General Meeting to be held in the year 2027.

Statutory Auditors' Report and Secretarial Auditors' Report

The reports of Statutory Auditors and Secretarial Auditors do not contain any qualifications, reservations or adverse remarks. Report of the secretarial auditor is given as Annexure I which forms part of this report.

Material changes and commitment occurred during period between the end of Financial Year and the date of report, affecting financial position of Company

There are no material changes and commitment during the period between the end of FY and the date of report, affecting financial position of company.

Maintenance of Cost Records

Company is not required to maintain cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.

Reporting of Frauds

There are no frauds reported by auditors under sub-section (12) of section 143 during the year 2025-26.

Significant and Material Orders

There were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations.

Proceedings under the Insolvency and Bankruptcy Code, 2016

No application was made or any proceeding was pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year.

Valuation for One-Time Settlement

There was no instance of one-time settlement with any bank or financial institution during the year 2025-26.

Particulars of Loans, Guarantees or Investments

The Company has not granted any loans or made any investments and not extended guarantees for any individuals or corporates as defined under Section 186 of the Companies Act, 2013, during the year 2025-26.

Particulars of Contracts or Arrangements with Related Parties

The Company has entered into contracts / arrangements pursuant to Section 188(1) of the Companies Act, 2013, during the financial year 2025-26 with related parties, in the ordinary course of business at arm's length basis. Further, the Company had not entered into any contract or arrangement with any related party during the year which is not at arm's length basis. Form AOC-2 is given as Annexure II.

Corporate Social Responsibility

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in Annexure III of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. The policy is available on the website of the Company.

Extract of Annual Return

As provided under Section 92(3) of the Companies Act, 2013, the extract of Annual Return in the prescribed Form MGT-9, which forms part of this Report, is available on the website of the Company - https://www.prasadityaarc.co.in/financials/.

Fixed Deposits

The Company has not accepted / invited any deposits from the public in terms of section 73 of the Companies Act, 2013.

Particulars of Employees

The statement showing details of employees as required under Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is not required to be appended as none of the employees are drawing more salary than stipulated in the said section.

Compliance with Maternity Benefit Act, 1961

The Company complied with the applicable provisions of the Maternity Benefit Act, 1961 during the year.

Energy Conservation, Technology Absorption, Foreign Exchange Earnings and Outgo

As the Company is engaged in asset reconstruction and securitisation activities, the particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under section 134(3)(m) of the Companies Act, 2013 are not applicable to the Company.

Directors' Responsibility Statement

Pursuant to requirement under Section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

(i) In the preparation of annual accounts for the year ended 31st March, 2026, the applicable accounting standards have been followed along with proper explanations relating to material departures;

(ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2026 and of the profit of the Company for the year ended on that date;

(iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) The Directors have prepared the annual accounts of the Company for the year ended 31st March, 2026 on a going concern basis; and

(v) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Acknowledgements

Your Directors would like to express their sincere gratitude to Reserve Bank of India, Banks, Financial Institutions, Government Authorities, Shareholders and other stakeholders for their continued support and faith reposed in the Company.

Your Directors also wish to place on record their deep sense of appreciation to all the members of staff for their dedication, commitment and contribution to the Company's growth.

For and on behalf of the Board of Directors

Koteswara Rao SSR
Chairperson
DIN No. 00964290

Place: Hyderabad
Date: 17.06.2026

ANNEXURE I TO DIRECTORS' REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

For The Financial Year 01.04.2025 To 31.03.2026

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

To
The Members
PRASADITYA ARC LIMITED
(Formerly Known as Pridhvi Asset Reconstruction and Securitisation Company Limited)
Hyderabad, Telangana.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **"PRASADITYA ARC LIMITED" (**Formerly Known as"**Pridhvi Asset Reconstruction and Securitisation Company Limited")** (hereinafter called "**the Company"**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering from **01st April, 2025 to 31st March, 2026** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by "**PRASADITYA ARC LIMITED"** for the period covering from 01st April, 2025 to 31st March, 2026 according to the provisions of:

    i. The Companies Act, 2013 (the Act), the rules and amendments made thereunder; the Memorandum and Articles of Association therein;

    ii. The Securities Contracts (Regulation) Act,1956 (SCRA) and the rules made thereunder;

    iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

    iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment. No Overseas Direct Investment and External Commercial Borrowings are pursued;

    v. The Reserve Bank of India Act, 1934;

    vi. The Asset Reconstruction Companies (Reserve Bank) Guidelines and Directions, 2003;

    vii. The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002;

    viii. The Security Interest (Enforcement) Rules, 2002 and

    ix. Secretarial Standards issued by "The Institute of Company Secretaries of India".

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

Note: The Company is not a listed entity. Hence, the following regulations are

Not Applicable

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

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines,1999;

e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

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

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and

h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998.

2. We further report that the Company has, in our opinion, complied with the Provisions of the Companies Act, 2013 and the Memorandum and Articles of Association of the Company, with regard to:

i. Maintenance of various statutory registers and documents and making necessary entries therein.

ii. Forms, Returns, Documents and Resolutions required to be filed with the Registrar of Companies.

iii. Service of documents by the Company to its Members, Auditors and the Registrar of Companies.

iv. Notice of the Board meetings and Committee meetings of Directors.

v. The 18th Annual General Meeting was held on 29th September, 2025.

vi. The meetings of Members, Directors and Committees of Directors include passing of resolutions by circulation.

vii. Minutes of proceedings of the Board, its Committee and General Meetings.

viii. Approvals of the Board of Directors, the Committees, Members and the Government Authorities, wherever required.

ix. Constitution of the Board of Directors / Committee(s) of Directors.

x. Payment of Remuneration to Directors including the Managing Director.

xi. Appointment of Directors.

xii. Appointment & Remuneration of Auditors.

xiii. During the period under review the Company has issued allotted Secured Non – Convertible Debentures aggregating to Rs.150 Crores (Rupees One Hundred and Fifty Crores) (Rs.93 Crores to M/s. Neo Income Plus Fund, Rs.32 Crores to M/s.Neo Markets Services Private Limited & Rs.25 Crores to M/s. Black Soil India Credit Fund II).

xiv. During the period under review, the Company filed Form CHG-9's for Creation & Modification and Form CHG-4 for Satisfaction of Charges.

xv. During the period under review, Shri. Jasthi Krishna Kishore, Smt. Kalyani Kota and Shri. Varanasi Ramagopal were appointed as Additional Directors -Independent category, on the Board of the company on 17.06.2025, 26.08.2025 and 27.12.2025 respectively.

xvi. During the period under review, Shri. Jasthi Krishna Kishore and Smt. Kalyani Kota were regularized as Directors in the Annual General Meeting held on 29.09.2025.

xvii. During the period under review, Ms. Sujatha Rao Kanuru and Shri. Richard Blaise Sebastian Saldanha, Retired as Independent Directors on 29.09.2025, the company filed necessary form with ROC.

xviii. During the period under review, the Company has changed its name to Prasaditya ARC Limited from Pridhvi Asset Reconstruction and Securitisation Company Limited on 09.03.2026.

xix. During the period under review, the company has reclassified its Rs.25 Crores Authorised preference share capital as Equity share Capital on 09.03.2026.

xx. During the period under review, the company has subdivided its Equity shares face value of Rs.100/- to Rs.10/- on 09.03.2026 with record date as 01.04.2026.

xxi. Form of Balance Sheet as prescribed under Part I, Form of Statement of Profit and Loss as prescribed under Part II and General instructions for preparation of the same as prescribed in schedule VI to the Act.

xxii. The Director's report is in accordance with the provisions.

xxiii. Contracts, Common seal, Registered Office and Publication of Name of the Company are as per the provisions.

xxiv. The provisions of appointment of Women director.

xxv. The provisions of Corporate Social responsibility (CSR).

xxvi. All other applicable provisions of the Act and the Rules made there under.

3. We further report that:

i. All the Directors have complied with the requirements as to disclosure of interests and concerns in contracts and arrangements, shareholdings/ debenture holdings and directorships in other Companies and interests in other entities;

ii. The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Managerial Personnel.

iii. The Company has obtained all necessary approvals under the various provisions of the Act; and

iv. There was no prosecution initiated and no fines or penalties were imposed during the period under review under the Companies Act, 2013, The Securities Contracts (Regulation) Act, 1956, The Reserve Bank of India Act, 1934, The Depositories Act, 1996 and Rules, Regulations and Guidelines framed under these Acts against/ on the Company, its Directors and Officers.

4. The Company has complied with the provisions of the Securities Contracts (Regulation) Act, 1956 and with the Provisions of the Asset Reconstruction Companies (Reserve Bank) Guidelines and Directions, 2003 and the Rules made under that Act, with regard to;

   a) Filing of quarterly returns to RBI.

   b) Issuing of Security Receipts, and

   c) The Company has not accepted any deposits from Public.

5. We further report that the Company has complied with the provisions of the Depositories Act, 1996 and the Bye-laws framed there under by the Depositories with regard to dematerialization of securities and reconciliation of records of dematerialized securities with all securities issued by the Company.

6. There is no Foreign Exchange outflow and inflow during the period under review. Hence, the Company need not to comply with the provisions of the Foreign Exchange Management Act, 1999 and the Rules and Regulations made under the Act to the extent applicable to ODI, FDI and ECB.

7. We further report that based on the information received and records maintained, 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.

Place: Hyderabad
Date: 10.06.2026
UDIN: F012886H000604281

Signature:

Name of Company Secretary
PAVAN KRISHNA RAO PACHAVA
FCS: 12886;C.P No: 20914
Partner
ARUN & PAVAN ASSOCIATES
Company Secretaries
Peer Review Certificate No.2242/2022

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

'ANNEXURE- A'

To
The Members
PRASADITYA ARC LIMITED
(Formerly Known as Pridhvi Asset Reconstruction and Securitisation Company Limited)
Hyderabad, Telangana

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

1) Maintenance of Secretarial records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4) Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5) The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of the procedures on test basis.

6) The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Hyderabad
Date: 10.06.2026
UDIN: F012886H000604281

Signature:

Name of Company Secretary
PAVAN KRISHNA RAO PACHAVA
FCS: 12886;C.P No: 20914
Partner
ARUN & PAVAN ASSOCIATES
Company Secretaries
Peer Review Certificate No.2242/2022

ANNEXURE II TO DIRECTORS' REPORT

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

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

I. Details of contracts or arrangements or transactions not at arm's length basis.

There were no contracts or arrangements or transactions entered into during the year ended 31st March, 2026, which were not at arm's length basis.

II. Details of contracts or arrangements or transactions at arm's length basis.

The details of contracts or arrangements or transactions at arm's length basis for the year ended 31st March, 2026, are as follows.

Name(s) of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
M/s. Mezzequity Software Private Ltd. (Smt. M. Rajya Lakshmi wife of Sri. M. Siva Rama Vara Prasad, Director, is a Member and Director in M/s.Mezzequity Software Private Ltd.)	Maintenance of office premises	3 years w.e.f 01.04.2026	Maintenance charges@ Rs.8.25 per sft. On par with other occupants of the building.	Executive Committee approved on 31.03.2026	-
M/s.BitKemy Technologies Pvt Ltd.(Sri. M. Siva Rama Vara Prasad, Director, is also a Director in M/s.BitKemy Technologies Pvt. Ltd.)	Maintenance of software for operations	Annual maintenance	Maintenance of Rs.10.90 Lakhs p.a.	Audit Committee approved on 25.05.2016	-

M/s.Touchstone Capital Ltd. Sri.M. Siva Rama Vara Prasad is also Director in M/s.Touchstone Capital Ltd.)	1. Consultant for mobilizing resources 2. Consultant for mobilizing business 3. Intercorpo-rate loan	1 year, extended by six months 1 year, extended by six months. 6 months	1% of value of funds mobilized. 0.1% on acquisition cost Rs.1000.00 Lakhs @ 12% p.a. payable quarterly Rs.46.22 Lakhs	Audit Committee approved on 18.06.2021 Audit Committee approved on 22.05.2022 Board approved on 17.06.2025	-

For and on behalf of the Board of Directors

Place : Hyderabad
Date : 17.06.2026

R. Mallikarjuna
Managing Director & CEO
DIN No. 10428677

ANNEXURE III TO DIRECTORS' REPORT

Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2025-26

1. A brief outline of the CSR policy of the Company

The core theme of the Company's CSR policy is giving back to the society by extending a helping hand to the needy, the underprivileged and to contribute for activities that sustain economic development of community at large. It is the contribution of the corporate for philanthropic and social causes like providing primary education and health, drinking water, sanitation and such other activities which would result in a better living environment.

Through CSR initiatives, the Company, in alignment with its vision and environmental concern, will continue to enhance value creation in the society, so as to promote sustained growth of the society, in fulfillment of its role as a Socially Responsible Corporate.

The CSR Policy of the Company is available on the website of the Company.

2. The Composition of the CSR Committee

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Sri. Koteswara Rao SSR	Non-Executive Independent Director	1	1
2.	Sri. N. Ramesh Kumar	Non-Executive Independent Director	1	1
3.	Sri. M. Siva Rama Vara Prasad	Non-Executive Promoter Director	1	1
4.	Sri. R. Mallikarjuna	Executive Managing Director & CEO	1	1

3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company
https://www.prasadityaarc.co.in/policies/

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report) - Not applicable

5. 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.

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs.)	Amount required to be set-off for the financial year, if any (in Rs.)
		Not applicable	

6. Average net profit of the company as per section 135(5) - Rs.44,32,77,227/-

7. (a) Two percent of average net profit of the company as per section 135(5) – Rs.88,65,545/-

(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 (7a+7b-7c) – Rs.88,65,545/-

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (₹ In Lakhs)	Amount Unspent (in ₹ in Lakhs)				
	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
88.66	NIL	-	NIL	-	-

(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 Companies Act, 2013	Local area (Yes /No)	Location of the project State District	Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transfe-rred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Imple-mentation - Direct (Yes/No)	Mode of Imple-mentation - Through Imple-menting Agency	
										Name	CSR Regis-tration no.
1	NIL										

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Companies Act, 2013	Local area (Yes/ No)	Location of the project: State & District	Amount spent for the project (in ₹)	Mode of implemen-tation - Direct (Yes/No)	Mode of implementation - Through implementing agency Name & CSR Registration no.
1	Medical services, vocational training and education and welfare activities	Promoting education, including special education and employment enhancing vocation skills especially among children, women; promoting	**No**	Andhra Pradesh West Godavari	18.66 Lakhs	**No**	M/s. Kovvali Development Trust Regn no. CSR00009925

		health care; construction and maintenance of cremation grounds.					
2	Livelihood enhance-ment projects for women and promoting education for girls	Promotion of FPOs for the tribal women farmers, supporting livelihoods for providing sustainable source of income and supporting indigent tribal girl students for their studies	**No**	Andhra Pradesh Alluri Seethar-amaraju district	10.00 Lakhs	**No**	M/s. Centre for Development and Research. Regn no. CSR00015833
3	Promoting health care	Upgrading the Primary Care Vision Centre into a technology enabled futuristic vision Centre	**No**	Andhra Pradesh Eluru District	10.00 Lakhs	**No**	M/s. Hyderabad Eye Institute (operating Trust of LV Prasad Eye Institute). Regn no. CSR00001698
4	Affordable accommo-dation to the students	Construction of hostels for students	**No**	Telangana Hyderabad	50.00 Lakhs	**No**	M/s. Vignana Jyothi Regn no. CSR00010778

(d) Amount spent in Administrative Overheads – Nil

(e) Amount spent on Impact Assessment, if applicable – Not applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) – Rs.88,65,545/-

(g) Excess amount for set off, if any

Sl. No.	Particulars	Amount (₹ in Lakhs)
(i)	Two percent of average net profit of the company as per section 135(5)	88.66
(ii)	Total amount spent for the Financial Year	88.66
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

9. (a) Details of Unspent CSR amount for the preceding three financial years

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
			NIL				

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project - Completed / Ongoing
			NIL					

10. 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 (asset-wise details) - NIL

a) Date of creation or acquisition of the capital asset(s). - NIL

b) Amount of CSR spent for creation or acquisition of capital asset. - NIL

c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. - NIL

d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) – NIL

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5) – Not applicable

For and on behalf of the Board of Directors

Place: Hyderabad
Date : 17.06.2026

R. Mallikarjuna
Managing Director & CEO
DIN No. 10428677

Koteswara Rao SSR
Chairperson - CSR Committee
DIN No. 00964290

INDEPENDENT AUDITOR'S REPORT

To
The Members of
PRASADITYA ARC LIMITED,
(Formerly Known as Pridhvi Asset Reconstruction and Securitisation Company limited),
Hyderabad

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone financial statements of **Prasaditya ARC Limited, (formerly known as Pridhvi Asset Reconstruction and Securitisation Company limited), ("the Company")**, which comprise the Standalone Balance Sheet as at 31st March, 2026, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year ended on that date, and a summary of the material accounting policies and other explanatory information (hereinafter referred to as "the Standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the accompanying Standalone 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 prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other Accounting Principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2026, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone 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 Standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone financial statements.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board of Directors' Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Standalone financial statements and our Auditor's Report thereon.

Our opinion on the Standalone 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 Standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone financial statements or our knowledge obtained during the course of our 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.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS 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 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 Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is responsible for overseeing the Company's financial reporting process.

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

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

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone 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.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of subsection (11) of section 143 of the Act, and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, we give in **"Annexure- A"** a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

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

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

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

d) In our opinion, the aforesaid Ind AS Standalone Financial Statements comply with the accounting standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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

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

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

The remuneration paid to the Directors by the company is in accordance with the provisions of the section 197 of the Act.

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

i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements. (Refer Note no. 37 to the Standalone Financial Statements).

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

iii. There were no amounts which were required to be transferred, to the "Investor Education and Protection Fund" by the Company.

iv. a. The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 39 (e) to the Standalone Financial Statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(i.e.), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b. The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note 39 (e) to the Standalone Financial Statements, no funds have been received by the Company from any person(s) or entity (i. e), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

c. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.

v. The company has not declared nor paid dividend during the year.

vi. Based on our examination which included test checks, the company 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 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 **C V Ramana Rao & Co.**
Chartered Accountants
Firm Regn No. 002917S

(K Kavya)
Partner
Membership No.223355
UDIN:26223355RNYIWM4804

Place: Hyderabad
Date : 17.06.2026

ANNEXURE-A TO THE INDEPENDENT AUDITORS' REPORT

The **Annexure A** referred to in our Independent Auditor's report of even date, to the members of **Prasaditya ARC Limited (Formerly known as Pridhvi Asset Reconstruction and Securitisation Company Limited)**, Hyderabad for the year ended 31st March, 2026. We report that:

i) a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.

(B) The Company is maintaining proper records showing full particulars of intangible assets.

b) The Property, Plant & Equipment have been physically verified by the management at reasonable intervals. According to the information furnished to us, no material discrepancies have been noticed on such verification.

c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of the immovable properties are held in the name of the Company and are lodged with the company's Bankers as security for the loan obtained.

d) The company has not revalued its Property, Plant & Equipment (including the Right of Use Assets) or Intangible assets or both during the year.

e) As reported under Note no. 11A, of the Standalone Financial Statements for the year under report, and according to the information and explanations given to us, no proceedings have been initiated against the company for holding benami property under Prohibition of Benami Property Transactions Act, 1988 (as amended from time to time) and rules made thereunder.

ii) a) Physical verification of inventory is not applicable to the company due to nature of its business. Consequently, Paragraph 3(ii)(a) of the order is not applicable to the company.

b) As reported under Note no.15A, of the Standalone Financial Statements for the year under report, the quarterly returns/statements filed by the company with banks are in agreement with the books of account of the company.

iii) The Company has not made investments in, provided any guarantee or security, granted any loans or advances which are in the nature of loans, secured or unsecured to companies, firms, LLPs or any other parties, other than those disclosed in the financials.

iv) The company has neither given any loans to the directors or any other persons in whom the director(s) is interested nor given/provided any guarantee/security in connection with any loan taken by directors or such other persons as per the provisions of section 185 of the Companies Act, 2013.

v) The Company has not accepted any deposits from the public. Accordingly, the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013, and the rules framed there under; do not apply to the Company.

vi) Rules made by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 are not applicable to the company.

vii) a) According to the information and explanations given to us and on the basis of examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including goods and services tax, provident fund, employees' state

insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, Cess and any other statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts are payable in respect of goods and services tax, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax or cess and other material statutory dues which were in arrears as at 31st March, 2026 for a period of more than six months from the date they became payable.

b) As at 31st March, 2026, there have been no disputed dues, which have not been deposited with the respective authorities in respect of Goods and Services tax, Income tax, Service tax, duty of customs, duty of excise, value added tax and Cess except the following:

Sl. No.	Name of the Statute	Nature of the Dues	Amount (In Lakhs)	Period to which the amount relates	Forum where dispute is pending
1.	Income Tax Act, 1961.	Disputed demand under Income Tax Act, 1961 for alleged short deduction of Tax deduction at source.	Rs.4116.97	Asst. year 2023-24	Commissioner of Income Tax, (Appeals).

viii) According to the information and explanations given to us and on the basis of examination of the records of the Company, no transactions that are not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

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

b) According to the information and explanations given to us the company has not been declared as a wilful defaulter by any bank or financial institution or other lender.

c) The company has issued Non-Convertible Debentures during the year and money raised were applied for the purpose for which are raised.

d) The funds raised on a short-term basis have not been utilised for long term purposes.

e) The Company does not have any subsidiaries, associates or joint ventures. Consequently, the clauses 3(ix)(e) and (f) of the order is not applicable to the Company.

x) a) The Company has not made any initial public offer or further public offer during the year under review. Money raised through issue of Non-Convertible Debentures were applied for the purpose for which those are raised.

b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year under review. Consequently, the clause 3(x)(b) of the order is not applicable.

xi) a) According to the information and explanations given to us, we report that no material fraud by the Company or on the Company has been noticed or reported during the course of our audit.

b) No report under sub-section (12) of section 143 of the Companies Act, 2013, has been filed in Form ADT-4 as prescribed read with rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c) According to the information and explanations given to us and based on our examination of the records of the Company, no whistle-blower complaints are received during the year under report.

xii) In our opinion, the company is not a Nidhi Company. Consequently, the clause 3(xii) of the order is not applicable.

xiii) According to the information and explanations given to us and on overall examination of the records of the Company, we report that all transactions with related parties are in compliance with the provisions of sections 177 and 188 of the Companies Act, 2013 and the related party disclosures as required by relevant Indian Accounting Standards are disclosed in the financial statements.

xiv) a) The company has an internal audit system commensurate with the size and nature of its business.

b) The reports of the Internal Auditors for the period under audit were considered by us.

xv) The Company has not entered into any non-cash transactions with the directors or persons connected with them during the year under report. Consequently, the clause 3(xv) of the order is not applicable.

xvi) According to the information and explanations given to us, the Company is exempted from registration under section 45-IA of the Reserve Bank of India Act, 1934.

xvii) The company has not incurred cash losses in the financial year and in the immediately preceding financial year.

xviii) There has been no resignation of the statutory auditors during the year under review. Consequently, the clause 3(xviii) of the order is not applicable.

xix) On the basis of the financial ratios, aging and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is 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.

xx) a) In terms of the information and explanations given to us and based on the books of account/ records examined by us, the company has no ongoing projects under CSR activities. Further there is no unspent balance to spent under CSR activities as at the year.

b) In terms of the information and explanations given to us and based on the books of account/ records examined by us, the company has not undertaken any ongoing projects towards CSR activities as per the provisions of section 135 of Companies Act, 2013. Accordingly, the clause 3(xx)(b) of the order is not applicable.

xxi) This paragraph is not applicable in case of Standalone Financial Statements.

For **C V Ramana Rao & Co.**
Chartered Accountants
Firm Regn No. 002917S

(K Kavya)
Partner
Membership No.223355
UDIN:26223355RNYIWM4804

Place: Hyderabad
Date : 17.06.2026

ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting of **Prasaditya ARC Limited (Formerly Pridhvi Asset Reconstruction and Securitisation Company Limited), Hyderabad,** ("the Company") as of 31st March 2026 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that.

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone Financial Statements.

Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **C V Ramana Rao & Co.**
Chartered Accountants
Firm Regn No. 002917S

(K Kavya)
Partner
Membership No.223355
UDIN:26223355RNYIWM4804

Place: Hyderabad
Date : 17.06.2026

Standalone Balance Sheet as at 31st March, 2026

(Rs.in Lakhs)

Sl. No.	Particulars	Note No.	As at 31.03.2026	As at 31.03.2025	As at 31.03.2024
	ASSETS				
(I)	**Financial assets**				
a	Cash and cash equivalents	**5**	601.09	507.09	3,511.33
b	Bank balances other than cash and cash equivalents	**6**	374.66	657.52	427.85
c	Trade Receivables	**7**	5,029.22	4,126.05	3,592.94
d	Investments	**8**	54,659.37	38,078.06	33,033.18
e	Other financial assets	**9**	1,161.48	955.88	790.10
			61,825.82	**44,324.60**	**41,355.40**
(II)	**Non-Financial assets**				
a	Deferred Tax Asset (Net)	**10**	-	-	28.16
b	Investment Property	**11**	-	-	1,740.11
c	Property, plant and equipment	**11A**	486.59	493.26	501.98
d	Other Intangible Assets	**11A**	3.14	3.49	4.06
e	Others Non-Financial Assets	**12**	27.42	53.28	14.66
			517.15	**550.03**	**2,288.97**
	Total Assets (I+II)		**62,342.97**	**44,874.63**	**43,644.37**
	LIABILITIES AND EQUITY				
	LIABILITIES				
(III)	**Financial liabilities**				
a	Trade Payables - Total outstanding dues of: - micro enterprises and small enterprises - creditors other than micro enterprises and small enterprises	**13**	**-** 65.01	- 56.93	- 54.26
b	Debt Securities	**14**	18,911.28	8,686.78	17,132.76
c	Borrowings (other than debt securities)	**15**	1,955.58	4,761.37	2,989.34
d	Other financial liabilities	**16**	3,797.37	2,270.25	2,080.84
			24,729.24	**15,775.33**	**22,257.20**
(IV)	**Non-Financial liabilities**				
a	Current tax liability (Net)	**17**	1.81	513.50	210.46
b	Provisions	**18**	15.34	26.51	22.90
c	Deferred Tax liability (Net)	**10**	755.05	295.25	-
d	Other non-financial liabilities	**19**	253.05	501.76	134.10
			1,025.25	**1,337.02**	**367.46**
(V)	**EQUITY**				
a	Equity Share capital	**20**	12,058.82	12,058.82	10,000.00
b	Other equity	**21**	24,529.66	15,703.46	11,019.71
			36,588.48	**27,762.28**	**21,019.71**
	Total Equity and Liabilities (III+IV+V)		**62,342.97**	**44,874.63**	**43,644.37**

Summary of Material Accounting Policies and other accompanying notes form an integral part of Standalone financial statements

As per our report of even date Annexed.

For and on behalf of the Board of Directors

For C V Ramana Rao & Co
Chartered accountants
Firm registration no.: 002917S

CA. K. Kavya
Partner
Membership No. 223355

Place: Hyderabad
Date: 17.06.2026

Koteswara Rao S S R
Chairperson
DIN: 00964290

V. S. Ranga Rao
Chief Financial Officer

R. Mallikarjuna
Managing Director & CEO
DIN: 10428677

V. Vani
Company Secretary

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

(Rs. in Lakhs)

Sl. No.	Particulars	Note No.	For the year ended March 31, 2026	For the year ended March 31, 2025
(I)	**Revenue from operations**			
a	Interest Income	22	177.50	198.60
b	Fees and Incentives income	23	13,711.82	10,623.05
c	Gain on redemption of Security Receipts	24	1,763.62	203.91
d	Net Gain on Fair Value changes	25	-	168.93
	Total Revenue from operations		**15,652.94**	**11,194.49**
(II)	Other income	26	123.71	217.47
(III)	**Total revenue (I+II)**		**15,776.65**	**11,411.96**
(IV)	**Expenses**			
a	Finance costs	27	2,090.08	1,244.99
b	Net loss on Fair Value changes	25	590.47	-
c	Impairment on financial instruments	28	98.99	104.57
d	Employee benefit expenses	29	285.54	264.61
e	Depreciation and amortisation expenses	30	11.91	11.91
f	Other expenses	31	1,063.67	792.51
	Total expenses		**4,140.66**	**2,418.59**
(V)	**Profit before tax (III-IV)**		**11,635.99**	**8,993.37**
(VI)	**Tax expense**			
a	Current tax	34A	2,378.13	1,920.44
b	Adjustment of tax relating to earlier periods	34A	(20.53)	7.63
c	Deferred tax	34B	457.89	323.24
	Total tax expense		**2,815.49**	**2,251.31**
(VII)	**Profit for the year (V-VI)**		**8,820.50**	**6,742.06**
(VIII)	**Other Comprehensive Income (OCI)**			
	Items that will not be reclassified to profit or loss:			
a	Remeasurement of defined benefit plans	29D	7.62	0.68
b	Income tax effect on the above	34B	(1.92)	(0.17)
	Total other comprehensive income		**5.70**	**0.51**
(IX)	**Total comprehensive income for the year (VII+VIII)**		**8,826.20**	**6,742.57**
	Earnings per equity share:			
	Basic earnings per share	36	7.31	5.77
	Diluted earnings per share		7.31	5.77

Summary of Material Accounting Policies and other accompanying notes form an integral part of Standalone financial statements

As per our report of even date Annexed.

For and on behalf of the Board of Directors

For C V Ramana Rao & Co
Chartered accountants
Firm registration no.: 002917S

CA. K. Kavya
Partner
Membership No. 223355

Place: Hyderabad
Date: 17.06.2026

Koteswara Rao S S R
Chairperson
DIN: 00964290

V. S. Ranga Rao
Chief Financial Officer

R. Mallikarjuna
Managing Director & CEO
DIN: 10428677

V. Vani
Company Secretary

Standalone Statement of cash flows for the year ended 31st March, 2026

(Rs. in Lakhs)

S.No.	Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
A)	**Cash flows from operating activities**		
	Profit for the year before Tax	**11,635.99**	**8,993.37**
	Adjustments to reconcile profit before tax to net cash flows		
	Depreciation and amortisation expenses	11.91	11.91
	Finance Costs	2,090.08	1,244.99
	Impairment of financial instruments (net)	98.99	104.57
	(Gain) / Loss on fair value changes (net)	590.47	(168.93)
	(Gain) / Loss on mutual funds (net)	-	(32.25)
	(Gain) / Loss on sale of investment in property (net)	-	(109.89)
	Interest earned on fixed deposits	(42.25)	(64.01)
	Rental Income	(3.91)	(3.78)
	Operating profit before working capital changes	**14,381.28**	**9,975.98**
	Movements in working capital:		
	(Increase)/ Decrease in Trade Receivables	(903.17)	(533.11)
	(Increase)/Decrease in other financial assets	195.41	(270.35)
	(Increase)/Decrease in other non-financial assets	25.86	(38.64)
	(Increase)/Decrease in other bank balances	282.86	(229.67)
	Increase/(Decrease) in trade payable, Provisions	4.53	6.96
	Increase/(Decrease) in other financial liability	1,527.12	189.41
	Increase/(Decrease) in other non-financial liabilities	(248.71)	367.66
	Cash generated from operations	**15,265.18**	**9,468.24**
	Direct taxes (paid)/ refund received (net)	(2,869.30)	(1,625.03)
	Net cash generated in operations (A)	**12,395.88**	**7,843.21**
B)	**Cash flows from investing activities**		
	Acquisition of Property, Plant and equipment	(4.89)	(2.62)
	Amount received on redemption of Security Receipts	12,632.23	8,651.86
	Amount received on sale of Security Receipts	-	650.00
	Amount invested towards Security Receipts	(30,304.00)	(27,084.00)
	Amount (paid)/received towards purchase of security receipts	-	11,170.00
	Amount towards (investment)/ Redemption in mutual funds	-	1,768.44
	Amount received from sale of investment in property	-	1,850.00
	Interest income on fixed deposits	42.25	64.01
	Rental Income	3.91	3.78
	Net cash used in investing activities (B)	**(17,630.50)**	**(2,928.53)**
C)	**Cash flows from financing activities**		
	Increase/(Decrease) in short-term borrowings (net)	(2,805.79)	1,772.03
	Finance Costs paid	(2,273.94)	(1,220.96)
	Receipt of Non Convertible Debentures	17,000.00	4,960.00
	Repayment of Non Convertible Debentures	(6,591.66)	(13,430.00)
	Receipt of inter corporate loan	1,000.00	-
	Repayment of inter corporate loan	(1,000.00)	-
	Share Application money refunded	-	(3,500.00)

Standalone Statement of cash flows for the year ended 31st March, 2026

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Share Captital Received	-	2,058.82
Share premium received on shares allotment	-	1,441.18
Net cash (used in)/ generated from financing activities (C)	**5,328.61**	**(7,918.93)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**94.00**	**(3,004.25)**
Add: Cash and cash equivalents at the beginning of the year	507.09	3,511.34
Cash and cash equivalents at the end of the year	**601.09**	**507.09**
Components of cash and cash equivalents		
Cash on hand	0.02	0.41
Balances with banks in current accounts	601.07	506.68
Total	**601.09**	**507.09**

Reconciliation of cash and cash equivalents as per cash flow statement and as per balance sheet:

(₹ In Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Cash and cash equivalents in balance sheet	601.09	507.09
Cash and cash equivalents in above statement	601.09	507.09
Difference	**-**	**-**

Summary of Material Accounting Policies and other accompanying notes form an integral part of Standalone financial statements

As per our report of even date Annexed.

For C V Ramana Rao & Co
Chartered accountants
Firm registration no.: 002917S

CA. K. Kavya
Partner
Membership No. 223355

Place: Hyderabad
Date: 17.06.2026

For and on behalf of the Board of Directors

Koteswara Rao S S R
Chairperson
DIN: 00964290

V. S. Ranga Rao
Chief Financial Officer

R. Mallikarjuna
Managing Director & CEO
DIN: 10428677

V. Vani
Company Secretary

Notes to the Standalone Financial Statements for the year ended 31st March, 2026

Corporate Information, Basis of preparation and Material Accounting Policy information:

1. Corporate Information

Prasaditya ARC Limited (formerly known as Pridhvi Asset Reconstruction and Securitization Company Limited) ('the Company') was incorporated as a Public Company on October 5, 2007 under the provisions of the Erstwhile Companies Act, 1956. The Company's Registered office is at 4th Floor, Raja Praasadamu, Kondapur, Hyderabad, Telangana, India. The Company has obtained Certificate of Registration from Reserve Bank of India (RBI) w.e.f. April 09, 2008 with Registration no.008/2008 to act as Asset Reconstruction and Securitisation Company under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 ("SARFAESI")

The Company is engaged in business of acquiring Loan Portfolios, Loan Accounts, Non- Performing Assets (NPA) from the Banks and Financial Institutions and resolving them through appropriate resolution strategies enunciated in SARFAESI.

The Company name was changed w.e.f March 11,2026 from "Pridhvi Asset Reconstruction and Securitisation Company Ltd" to "Prasaditya ARC Limited" with approval of the Registrar of Companies (ROC) and the Reserve Bank of India (RBI).

These Standalone financial statements were approved by the Board of Directors and authorized for issue on 17th June, 2026.

2. Statement of compliance and basis of preparation and presentation

A) Statement of Compliance

The Standalone financial statements of the company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) prescribed under section 133 of the Companies Act, 2013 and other relevant provisions of the Act to the extent applicable and the guidelines prescribed by the RBI, to the extent applicable.

B) Basis of preparation

The Standalone financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally the original cost or transaction price of goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date regardless of whether that price is directly observable or estimated using another valuation technique.

C) Presentation of Standalone financial statements

The Company presents its balance sheet in compliance with the Division III of the Schedule III to the Companies Act, 2013. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows Amounts in the Standalone financial statements are presented in Indian Rupees (Rs.) which is also the Company's functional currency and all the amounts rounded off to the nearest lakhs with two decimals, unless otherwise stated.

Notes to the Standalone Financial Statements for the year ended 31st March, 2026

3. Material Accounting Policies related to preparation of the Standalone financial statements:

3.1 Revenue Recognition

Revenue is recognized when (or as) the Company satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset. When (or as) a performance obligation is satisfied, the Company recognizes as revenue the amount of the transaction price (excluding estimates of variable consideration) that is allocated to that performance obligation.

The Company applies the five-step approach for recognition of revenue:

- Identification of contract(s) with customers;
- Identification of the separate performance obligations in the contract;
- Determination of transaction price;
- Allocation of transaction price to the separate performance obligations; and
- Recognition of revenue when (or as) each performance obligation is satisfied.

The Company is generally able to make reliable estimates after it has agreed to the following with the other parties to the transaction:

- each party's enforceable rights regarding the service to be provided and received by the parties;
- the consideration to be exchanged; and
- the manner and terms of agreements or offer documents.

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at transaction price i.e. the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to the customer, excluding amounts collected on behalf of third parties. The Company consider the terms of the contract and its customary business practices to determine the transaction price. Where the consideration promised is variable, the Company excludes the estimates of variable consideration that are constrained. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers.

The Company recognises revenue from the following sources:

a) **Management fees:** The Company receives management fee from trusts declared by it for acquisition of financial assets and the same is accounted for on accrual basis as per terms of the relevant trust deeds and offer document issued by the Trust over the period of service in accordance with Ind AS 115. The fees are recognized on accrual basis till the NAV of the Trust is recoverable and not wholly impaired.

Incentives: Redemption incentive and recovery incentive is accounted over the period on cash basis, i.e. as and when received by the Company, based on terms of the relevant trust deeds and offer document issued by the Trust.

Notes to the Standalone Financial Statements for the year ended 31st March, 2026

b) Any upside share in excess realisation over acquisition price of financial asset by trust is recognised at point of time basis as per terms of the relevant trust deed/offer document. Gain/ loss on redemption of security receipts is accounted only after the full redemption of security receipts. Amount realized in surplus/ deficit of the acquisition cost of security receipts in accordance with the terms of the trust deed/ offer document is recorded as gain on redemption of security receipts.

Sale proceeds of secured assets/OTS payments/amounts received from trusts/ instalments of rescheduled debts etc are appropriated first towards expenses incurred for formation of trusts, outstanding management fees, outstanding expenses recoverable, outstanding acquisition cost and the balance amount, if any, is recognized as gain/ upside income.

c) Interest income on bank deposits is accounted for on accrual basis as per the terms of the deposits. Interest income from interest bearing financial assets is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is recognised/ estimated using the effective interest rate method. The effective interest rate which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. However, recognition of interest on receivables from Trusts is discontinued when NAV of Security receipts of the Trust become Nil and no future recoveries is expected. The unrecognised interest is recognised on realisation.

The above receipts are recognised as revenue excluding GST.

3.2 Borrowing costs

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets as defined in Ind AS 23 are capitalized as a part of costs of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use.

Interest expenses are calculated using the EIR and all other Borrowing costs are recognized in the Statement of Profit and Loss in the period in which they are incurred.

3.3 Retirement and other employee benefits

Defined Contribution Plan

Payments to defined contribution plans like provident fund, ESI are recognised as expense in the Statement of Profit and Loss of the year when employees have rendered service entitling them to the contributions. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due.

Defined Benefit Obligation:

The Company's liabilities under the Payment of Gratuity Act, 1972, are determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method. The Company net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. The Company recognizes current service cost, past service cost, if any and interest cost in the Statement of Profit and Loss. Remeasurement gains and losses arising from experience adjustments and changes in actual assumptions are recognized in the period in which they occur in the OCI.

Notes to the Standalone Financial Statements for the year ended 31st March, 2026

Short-term employee benefits:

Short-term employee benefits are expensed as the related service is provided at the undiscounted amount of the benefits expected to be paid in exchange for that service. 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. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

Other Long Term Employee benefits (Compensated Absences):

The company's liabilities for earned leave are determined at each Balance sheet based on an actuarial valuation using the Projected Unit Credit Method.

The Company has a funded arrangement with the LIC to manage its leave encashment liabilities. The liability or asset recognized in the balance sheet is the present value of the defined obligation at the end of the reporting period less the fair value of plan assets.

Remeasurements, comprising actuarial gains and losses, the effect of the asset ceiling and the return on plan assets are recognized immediately in the statement of Profit and Loss in the period in which they occur.

3.4 Income tax expenses

Income tax expense represents the sum of the Income tax currently payable and deferred tax. Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively

Current tax

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from, or paid to, the taxation authorities. The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

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. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Notes to the Standalone Financial Statements for the year ended 31st March, 2026

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

The measurement of deferred tax liabilities and assets reflects the tax consequences 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.

3.5 Goods and services tax (GST) on acquisition of assets or on incurring expenses

Expenses and assets are recognised net off GST paid, except: When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable. The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

3.6 Property, plant and equipment and intangible assets:

Property, plant and equipment

Property, plant and equipment is stated at cost excluding the costs of day to day servicing, less accumulated depreciation and accumulated impairment in value. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

Subsequent costs incurred on an item of property, plant and equipment is recognised in the carrying amount thereof when those costs meet the recognition criteria i.e. it is probable that future economic benefits will flow to the entity and cost can be measured reliably. Repairs and maintenance are recognised in statement of profit or loss as incurred.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives. Depreciation is charged on straight line method as per the requirement of Schedule II of the Companies Act, 2013 from the date the asset is ready for its intended use. In respect of assets sold, depreciation is provided upto the date of disposal.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The carrying amount of those components which have been separately recognised as assets is derecognised at the time of replacement thereof. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss. The date of disposal of an item of property, plant and equipment is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of April 01, 2024 (transition date) measured as per the previous Accounting standards and use that carrying value as its deemed cost as of the transition date.

Notes to the Standalone Financial Statements for the year ended 31st March, 2026

Intangible Assets

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors. Amortization methods and useful lives are reviewed periodically including at each financial year end. Changes in the expected useful life, or the expected pattern of consumption of future economic benefits embodied in the asset, are accounted for by changing the amortisation period or methodology, as appropriate, which are then treated as changes in accounting estimates. Estimate useful life of software is considered as 3 years.

3.7 Leasing

The Company evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116.

The Company as a lessee

The Company assesses, whether the contract is, or contains, a lease if the contract involves–

a) the use of an identified asset,

b) the right to obtain substantially all the economic benefits from use of the identified asset, and

c) the right to direct the use of the identified asset.

The Company at the inception of the lease contract recognizes a Right-of-Use (RoU) asset at cost and a corresponding lease liability, for all lease arrangements in which it is a lessee, except for leases with term of less than twelve months (short term) and low value assets. Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term.

The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets. Right-of-use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

For lease liabilities at inception, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate is readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate.

For short-term of 12 months or less and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

Operating lease

Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term. Contingent rental payable is recognized as an expense in the period in which it is incurred.

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Contracts in which all the risks and rewards of the lease are substantially transferred to the lessee are classified as a finance lease.

Notes to the Standalone Financial Statements for the year ended 31st March, 2026

All other leases are classified as operating leases and rental income is recognised on accrual basis based on lease term.

3.8 Provisions, Contingent liabilities and Contingent Assets:

Provisions are recognised only when:

- an entity has a present obligation (legal or constructive) as a result of a past event; and
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation

These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Further, long term provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost. A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract.

Contingent liability is disclosed in case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and
- a present obligation arising from past events, when no reliable estimate is possible.

Contingent Assets:

Contingent assets are not recognised in the Standalone financial statements.

3.9 Statement of Cash Flows

Statement of Cash Flows is prepared in accordance with Ind AS-7, statement of cash flows, using indirect method, segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of:

- changes during the period in receivables and payables transactions of a non-cash nature;
- non-cash items such as depreciation, provisions, deferred taxes; and
- all other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of Balance Sheet.

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

3.10 Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss (before Other Comprehensive Income) for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss (before Other Comprehensive Income) for the year attributable to equity shareholders and the weighted average

Notes to the Standalone Financial Statements for the year ended 31st March, 2026

number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

3.11 Financial Instruments

Financial instruments comprise of financial assets and financial liabilities. Financial assets and liabilities are recognized when the Company becomes the party to the contractual provisions of the instruments. Financial assets primarily comprise of Security receipts, advances to trusts, other deposits, trade receivables and cash and cash equivalents. Financial liabilities primarily comprise of borrowings and trade payables.

3.11.1 Business model assessment

The company determines its business model at the level that best reflects how it manages financial assets to achieve its business objective.

The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)
- The expected frequency, value and timing of sales are also important aspects of the Company assessment

3.11.2 The SPPI test

As a second step of its classification process the Company assesses the contractual terms of financial assets to identify whether they meet the Solely Payments of Principal and Interest (SPPI) test. 'Principal' for the purpose of this test is defined as the fair value of the financial asset at Initial recognition and may change over the life of the financial asset. The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Company applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

3.11.3 Recognition of Interest

Under Ind AS 109 interest income is recorded using the effective interest rate (EIR) method for all financial instruments measured at amortised cost. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset.

The EIR (and therefore, the amortized cost of the financial asset) is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Company recognizes interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the interest bearing advances. Hence, it recognizes the effect of potentially different interest rates charged at various stages, and other characteristics of the product life cycle (including prepayments, penalty interest and charges).

Notes to the Standalone Financial Statements for the year ended 31st March, 2026

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is booked 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 statement of profit and loss.

When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the Company calculates interest income by applying the effective interest rate to the amortised cost (net of expected credit loss) of the financial asset.

3.11.4 Initial measurement of financial instruments

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

When the fair value of financial instruments at initial recognition differs from the transaction price, the Company accounts for the Day 1 profit or loss, as described below:

When the transaction price of the financial instrument differs from the fair value at origination and the fair value is based on a valuation technique using only inputs observable in market transactions, the Company recognises the difference between the transaction price and fair value in net gain/loss on fair value changes. In those cases where fair value is based on models for which some of the inputs are not observable, the difference between the transaction price and the fair value is deferred and is only recognised in profit or loss when the inputs become observable, or when the instrument is derecognised.

3.11.5 Measurement categories of financial instruments

(a) Financial assets:

The Company classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

- Amortised cost
- Fair value through profit or loss (FVTPL)
- The Company measures debt financial assets that meet the following conditions at amortised cost:
- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at FVTPL.

Amortized cost and Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and allocating interest income over the relevant period.

Notes to the Standalone Financial Statements for the year ended 31st March, 2026

For financial instruments other than purchased or originated credit-impaired financial assets, the effective interest rate is the rate that exactly discounts estimated future cash receipts (including receipts and payments that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Financial assets at fair value through profit or loss

Financial assets in this category are those that are not held for trading and have been either designated by management upon initial recognition or are mandatorily required to be measured at fair value under Ind AS 109. Management only designates an instrument at FVTPL upon initial recognition when one of the following criteria are met. Such designation is determined on an instrument-by-instrument basis:

The designation eliminates, or significantly reduces, the inconsistent treatment that would otherwise arise from measuring the assets or recognising gains or losses on them on a different basis

Financial assets at FVTPL are recorded in the balance sheet at fair value. Changes in fair value are recorded in statement of profit and loss.

(b) Financial liabilities

All financial liabilities are measured at amortised cost except derivative financial liabilities and financial liabilities designated at fair value through profit and loss.

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held for trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

The Company issues certain non-convertible debentures, the return of which is linked to performance of specified indices over the period of the debenture. Such debentures have a component of an embedded derivative which is fair valued at a reporting date. The resultant 'net unrealised loss or

Notes to the Standalone Financial Statements for the year ended 31st March, 2026

gain' on the fair valuation of these embedded derivatives is recognised in the statement of profit and loss.

Financial liabilities at fair value through profit or loss (FVTPL)

Financial liabilities in this category are those that are not held for trading and have been either designated by management upon initial recognition or are mandatorily required to be measured at fair value under Ind AS 109. Management only designates an instrument at FVTPL upon initial recognition when the following criteria are met. Such designation is determined on an instrument-by-instrument basis

The designation eliminates, or significantly reduces, the inconsistent treatment that would otherwise arise from measuring liabilities or recognizing gains or losses on them on a different basis, financial liabilities at FVTPL are recorded in the balance sheet at fair value. Changes in fair value are recorded in profit and loss. Interest incurred on financial liabilities designated at FVTPL is accrued in finance cost, using the EIR, taking into account any discount/ premium and qualifying transaction costs being an integral part of instrument.

3.11.6 Reclassification of financial assets and financial liabilities

If the business model under which the Company holds financial assets changes, the financial assets affected are reclassified. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the change in business model that result in reclassifying the Company's financial assets. During the current financial year and previous accounting period there was no change in the business model under which the Company holds financial assets and therefore no reclassifications were made. Changes in contractual cash flows are considered under the accounting policy on modification and de-recognition of financial assets described below.

3.11.7 Derecognition of financial assets & financial liabilities

(a) Derecognition of Financial assets

The Company derecognises a financial asset when the Company has transferred the right to receive cash flows from the financial assets or retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in OCI and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

(b) Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or

Notes to the Standalone Financial Statements for the year ended 31st March, 2026

modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid, including modified contractual cash flow recognised as new financial liability, is recognised in profit or loss.

3.11.8 Impairment of financial assets

The Company records allowance for expected credit losses for all advances to trusts, other financial assets not held at FVTPL, in this section all referred to as 'financial instruments'. Equity instruments are not subject to impairment under Ind AS 109.

The Company follows "simplified approach" for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime Expected Credit Loss (ECL') at each reporting date, right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on portfolio of its receivables. The provision matrix is based on its historically observed default rates over the expected life of the receivables.

For all other financial instruments, the Company recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses (12m ECL). The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12m ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Based on the above process, the Company categorises its financial instruments into Stage 1, Stage 2, and Stage 3 as described below:

Stage 1: When advances are first recognised, the Company recognises an allowance based on 12m ECLs. Stage 1 financial instruments also include facilities where the credit risk has improved and the financial instruments have been reclassified from Stage 2.

Stage 2: When a financial instrument has shown a significant increase in credit risk since origination, the Company records an allowance for the life time ECLs (LTECL). Stage 2 financial instruments also include facilities, where the credit risk has improved and the financial instruments have been reclassified from Stage 3.

Stage 3: Financial instruments considered credit-impaired. The Company records an allowance for the LTECLs.

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

Notes to the Standalone Financial Statements for the year ended 31st March, 2026

3.11.9 Collateral valuation

To mitigate its credit risks on financial assets, the Company seeks to use collateral, where possible. The collateral comes in various forms, such as cash, securities, letters of credit/guarantees, real estate, receivables, inventories, other non-financial assets and credit enhancements such as netting agreements. Collateral, unless repossessed, is not recorded on the balance sheet. However, the fair value of collateral affects the calculation of ECLs. It is generally assessed, at a minimum, at inception and re-assessed on a periodical basis.

To the extent possible, the Company uses active market data for valuing financial assets held as collateral. Non-financial collateral, such as real estate, is valued based on data provided by third parties such as valuers, mortgage brokers, or based on housing price indices.

3.11.10 Write off

Financial assets are written off either partially or in their entirety only when the Company has stopped pursuing the recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to impairment on financial instruments in statement of profit and loss.

3.11.11 Determination of fair value

The Company measures financial instruments, such as investment in security receipts (SRs) at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

- **Level 1 financial instruments** -Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.

Notes to the Standalone Financial Statements for the year ended 31st March, 2026

- **Level 2 financial instruments**-Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life.
- **Level 3 financial instruments** -Those that include one or more unobservable input that is significant to the measurement as whole.

For assets and liabilities that are recognised in the Standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. The Company periodically reviews its valuation techniques including the adopted methodologies and model calibrations.

The Company applies various techniques to estimate the credit risk associated with its financial instruments measured at fair value, which include a portfolio-based approach that estimates the expected net exposure per counterparty over the full lifetime of the individual assets, in order to reflect the credit risk of the individual counterparties for non-collateralised financial instruments.

Security Receipts are measured at fair value at each reporting date based on expected future recoveries, timing of recoveries and appropriate discount rates using valuation techniques in accordance with Ind AS 109 and Ind AS 113 and based on the recovery ratings bands as determined by the independent rating agencies. The valuation is reviewed periodically based on the latest information available.

The Company evaluates the levelling at each reporting period on an instrument-by-instrument basis and reclassifies instruments when necessary based on the facts at the end of the reporting period.

3.11.12 Impairment of non-financial assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired based on internal/external factors. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of cash generating unit which the asset belongs to is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of the depreciable historical cost.

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.

4.1 Critical accounting judgements, assumptions and Sources of key estimation uncertainty:

In the application of the Company's material accounting policies, which are described in note 3, the management is required to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the Accompanying disclosures, as well as the disclosure of contingent liabilities, about the carrying amounts of assets and liabilities that are not readily available from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Notes to the Standalone Financial Statements for the year ended 31st March, 2026

The judgements, estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

4.2 Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations, that the management has made in the process of applying the Company's accounting policies and that have the most significant effects on the amounts recognised in the Standalone financial statements.

Business model assessment

Classification and measurement of financial assets depend on the results of the SPPI and the business model test. The Company determines the business model at a level that reflects how Company 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 is measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset 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.

Significant increase in credit risk

ECL is measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. Ind AS 109 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased the Company takes into account qualitative and quantitative reasonable and supportable forward-looking information.

4.3 Sources of key estimation uncertainty

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

Fair value of financial instruments

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

Notes to the Standalone Financial Statements for the year ended 31st March, 2026

models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values.

For Investments made into Security receipts (SRs), Company uses discounted cash flow model, given that the SRs are less liquid instruments. Expected cash flow levels including timing of cash flows are estimated by using quantitative and qualitative measures regarding the characteristics of the underlying assets including default rates, nature & value of collaterals, manner of resolution and other economic drivers. For any valuation which are based on models, Judgements and estimates are applied, which include considerations of liquidity, credit risk (both own and counterparty), funding value adjustments, correlation and volatility.

Impairment of financial assets

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

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

- Probabilities of defaults (PDs) the calculation of which includes historical data, assumptions and expectations of future conditions.
- The company's criteria for assessing if there has been significant increase in credit risk and so allowances for financial assets should be measured on a life-time expected credit loss model basis and the qualitative assessment.
- The segmentation of financial assets when their ECL is assessed on a collective basis Development of ECL models, including the various formulas and the choice of inputs Determination of associations between macroeconomic scenarios and, economic inputs, such as unemployment levels and collateral values, and the effect on PDs, exposure at defaults and loss given defaults (LGDs).

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

Defined benefit obligations

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

Useful Lives of Property, Plant and Equipment

The Company reviews the useful life of assets at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

Notes to the Standalone Financial Statements for the year ended 31st March, 2026

Accounting for deferred taxes

Deferred tax assets are recognised for impairment of assets, other items to the extent that it is probable that taxable profit will be available against it can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Company has recognised deferred tax assets on impairment of assets, other items where the Company believes that the said deferred tax assets shall be recoverable based on the estimated future taxable income which in turn is based on approved business plans and budgets.

Provisions and other contingent liabilities

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

When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the probability of outflow is considered to be remote, or 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.

As per our report of even date Annexed.

For C V Ramana Rao & Co
Chartered accountants
Firm registration no.: 002917S

CA. K. Kavya
Partner
Membership No. 223355

Place: Hyderabad
Date: 17.06.2026

For and on behalf of the Board of Directors

Koteswara Rao S S R
Chairperson
DIN: 00964290

V. S. Ranga Rao
Chief Financial Officer

R. Mallikarjuna
Managing Director & CEO
DIN: 10428677

V. Vani
Company Secretary

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

A. Equity Share Capital

As at 31.03.2026

(Rs. in Lakhs)

Balance at 01.04.2025	Changes in Equity Share Capital due to prior period errors	Restated balance as at 01.04.2025	Changes in equity share capital during the current year	Balance as at 31.03.2026
12,058.82	-	12,058.82	-	12,058.82

As at 31.03.2025

(Rs. in Lakhs)

Balance at 01.04.2024	Changes in Equity Share Capital due to prior period errors	Restated balance as at 01.04.2024	Changes in equity share capital during FY 2024-25 (Due to shares issue)	Balance as at 31.03.2025
10,000.00	-	10,000.00	2,058.82	12,058.82

As at 31.03.2024

(Rs. in Lakhs)

Balance at 01.04.2023	Changes in Equity Share Capital due to prior period errors	Restated balance as at 01.04.2023	Changes in equity share capital during FY 2023-24	Balance as at 31.03.2024
10,000.00	-	10,000.00	-	10,000.00

B Other Equity

As at 31st March,2026

(Rs. in Lakhs)

Particulars	Reserves and Surplus					Items of Other Comprehensive Income	Total Other Equity
	Share application money received pending allotment	Debenture Redemption Reserve	Securities Premium	General Reserve	Retained Earnings	Remeasurement gains / (losses) on the defined benefit obligations	
Balance at 01.04.2025	-	860.00	1,441.18	10,000.00	3,401.77	0.51	15,703.46
Changes in accounting policy/ prior period errors	-	-	-	-	-	-	-
Restated balance at 01.04.2025	**-**	**860.00**	**1,441.18**	**10,000.00**	**3,401.77**	0.51	**15,703.46**
Total Comprehensive Income for the year ended 31.03.2026	-	-	-	-	8,820.50	5.70	8,826.20
Transfer to General Reserve	-	-	-	9,000.00	(9,000.00)	-	-
Transfer to Debenture Redemption Reserve	-	1,041.00	-	-	(1,041.00)	-	-
Balance as at 31.03.2026	**-**	**1,901.00**	**1,441.18**	**19,000.00**	**2,181.27**	**6.21**	**24,529.66**

(Rs. in Lakhs)

Particulars	Reserves and Surplus					Items of Other Comprehensive Income	Total Other Equity
	Share application money received pending allotment	Debenture Redemption Reserve	Securities Premium	General Reserve	Retained Earnings	Remeasurement gains / (losses) on the defined benefit obligations	
As at 31st March,2025							
Balance at 01.04.2024	3,500.00	590.00	-	6,000.00	929.71	-	11,019.71
Changes in accounting policy/ prior period errors	-	-	-	-	-	-	-
Restated balance as at 01.04.2024	3,500.00	590.00	-	6,000.00	929.71	-	11,019.71
Receipts during the year	-	-		-	-	-	-
Total Comprehensive Income for the year ended 31.03.2025	-	-	-	-	6,742.06	0.51	6,742.56
Transfer to General Reserve	-			4,000.00	(4,000.00)	-	-
Transfer to Debenture Redemption Reserve	-	270.00	-	-	(270.00)	-	-
Issue of equity share capital	(2,058.82)	-	-	-	-	-	(2,058.82)
Transfer to Securities premium	(1,441.18)	-	1,441.18	-	-	-	-
Balance at 31.03.2025	**-**	**860.00**	**1,441.18**	**10,000.00**	**3,401.77**	**0.51**	**15,703.46**
As at 1st April, 2024							
Balance at 01.04.2023	-	350.00	-	2,000.00	1,429.55	-	3,779.55
Changes in accounting policy/ prior period errors	-	-	-	-	-	-	-
Restated balance as at 01.04.2023	-	350.00	-	2,000.00	1,429.55	-	3,779.55
Receipts during the year	3,500.00	-	-	-	-	-	3,500.00
Total Comprehensive Income for the year ended 31.03.2024	-	-	-	-	4,152.74	-	4,152.74
Transfer to General Reserve	-	-	-	4,000.00	(4,000.00)	-	-
Transfer to Debenture Redemption Reserve	-	240.00	-	-	(240.00)	-	-
First time adoption of Ind AS	-	-	-	-	(412.58)	-	(412.58)
Restated balance as at 01.04.2024	**3,500.00**	**590.00**	**-**	**6,000.00**	**929.71**	**-**	**11,019.71**

Summary of Material Accounting Policies and other accompanying notes form an integral part of the Standalone financial statements

As per our report of even date Annexed.

For C V Ramana Rao & Co
Chartered accountants
Firm registration no.: 002917S

CA. K. Kavya
Partner
Membership No. 223355

Place: Hyderabad
Date: 17.06.2026

For and on behalf of the Board of Directors

Koteswara Rao S S R
Chairperson
DIN: 00964290

V. S. Ranga Rao
Chief Financial Officer

R. Mallikarjuna
Managing Director & CEO
DIN: 10428677

V. Vani
Company Secretary

Notes to the Standalone Financial Statements for the year ended 31st March, 2026

Note 5: Cash and Cash Equivalents

(Rs.in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025	As at 01 April 2024
Cash on hand	0.02	0.41	0.81
Balances with banks in Current Accounts	601.07	506.68	3,510.52
Total	**601.09**	**507.09**	**3,511.33**

Note 6: Bank balances other than cash and cash equivalents

(Rs.in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025	As at 01 April 2024
Earmarked balances with Banks (Deposits with maturity more than 3 months but less than 12 months)			
Deposit with Union Bank of India:			
: Mid Corporate Branch (Refer Note 6.1)	350.30	329.64	310.32
: Kothaguda branch (Refer Note 6.2)	24.36	327.88	117.53
Total	**374.66**	**657.52**	**427.85**

Note 6.1: Pledged Deposits

Deposit of Rs 350.30 lakhs (March 31,2025: 329.64 Lakhs) pledged with Union Bank of India as Cash Collateral for availing Secured Overdraft facility(Refer Note 15 A on Borrrowings(other than debt securities)).

Note 6.2: Restricted Balances

(a) Includes Rs.24.36 Lakhs (March 31,2025: 23.35 Lakhs) received and deposited in Bank as per Court direction in SBIKG-033 trust.

(b) Included Rs. Nil towards Debenture Redemption Fund (March 31,2025 : Rs 304.53 lakhs)

Note 7: Trade Receivables

(Rs.in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025	As at 01 April 2024
Unsecured, considered good			
Trade receivables	6,134.31	5,217.98	4,603.35
Less:Allowance for Expected Credit Loss	(1,105.09)	(1,091.93)	(1,010.41)
Total	**5,029.22**	**4,126.05**	**3,592.94**

Notes to the Standalone Financial Statements for the year ended 31st March, 2026

Note 7A: Ageing of trade receivables

(Rs.in Lakhs)

Particulars	Outstanding for following periods from due date of payment as at 31 March 2026					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables - Considered good	2,095.99	2,149.64	660.21	199.70	1,028.77	6,134.31
Less: Allowance for Expected credit loss	(21.92)	(73.59)	(77.07)	(65.68)	(866.82)	(1,105.10)
Total	**2,074.07**	**2,076.05**	**583.14**	**134.02**	**161.95**	**5,029.22**

Particulars	Outstanding for following periods from due date of payment as at 31 March 2025					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables - Considered good	2,535.69	881.59	307.18	280.35	1,213.17	5,217.98
Less: Allowance for Expected credit loss	(43.69)	(89.84)	(51.80)	(90.84)	(815.77)	(1,091.93)
Total	**2,492.00**	**791.75**	**255.38**	**189.51**	**397.40**	**4,126.05**

Particulars	Outstanding for following periods from due date of payment as at 01 April 2024					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables - Considered good	1,563.11	1,285.87	291.18	302.26	1,160.93	4,603.35
Less: Allowance for Expected credit loss	(13.00)	(182.27)	(54.88)	(100.46)	(659.81)	(1,010.41)
Total	**1,550.11**	**1,103.61**	**236.30**	**201.80**	**501.12**	**3,592.94**

Note 7B: Trade Receiavables - Credit Risk

a) The above trade receivables significantly comprise management fees recoverable from trusts managed by the Company. As per the terms of the respective Trust Deeds,such management fees are payable by the trust to the Company only on realisation from the cashflows of the underlying assets held in the trust. Accordingly, the timing of collection of these receivables is dependent on the realisation from the underlying assets in the trust and is not solely dependent on the passage of time. The Company assesses recoverability based on the expected realisation from the underlying assets of the trust and historical trend.

b) Although certain balances are overdue beyond 180 days as shown in the ageing above, the nature of the business, the existence of contractual safeguards such as security receipts, consistent historical recovery trend indicate that there is no significant increase in credit risk or evidence of credit impairment for these receivables. These receivables are secured through contractual terms and are considered recoverable irrespective of their overdue status. Considering the nature of the Company's business and the requirements of the applicable RBI guidelines, management fee income recognised under Ind AS largely represents amounts that remain unbilled as on the reporting date, accordingly, substantially the above balances represents unbilled revenue and, therefore, a separate disclosure of unbilled revenue has not been presented in the financial statements.

Notes to the Standalone Financial Statements for the year ended 31st March, 2026

c) No trade or other receivables are due from directors or other officers of the company either severally or jointly with any other person or from firms, including limited liability partnerships (LLPs)or private companies respectively in which any director is a partner, a director or a member

d) There are no disputed and not-due receivables, hence the same is not disclosed in the ageing schedule.

Note 7C:Movement of ECL on trade receivables:

Allowance for Expected Credit Losses (ECL) measured as per simplified approach

(Rs.in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Balance at the beginning of the year	1,091.93	1,010.41
Add: Provided during the Year	13.16	81.53
Balance at the end of the year	**1,105.09**	**1,091.93**

Note 7D: Details of outstanding Management Fees Receivable

(Information on ageing of unrealised management fee as per circular RBI/2022-23/182-DOR.ACC.REC. No.104/21.07.001/2022-23 dated February 20, 2023)

Particulars	As at 31 March 2026	As at 31 March 2025
Total Outstanding amount of unrealised management fee	6,134.31	5,217.98
Out of the above, amount outstanding for:		
a) Amounts where the net asset value of the security receipts has fallen below 50 per cent of the face value	1,149.59	1,569.36
b) Other amounts unrealised for:		
(i) More than 180 days but upto 1 year	2,132.99	763.99
(ii) More than 1 year but upto 3 years	724.57	147.22
(iii) More than 3 years	31.17	201.71
c) Allowances held for ECL on unrealised management fee (on a&b)	(1,083.16)	(1,048.24)
Net unrealised management fee receivable	**2,955.16**	**1,634.04**

Note 8: Investments*

Particulars	As at 31 March 2026	As at 31 March 2025	As at 01 April 2024
Investments measured at Fair Value through Profit and Loss:			
Security receipts	54,659.37	38,078.06	31,297.00
Investment in Mutual Funds: Nil (36956.567 Units)			
HDFC Liquid Fund Growth	-	-	1,736.18
Total	**54,659.37**	**38,078.06**	**33,033.18**

Note 8A: Details of Pledged/hypothecated Investments (at Cost)

Nature of Pledge	As at 31 March 2026	As at 31 March 2025	As at 01 April 2024
Pledged with Banks against overdraft	7,650.00	8,055.00	7,192.00
Pledged against Non-Convertible Debentures	13,038.88	15,880.00	21,428.00
Hypothecated for issue of Non-Convertible Debentures	33,901.20	-	-

Notes to the Standalone Financial Statements for the year ended 31st March, 2026

Note 8B: Details of investment in Security receipts

(Rs. in Lakhs)

Sl. No.	Name of Trust	As at March 31, 2026		As at March 31, 2025		As at April 1, 2024	
		No of SRs	Amount	No of SRs	Amount	No of SRs	Amount
1	PARAS-SCPCL-008 Trust	65	89.55	65	78.49	65	68.85
2	PARAS-VEAF-011	93	119.27	93	16.70	93	14.65
3	PARAS-IOBPF-027 Trust	39	41.47	39	24.77	39	21.53
4	PARAS-RTP-032 Trust	3575	34.56	3575	23.85	3575	20.74
5	PARAS-SBIKG-033 Trust	2457	367.15	2457	178.95	2457	135.31
6	PARAS-SBH 2015-035 Trust	24457	397.38	24457	399.05	24457	347.00
7	PARAS-SPML-038 Trust	3924	364.76	3924	286.96	3924	249.53
8	PARAS-MACL-039 Trust	30105	264.54	30105	118.13	30105	101.83
9	PARAS-SPEPL-040 Trust	1410	-	2175	43.90	2175	38.17
10	PARAS-MSL-046 Trust	218	97.62	233	130.43	329	113.42
11	PARAS-SPPL-049 Trust	1596	16.70	1639	14.24	1639	12.15
12	PARAS-VMC-054 Trust	176	210.51	176	107.73	176	91.29
13	PARAS-SOUB-055 Trust	0	-	0	-	190	28.50
14	PARAS-DB2015-056 Trust	10912	243.79	10912	163.50	10912	140.94
15	PARAS-MLA-060 Trust	120	56.15	120	34.08	120	29.62
16	PARAS-JSL-061 Trust	44715	599.54	44715	376.69	44715	324.57
17	PARAS-AWL-065 Trust	210	178.70	210	158.13	480	366.30
18	PARAS-VBI-067 Trust	4050	34.69	4050	9.36	4050	9.36
19	PARAS-MAIPL-071 Trust	0	-	0	-	1915	143.24
20	PARAS-VHPL-072 Trust	0	-	443	44.30	443	381.70
21	PARAS-SIPPL-073 Trust	99	212.72	99	172.02	99	144.38
22	PARAS-VEAL-075 Trust	7845	132.04	8325	61.60	8325	61.18
23	PARAS-SBPL-076 Trust	7605	100.20	8655	26.77	8655	26.60
24	PARAS-SSDF-080 Trust	0	-	165	1.65	465	3.85
25	PARAS-DTPL-082 Trust	31500	334.03	31500	285.50	31500	244.33
26	PARAS-MRC-084 Trust	0	-	712	7.25	712	6.28
27	PARAS-SPKHL-085 Trust	30120	303.14	30120	297.60	30120	250.53
28	PARAS-VAP-086 Trust	3525	37.89	3525	33.64	3525	28.30
29	PARAS-RC-090 Trust	0	-	1120	12.65	1735	16.03
30	PARAS-CRD - 092 Trust	3750	42.46	3750	40.82	3750	34.46
31	PARAS-GS-093 Trust	3450	38.21	3450	38.74	3450	32.70
32	PARAS-SPMPL-094 Trust	2550	110.40	2550	28.41	2550	23.98
33	PARAS-NPPL-095 Trust	0	-	0	-	2985	26.17
34	PARAS-DFPPL-096 Trust	12600	153.41	13500	196.87	13500	168.84
35	PARAS-VCMPL-097 Trust	5475	55.43	5475	54.24	5475	46.41
36	PARAS-VPPL-099 Trust	12002	129.47	12002	128.02	12002	110.49
37	PARAS-GTKVB-100 Trust	0	-	1125	15.48	2117	112.68
38	PARAS-RTKVB-101 Trust	1725	61.00	1725	42.07	1725	36.62
39	PARAS-NTKVB-103 Trust	25173	287.94	25173	284.83	25173	247.97
40	PARAS-SNV-104 Trust	3675	35.18	3675	35.19	3675	29.86
41	PARAS-SVRTC-105 Trust	0	-	3675	37.30	3675	31.75
42	PARAS-HCT-106 Trust	0	-	0	-	195	19.50
43	PARAS-SVCM-107 Trust	0	-	0	-	1725	17.25
44	PARAS-SLNGM-109 Trust	0	-	0	-	2985	29.85

Notes to the Standalone Financial Statements for the year ended 31st March, 2026

(Rs. in Lakhs)

Sl. No.	Name of Trust	As at March 31, 2026		As at March 31, 2025		As at April 1, 2024	
		No of SRs	Amount	No of SRs	Amount	No of SRs	Amount
45	PARAS-SAA-110 Trust	3405	23.24	3405	34.37	3405	29.93
46	PARAS-CEF-112 Trust	0	-	0	-	10	10.00
47	Investment in Security Receipts-ACRE-112 Trust	0	-	0	-	975000	11,170.00
48	PARAS-SKE-113 Trust	5400	68.34	5625	74.20	5625	64.05
49	PARAS-SEKVB-114 Trust	0	-	0	-	23	23.00
50	PARAS-MKS-115 Trust	135	25.10	135	18.21	135	15.86
51	PARAS-SSKVB-116 Trust	0	-	0	-	39	39.00
52	PARAS-SBISEWCT - 119 Trust	221	21.22	221	17.14	221	14.89
53	PARAS-132 Trust Trust	0	-	21995	31.51	63582	430.46
54	PARAS-133 Trust Trust	18072	51.39	20731	58.08	23293	153.82
55	PARAS-134 Trust Trust	0	-	85300	853.00	107700	1,077.00
56	PARAS-135 Trust Trust	17047	214.74	30031	322.30	53368	493.68
57	PARAS-136 Trust Trust	405000	4,216.31	405000	3,696.09	405000	3,071.46
58	PARAS-137 Trust Trust	0	-	45000	442.54	45000	377.83
59	PARAS-138 Trust Trust	115266	1,764.14	139433	1,186.19	186793	1,473.12
60	PARAS-139 Trust Trust	22430	87.31	23905	295.04	25533	275.54
61	PARAS-140 Trust Trust	232500	2,087.69	232500	2,783.49	232500	2,387.37
62	PARAS-141 Trust Trust	85332	1,351.69	96674	881.15	0	-
63	PARAS-142 Trust Trust	13000	113.36	13000	197.17	0	-
64	PARAS-143 Trust Trust	60061	330.91	117947	1,008.87	202650	1,650.39
65	PARAS-144 Trust Trust	134608	1,080.99	144709	1,346.13	150420	1,229.10
66	PARAS-145 Trust Series-A	0	-	5175	51.75	180200	1,802.00
67	PARAS-145 Trust Series B	53625	1,028.41	70500	811.43	70500	719.66
68	PARAS-146 Trust	2045	21.07	2045	16.06	2045	13.95
69	PARAS-147 Trust	14906	135.72	30561	298.47	52178	386.16
70	PARAS-148 Trust	22798	-	24583	327.40	-	-
71	PARAS-149 Trust	71540	560.48	83174	797.32	-	-
72	PARAS-150 Trust	42663	526.87	49352	359.62	-	-
73	PARAS-151 Trust	62805	787.35	73762	679.50	-	-
74	PARAS-152 Trust	87759	638.56	99385	1,023.42	-	-
75	PARAS-153 Trust	358800	3,765.37	358800	4,240.18	-	-
76	PARAS-154 Trust	20287	245.17	84484	758.32	-	-
77	PARAS-155 Trust	35646	133.17	48836	480.53	-	-
78	PARAS-156 Trust	38586	-	43207	502.58	-	-
79	PARAS-157 Trust	62697	700.63	67439	613.87	-	-
80	PARAS-158 Trust	44044	-	49804	453.26	-	-
81	PARAS-159 Trust Series -B	0	-	29873	268.09	-	-
82	PARAS-160 Trust	169745	1,409.72	201146	1,517.78	-	-
83	PARAS-161 Trust	70569	535.76	91475	715.30	-	-
84	PARAS-162 Trust Series -A	0	-	55008	188.83	-	-
85	PARAS-162 Trust Series -B	50421	591.30	51000	897.17	-	-
86	PARAS-163 Trust	44258	-	70300	612.58	-	-
87	PARAS-164 Trust	83731	944.28	92870	710.25	-	-
88	PARAS-165 Trust	87393	993.79	94029	700.59	-	-
89	PARAS-166 Trust	79389	549.75	90400	651.90	-	-

Notes to the Standalone Financial Statements for the year ended 31st March, 2026

(Rs. in Lakhs)

Sl. No.	Name of Trust	As at March 31, 2026		As at March 31, 2025		As at April 1, 2024	
		No of SRs	Amount	No of SRs	Amount	No of SRs	Amount
90	PARAS-167 Trust	138735	901.76	0	-	-	-
91	PARAS-168 Trust	143211	689.17	0	-	-	-
92	PARAS-169 Trust	87108	961.02	95179	717.63	-	-
93	PARAS-170 Trust	72029	686.88	85500	678.61	-	-
94	PARAS-171 Trust	78408	850.49	91500	705.56	-	-
95	PARAS-172 Trust	65011	686.63	79500	627.46	-	-
96	PARAS-173 Trust	36953	261.19	52500	417.22	-	-
97	PARAS- 174 Trust	90199	1,029.21	-	-	-	-
98	PARAS-175 Trust	74239	741.75	-	-	-	-
99	PARAS-176 Trust	90788	1,085.95	-	-	-	-
100	PARAS-177 Trust	74961	407.74	-	-	-	-
101	PARAS-178 Trust	121694	737.81	-	-	-	-
102	PARAS-179 Trust	91247	652.18	-	-	-	-
103	PARAS-180 Trust	81890	456.12	-	-	-	-
104	PARAS-181 Trust	77424	790.95	-	-	-	-
105	PARAS-182 Trust	55567	569.66	-	-	-	-
106	PARAS-183 Trust	59611	614.36	-	-	-	-
107	PARAS 184 Trust	79664	501.36	-	-	-	-
108	PARAS-185 Trust	58800	640.31	-	-	-	-
109	PARAS 186 Trust	222250	2,041.41	-	-	-	-
110	PARAS-187 Trust	170752	1,728.20	-	-	-	-
111	PARAS-188 Trust	99031	682.18	-	-	-	-
112	PARAS 189 Trust	58323	550.55	-	-	-	-
113	PARAS-190 Trust	45119	438.07	-	-	-	-
114	PARAS 191 Trust	37500	281.20	-	-	-	-
115	PARAS 192 Trust	104006	868.01	-	-	-	-
116	PARAS-193 Trust	30000	376.63	-	-	-	-
117	PARAS-194 Trust	78350	938.94	-	-	-	-
118	PARAS-195 Trust	170000	1,460.94	-	-	-	-
119	PARAS-196 Trust	35000	396.08	-	-	-	-
120	PARAS-197 Trust	144900	1,478.92	-	-	-	-
	Total		**54,659.37**		**38,078.06**		**31,297.00**

Note 8C: The Company has interest in various unconsolidated structured entities in the form of trusts constituted for the acquisition, holding and resolution of stressed financial assets. Such trusts are established in accordance with the applicable regulatory framework and issue of Security Receipts (""SRs"") representing beneficial interests in the underlying financial assets held by the respective trusts.

The Company acts as the Asset Manager for these trusts and is responsible for undertaking recovery and resolution activities, including restructuring, settlements, enforcement of security interests and sale of underlying assets, in accordance with the respective trust deeds, contractual arrangements and applicable regulatory guidelines. The Company also invests in Security Receipts issued by certain trusts and is therefore exposed to the variability of returns arising from the performance of the underlying assets.

The Company's continuing involvement with such unconsolidated structured entities primarily comprises investment in Security Receipts and contractual arrangements for earning management fees, recovery management fees, incentive fees and other service-related income. Accordingly, Company's principal operating revenues are substantially derived from the management of such trusts and returns on investments held therein.

Notes to the Standalone Financial Statements for the year ended 31st March, 2026

(Rs. in Lakhs)

The following table sets out an analysis of the carrying amounts of interests held by the Company in unconsolidated structured entities. The maximum exposure to loss is the carrying amount of the assets held.

Particulars	As at 31 March 2026	As at 31 March 2025	As at 01 April 2024
Investment in Security Receipts	47,286.35	36,280.53	30,059.85
Trade receivables	5,029.22	4,099.28	3558.34
Advances recoverable from trusts	629.89	942.67	788.54
Total	**52,945.46**	**41,322.48**	**34,406.73**

Note 9: Other Financial Assets

(Rs. in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025	As at 01 April 2024
Advance for investment in SRs (Refer Note below)	500.00	-	-
Security Deposit	1.23	11.23	1.23
Other receivables	13.65	-	-
Amount Recoverable from Trusts	1,280.75	1,492.97	1,314.15
Less:Allowance for Expected Credit Loss	(634.15)	(548.32)	(525.28)
Net amount Recoverable from Trusts	646.60	944.65	788.87
Total	**1,161.48**	**955.88**	**790.10**

Note: This advance is given for investment in Security Receipts of a new trust.

Note 10: Deferred Tax Asset / (Liability) (net)

(Rs. in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025	As at 01 April 2024
Deferred Tax Asset (A)			
Unpaid amounts U/s 43B of Income tax Act, 1961	3.86	7.77	5.76
Impairment of financial instruments	437.77	412.82	386.50
Total Deferred Tax Asset (A)	**441.63**	**420.59**	**392.26**
Deferred Tax Liabilities (B)			
Difference between books and tax written down value (WDV) of Property, Plant and Equipment	71.26	67.88	63.87
Measurement of financial instruments at fair value	1,125.42	647.96	300.23
Total Deferred Tax Liabilities (B)	**1,196.68**	**715.84**	**364.10**
Deferred Tax Asset/ (Liability) (Net) (A-B)	**(755.05)**	**(295.25)**	**28.16**

Notes to the Standalone Financial Statements for the year ended 31st March, 2026

Note 10(A): Components, movement of Deferred Tax Assets/(Liabilities) as at 31st March, 2026 are given below

(Rs. in Lakhs)

Particulars	As at 31 March 2025	(Charge)/ Credit Recognised in Profit or loss	(Charge)/ Credit Recognised in other comprehensive Income	As at 31 March 2026
Deferred Tax Assets:				
i) Unpaid amounts U/s 43B of Income tax Act, 1961	7.77	(1.99)	(1.92)	3.86
ii) Impairment of financial instruments	412.82	24.95	-	437.77
Deferred Tax Liabilities				
iv) Difference between books and tax written down value (WDV) of Property, Plant and Equipment	(67.88)	(3.38)	-	(71.26)
v) Measurement of financial instruments at fair value	(647.96)	(477.46)	-	(1,125.42)
At the end of the year	**(295.25)**	**(457.88)**	**(1.92)**	**(755.05)**

Note 10(B): Components, movement of Deferred Tax Assets/(Liabilities) as at 31st March, 2025 are given below

(Rs. in Lakhs)

Particulars	As at 01 April 2024	(Charge)/ Credit Recognised in Profit or loss	(Charge)/ Credit Recognised in other comprehensive Income	As at 31 March 2025
Deferred Tax Assets:				
i) Unpaid amounts U/s 43B of Income tax Act, 1961	5.76	2.18	(0.17)	7.77
ii) Impairment of financial instruments	386.50	26.32	-	412.82
Deferred Tax Liabilities				
iv) Difference between books and tax written down value (WDV) of Property, Plant and Equipment	(63.87)	(4.01)	-	(67.88)
v) Measurement of financial instruments at fair value	(300.23)	(347.73)	-	(647.96)
At the end of the year	**28.16**	**(323.24)**	**(0.17)**	**(295.25)**

Note 11: Investment Property

(Rs. in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025	As at 01 April 2024
Investment in Commercial Building	-	-	1,740.11
Total	**-**	**-**	**1,740.11**

As at 31-03-2026
Note 11A: Property, Plant and Equipment

(Rs. in Lakhs)

Particulars	Gross Cost				Depreciation				Net block	
	As on 01.04.2025	Additions	Deletions/ Adjust-ments	Total as on 31.03.2026	Up to 01.04.2025	For the year	On deletions	Total upto 31.03.2026	Balance as at 31.03.2026	Balance as at 31.03.2025
Building	586.68	-	-	586.68	111.21	9.29	-	120.50	466.18	475.47
Furniture	143.12	-	-	143.12	131.28	0.59	-	131.87	11.25	11.84
Data Processing Equipment	27.19	0.81	-	28.00	22.94	1.34	-	24.28	3.72	4.25
Office Equipment	15.78	4.05	-	19.84	15.22	0.26	-	15.48	4.36	0.57
Vehicles	20.87	-	-	20.87	19.73	0.06	-	19.79	1.08	1.14
Library	0.23	0.03	-	0.26	0.23	0.03	-	0.26	0.00	0.00
Total	**793.88**	**4.89**	**-**	**798.77**	**300.62**	**11.56**	**-**	**312.18**	**486.59**	**493.26**

Note 11A: Intangible Assets

Particulars	Gross Cost				Amortisation				Net block	
	As on 01.04.2025	Additions	Deletions/ Adjust-ments	Total as on 31.03.2026	Up to 01.04.2025	For the year	On deletions	Total upto 31.03.2026	Balance as at 31.03.2026	Balance as at 31.03.2025
Softwares	60.60	-	-	60.60	57.11	0.35	-	57.47	3.14	3.49
	60.60	**-**	**-**	**60.60**	**57.11**	**0.35**	**-**	**57.47**	**3.14**	**3.49**

As at 31-03-2025
Note 11A: Property, Plant and Equipment

Particulars	Gross Cost				Depreciation				Net block	
	As on 01.04.2024	Additions	Deletions/ Adjust-ments	Total as on 31.03.2025	Up to 01.04.2024	For the year	On deletions	Total upto 31.03.2025	Balance as at 31.03.2025	Balance as at 31.03.2024
Building	586.68		-	586.68	101.92	9.29	-	111.21	475.47	484.76
Furniture	143.12		-	143.12	130.27	1.01	-	131.28	11.84	12.85
Data Processing Equipment	24.57	2.62	-	27.19	21.96	0.98	-	22.94	4.25	2.61
Office Equipment	15.78		-	15.78	15.22	-	-	15.22	0.57	0.57
Vehicles	20.87		-	20.87	19.67	0.06	-	19.73	1.14	1.20
Library	0.23		-	0.23	0.23	-	-	0.23	0.00	0.00
Total	**791.26**	**2.62**	**-**	**793.88**	**289.28**	**11.34**	**-**	**300.62**	**493.26**	**501.98**

Notes to the Standalone Financial Statements for the year ended 31st March, 2026

Note 11A: Intangible Assets

(Rs. in Lakhs)

Particulars	Gross Cost				Amortisation				Net block	
	As on 01.04.2024	Additions	Deletions/ Adjust-ments	Total as on 31.03.2025	Up to 01.04.2024	For the year	On deletions	Total upto 31.03.2025	Balance as at 31.03.2025	Balance as at 31.03.2024
Softwares	60.60	-		60.60	56.54	0.57	-	57.11	3.49	4.06
	60.60	**-**	**-**	**60.60**	**56.54**	**0.57**	**-**	**57.11**	**3.49**	**4.06**

As at 01-04-2024

Note 11A: Property, Plant and Equipment

Particulars	Gross Cost				Depreciation				Net block	
	As on 01.04.2023	Additions	Deletions/ Adjust-ments	Total as on 31.03.2024	Up to 01.04.2023	For the year	On deletions	Total upto 31.03.2024	Balance as at 31.03.2024	Balance as at 31.03.2023
Building	586.68		-	586.68	92.63	9.29	-	101.92	484.76	494.05
Furniture	137.11	6.01	-	143.12	122.70	7.57	-	130.2	12.85	14.41
Data Processing Equipment	23.65	0.92	-	24.57	19.66	2.30	-	21.96	2.61	3.99
Office Equipment	15.78		-	15.78	15.22	-	-	15.22	0.57	0.57
Vehicles	20.87		-	20.87	19.61	0.06	-	19.67	1.20	1.26
Library	0.23		-	0.23	0.23	-	-	0.23	0.00	0.00
Total	**784.33**	**6.93**	**-**	**791.26**	**270.06**	**19.22**	**-**	**289.28**	**501.98**	**514.27**

Note 11A: Intangible Assets

Particulars	Gross Cost				Amortisation				Net block	
	As on 01.04.2023	Additions	Deletions/ Adjust-ments	Total as on 31.03.2024	Up to 01.04.2023	For the year	On deletions	Total upto 31.03.2024	Balance as at 31.03.2024	Balance as at 31.03.2023
Softwares	59.69	0.91		60.60	55.42	1.12	-	56.54	4.06	4.28
	59.69	**0.91**	**-**	**60.60**	**55.42**	**1.12**	**-**	**56.54**	**4.06**	**4.28**

Note 11A

(a) No proceedings have been initiated or pending against the company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended from time to time) and the rules made thereunder.

(b) Company has not revalued its Property, plant & equipment (including Right of Use assets) and intangible assets during the year under report and the immediately preceeding previous year.

(c) Title deeds of all the immovable properties are held in the name of the company.

(d) Immovable Property has been Mortgaged with Union Bank of India to secure overdraft facility availied by the Company.

(e) Charge Created on all present and future movable properties with respect to Non convertible Debentures issued to NEO Income Plus fund, Neo Market services and Neo Prime Fund, which are not unencumbered.

Notes to the Standalone Financial Statements for the year ended 31st March, 2026

Note 12: Other Non-Financial Assets

(Rs. in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025	As at 01 April 2024
Unsecured,Considered Good			
Prepaid Expenses	2.94	11.06	11.45
Advance for expenses	4.00	30.15	1.00
Balance with government authorities	4.37	12.07	-
Advance paid to capital suppliers	2.71	-	-
Net Defined Benefit Asset of Compensated Absences	13.40	-	2.21
Total	**27.42**	**53.28**	**14.66**

Note 13: Trade payables

(Rs. in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025	As at 01 April 2024
Total Outstanding dues of:			
Micro enterprises and small enterprises	-	-	-
Creditors other than micro enterprises and small enterprises	65.01	56.93	54.26
Total	**65.01**	**56.93**	**54.26**

Note 13A: Dues to Small and Medium Enterprises: (Refer note below)

(Rs. in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025	As at 01 April 2024
(a) the principal amount remaining unpaid to any supplier as at the end of each accounting year	-	-	-
(b) the interest due on above principal amount remaining unpaid to any supplier as at the end of each accounting year	-	-	-
(c) the amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-	-
(d) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006)	-	-	-
(e) The amount of interest accrued and remaining unpaid at the end of accounting year; and	-	-	-
(f) The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act 2006.	-	-	-

Note: The Company has compiled this information based on the confirmations and declarations received from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act)

Notes to the Standalone Financial Statements for the year ended 31st March, 2026

Note 13B: Ageing Schedules of trade payables

(Rs.in Lakhs)

As at 31 March, 2026	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(a) Undisputed Dues					
i) Micro and small enterprises	-	-	-	-	-
ii) Other than Micro and small enterprises	65.01	-	-	-	65.01
(b) Disputed Dues					
i) Micro and small enterprises	-	-	-	-	-
ii) Other than Micro and small enterprises	-	-	-	-	-
Trade Payables	**65.01**	**-**	**-**	**-**	**65.01**

As at 31 March, 2025	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(a) Undisputed Dues					
i) Micro and small enterprises	-	-	-	-	-
ii) Other than Micro and small enterprises	56.93	-	-	-	56.93
(b) Disputed Dues					
i) Micro and small enterprises	-	-	-	-	-
ii) Other than Micro and small enterprises	-	-	-	-	-
Trade Payables	**56.93**	**-**	**-**	**-**	**56.93**

As at 01 April, 2024	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(a) Undisputed Dues					
i) Micro and small enterprises	-	-	-	-	-
ii) Other than Micro and small enterprises	54.26	-	-	-	54.26
(b) Disputed Dues					
i) Micro and small enterprises	-	-	-	-	-
ii) Other than Micro and small enterprises	-	-	-	-	-
Trade Payables	**54.26**	**-**	**-**	**-**	**54.26**

Note 14: Debt Securities

(Rs.in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025	As at 01 April 2024
Secured			
Non-convertible debentures			
At Amortised Cost			
468 units (2025: 1045 Units) (2024: 780 Units) of INR 5 lakhs each Black Soil Capital Pvt Ltd	2,340.06	5,204.32	3,900.00
25 units (2025: 255 Units) (2024: 400 Units) of INR 5 lakhs each Black Soil Credit Fund	125.00	1,275.00	2,000.00
713 units (2025: 300 Units) (2024: Nil) of INR 5 lakhs each Black Soil Credit Fund-II	3,540.96	1,486.57	-

Notes to the Standalone Financial Statements for the year ended 31st March, 2026

(Rs.in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025	As at 01 April 2024
1835 units (2025:Nil) (2024: Nil) of INR 5 lakhs each NEO Income Plus Fund	9,069.55	-	-
240 units (2025:Nil) (2024: Nil) of INR 5 lakhs each NEO Markets Services PvtLtd	1,183.39	-	-
400 units (2025:Nil) (2024: Nil) of INR 5 lakhs each NEO Prime Fund	1,972.31	-	-
Add: Interest accrued thereon	78.12	118.34	62.70
Designated at Fair Value Through profit or loss			
360 units (2025: 360 Units) (2024: Nil) of INR 1 lakh each SK Fincap Advisory Pvt Ltd	360.00	360.00	-
240 units (2025: 240 Units) (2024: Nil) of INR 1 lakh each Touchstone Trust-Scheme-I	240.00	240.00	-
Nil units (2025: Nil) (2024: 95275 Units) of INR 10,000 each Options Exim Pvt Ltd	-	-	9,527.50
Nil units (2025: Nil) (2024: 16425 Units) of INR 10,000 each United Port Services Pvt Ltd	-	-	1,642.50
Add: Interest accrued thereon	2.40	2.55	0.06
Total	**18,911.28**	**8,686.78**	**17,132.76**

Note 14A: Disclosure on Repayment schedule of the above Non-Convertible Debentures (NCDs) As on 31 March 2026

(Rs. in Lakhs)

Sl.No.	Name of the investor	Date of allotment	NCDs issued	NCD's Outstanding as on 31 March 2026	Value of SR's Pledged/ Hypoth-ecated	Total no. of install-ments	Install-ment amount due during FY 2026-27
1)	Blacksoil Capital Pvt Ltd.	30.11.2023	NCDs for Rs.2250 lakhs issued @ coupon rate 16.00% p.a, Face Value :Rs.5 lakhs each	375.00		6	375.00
2)	Blacksoil Capital Pvt Ltd.	31.10.2024	NCDs for Rs.2000 lakhs issued @ coupon rate 15.50% p.a, Face Value :Rs.5 lakhs each	1,800.00		7	1,333.33
3)	Blacksoil Capital Pvt Ltd.	27.03.2025	NCDs for Rs.500 lakhs issued @ coupon rate 15.50% p.a, Face Value :Rs.5 lakhs each	166.67		6	166.67
4)	Black soil India Credit Fund I.	30.11.2023	NCDs for Rs.750 lakhs issued @ coupon rate 16.00% p.a, Face Value :Rs.5 lakhs each	125.00	13,033.36	6	125.00
5)	Black soil India Credit Fund II.	31.10.2024	NCDs for Rs. 1000 lakhs issued @ coupon rate 15.50% p.a, Face Value :Rs.5 lakhs each	900.00		7	666.67
6)	Black soil India Credit Fund II.	31.10.2024	NCDs for Rs.500 lakhs issued @ coupon rate 15.50% p.a, Face Value :Rs.5 lakhs each	166.67		6	166.67

Notes to the Standalone Financial Statements for the year ended March 31, 2026

(Rs. in Lakhs)

Sl.No.	Name of the investor	Date of allotment	NCDs issued	NCD's Outstanding as on 31 March 2026	Value of SR's Pledged/ Hypoth-ecated	Total no. of install-ments	Install-ment amount due during FY 2026-27
7)	Black soil India Credit Fund II.	30.12.2025	NCDs for Rs.2500 lakhs issued @ coupon rate 14.10% p.a, FaceValue :Rs.5 lakhs each	2.500.00		7	1,428.57
8)	NEO Income Plus Fund.	30.07.2025	NCDs for Rs.2500 lakhs issued @ coupon rate 14.33% p.a, Face Value :Rs.5 lakhs each	2,437.50		6	437.50
9)	NEO Income Plus Fund.	28.08.2025	NCDs for Rs.2500 lakhs issued @ coupon rate 14.33% p.a, Face Value :Rs.5 lakhs each	2,437.50		6	437.50
10)	NEO Income Plus Fund.	26.12.2025	NCDs for Rs.4300 lakhs issued @ coupon rate 14.33% p.a, Face Value :Rs.5 lakhs each	4,300.00	33,635.71	9	1,720.00
11)	NEO Market Services Pvt.Ltd.	26.12.2025	NCDs for Rs. 1200 lakhs issued @ coupon rate 14.33% p.a, Face Value :Rs.5 lakhs each	1,200.00		9	480.00
12)	NEO Prime Fund	26.12.2025	NCDs for Rs.2000 lakhs issued @ coupon rate 14.33% p.a, Face Value :Rs.5 lakhs each	2,000.00		9	800,00
13)	Touchstone Trust Scheme 1*	27.08.2024	NCDs for Rs.600 lakhs issued @ coupon rate 5% p.a, Face value: Rs.1,00,000/- each	240.00	-	-	-
14)	SK Fincap Advisors Pvt Ltd*	14.11.2024	NCDs for Rs.360 lakhs issued @ coupon rate 5% p.a, Face value: Rs.1,00,000/- each	360.00	-	-	-

i. * NCDs for Rs.600 lakhs are repayable out of the proceeds of redemption of Security Receipts in PARAS 153 Trust and secured by hypothecation of cash flows from the same Trust.

ii. SRs of value Rs.13,038.88 Lakhs (NAV as per rating agency - Rs.13,033.36 lakhs) are common security for NCDs of Rs.2,341.67 lakhs issued to Blacksoil Capital Pvt Ltd. and NCDs of Rs.3,691.66 lakhs issued to Blacksoil India Credit Fund and further secured by the personal guarantee of Sri. M. Siva Rama Vara Prasad, promoter director.

iii. SRs of value Rs.33,901.20 (NAV as per rating agency - Rs.33,635.71) are common security Hypothecated to NEO Income Plus fund, Neo Maket Services and Neo Prime Fund and further secured by all present and future movable assets of the Company including company's (a) current assets, (b) equipment, appliances, furniture, fixtures, vehicles, tools and accessories, (c) all other assets and receivables of every kind, nature, and description, of the Company; excluding security receipts and other receivables from trusts that are already specifically charged to existing lenders as of the date of NCDs and Personal Guarantees of promoters Sri. M. Siva Rama Vara Prasad, Smt. M. Rajyalakshmi and Sri. M. Rohit Prasad.

Notes to the Standalone Financial Statements for the year ended 31st March, 2026

As on 31 March 2025

(Rs. in Lakhs)

Sl.No.	Name of the investor	Date of allotment	NCDs issued	NCD's Outstanding as on 31 March 2026	Value of SR's Pledged/ Hypoth-ecated	Total no. of install-ments	Install-ment amount due during FY 2026-27
1)	Blacksoil Capital Pvt Ltd.	31.05.2025	NCDs for Rs.1500 lakhs issued @ coupon rate 16.50% p.a. Face value: Rs.5 lakhs each	600.00		7	600.00
2)	Blacksoil India Credit Fund.	31.05.2022	NCDs for Rs. 1000 lakhs issued @ coupon rate 16.50% p.a. Face value: Rs.5 lakhs each	400.00		7	400.00
3)	Blacksoil Capital Pvt Ltd.	Rs 500 lakhs on 29.09.2022 Rs 2250 lakhs on 04.12.2023	NCDs for Rs.2750 lakhs issued @ coupon rate 16.00% p.a. Face value: Rs.5 lakhs each	2.125.00		6	1,750.00
4)	Blacksoil India Credit Fund.	Rs 500 lakhs on 29.09.2022 Rs 750 lakhs on 04.12.2023	NCDs for Rs. 1250 lakhs issued @ coupon rate 16.00% p.a. Face value: Rs.5 lakhs each	875.00	15,879.91	6	750.00
5)	Blacksoil Capital Pvt Ltd.	Rs 2000 Lakhs on 31.10.2024 Rs 500 Lakhs on 27.03.2025	NCDs for Rs.2500 lakhs issued @ coupon rate 15.50% p.a. Face value: Rs.5 lakhs each	2.500.00		7	533.32
6)	Blacksoil India Credit Fund II.	Rs 1000 Lakhs on 31.10.2024 Rs 500 Lakhs on 27.03.2025	NCDs for Rs. 1500 lakhs issued @ coupon rate 15.50% p.a. Face value: Rs.5 lakhs each	1,500.00		7	433.32
7)	Touchstone Trust Scheme 1*	27.08.2024	NCDs for Rs.600 lakhs issued @ coupon rate 5% p.a. Face value: Rs.1,00,000/- each	240.00	-	-	-
8)	SK Fincap Advisors Pvt Ltd*	14.11.2024	NCDs for Rs.360 lakhs issued @ coupon rate 5% p.a. Face value: Rs.1,00,000/- each	360.00	-	-	-

i. * NCDs for Rs.600 lakhs are repayable out of the proceeds of redemption of Security Receipts in PARAS 153 Trust and secured by hypothecation of cash flows from the same Trust.

ii. SRs of value Rs.15,879.91 lakhs are common security for NCDs of Rs.5,225 lakhs issued to Blacksoil Capital Pvt Ltd. and NCDs of Rs. 2,775 lakhs issued to Blacksoil India Credit Fund and further secured by the personal guarantee of Sri. M.Siva Rama Vara Prasad, Promoter Director.

Notes to the Standalone Financial Statements for the year ended 31st March, 2026

As on 01 April, 2024

(Rs. in Lakhs)

Sl. No.	Name of the investor	Date of allotment	NCDs issued	NCD's Outstanding as on 01 April 2024	Value of SR's Pledged/ Hypoth-ecated	Total no. of install-ments	Install-ment amount due during FY 2026-27
1)	Blacksoil Capital Pvt Ltd.	31.05.2022	NCDs for Rs.1500 lakhs issued @ coupon rate 16.50% p.a. Face value: Rs.5 lakhs cach	1,200.00		7	600.00
2)	Blacksoil India Credit Fund.	31.05.2022	NCDs for Rs. 1000 lakhs issued @ coupon rate 16.50% p.a. Face value: Rs.5 lakhs each	800.00		7	400.00
3)	Blacksoil Capital Pvt Ltd.	Rs 500 lakhs on 29.09.2022 Rs 2250 lakhs on 04.12.2023	NCDs for Rs.2750 lakhs issued @ coupon rate 16.00% p.a. Face value: Rs.5 lakhs each	2,700.00	10,257.61	6	575.00
4)	Blacksoil India Credit Fund.	Rs 500 lakhs on 29.09.2022 Rs 750 lakhs on 04.12.2023	NCDs for Rs. 1250 lakhs issued @ coupon rate 16.00% p.a. Face value: Rs.5 lakhs each	1,200.00		6	325.00
5)	Options Exim Pvt Ltd.**	09.01.2024	NCDs for Rs.9527.50 lakhs issued @coupon rate 0.01% p.a. Face value: Rs. 10,000/- each	9,527.50	9,527.50	-	9,527.50
6)	United Port Services Pvt Ltd.**	09.01.2024	NCDs for Rs. 1642.50 lakhs issued @ coupon rate 0.01% p.a. Face value: Rs. 10,000/- each	1,642.50	1,642.50	-	1,642.50

i. ** NCDs for Rs.11,170.00 lakhs are repayable out of the proceeds of redemption of Security Receipts pledged to the investors.

ii. SRs of value Rs.10,257.61 lakhs are common security for NCDs of Rs.3,900.00 lakhs issued to Blacksoil Capital Pvt Ltd. and NCDs of Rs. 2,000.00 lakhs issued to Blacksoil India Credit Fund and further secured by the personal guarantee of Sri. M.Siva Rama Vara Prasad,Promoter Director.

Note 15: Borrowings (other than debt securities)

(Rs. in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025	As at 01 April 2024
Secured			
Bank Overdraft facility from Union Bank of India	1,955.58	4,761.37	2,989.34
Total	**1,955.58**	**4,761.37**	**2,989.34**

Note15A:

a) Overdraft is secured by way of pledge of Security Receipts to the extent of 150% of the overdraft amount and hypothecation of present and future Financial Assets. Further secured by cash collateral of 5% of the limit, mortgage of company's Registered Office premises and personal guarantee of Sri. M. Siva Rama Vara Prasad, Director. Rate of interest is 1year MCLR (presently 8.60%) + 2.75 % p.a. = 11.35% p.a. Over Draft limit is Rs.50.00 Crores, renewable every year.

b) Quarterly statements submitted to bank for availing Overdraft facility are in agreement with books of account.

c) All the borrowings are in India only.

Notes to the Standalone Financial Statements for the year ended 31st March, 2026

Note 16: Others Financial Liabilities

(Rs. in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025	As at 01 April 2024
Money Received on sale of assets*	2,745.95	1,222.24	2,080.84
Other amounts Payable to NCD investors	1,051.42	1,048.01	-
Total	**3,797.37**	**2,270.25**	**2,080.84**

* Money Received on sale of assets represents the amounts received towards proposed sale of assets/ properties in the business. Since said transactions are under dispute and cases are pending adjudication before Hon'ble National Company Law Tribunal and other forums, such amounts have not been treated as realised recoveries/sale proceeds as at the reporting date. Said amounts have been classified as other financial liabilities since they arose from contracts for transfer of financial assets and balances will be settled through completion of transfer of the underlying assets or otherwise in accordance with the outcome of the pending proceedings.

Note 17: Current Tax Liabilities (Net)

(Rs. in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025	As at 01 April 2024
Provision for Income Tax (Net)	1.81	513.50	210.46
Total	**1.81**	**513.50**	**210.46**

Note 18: Provisions

(Rs. in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025	As at 01 April 2024
Provision for employee benefits:(Refer Note No-29)			
Gratuity	15.34	16.27	22.90
Compensated Absences	-	10.24	-
Total	**15.34**	**26.51**	**22.90**

Note 19: Other -Non-Financial liabilities

(Rs. in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025	As at 01 April 2024
Statutory dues payable	253.05	501.76	134.10
Total	**253.05**	**501.76**	**134.10**

Note 20: Equity Share Capital

(Rs. in Lakhs)

Particulars	As at 31 March 2026		As at 31 March 2025		As at 01 April 2024	
	Number	Rs.	Number	Rs.	Number	Rs.
Authorised Equity Shares of Rs.100 each	2,00,00,000	20,000.00	1,75,00,000	17,500.00	2,00,00,000	20,000.00
Preference Shares of Rs.100 each	-	-	25,00,000	2,500.00		
	2,00,00,000	**20,000**	**2,00,00,000**	**20,000**	**2,00,00,000**	**20,000**
Issued						
Equity Shares of Rs.100 each	**1,20,58,824**	**12,058.82**	**1,20,58,824**	**12,058.82**	**1,00,00,000**	**10,000.00**
Subscribed & Paid up						
Equity Shares of Rs.100 each fully paid	1,20,58,824	12,058.82	1,20,58,824	12,058.82	1,00,00,000	10,000.00
Total	**1,20,58,824**	**12,058.82**	**1,20,58,824**	**12,058.82**	**1,00,00,000**	**10,000.00**

Notes to the Standalone Financial Statements for the year ended 31st March, 2026

Note 20A:

i) During the current year, Authorised preference share capital of 25,00,000 shares of Rs.100 each was reclassified into 25,00,000 Equity shares of Rs.100 each,pursuant to shareholders' resolution at the Extra-Ordinary General Meeting held on 09th March 2026, consquently the Authorised Equity share Capital was increased to Rs.20,000 Lakhs (2,00,00,000 Equity Shares of Rs 100/-each).

ii) During the Financial year 2024-25 the Authorised Share Capital of the Company of Rs.20,000 Lakhs (2,00,00,000 equity shares @ Rs.100/- each) was reclassified as Rs.17,500 Lakhs equity share capital (1,75,00,000 shares @Rs.100/- each) and Rs.2,500 lakh preference share capital (25,00,000 shares @Rs.100/- each), with the approval of the Members in the Annual General Meeting held on 27th September, 2024.

iii) As the Company has not issued preference share and reclassified to equity, disclosure of information as required under Schedule III to the Companies Act,2013 is not provided.

iv) During the Financial year 2024-25 the company allotted 20,58,824 equity shares of face value Rs.100/- each with a premium of Rs.70/- per share on preferential allotment basis to few existing Shareholders.

Rights, preferences and restrictions attached to equity shares including declaration of dividend

The company has only one class of equity shares having par value of Rs.100/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company in proportion to the number of equity shares held by the shareholders, after satisfaction of all creditors.

Note 20B: Movement in Share Capital

(Rs. in Lakhs)

Particulars	As at 31 March 2026		As at 31 March 2025		As at 01 April 2024	
	Number	Rs.	Number	Rs.	Number	Rs.
Equity shares at the beginning of the year	1,20,58,824	12,058.82	1,00,00,000	10,000.00	1,00,00,000	10,000.00
Add: Shares allotted during the year	-	-	20,58,824	2,058.82	-	-
Equity Shares at the end of the year	**1,20,58,824**	**12,058.82**	**1,20,58,824**	**12,058.82**	**1,00,00,000**	**10,000.00**

Note 20C: Equity shares in the company held by each shareholder holding more than 5 percent shares specifying the number of shares held

(Rs. in Lakhs)

Name of the Share holder	As at 31 March 2026		As at 31 March 2025		As at 01 April 2024	
	No. of Shares	% of share holding	No. of Shares	% of share holding	No. of Shares	% of share holding
Smt.M.Rajya lakshmi	42,90,101	35.58	42,90,101	35.58	42,90,101	42.90
Sri.M.Siva Rama Vara Prasad	21,01,518	17.43	21,01,518	17.43	11,89,753	11.90
Punjab National Bank	9,99,000	8.28	9,99,000	8.28	9,99,000	9.99
Sri. M.Rohit Prasad	6,00,000	4.98	6,00,000	4.98	6,00,000	6.00
Sri. Mukesh Kumar Manubhai Patel	-	-	6,47,818	5.37	6,47,818	6.48
Smt. Minaxiben Mukeshkumar Manubhai Patel	6,47,818	5.37	-	-	-	-
Sri. Bimal Bhai Manubhai Patel	5,23,909	4.34	5,23,909	4.34	5,23,909	5.24
M J Patel Family Private Trust	12,70,968	10.54	12,70,968	10.54	-	-

Notes to the Standalone Financial Statements for the year ended 31st March, 2026

Note 20D: Equity shares in the company held by each promoter and their percentage of share holding

Shares held by promoters as at 31 March 2026

(Rs. in Lakhs)

Promoter Name	As at 31 March 2026			As at 31 March 2025		
	No. of Equity Shares	% of share holding	% change in share holding during the year	No. of Equity Shares	% of share holding	% change in share holding during the year
Smt. M. Rajya Lakshmi	42,90,101	35.58	-	42,90,101	35.58	(7.32)
Sri. Motaparti Siva Rama Vara Prasad	21,01,518	17.43	-	21,01,518	17.43	5.54
Sri. Mukesh Kumar Manubhai Patel	-	-	-	6,47,818	5.37	(1.11)
Sri. M.Rohit Prasad	-	-	-	6,00,000	4.98	(1.02)
Sri. Bimal Manubhai Patel	5,23,909	4.34	-	5,23,909	4.34	(0.89)
M/s. Design Tribe India Pvt. Ltd	-	-	-	1,50,000	1.24	(0.26)
M J Patel Family Private Trust	12,70,968	10.54	-	12,70,968	10.54	9.30

Shares held by promoters as at 31 March 2025

(Rs. in Lakhs)

Promoter Name	As at 31 March 2025			As at 01 April 2024		
	No. of Equity Shares	% of share holding	% change in share holding during the year	No. of Equity Shares	% of share holding	% change in share holding during the year
Smt. M. Rajya Lakshmi	42,90,101	35.58	(7.32)	42,90,101	42.90	-
Sri. Motaparti Siva Rama Vara Prasad	21,01,518	17.43	5.53	11,89,753	11.9	-
Sri. Mukesh Kumar Manubhai Patel	6,47,818	5.37	(1.11)	6,47,818	6.48	1.24
Sri. M.Rohit Prasad	6,00,000	4.98	(1.02)	6,00,000	6.00	-
Sri. Bimal Manubhai Patel	5,23,909	4.34	(0.90)	5,23,909	5.24	-
M/s. Design Tribe India Pvt. Ltd	1,50,000	1.24	(0.26)	1,50,000	1.50	-
M J Patel Family Private Trust	12,70,968	10.54	9.30	1,23,909	1.24	1.24
Smt. Sushilaben Patel	-	-	-	-	-	(1.24)
Smt. Mina H Patel	-	-	-	-	-	(1.24)

Note 20E: In Extra-ordinary General meeting held on 9th March, 2026, the Company has sub-divided its equity shares of face value of Rs.100 each into 10 equity shares of face value Rs.10 each pursuant to the approval of the shareholders. Record date for the sub-division was fixed as 01 April, 2026. The sub-division has not resulted in any change in the aggregate paid-up share capital of Company; however, the authorised, issued, subscribed and paid-up number of shares has been increased proportionately with no change in the aggregate share capital.

Note 20F: List of Promoters as on 31.03.2026 is as approved by the Board in its meeting held on 17.06.2026.

Notes to the Standalone Financial Statements for the year ended 31st March, 2026

Note 21: Other Equity

(Rs. in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025	As at 01 April 2024
i) Share application money pending allotment	-	-	3,500.00
ii) Debenture Redemption Reserve	1,901.00	860.00	590.00
iii) Securities Premium	1,441.18	1,441.18	-
iv) General Reserve	19,000.00	10,000.00	6,000.00
v) Retained Earnings	2,181.27	3,401.77	929.71
vi) Other Comprehensive Income	6.21	0.51	-
	24,529.66	**15,703.46**	**11,019.71**

Note 21A: Other Equity Movement

(Rs. in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025	As at 01 April 2024
i) Share application money pending allotment			
Opening balance	**-**	3,500	**-**
Additions during the year	**-**	-	3,500
Issue of Share Capital	**-**	(2,058.82)	-
Transfer to Securities Premium	**-**	(1,441.18)	-
Closing Balance	**-**	**-**	**3,500**
ii) Debenture Redemption Reserve			
Opening balance	860.00	590.00	350.00
Transfer from retained earnings	1,041.00	270.00	240.00
Closing Balance	**1,901.00**	**860.00**	**590.00**
iii) Securities Premium			
Opening balance	1,441.18	-	-
On account of issue of equity shares	-	1,441.18	-
Closing Balance	**1,441.18**	**1,441.18**	**-**
iv) General Reserve			
Opening balance	10,000.00	6,000.00	2,000.00
Transfer from retained earnings	9,000.00	4,000.00	4,000.00
Closing Balance	**19,000.00**	**10,000.00**	**6,000.00**
v) Retained Earnings			
Opening balance	3,401.77	929.71	1,429.55
Additions during the year	8,820.50	6,742.06	4,152.74
Transfer to General Reserve	(9,000.00)	(4,000.00)	(4,000.00)
Transfer to Debenture Redemption Reserve	(1,041.00)	(270.00)	(240.00)
First time adoption of IND AS	-	-	(412.58)
Closing Balance	**2,181.27**	**3,401.77**	**929.71**
vi) Other Comprehensive Income			
Opening balance	0.51	-	-
Additions during the year	5.70	0.51	-
Closing Balance	**6.21**	**0.51**	**-**
Total	**24,529.66**	**15,703.46**	**11,019.71**

Note 21B: Nature and purpose of other equity

i) **Securities premium :** It is the additional amount which the shareholders have paid more than the face value of issued shares. The securities premium is to be utilised as per the provisions of Companies Act, 2013.

Notes to the Standalone Financial Statements for the year ended 31st March, 2026

ii) **Retained earnings :** Retained earnings generally represents the undistributed profit/ amount of accumulated earnings of the Company.

iii) **Debenture Redemption Reserve :** The Companies Act 2013 requires companies that issue debentures to create a debenture redemption reserve from annual profits until such debentures are redeemed. The Company is required to transfer a specified percentage (as provided in the Companies Act, 2013) of the outstanding redeemable debentures to debenture redemption reserve. Amounts credited to the debenture redemption reserve should not be utilised except to redeem debentures. On redemption of debentures, the amount may be transferred from debenture redemption reserve to retained earnings.

iv) **General reserve:** The general reserve is created by a transfer from one component of equity to another and is not an item of Other Comprehensive Income, it can be utilised from time to time as per the provisions of companies Act, 2013.

v) **Other Comprehensive Income :** This represents the actuarial gains and losses along with tax effects arising on defined benefit obligations and this will not be reclassified subsequently to profit or loss.

vi) **Share application money pending allotment:** This represents the amounts received from shareholders towords subscription of equity shares and which are pending for allotment as at the balance sheet date. The amount will be transferred to Share Capital upon allotment of equity shares.

Note 22: Interest Income

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
On financial assets measured at Amortised cost		
Interest earned on advances given to Trusts	177.50	198.60
Total	**177.50**	**198.60**

Note 23: Fees and Incentives Income

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Service transferred over time		
Management Fees	11,530.24	9,487.49
Incentives	1,609.06	728.76
Income from recovery in written off accounts	348.68	151.80
Advisory & consultancy/up front fee	223.84	255.00
Total	**13,711.82**	**10,623.05**

Note 23A: Revenue disaggregation by geography

The company earns its revenue only from India.

Note 24: Gain on redemption of Security Receipts

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Service transferred at a point in time		
Gain on Redemption of Security Receipts (realised)	1,763.62	82,358.20
Less: Gain Transferred to NCD Investors		(82,154.29)
Net Gain on redemption if Security Receipts	1,763.62	203.91
Total	**1,763.62**	**203.91**

Note 24A: During the year ended March 31, 2025, the Company realised a gain of Rs 82,358.20 lakhs on redemption of Security Receipts. In accordance with the terms of the Non-Convertible Debentures, an amount of Rs 82,154.29 lakhs out of the gain was transferred to the NCD investors.

Notes to the Standalone Financial Statements for the year ended 31st March, 2026

Note 25: Net Gain/(loss) on Fair Value changes

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Net gain/(loss) on restatement of financial instruments measure at FVTPL-on Security receipts		
Fair Value Gain/(loss) (unrealised)	(590.47)	168.93
Net Gain/(loss) on Fair Value changes	**(590.47)**	**168.93**

Note 26: Other Income

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest earned on Fixed Deposits with Banks	42.25	64.01
Interest on Income Tax Refund	3.18	-
Gain on redemption of Mutual Funds	-	32.25
Profit froms Sale of investment property	-	109.89
Miscelleneous Income	78.28	11.32
Total	**123.71**	**217.47**

Note 27: Finance Costs

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest expense on Non Convertible Debentures	1,808.86	1,077.50
Interest expense on inter- corporate loan	46.22	-
Interest expense on Secured Over Draft	211.30	135.22
Bank charges	23.71	32.27
Total	**2,090.09**	**1,244.99**

Note 27A: Interest expenses on Non-Convertible Debentures

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest on NCD's		
On Financial liabilities designated at fair value through profit or loss	33.41	18.06
On Financial liabilities measured at Amortised Cost	1,775.45	1,059.44
Total	**1,808.86**	**1,077.50**

Note 28: Impairment on Financial Instruments

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Allowance for Expected Credit Loss (On financial Instruments measured at amortised cost)		
on Trade Recoverables	13.16	81.53
on Amount recoverable from trusts	85.83	23.04
Total	**98.99**	**104.57**

Notes to the Standalone Financial Statements for the year ended 31st March, 2026

Note 29: Employee Benefit Expenses

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries and wages	226.54	198.56
Remuneration to Directors	37.13	39.06
Contribution to gratuity & leave encashment fund	13.90	22.62
Staff welfare	7.97	4.37
Total	**285.54**	**264.61**

Note 29A: Employee benefit plans:

The disclosures of Employee Benefits as per Indian Accounting Standard 19 "Employees' Benefits" are given hereunder:

Defined Benefit Plans:

General Description of the Post Employment defined Benefit Plans:

Gratuity:

The company provides for gratuity to the employees as per Payment of Gratuity Act,1972. Employees who are in continuous service for a period of 5 years for regular employees & 1 year for fixed term employees are eligible for gratuity. The amount of gratuity is payable on retirement/resignation. The gratuity plan is an Unfunded plan and the company provides liability in the books of account based on actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method.

Long-term employee Benefits -Compensated Absences:

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur. Encashment of accumulated earned leave, subject to maximum permissible limits as per the terms of appointment, will be paid to the employee on separation.

Risks associated with defined benefit plan:

Interest rate risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of employees. As such, an increase in the salary of employees more than assumed level will increase the plan's liability.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting year on government bonds. If the return on plan asset is below this rate, it will create a plan deficit.

Longevity risks: Longevity risks arises when the quantum of benefits payable under the plan is based on how long the employee lives post cessation of service with the company. The gratuity plan provides the benefit in a lump sum form and since the benefit is not payable as an annuity for the rest of the lives of the employees, there is no longevity risks.

Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

Notes to the Standalone Financial Statements for the year ended 31st March, 2026

Note 29B: Statement showing Reconciliation of opening and closing balances of Defined Benefit obligations, Plan assets:

Gratuity

(Rs. in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025	As at 01 April 2024
A) Change in Fair value of the defined benefit obligation:			
Liability at the beginning of the year	70.95	62.89	54.24
Interest Cost	4.58	4.26	3.54
Current Service Cost	7.67	7.98	7.64
Benefits paid	(1.73)	(5.30)	(10.00)
Actuarial loss / (gain) on obligation	(6.94)	1.12	7.47
Liability at the end of the year	**74.53**	**70.95**	**62.89**
B) Change in Fair value of plan asset			
Fair value of plan assets at the beginning of the year	54.68	39.99	32.49
Acquisition adjustments	-	-	-
Expected return on plan assets	3.58	2.07	2.52
Contributions made during the year	1.98	16.12	15.00
Benefits paid	(1.73)	(5.30)	(10.00)
Actuarial gain/(loss) on plan assets	0.68	1.80	(0.02)
Fair value of plan assets at the end of the year	**59.19**	**54.68**	**39.99**
(C) Net Defined Benefit obligation/(Asset) at year end (A-B)	**15.34**	**16.27**	**22.90**

Note 29C. Expenses recognized during the year in the Statement of Profit & Loss under employee benefit expenses

Gratuity

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest Cost	4.58	4.26
Current Service Cost	7.67	7.98
Expected return on plan assets	(3.58)	(2.07)
Expenses recognized in the statement of Profit & Loss	**8.67**	**10.17**

Note 29D: Amount to be recognized in statement of other comprehensive income

Gratuity

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Remeasurements of the net defined benefit liability/ (asset) Actuarial (gains) / losses Change in Demographic assumptions	(7.62)	(0.68)
	(7.62)	**(0.68)**

Notes to the Standalone Financial Statements for the year ended 31st March, 2026

Note 29E: Significant estimates: Acturial assumptions

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2024
Discount Rate:			
Gratuity(Unfunded)	7.24%	6.53%	7.07%
Compensated absences(Unfunded)	7.24%	6.53%	7.07%
Salary Escalation Rate:			
Gratuity(Unfunded)	6.00%	6.00%	6.00%
Compensated absences(Unfunded)	6.00%	6.00%	6.00%
Employee Attrition Rate:			
Gratuity(Unfunded)	5.00%	5.00%	5.00%
Compensated absences(Unfunded)	5.00%	5.00%	5.00%
Mortality rate during employment:			
Gratuity(Unfunded)	100.00%	100.00%	100.00%
Compensated absences(Unfunded)	100.00%	100.00%	100.00%

Note 29F: Significant estimates : Sensitivity analysis

The sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognised within the Balance Sheet.

(Rs. in Lakhs)

Projected benefits obligation on current assumptions	Change of assumption (+increase/ -decrease)	As at 31 March 2026	As at 31 March 2025
Impact on present value of defined benefit obligation if			
: discount rate is	+1%	71.18	66.88
: discount rate is	-1%	81.27	75.74
: salary growth rate is	+1%	78.01	73.94
: salary growth rate is	-1%	73.35	68.13
: employees attrition rate is	+50%	80.17	71.67
: employees attrition rate is	-50%	77.84	70.17
: mortality rate is	+10%	79.29	71.10
: mortality rate is	-10%	78.83	70.80

Note 29G: Expected contribution to the defined benefit plan in future years (undiscounted)

Gratuity

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Expected outflow in 1 year	43.40	12.96
Expected outflow from 2 to 5 years	-	26.51
Beyond 5 years	115.62	103.49

Notes to the Standalone Financial Statements for the year ended 31st March, 2026

Compensated Absences

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Expected outflow in 1 year	4.16	5.61
Expected outflow from 2 to 5 years	-	-
Beyond 5 years	-	-

Note: The above disclosures have been made based on the acturial valuation report obtained from an independent actuary.

Note 29H: On November 21st 2025, Government of India notified four new Labour Codes. Company has evaluated the potential impact of the new Labour Codes on its operations and financial statements and, based on the assessment carried out, as of the opinion that company has no impact on the Standalone financial statements. Company continues to monitor developments relating to the implementation of the new Labour Codes and will review the impact on an ongoing basis.

Note 30: Depreciation and amortization expenses

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation of Property, plant and equipment	11.56	11.34
Amortization of intangible assets	0.35	0.57
Total	**11.91**	**11.91**

Note 31: Other Expenses

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Customer service expenditure	2.85	2.91
Electricity, water and house keeping	9.07	10.55
Rates and taxes, excluding taxes on income	1.87	5.51
Repairs and maintenance		
- Plant and machinery	19.33	19.11
- Office premises maintenance	10.73	10.73
Insurance	1.12	1.63
Security expenses	-	2.40
Travelling and conveyance	1.74	3.44
Communication costs	3.41	3.36
Legal and professional fee	32.42	12.34
Advisor and consultants fee	820.15	554.59
Director's sitting fee	45.56	51.99
Printing and stationery	3.05	4.14
Contributions under CSR scheme	88.66	57.19
Donations	-	25.00
Payment to Auditors		
Audit fee	5.00	5.00
Tax Audit fee	0.25	0.25
Certification fee & reimbursements	2.55	2.07
Miscellaneous expenses	15.91	20.30
Total	**1,063.67**	**792.51**

Notes to the Standalone Financial Statements for the year ended 31st March, 2026

Note 32: In accordance with the guidelines issued by the Reserve Bank of India, Security Receipts issued by Trusts which are managed by the Company as managing trustee are to be rated. M/s. India Ratings Research Pvt Ltd, M/s. Infomerics Valuation and Ratings Limited and M/s Brick work Ratings India Pvt Ltd are engaged for credit rating of SRs of Trusts.

Note 33: The Company held investment property comprising building as at April 1, 2024. During the year ended March 31, 2025, the said investment property was disposed of. Accordingly, there is no investment property held by the Company as at March 31, 2025. The gain arising on disposal of the investment property has been recognised in the Statement of Profit and Loss.During the previous year the said property not generated rental income and there were no direct operating expenses or any other expenses attributable to it.

Note 34: Tax Expense

(A) Income tax expense recognized in statement of Profit & Loss

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Current Income tax	2,378.13	1,920.44
Adjustment of tax relating to earlier periods	(20.53)	7.63
Total Income Tax Expenses	**2,357.60**	**1,928.07**

(B) Deferred Tax Expense/ (Income)

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Deferred tax (Income)/ Expense recognised in statement of profit & loss	457.89	323.24
Deferred tax (Income)/ Expense recognised in Other Comprehensive income	1.92	0.17
Total deferred Tax Expenses	**459.81**	**323.41**

(C) Reconciliation of Income tax expense for the year with accounting profit;

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit before tax	11,635.99	8,993.37
Income tax expense @ 25.168%	2,928.55	2,263.45
Add/(Less): Adjustment of taxes relating to earlier periods	(20.53)	7.63
Add/(Less) Effect of non-deductible expenses	22.31	20.69
Add/(Less) Effects of OCI, deferred tax adjustments, others	(112.92)	(40.29)
Tax expense as per the Statement of Profit and Loss	**2,817.41**	**2,251.48**

Note 35: CSR Expenses disclosures

Corporate Social Responsibility

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(a) Amount required to be spent during the year	88.66	57.19
(b) Amount of expenditure incurred:		
i) Construction / acquisition of assets	50.00	30.00
ii) Other than (i) above	38.66	27.19
(c) Short fall / (excess) at the end of the Year (Including previous year)	Nil	Nil
(d) Total of Previous year shortfall	Nil	Nil

Notes to the Standalone Financial Statements for the year ended 31st March, 2026

(e) Reasons for Shortfall	Nil	Nil
(f) Nature of CSR activities	a. Medical services b. Vocational training and education c. Education to the poor tribal children d. Construction of crematorium e. Construction of Hostel building for students	a. Medical services b. Vocational training and education c. Education to the poor tribal children d. Construction of crematorium e. Upgradation of patients ward in a cancer hospital
(g) Details of related party transactions	Nil	Nil
(h) Where a provision is made with respect to a liability incurred by entering a contractual obligation, the movements in the provision during the year shown separately.	Nil	Nil

Note 36: Earning per equity share

Basic and diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

The following reflects the income and share data used in the basic and diluted EPS computations:

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
a) Profit attributable to equity holders of the Company	8,820.50	6,742.06
b) Weighted average number of Equity shares considered for calculation of basic and diluted EPS	12,05,88,240	11,68,22,727
c) Earnings per share - Basic and diluted	7.31	5.77

Note 36A: Subsequent to the reporting date, the Company subdivided each equity share of face value Rs.100 each into 10 equity shares of face value Rs.10 each, with 1 April 2026 being the record date. In accordance with Ind AS 33 – Earnings per Share, the Basic and Diluted Earnings Per Share for FY 2025-26 and FY 2024-25 have been retrospectively adjusted based on the post-split number of equity shares. The share capital disclosed as at 31 March 2026 continues to reflect the pre-split capital structure, as the subdivision became effective after the reporting date.

Note 37: Contingent Liabilities

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Claims against the company not acknowledged as debt Disputed demand under Income Tax Act, 1961 for alledged short deduction of tax deduction at source for AY 2023-24; Company filed an appeal with Hon'ble Commissioner of Income Tax (Appeals)	4,116.97	-

Note 37A: Legal claims

There are no legal claims against the company as on 31.03.2026 and as on 31.03.2025.

Notes to the Standalone Financial Statements for the year ended 31st March, 2026

Note 38: Financial Ratios

(Rs. in Lakhs)

Particulars	Numerator/ Denominator	For the year ended March 31, 2026	For the year ended March 31, 2025
Capital to Risk -Weighted Assets Ratio (CRAR)	Net Owned Funds / Risk Wighted Assets	54.80%	59.38%
Tier-I CRAR	Tier I Capital / Risk Wighted Assets	54.80%	59.38%
Tier-II CRAR *	Not Applicable	Not Applicable	Not Applicable
Liquidity Coverage Ratio *	Not Applicable	Not Applicable	Not Applicable

* not applicable considering the nature of company's business.

Note 39: Other additional regulatory information

a) The company has no transactions with struck off companies under section 248 of the Companies Act, 2013 or section 560 of Companies Act,1956.

b) No charges or satisfaction are yet to be registered with Registrar of Companies beyond the statutory period.

c) Provisions of clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017 are not applicable to the company.

d) During the year there is no Scheme of Arrangements in terms of sections 230 to 237 of the Companies Act, 2013.

e) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(is), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries).

The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provided any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

f) 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 Companies Act, 2013,) either severally or jointly with any other person that are repayable on demand or without specifying any terms or period of repayment.

g) There are no transactions that are not recorded in the books of account and have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

h) The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

i) The Company does not have any Capital -Work in Progress or Intangible assets under development.

j) The company has not been declared wilful defaulter by any bank or finacial institution or government or any other government authority.

k) There are no subsequent events post balance sheet date, other than those disclosed in the Standalone Financial Statements,that could have a material impact on the Standalone financial statements as on March 31, 2026.

Notes to the Standalone Financial Statements for the year ended 31st March, 2026

Note 40: The Company establishes trusts for the acquisition and resolution of stressed financial assets in accordance with the provisions of the SARFAESI Act and applicable RBI guidelines. These trusts issue Security Receipts (SRs) representing beneficial interests in the underlying assets. The Company acts as the asset manager/reconstruction manager for such trusts and earns management fees and other contractual remuneration in accordance with the respective trust deeds. The Company has evaluated its involvement with such trusts in accordance with the requirements of Ind AS 110 – Consolidated Financial Statements. In making this assessment, the Company considers, inter alia, the scope of its decision-making authority, the rights held by Security Receipt holders and other parties, the contractual remuneration to which it is entitled, its exposure to variability of returns and whether it is acting as a principal or an agent. The Company's remuneration, recovery incentives and distribution of recoveries are governed by the respective trust deeds and predetermined waterfall mechanisms. The Company does not have the practical ability to direct the economic benefits of the trusts for its own benefit beyond the contractual rights available to it. Accordingly, the Company has concluded that it acts as an agent for the Security Receipt holders and does not control the trusts for the purpose of Ind AS 110 except those trusts which are consolidated and disclosed under related parties. Investments in Security Receipts and other interests held by the Company in such trusts are accounted for in accordance with the applicable requirements of Ind AS 109.

Note 41: Recent accounting pronouncements

MCA notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates in May 2025, applicable w.e.f. April 1, 2025. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its Standalone financial statements.

In August 2025, MCA notified the following amendments to:

1. Ind AS 1, Presentation of Financial Statements, applicable w.e.f. April 1, 2025 – The amendments relate to classification of liabilities as current or non-current and non-current liabilities with covenants. The amendments clarify that the right to defer settlement of a liability for at least twelve months after the reporting period must exist at the reporting date and must have substance. The amendments also provide guidance on classification of liabilities subject to covenants required to be complied with after the reporting date. The Company does not expect these amendments to have any material impact on classification of its current and non-current liabilities. Certain consequential amendments relating to covenant breaches and lender waivers are applicable for annual reporting periods beginning on or after April 1, 2026.
2. Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments: Disclosures, applicable w.e.f. April 1, 2025 – The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Company has reviewed the amendments and based on its evaluation has determined that said ammendments do not have any significant impact on its Standalone financial statements.
3. Ind AS 12, International Tax Reform – Pillar Two Model Rules applicable immediately - The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and disclose that they have applied the relief. This relief is immediate and applies retrospectively, it does not have any significant impact in its Standalone financial statements.

Note 42: Foreign Currency Exposure and Unhedged Foreign Currency Exposure:

The Company did not have any outstanding foreign currency exposure, including unhedged foreign currency exposure as at 31.03.2026 & 31.03.2025

Note 43: In preparing these Ind As Standalone financial statements, the Company has maintained a balance between providing excessive detail that may not assist users of financial statements and providing sufficient information to enable an understanding of the Company's financial position and performance.

Notes to the Standalone Financial Statements for the year ended 31st March, 2026

Accordingly, the line items in the formats prescribed under Division III of Schedule III to the Companies Act, 2013 are slightly modified, and items which are not applicable to the Company have not been disclosed in these Standalone financial statements.

Note 44: Segment information

The company operates in segment of distressed credit business and all its activities are incidental to its main business activities and accordingly, no separate reportable segments are to be disclosed under Ind AS 108 - "Operating Segments"

Note 45: Related party disclosures

As per IndAS 24 "Related parties disclosure" the disclosure of Related parties as defined in the Standard are given hereunder:

I. Names of related parties

Sl No.	Particulars	
a.	**Key Management Personnel**	**Relationship**
	Sri. M. Siva Rama Vara Prasad	Promoter Non-Executive Director
	Sri. Ch. Rama Prasad (retired on 03.04.2024)	MD and CEO (KMP)
	Sri. R. Mallikarjuna (appointed on 04.04.2024)	MD and CEO (KMP)
	Sri. V.S. Ranga Rao	Chief Financial Officer (KMP)
	Smt. V. Vani	Company Secretary (KMP)
	Sri. Koteswara Rao SSR	Non Executive Independent Director
	Dr. Pamidi Kotaiah (retired on 28.09.2024)	Non Executive Independent Director
	Sri. Vepa Kamesam (retired on 28.09.2024)	Non Executive Independent Director
	Sri. Richard B Saldanha (retired on 29.09.2025)	Non Executive Independent Director
	Ms. K. Sujatha Rao (retired on 29.09.2025)	Non Executive Independent Director
	Dr. N. Ramesh Kumar (appointed on 10.06.2024)	Non Executive Independent Director
	Sri.J.Krishna Kishore (appointed on 17.06.2025)	Non Executive Independent Director
	Smt.K.Kalyani (appointed on 26.08.2025)	Non Executive Independent Director
	Sri .V.Ramagopal (appointed on 27.12.2025)	Non Executive Independent Director
b.	**Name of the Company**	**Relationship**
	M/s. Mezzequity Software Services Ltd	Entity controlled by a Director
	M/s. Bitchemy Technologies Pvt Ltd	Entity controlled by a Director
	M/s. Touchstone Capital Ltd	Entity controlled by a Director
c.	**Subsidiary Trusts over which the Company has Control:**	
	PARAS-SCPCL-008 Trust PARAS-VMC-054 Trust PARAS-134 Trust PARAS-154 Trust PARAS-185 Trust PARAS-186 Trust PARAS-187 Trust PARAS-194 Trust PARAS-197 Trust	

II. Transactions with related parties during the year

(i) Remuneration to Key Managerial Personnel (KMP)

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Sri. Ch. Rama Prasad - MD & CEO	-	0.38
Sri. R. Mallikarjuna – MD & CEO	37.13	34.88
Chief Financial Officer	30.38	33.39
Company Secretary	27.37	24.44
Total	**94.88**	**93.09**

(ii) Sitting Fees to Non - Execuive Independent Directors

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Sri. M. Siva Rama Vara Prasad	9.20	10.50
Sri. Richard B Saldanha	3.30	7.60
Sri. Koteswara Rao SSR	7.50	9.50
Dr. Pamidi Kotaiah	-	5.20
Sri. Vepa Kamesam	-	3.80
Ms. K. Sujatha Rao	2.50	5.50
Dr. N. Ramesh Kumar	8.70	5.60
Sri.J.Krishna Kishore	6.30	-
Smt.K.Kalyani	3.30	-
Sri .V.Ramagopal	1.00	-
Total	**41.80**	**47.70**

* excluding ineligible GST debited to profit and loss account.

(iii) Transactions other than above

Name of Party	Nature of Transaction	For the year ended March 31, 2026	For the year ended March 31, 2025
M/s. Mezzequity Software Services Ltd.	Housekeeping and security Expenses	9.84	9.84
M/s. Bitchemy Technologies Pvt Ltd.	Software Development	10.00	10.00
M/s. Touchstone Capital Ltd.	Business Consultant	249.19	159.65
M/s. Touchstone Trust Scheme -1	NCDs Issued	-	240.00
M/s. Touchstone Trust Scheme -1	Interest on NCDs	12.00	11.03
M/s. Touchstone Capital Ltd.	Receipt & repayment of intercorporate loan during the year	1,000.00	-
M/s. Touchstone Capital Ltd.	Interest paid by company on intercorporate Loan	46.22	-
Subsidiary Trusts Over which company has control	Management Fees	171.24	89.76
Subsidiary Trusts Over which company has control	Interest earned	0.43	-
Subsidiary Trusts Over which company has control	Incentive earned	90.33	31.81

Name of Party	Nature of Transaction	For the year ended March 31, 2026	For the year ended March 31, 2025
Subsidiary Trusts Over which company has control	Gain on redemption of Security Receipts	811.43	-
Subsidiary Trusts Over which company has control	Expenses incurred on behalf of Trusts	16.07	4.81
Subsidiary Trusts Over which company has control	Investments made in Security Receipts	10,029.00	1,532.00
Subsidiary Trusts Over which company has control	Redemption of Security Receipts	4,585.45	911.16

* excluding ineligible GST debited to profit and loss account.

iv) Outstanding Balances at the end of the year

(Rs. in Lakhs)

Name of the related party	As at March 31, 2026	As at March 31, 2025
M/s. Touchstone Trust Scheme -1	240.00	240.00
M/s. Touchstone Capital Ltd.,	15.53	20.06
Subsidiary Trusts Over which company has control-Security Receipts	7,373.02	1,797.53
Subsidiary Trusts Over which company has control-Amounts Recoverable	16.71	1.99
Subsidiary Trusts Over which company has control-Trade receivables	-	26.77

v) Compensation to Key management personnel

The remuneration and other benefits to key management personnel during the year was as follows

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
i) Short-Term employee benefits	136.68	140.79
ii) Post employment benefits *	-	-
iv) Other long term benefits	-	-
v) Share based payments	-	-
vi) Termination benefits	-	-
Total	**136.68**	**140.79**

* Gratuity & leave encashments benefits are valued as per acturial valuation and is done for company as a whole, thus not shown seperately

Notes to the Standalone Financial Statements for the year ended 31st March, 2026

Note 46: Maturity Analysis of Assets and Liabilities

(Rs. in Lakhs)

	As at March 31, 2026			As at March 31, 2025			As at April 01, 2024		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
ASSETS									
Financial assets									
Cash and cash equivalents	601.09	-	601.09	507.09	-	507.09	3,511.33	-	3,511.33
Bank balances other than cash and cash equivalents	374.66	-	374.66	657.52	-	657.52	427.85	-	427.85
Trade Receivables	3,458.36	1,570.86	5,029.22	3,119.38	1,006.67	4,126.05	2,531.23	1,061.71	3,592.94
Investments	28,014.55	26,644.82	54,659.37	15,073.60	23,004.46	38,078.06	16,994.92	16,038.26	33,033.18
Other financial assets	737.83	423.65	1,161.48	571.83	384.05	955.88	185.25	604.85	790.10
1.Total Financial Assets	**33,186.50**	**28,639.32**	**61,825.82**	**19,929.42**	**24,395.18**	**44,324.60**	**23,650.58**	**17,704.82**	**41,355.40**
Non-Financial assets									
Deferred Tax Asset	-	-	-	-	-	-	-	28.16	28.16
Investment property	-	-	-	-	-	-	1,740.11	-0.00	1,740.11
Property, plant and equipment	-	486.59	486.59	-	493.26	493.26	-	501.98	501.98
Other Intangible Assets	-	3.14	3.14	-	3.49	3.49	-	4.06	4.06
Other Non-Financial Assets	27.42	-	27.42	53.28	0.00	53.28	14.65	0.01	14.66
2.Total Non Financial Assets	**27.42**	**489.73**	**517.15**	**53.28**	**496.76**	**550.03**	**1,754.76**	**534.21**	**2,288.98**
Total Assets (1+2)	**33,213.92**	**29,129.05**	**62,342.97**	**19,982.70**	**24,891.94**	**44,874.63**	**25,405.34**	**18,239.03**	**43,644.38**
Liabilities and Equity									
Financial liabilities									
Trade Payables	65.01	-	65.01	56.93	-	56.93	54.26	-	54.26
Debt Securities	8,136.90	10,774.38	18,911.28	4,466.64	4,220.14	8,686.78	13,070.00	4,062.76	17,132.76
Borrowings (other than debt securities)	1,955.58	0.00	1,955.58	4,761.37	-0.00	4,761.37	2,989.34	0.00	2,989.34
Others Financial liabilities	1,051.42	2,745.95	3,797.37	1,048.01	1,222.24	2,270.25	-	2,080.84	2,080.84
3.Total Financial Liabilities	**11,208.91**	**13,520.33**	**24,729.24**	**10,332.95**	**5,442.38**	**15,775.33**	**16,113.60**	**6,143.60**	**22,257.20**
Non-Financial liabilities									
Current tax liabilities (Net)	1.81	-	1.81	513.50	-	513.50	210.46	-	210.46
Provisions	15.34	-	15.34	26.51	-	26.51	22.90	-	22.90
Deferred Tax liability	-	755.05	755.05	-	295.25	295.25	-	-	-
Others non-financial liabilities	253.05	-	253.05	501.76	-	501.76	134.10	-	134.10
4.Total Non Financial Liabilities	**270.20**	**755.05**	**1,025.25**	**1,041.77**	**295.25**	**1,337.02**	**367.46**	**-**	**367.46**
Total Liabilities (3+4)	**11,479.11**	**14,275.38**	**25,754.49**	**11,374.72**	**5,737.63**	**17,112.35**	**16,481.06**	**6,143.60**	**22,624.66**
Net	**21,734.81**	**14,853.67**	**36,588.48**	**8,607.98**	**19,154.31**	**27,762.28**	**8,924.28**	**12,095.43**	**21,019.72**

Note 47: Change in liabilities arising from financing activities

Particulars	April 01, 2024	Cashflows (net)	Others *	March 31, 2025	April 01, 2025	Cashflows (net)	Others *	March 31, 2026
Debt securities	17,070.00	(8,504.11)	120.89	8,686.78	8,686.78	10,264.86	(40.38)	18,911.27
Borrowings other than debt securities	2,989.34	1,772.03	-	4,761.37	4,761.37	(2,805.80)	-	1,955.57
Total	**20,059.34**	**(6,732.08)**	**120.89**	**13,448.15**	**13,448.15**	**7,459.07**	**(40.38)**	**20,866.84**

* Interest accrued

Notes to the Standalone Financial Statements for the year ended 31st March, 2026

Note 48: Categories of Financial Instruments

(Rs. in Lakhs)

Financial Instruments by Category

The carrying value and fair value of financial instruments by categories as of 31st March, 2026 were as follows:

Particulars	Amortized cost	Financial assets/ liabilities at fair value through profit or loss		Financial assets/ liabilities at fair value through OCI		Total carrying value	Total fair value
		Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory		
Assets:							
Cash and cash equivalents	601.09	-	-	-	-	601.09	601.09
Bank balances other than cash and cash equivalents	374.66	-	-	-	-	374.66	374.66
Trade Receivables	5,029.22	-	-	-	-	5,029.22	5,029.22
Investments	-	-	54,659.37	-	-	54,659.37	54,659.37
Other financial assets	1,161.48	-	-	-	-	1,161.48	1,161.48
Total	**7,166.45**	**-**	**54,659.37**	**-**	**-**	**61,825.82**	**61,825.82**
Liabilities:							
Trade Payables	65.01	-	-	-	-	65.01	65.01
Debt Securities	18,311.28	600.00	-	-	-	18,911.28	18,911.28
Borrowings (other than debt securities)	1,955.58	-	-	-	-	1,955.58	1,955.58
Other financial liabilities	3,797.37	-	-	-	-	3,797.37	3,797.37
Total	**24,129.24**	**600.00**	**-**	**-**	**-**	**24,729.24**	**24,729.24**

The carrying value and fair value of financial instruments by categories as of 31st March, 2025 were as follows:

Particulars	Amortized cost	Financial assets/ liabilities at fair value through profit or loss		Financial assets/ liabilities at fair value through OCI		Total carrying value	Total fair value
		Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory		
Assets:							
Cash and cash equivalents	507.09	-	-	-	-	507.09	507.09
Bank balances other than cash and cash equivalents	657.52	-	-	-	-	657.52	657.52
Trade Receivables	4,126.05	-	-	-	-	4,126.05	4,126.05
Investments	-	-	38,078.06	-	-	38,078.06	38,078.06
Other financial assets	955.88	-	-	-	-	955.87	955.87
Total	**6,246.54**	**-**	**38,078.06**	**-**	**-**	**44,324.59**	**44,324.59**
Liabilities:							
Trade Payables	56.93	-	-	-	-	56.93	56.93
Debt Securities	8,086.78	600.00	-	-	-	8,686.78	8,686.78
Borrowings (other than debt securities)	4,761.37	-	-	-	-	4,761.37	4,761.37
Other financial liabilities	2,270.25	-	-	-	-	2,270.25	2,270.25
Total	**15,175.33**	**600.00**	**-**	**-**	**-**	**15,775.33**	**15,775.33**

Notes to the Standalone Financial Statements for the year ended 31st March, 2026

The carrying value and fair value of financial instruments by categories as of 01st April, 2024 were as follows:

(Rs. in Lakhs)

Particulars	Amortized cost	Financial assets/ liabilities at fair value through profit or loss		Financial assets/ liabilities at fair value through OCI		Total carrying value	Total fair value
		Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory		
Assets:							
Cash and cash equivalents	3,511.33	-	-	-	-	3,511.33	3,511.33
Bank balances other than cash and cash equivalents	427.85	-	-	-	-	427.85	427.85
Trade Receivables	3,592.94	-	-	-	-	3,592.94	3,592.94
Investments	-	-	33,033.18	-	-	33,033.18	33,033.18
Other financial assets	790.10	-	-	-	-	790.10	790.10
Total	**8,322.22**	**-**	**33,033.18**	**-**	**-**	**41,355.40**	**41,355.40**
Liabilities:							
Trade Payables	54.26	-	-	-	-	54.26	54.26
Debt Securities	5,962.76	11,170.00	-	-	-	17,132.76	17,132.76
Borrowings (other than debt securities)	2,989.34	-	-	-	-	2,989.34	2,989.34
Other financial liabilities	2,080.84	-	-	-	-	2,080.84	2,080.84
Total	**11,087.20**	**11,170.00**	**-**	**-**	**-**	**22,257.20**	**22,257.20**

i) The management assessed that fair value of trade payables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

ii) The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

Long-term fixed-rate and variable-rate receivables/advances given are evaluated by the Company based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.

The fair values of the Company's interest-bearing borrowings are determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period.

Note 49: Financial risk management framework

A) The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors monitors the compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

The risk management framework aims at,

I) Improve financial risk awareness and risk transparency

ii) Identify, control and monitor key risks

iii) Identify risk accumulations

Notes to the Standalone Financial Statements for the year ended 31st March, 2026

iv) Provide management with reliable information on the Company's risk situation

v) Improve financial returns

B) The company's activities expose it to credit risk, liquidity risk and market risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

a) Credit risk:

Credit risk is the risk of loss that may occur from the failure of party to abide by the terms and conditions of any financial contract, principally the failure to make the required payments. In order to minimize credit risk, the Company has adopted a policy of acquisition of asset in a transparent manner and at a fair price in a well-informed market and the transactions are executed at arm's length in exercise of due diligence and adopt an industry / sector neutral and geography neutral approach in targeting financial assets for acquisition. Credit risk management is achieved by considering the factors like cash flow, collateral values, etc.

Financial Instruments that potentially subject the Company to concentration of Credit risk consist principally of trade receivables, investment in security receipts and other recoverables from trusts. By their nature, all such financial instruments involve risks, including the credit risk of non-performance by counterparties i.e. trusts. However, the Company being trustee of all the trusts managed by it, the priority of receivables/ outstanding is a priority as per the waterfall mechanism defined in Trust Deed/ Offer Document. Hence, the Company is not significantly exposed to credit risk.

b) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's objective is to maintain optimum level of liquidity to meet it's cash and collateral requirements at all times. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit line to meet obligations. Due to the dynamic nature of its business, company maintains flexibility in funding by maintaining availability of funds under committed credit lines.

Ultimate responsibility for liquidity risk rests with the management, and has established an appropriate liquidity risk framework for the management of the Company's short term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Exposure to liquidity risk:

(Rs. in Lakhs)

As at 31 March 2026	Carring amount	Contractual Cash flows in		
		0-1 year	1-3 years	More than 1-3 years
Financial liabilities				
Borrowings and debt securities	20,866.86	10,092.48	10,774.38	-
Trade Payables	65.01	65.01	-	-
Others Financial Liabilities	3,797.37	1,051.42	2,745.95	-
Total	**24,729.24**	**11,208.91**	**13,520.32**	**-**
Financial Assets				
Cash and cash equivalents, other bank balances	975.75	975.75	-	-
Trade Receivables	5,029.22	3,458.36	1,558.62	12.23
Investments	54,659.37	28,014.55	19,447.50	7,197.32
Other financial assets	1,161.48	737.83	391.40	32.25
Total	**61,825.82**	**33,186.50**	**21,397.51**	**7,241.81**

Notes to the Standalone Financial Statements for the year ended 31st March, 2026

(Rs. in Lakhs)

As at 31 March 2025	Carring amount	Contractual Cash flows in		
		0-1 year	1-3 years	More than 1-3 years
Financial liabilities				
Borrowings and debt securities	13,448.15	9,228.01	4,220.14	-
Trade Payables	56.93	56.93	-	-
Others Financial Liabilities	2,270.25	1,048.01	1,222.24	-
Total	**15,775.33**	**10,332.95**	**5,442.38**	**-**
Financial Assets				
Cash and cash equivalents, other bank balances	1,164.61	1,164.61	-	-
Trade Receivables	4,126.05	3,119.38	1,006.67	-
Investments	38,078.06	15,073.60	20,060.05	2,944.41
Other financial assets	955.88	571.83	353.16	30.89
Total	**44,324.60**	**19,929.42**	**21,419.88**	**2,975.30**

As at 01 April 2024	Carring amount	Contractual Cash flows in		
		0-1 year	1-3 years	More than 1-3 years
Financial liabilities				
Borrowings and debt securities	20,122.10	16,059.34	4,062.76	-
Trade Payables	54.26	54.26	-	-
Others Financial Liabilities	2,080.84	-	2,080.84	-
Total	**22,257.20**	**16,113.60**	**6,143.60**	**-**
Financial Assets				
Cash and cash equivalents, other bank balances	3,939.18	3,939.18	-	-
Trade Receivables	3,592.94	2,531.23	1,061.71	-
Investments	33,033.18	16,994.92	12,116.32	3,921.94
Other financial assets	790.10	185.25	603.61	1.24
Total	**41,355.40**	**23,650.58**	**13,781.64**	**3,923.18**

c) Market risk

i) Interest Rate Risk: The company's main interest rate risk arises from bank overdraft with variable rates, which expose the Company to cash flow interest rate risk.

The Company's debt securities comprise fixed-rate Non-Convertible Debentures carrying interest at predetermined rates throughout their contractual tenure. Accordingly, the Company is not exposed to cash flow interest rate risk arising from changes in market interest rates in respect of such borrowings. Changes in market interest rates may affect the fair value of these instruments; however, as the borrowings are measured at amortised cost and are intended to be held until maturity, such changes do not have a material impact on the Company's profit or loss or equity.

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments.The following table demonstrates sensitivity to a reasonably possible change in interest rates (all other variables being constant) of the Company's statement of profit and loss and equity. The sensitivity of statement of profit and loss is the effect of the assumed changes in interest rates on the profit or loss for a year, based on the floating rate financial liabilities held at reporting periods.

Notes to the Standalone Financial Statements for the year ended 31st March, 2026

For the year ended March 31, 2026

(Rs. in Lakhs)

Currency of borrowing - Indian Rupees	Increase / Decrease in basis points	Effect on profit before tax	Effect on Equity
Increase in basis points	0.50%	(9.78)	(9.78)
Decrease in basis points	0.05%	9.78	9.78

For the year ended March 31, 2025

(Rs. in Lakhs)

Currency of borrowing - Indian Rupees	Increase / Decrease in basis points	Effect on profit before tax	Effect on Equity
Increase in basis points	0.50%	(23.81)	(23.81)
Decrease in basis points	0.50%	23.81	23.81

ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure/liability will fluctuate because of changes in foreign exchange rates. Since Company's operations are being carried out in India and all the material balances are denominated in its functional currency and there are no foreign currency borrowings, liabilities. The Company does not carry any material exposure to currency fluctuation risk. The Company's exposure to foreign currencies is immaterial and hence no sensitivity analysis is presented

iii) Operational Risk

The Company controls operational risks to ensure that operational losses (financial or reputational), including any related to conduct of business matters, do not cause material damage to the Company.

iv) Reputational Risk

The Company protects its reputation from material damage by ensuring that any business activity is satisfactorily assessed and managed by the appropriate level of management and governance oversight and the Company has no appetite for breaches in laws and regulation, while recognising that, regulatory noncompliance cannot be entirely avoided, the Company strives to reduce this to an absolute minimum.

Note 50: Capital Management

The Company manages its capital to ensure that the Company will be able to continue as going concern while maximising the return to stakeholders through optimisation of the debt and equity balance. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants. The Company monitors capital using debt to equity ratio. Management is continuously evolving strategies to optimize the returns and reduce the risks.

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Borrowings (Debt securities and borrowing other than debt securities)	20,866.86	13,448.15
Less: Cash and cash equivalents, other bank balances	975.75	1,164.61
Net Debt	**19,891.11**	**12,283.54**
Total equity	**36,588.48**	**27,762.28**
Net Debt to equity ratio	**0.54**	**0.44**

Notes to the Standalone Financial Statements for the year ended 31st March, 2026

Note 51: Fair Value Measurement

a) Fair Value Hierarchy and Method of Valuation

This note explains the judgements and estimates made in determining the fair values of the financial instruments that are a) recognized and measured at fair value and b) measured at amortized cost and for which fair values are disclosed in the standalone financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under Ind As.

The Company measures fair values using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurement.

1) Level 1 Input : Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.

2) Level 2 Input :Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.

3) Level 3 Input :These are derived from valuation techniques that inlcudes inputs for the asset or liablity that are not based on observable market data (Unobservable Inputs). Fair value measurements are derived on a recovery range estimated by external rating agencies and other unobservable inputs. The values of financial instruements are estimated using a combination of the recovery range provided by the external rating agency and discounting the estimated cash flows based on the realisation of collateral values using the discount rate of trusts calculated based on certain parameters considering credit risk, uncertainties associated with prevailing economic condition, timing of the recoveries, strategy which may involve actions such as settling dues, selling assets through legal action or other means like OTS, NCLT, restructuring etc.

b) Categories of Financial Instruments :

(Rs. in Lakhs)

As at 31 March 2026	Carrying Amount				Fair Value		
	FVTPL	FVTOCI	Amortized Cost	Total	Level 1	Level 2	Level 3
Financial Assets							
Cash and cash equivalents	-	-	601.09	601.09	-	-	-
Bank balances other than cash and cash equivalents	-	-	374.66	374.66	-	-	-
Trade Receivables	-	-	5,029.22	5,029.22	-	-	-
Investments	54,659.37	-	-	54,659.37	-	-	54,659.37
Other financial assets	-	-	1,161.48	1,161.48	-	-	-
Total	**54,659.37**	**-**	**7,166.45**	**61,825.82**	**-**	**-**	**54,659.37**
Financial liabilities							
Trade Payables	-	-	65.01	65.01	-	-	-
Debt Securities	600.00	-	18,311.28	18,911.28	-	-	600.00
Borrowings (other than debt securities)	-	-	1,955.58	1,955.58	-	-	-
Other financial liabilities	-	-	3,797.37	3,797.37	-	-	-
Total	**600.00**	**-**	**24,129.24**	**24,729.24**	**-**	**-**	**600.00**

Notes to the Standalone Financial Statements for the year ended 31st March, 2026

(Rs. in Lakhs)

As at 31 March 2025	Carrying Amount				Fair Value		
	FVTPL	FVTOCI	Amortized Cost	Total	Level 1	Level 2	Level 3
Financial Assets							
Cash and cash equivalents	-	-	507.09	507.09	-	-	-
Bank balances other than cash and cash equivalents	-	-	657.52	657.52	-	-	-
Trade Receivables	-	-	4,126.05	4,126.05	-	-	-
Investments	38,078.06	-	-	38,078.06	-	-	38,078.06
Other financial assets	-	-	955.88	955.88	-	-	-
Total	**38,078.06**	**-**	**6,246.54**	**44,324.60**	**-**	**-**	**38,078.06**
Financial liabilities							
Trade Payables	-	-	56.93	56.93	-	-	-
Debt Securities	600.00	-	8,086.78	8,686.78	-	-	600.00
Borrowings (other than debt securities)	-	-	4,761.37	4,761.37	-	-	-
Other Financial Liabilities	-	-	2,270.25	2,270.25	-	-	-
Total	**600.00**	**-**	**15,175.33**	**15,775.33**	**-**	**-**	**600.00**

As at 01 April 2024	Carrying Amount				Fair Value		
	FVTPL	FVTOCI	Amortized Cost	Total	Level 1	Level 2	Level 3
Financial Assets							
Cash and cash equivalents	-	-	3,511.33	3,511.33	-	-	-
Bank balances other than cash and cash equivalents	-	-	427.85	427.85	-	-	-
Trade Receivables	-	-	3,592.94	3,592.94	-	-	-
Investments	33,033.18	-	-	33,033.18	-	-	33,033.18
Other financial assets	-	-	790.10	790.10	-	-	-
Total	**33,033.18**	**-**	**8,322.22**	**41,355.40**	**-**	**-**	**33,033.18**
Financial liabilities							
Trade Payables	-	-	54.26	54.26	-	-	-
Debt Securities	11,170.00	-	17,070.00	28,240.00	-	-	11,170.00
Borrowings (other than debt securities)	-	-	2,989.34	2,989.34	-	-	-
Other Financial Liabilities	-	-	2,080.84	2,080.84	-	-	-
Total	**11,170.00**	**-**	**22,194.44**	**33,364.44**	**-**	**-**	**11,170.00**

c) Sensitivity for Instruments

Nature of Instrument	Increase / Decrease in Input	Fair Value as at 31st March, 2026	Sensitivity Impact for year ended 31st March 2026		Fair Value as at 31st March 2025	Sensitivity Impact for year ended 31st March, 2025	
			FV Increase	FV Decrease		FV Increase	FV Decrease
Investment in Security Receipts Significant unobservable inputs: Estimated cash flow based on realisation	0.05	54,659.37	2,715.95	(2,715.95)	38,078.06	1,882.83	(1,882.83)

Notes to the Standalone Financial Statements for the year ended 31st March, 2026

d) Limitations of Fair Value Estimates

Management uses its best judgment in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of all the amounts that the Company could have realised. As such, the fair value of the financial instruments subsequent to the respective reporting dates may be different from the amounts reported at each year end.

Note 52: Qualitative analysis of significant unobservable inputs

Discount margin/spreads

Discount margin/spreads represent the discount rates used when calculating the present value of future cash flows. In discounted cash flow models such spreads are added to the benchmark rate when discounting the future expected cash flows. Hence,these spreads reduce the net present value of an asset or increase value of a liability. They generally reflect the premium an investor expects to achieve over the benchmark interest rate to compensate for higher risk driven by the uncertainty of the cash flows caused by credit quality of asset.They can be implied from market prices and are usually unobservable for illiquid or complex instruments.

Cash Flow

Expected cash flow levels, including the timing of cash flows, are estimated by using quantitative and qualitative measures regarding the characteristics of the underlying assets. These include default rates, the nature and value of collaterals, the manner of resolution, and other economic drivers.

The timing of expected cash flows is influenced by the nature of collateral and the expected use of the same by market participants. The manner of resolution is determined based on the financial position and negotiations with the counterparty.

Qualitative analysis of significant unobservable inputs

These instruments include Residential, Commercial, Industrial and other asset-backed securities. The market for these securities is not active. Therefore, the Company uses a variety of valuation techniques to measure their fair values. Less liquid instruments are valued using discounted cash flow models. Expected cash flow levels are estimated by using quantitative and qualitative measures regarding the characteristics of the underlying assets, including: prepayment rates, default rates and other economic drivers such as loan-to-value ratios emergency period estimation indebtedness, and rental income levels.

Expected Gross Recoveries are pertaining to the overall assets under management of the Company.Cash attributable to the Company's share in expected gross recoveries will be dependant on the Company's investment share and terms of the SR's subscribed.

Note 53: Movement in level 3 financial instruments measured at fair value

The following table shows a reconciliation of opening balances and the closing balances for fair value measurements at Level 3 of fair value hierarchy. (Rs. in Lakhs)

Financial assets	As at April 1, 2025	Purchase of Investments	Redemption / Write-offs	Unrealised gains related to balances held at the end of year	As at March 31, 2026
Investments in security receipts	38,078.06	30,304.00	(13,132.23)	(590.47)	54,659.36
	As at April 1, 2024	**Purchase of Investments**	**Redemption / Write-offs**	**Unrealised gains related to balances held at the end of year**	**As at March 31, 2025**
	31,297.00	27,084.00	(20,471.86)	168.93	38,078.06

Notes to the Standalone Financial Statements for the year ended 31st March, 2026

(Rs. in Lakhs)

Financial Liabilities	As at April 1, 2025	Issuances	Settlements	As at March 31, 2026
Debt Securities (NCDs)	600.00	-	-	600.00
	As at April 1, 2024	**Issuances**	**Settlements**	**As at March 31, 2025**
	11,070.00	600.00	(11,070.00)	600.00

Note 54: Previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary as per Ind AS. Amounts and other disclosures for the preceding years figures are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year

Note 55: Amounts have been rounded off to the nearest lakhs upto two decimal points.

Additional Disclosures required by Reserve Bank Of India

Note 56: The Names and addresses of banks/financial institutions from whom financial assets were acquired and the values at which such assets were acquired from each such bank/financial institutions.

Seller wise acquisition details: (Rs. in Lakhs)

Sl. No.	Sellers	Address	As at 31.03.2026	As at 31.03.2025
1	Andhra Pradesh State Co-operative Bank Ltd	Troop Bazar, Hyderabad-500 001	200.00	200.00
2	Union Bank of India	Union Bank Bhavan, 239, Vidhan Bhavan Marg, Nariman Point, Mumbai – 400 021, Maharashtra,	22,036.00	22,036.00
3	Axis Bank Limited	Corporate Office, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai - 400 025	700.00	700.00
4	Bank of Baroda	Baroda Corporate Centre, Plot No.26, G-26, Bandra Kurla Complex, Bandra (East), Mumbai-400 051	5,226.20	5,226.20
5	Bank of India	Star House, C-5, "G" Block, BandraKurla Complex, Bandra (East), Mumbai-400 051	3,249.75	3,249.75
6	Bank of Maharashtra	'Lokmangal' 1501, Shivaji Nagar, Pune-411005	5,700.00	5,700.00
7	Canara Bank	112, JC Road, Bangalore-560 002	1,730.00	1,730.00
8	Central Bank of India	Corporate Office, Chander Mukhi, Nariman Point, Mumbai-400 021	4,819.60	4,819.60
9	Deutsche Bank	DB House, HazarimalSomani Marg, Fort Mumbai-400 001	400.00	400.00
10	The Dhanalakshmi Bank Limited	Corporate Office, Naickanal, Thrissur-680 001.	550.00	550.00
11	The Federal Bank Limited	PB No.103, Federal Towers, Aluva-683 101, Ernakulam, Kerala	60.00	60.00
12	ICICI Bank Limited	ICICI Towers, BandraKurla Complex, Bandra, Mumbai-400 051	550.00	550.00
13	IDBI Bank Limited	IDBI Towers, WTC Complex, Cuffe Parade, Mumbai-400 005	3,130.73	3,130.73
14	IFCI Limited	IFCI Tower61 Nehru Place, NewDelhi-110 019	512.86	512.86
15	Indian Bank	PB No.1384, 66, RajajiSalai, Chennai-600001	3,768.30	3,768.30
16	Indian Overseas Bank	Central Office, PB.No.3765, 763, Anna Salai, Chennai-600 002	2,067.00	2,067.00

Notes to the Standalone Financial Statements for the year ended 31st March, 2026

(Rs. in Lakhs)

17	IREDA Limited	3rd Floor, August Kranti Bhawan, Bhikaiji Cama Place, New Delhi-110 066	653.00	653.00
18	Karur Vysya Bank	Erode Road, Karur-639 002	11,945.20	11,945.20
19	Kotak Mahindra Bank	36-38A, Nariman Bhavan,227, Nariman Point, Mumbai-400 021	1,232.99	1,232.99
20	The Lakshmi Vilas Bank Limited	Administrative Office, Salem Main Road,Karur-639006	600.00	600.00
21	Punjab National Bank	7, BhikhaijiCama Place, New Delhi	9,167.07	8,559.07
22	Stressed Assets Stabilization Fund	IDBI Towers, WTC Complex, Cuffe Parade, Colaba, Mumbai-400 005	350.00	350.00
23	State Bank of India	Madame Cama Road, Mumbai-400 021	27,098.93	27,098.93
24	Shikshak Sahakari Bank Limited	Registered Office, Opposite Gandhi Sagar Lake, Mahal, Nagapur-440 018	112.50	112.50
25	Standard Chartered Bank	90, Mahatma Gandhi Road, Fort Mumbai -400 001	50.00	50.00
26	UCO Bank	10, Biplabi TrailokyaMaharaj Sarani, (Formerly Brabourne Road) Kolkata – 700 001	131.00	131.00
27	ECL Finance Limited	Edelweiss House, Off CST Road, Kalina, Mumbai – 400 098	80,500.00	80,500.00
28	Edelweiss Asset Reconstruction Company Ltd	Edelweiss House, Off CST Road, Kalina, Mumbai – 400 098	39,598.00	39,598.00
29	Jana Small Finance Bank	The Fairway Business Park, #10/1, 11/2 & 12/2B Off Domlur, Koramangala Inner Ring Road, Next to EGL, Challaghatta, Bengaluru – 560 071	1,59,984.50	1,18,384.50
30	ARCION Revitalization Private Limited	G1/19, Grand Hyatt Plaza, Vakola, Santacruz East, Mumbai - 400 055	30,050.00	30,050.00
31	Phoenix ARC Private Limited	5th floor, Dani Corporate Park, 158, CST Road, Kalina, Santacruz East, Mumbai – 400 098	16,000.00	16,000.00
32	Pahal Financial Services Pvt Ltd	7th floor, Bincri B Square – 2, Opp. Hathising ni vadi, Ambli Iscon Road, Ahmedabad – 380 054	25,000.00	5,000.00
33	Omkara Assets Reconstruction Private Limited	No.9, MP Nagar First Street, Kongu Nagar Extension, Tirupur – 641 607	1,340.00	1,340.00
34	Asirvad Micro Finance Limited.,	9th Floor, No:9, Club House Road, Anna Salai, Chennai – 600 002	54,021.00	20,000.00
35	Assets Care & Reconstruction Enterprise Ltd., (ACRE ARC)	14th Floor, EROS Corporate Tower, Nehru Place, New Delhi – 110 019	10,000.00	10,000.00
36	Indostar Capital Finance Limited	Off No. – 301, Wing A, CTS No. 477, Silver Utopia, Chakala Road, Opp. Proctor and Gamble, Andheri (E), Sahargoan, Mumbai, Maharashtra – 400 099	27,500.00	27,500.00
37	Muthoot Microfin Limited	5th Floor, Muthoot Towers, M.G.Road, Ernakulam – 682035	34,550.0	22,250.00
38	WheelsEMI Private Limited	3A Sham Shakuntal Heights, Modi Baug, Ganeshkhind Road, Behind Deccan Wheels Showroom, Shivaji Nagar, Pune - 411 016	19,848.00	12,838.00
39	Poonawalla Fincorp Limited	201, 202- 2nd floor, AP81, Koregaon park Annex, Mundhwa, Pune - 411 036	3,212.00	3,212.00
40	Belstar Microfinance Limited	New No. 33, Old No. 14, 48th Street, 9th Avenue, Ashok Nagar, Chennai-600083	7,500.00	7,500.00

Notes to the Standalone Financial Statements for the year ended 31st March, 2026

(Rs. in Lakhs)

41	Annapurna Finance Pvt Ltd	Plot No. 1215/1401, Khandagiri Bari, Infront of Jayadev Vatika, PS/PO – Khandagiri, Bhubaneswar, Khorda, Orissa - 751030	14,265.00	6,915.00
42	Sai Roshni Capital Pvt Ltd	8-2-120/112/88 & 89/7/S1, II Floor, Aparna Crest, Road No.2, Khairatabad, Telangana – 500 034	5,200.00	5,200.00
43	Utkarsh Small Finance Bank Limited	Utkarsh Tower, NH - 31 (Airport Road) Sehmalpur, Kazi Sarai, Harhua, Varanasi, Uttar Pradesh – 221 105	5,200.00	5,200.00
44	Muthoot Capital Services Limited	3rd Floor, Muthoot Towers, M G Road, Ernakulam 682 035	4,800.00	4,800.00
45	Ujjivan Small Finance Bank Limited	Grape Garden, No 27, 3rd "A" Cross, 18th Main, 6th Block, Koramangala, Bengaluru – 560 095	4,055.00	4,055.00
46	Spandana Sphoorty Financial Limited	Galaxy, Wing B, 16th Floor, Plot No.1, Sy No 83/1, Hyderabad Knowledge City, TSIIC, Raidurg Panmakhta, Hyderabad – 500 081	5,129.00	1,674.00
47	Criss Financial Limited	Galaxy, Wing B, 16th Floor, Plot No.1, Sy No 83/1, Hyderabad Knowledge City, TSIIC, Raidurg Panmakhta, Hyderabad, Telangana – 500081	1,584.00	-
48	Electronica Finance Limited	Audumbar, 101/1, Erandawane, Dr. Ketkar Road, Pune, Maharashtra - 411004	3,945.00	-
49	ESAF Small Finance Bank	Building No. VII/83/8, ESAF Bhavan, Thrissur-Palakkad National Highway, Mannuthy, Thrissur 680 651	4,950.00	-
50	Hero Fincorp Limited	34, Community Centre, Basant Lok, Vasant Vihar, New Delhi – 110 057	1,579.00	-
51	Sammaan Capital Ltd	1st Floor, Tower 3A, DLF Corporate Greens, Sector - 74A, Gurgaon, Narsinghpur, Haryana, India, 122004	12,000.00	-
52	Samunnati Finance Private Limited	7th Floor, 129B, Baid Hi Tech Park, East Coast Road, Thiruvanmiyur, Chennai, Tamil Nadu, 600041	16,000.00	-
		Total	**6,93,851.63**	**5,27,449.63**

Note 57: Dispersion of various financial assets industry-wise:

(Rs. in Lakhs)

Industry	No. of borrowers		Acquisition Price		% of Total acquisition	
	As at 31.03.2026	As at 31.03.2025	As at 31.03.2026	As at 31.03.2025	As at 31.03.2026	As at 31.03.2025
Automobiles	3	3	1,393.52	1,393.52	0.20	0.26
Agriculture - Allied Activities	3	3	555.00	555.00	0.08	0.11
Bio-Chemical & Pesticides	7	7	4,798.47	4,798.47	0.69	0.91
Cement	2	2	44,702.30	44,702.30	6.44	8.48
Coir	1	1	729.76	729.76	0.11	0.14
Cold Storage	1	1	380.00	380.00	0.05	0.07
Educational Institution	4	4	3,169.98	3,169.98	0.46	0.60
Food Products	8	8	4,986.63	4,986.63	0.72	0.95
House Hold Appliances	2	2	1,000.00	1,000.00	0.14	0.39
Hospital	2	2	4,671.00	4,671.00	0.67	0.89

Notes to the Standalone Financial Statements for the year ended 31st March, 2026

(Rs. in Lakhs)

Industry	No. of borrowers		Acquisition Price		% of Total acquisition	
	As at 31.03.2026	As at 31.03.2025	As at 31.03.2026	As at 31.03.2025	As at 31.03.2026	As at 31.03.2025
Hotel	1	1	2,025.00	2,025.00	0.29	0.48
Iron and Steel, Other Metals	12	12	14,254.95	14,254.95	2.05	2.70
Information Technology	4	4	346.13	346.13	0.05	0.07
Industrial Gases	3	3	1,325.00	1,325.00	0.19	0.25
Infrastructure	20	15	1,50,031.10	1,37,423.10	21.62	26.05
Logistics	1	1	600.00	600.00	0.09	0.11
Metals and Mining	3	3	439.28	439.28	0.06	0.08
Media	2	2	1,928.00	1,928.00	0.28	0.37
NBFC	11	11	921.92	921.92	0.13	0.17
Pharma	6	6	1,359.64	1,359.64	0.20	0.26
Plastics	2	2	792.04	792.04	0.11	0.15
Power	4	4	9,786.07	9,786.07	1.41	1.86
Paper	3	3	3,339.61	3,339.61	0.48	0.63
Poultry	3	3	384.00	384.00	0.06	0.07
Retail loans	48,70,619	32,41,123	4,03,122.50	2,49,328.50	58.10	47.27
Textiles	14	14	7,317.52	7,317.52	1.05	1.39
Trading	48	48	15,001.01	15,001.01	2.16	2.55
Wood	1	1	2,050.00	2,050.00	0.30	0.39
Oil Refineries, Vegetable Oil	3	3	1,350.00	1,350.00	0.19	0.20
Others	34	34	11,091.20	11,091.20	1.60	2.15
Total	**48,70,827**	**32,41,326**	**6,93,851.63**	**5,27,449.63**	**100.00**	**100.00**

Note 58: Other additional disclosures

(Rs. in Lakhs)

Sl.No.	Particulars	As at 31.03.2026	As at 31.03.2025
1	A statement clearly charting therein the migration of financial assets from standard to non-performing	Nil	Nil
2	Value of financial assets acquired during the financial year either on the books of the Company or in the books of the Trusts	1,66,402.00	1,71,824.00
3	Value of financial assets fully realized during the financial year	2,062.14	1,249.70
4	Value of financial assets outstanding for realization as at the end of the financial year	3,64,481.59	2,65,964.07
5	Value of Security Receipts redeemed partially during the financial year	52,630.59	34,799.87
6	Value of Security Receipts redeemed fully during the financial year	2,062.14	1,249.70
7	Value of Security Receipts pending for redemption as at the end of the financial year	3,64,481.59	2,65,964.07
8	Value of Security Receipts which could not be redeemed as a result of non-realization of the financial asset under paragraph 36 of RBI (Asset Reconstruction Companies) Directions, 2025	13,191.75	5,421.00
9	Value of land and/or building acquired in ordinary course of business of reconstruction of assets (year wise)	2,600.20 (FY2015-16)	2,600.20 (FY2015-16)
10	Details of assets where the value of acquisition is more than the book value (the value of assets as declared by the seller bank in the auction)	Nil	Nil
11	Details of Assets disposed of (either by write off or by realisation) during the year at a discount of more than 20% of valuation as on the previous year and reasons therefor	Nil	Nil

Notes to the Standalone Financial Statements for the year ended 31st March, 2026

Note 59: Details of Assets where the value of the SR has declined more than 20% of below the acquisition value

(Rs. in Lakhs)

Sl. No.	Trust Name	As at 31.03.2026		As at 31.03.2025	
		Face Value in Rupees	NAV in Rupees	Face Value in Rupees	NAV in Rupees
1	* PARAS-VHPL-072 Trust			100000	10000
2	*PARAS-SIPPL-073 Trust			100000	10000
3	* PARAS-VEAL-75 Trust			1000	500
4	* PARAS-SBPL-076 Trust			1000	350
5	* PARAS-DTPL-082 Trust			1000	250
6	* PARAS-MRC-084 Trust			1000	750
7	* PARAS-SPKHL-085 Trust			1000	250
8	* PARAS-VAP-086 Trust			1000	250
9	* PARAS-CRD-092 Trust			1000	750
10	* PARAS-DFPPL-096 Trust			1000	750
11	PARAS-VCMPL-097 Trust			1000	750
12	PARAS-VCMPL-097 Trust	1,000	200		
13	PARAS-VPPL-99 Trust			1000	750
14	PARAS-VPPL-099 Trust	1,000	200		
15	PARAS-NTKVB-103 Trust	1,000	650		
16	PARAS-SLNGM-109 Trust			1000	750
17	PARAS-SAA-110 Trust			1000	750
18	PARAS-SAA-110 Trust	1,000	650		
19	PARAS-SKE-113 Trust			1000	750
20	PARAS-SKE-113 Trust	1,000	650		
21	PARAS-SBISEWCT 119 Trust			10000	7500
22	PARAS-SBISEWCT 119 Trust	10,000	7,500		

*Note: The above Trust accounts were written off during FY.2025-26 since the resolution period of 8 years has been completed.

Note 60: First-time adoption of Ind AS mandatory exceptions, optional exemptions

Note 60A: Overall principle

The company has prepared the opening balance sheet as per Indian Accounting standards (Ind AS) as of April 01, 2024 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from financial statements prepared in accordance with the accounting standards notify under Companies (Accounting Standards) Rules, 2006 (As amended) (i.e “AS”) and other relevant provisions of the act to Ind AS as required under the Ind AS prescribed under section 133 of the Companies Act, 2013, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to certain exceptions and certain optional exemptions availed as per Ind AS 101 by the company as detailed below;

Notes to the Standalone Financial Statements for the year ended 31st March, 2026

Note 60A(1): Deemed cost for property, plant and equipment, and intangible assets:

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value of its property, plant and equipment as per AS; Accordingly, the company has elected to continue with the carrying value of its property, plant and equipment, intangible assets and investment property recognised as of April 01, 2024 (transition date) measured as per AS and use that carrying value as its deemed cost as of the transition date.

Note 60A(2): Estimates

The company's estimate in accordance with Ind AS at the date of transition to Ind AS as at April 01 2024 are consistent with the estimates as at the same date made in conformity with the AS. However, estimates that were required under Ind AS but not required under AS are made by the Company for the relevant reporting dates reflecting conditions existing as at that date.

Note 60A(3): Derecognition of financial assets and financial liabilities

The company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after April 01, 2024 (the transition date).

Note 60A(4): Impairment of financial assets

The company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind AS, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

Note 60B: The reconciliation of Net Profit after tax for the year ended March 31, 2025 as reported under erstwhile AS and Ind AS are summarised as below:

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2025
Net profit after tax as reported under AS	**5,054.80**
Ind AS adjustments increasing / (decreasing) net profit as reported under AS	
Effective interest rate on financial assets and liabilities (net)	154.82
Expected credit loss provision	(104.57)
Fair valuation of assets and liabilities including recognisition of accrued Fees	2,104.01
Reclassification of net actuarial gains/losses on employee defined benefit obligations through OCI	(0.68)
Other adjustments	4.39
Tax effect on above adjustments	(470.72)
Net profit as per Ind AS	**6,742.06**
Other Comprehensive Income after tax as per Ind AS (Net of taxes)	0.51
Total Comprehensive Income as per Ind AS	**6,742.57**

Notes to the Standalone Financial Statements for the year ended 31st March, 2026

Note 60C (i): The reconciliation of Equity as at March 31, 2025 and as at March 31, 2024 as reported under erstwhile AS and Ind AS are summarised as below:

(Rs. in Lakhs)

Particulars	As at 31 March 2025	As at 01 April 2024
Shareholders Equity as reported under AS	**26,487.09**	**21,432.29**
Ind AS adjustments increasing / (decreasing) networth as reported under AS:		
Effective interest rate on financial assets and liabilities (net) (refer note 60D (v))	347.89	193.07
Expected credit loss provision (refer note 60D (iii))	(1,640.26)	(1,535.69)
Fair valuation of assets and liabilities including recognisition of accrued Fees (refer note 60D (i) & (ii))	3,103.83	999.82
Other adjustments	4.39	-
Tax effect on above adjustments (refer note 60D (vi))	(540.67)	(69.77)
Shareholders Equity as per Ind AS	**27,762.28**	**21,019.71**

Note 61C(ii): TThe reconciliation of Cash flows as reported under previous AS in the Audited financial statements and Ind AS are summarised as below:

As at March 31, 2025

(Rs. in Lakhs)

Particulars	Previous GAAP	Effect of Transition to IND AS	As per IND AS Balance sheet
Net cash flows from operating activities	90,348.85	82,505.64	7,843.21
Net cash flows from Investing activities	(3,112.95)	(184.42)	(2,928.53)
Net cash flows from Financing activities	(90,010.46)	(82,091.53)	(7,918.93)
		229.68	
Cash and Cash equivalents at the Beginning of the year	3,939.18	427.85	3,511.34
Cash and Cash equivalents at the end of the year	1,164.61	657.52	507.09
Changes in other Bank Balances		(229.67)	

Note 60D (i): Fair value of SRs

Under AS, the investment in security receipts (SRs) of trusts were carried at cost net of impairment, if any. However, under Ind AS, these investments are fair valued.

Note 60D (ii): Management Fee Income

Under AS, as per RBI guidelines recognition of management fees is discontinued and any unrealized fees is reversed, if it remain unrealized for a period of more than 180 days from the date of its recognition. However, under Ind AS, management fee is recognised on the basis of the recognition principles stated in Ind AS 115 and as per the terms of the contract. The impact is shown in fair valuation of assets and liabilities in above reconciliation.

Note 60D (iii): Trade receivables /advances to trust

Under AS, the Company has created provision for doubtful recoveries on trade receivables / advances to trusts as per RBI guidelines based on days past due and calculated using incurred loss model. Under Ind AS, provision on financial assets is determined based on Expected Credit Loss model as per Ind AS 109.

Note 60D (iv): Defined benefit liabilities

Both under previous AS and Ind AS, the Company recognised costs related to its post-employment defined benefit plans on an actuarial basis. Under previous AS, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, remeasurements comprising of actuarial gains and losses are recognised through Other Comprehensive Income (OCI).

Note 60D (v): Effective Interest Rate

Under AS advances to trust were carried at cost whereas under Ind AS, these advances are measured based on entity's business model for managing the financial asset and contractual estimated cash flows characteristics of the financial asset and are measured at amortised cost and interest income is recognised as per effective interest method.

Under AS, transaction costs charged on borrowings was recognised upfront while under Ind AS, such costs are adjusted in the initial recognition amount of financial liability and recognised as interest expense using the effective interest method.

Note 60D (vi): Deferred tax

AS requires deferred tax accounting using the statement of profit and loss approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under AS.

In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the Company has to account for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity.

Note 60D (vii): Other comprehensive income

Under AS, the Company has not presented other comprehensive income (OCI) separately. Hence, it has reconciled previous AS profit/loss to Ind As profit/loss. Further, AS profit or loss is reconciled to total comprehensive income as per Ind AS.

As per our report of even date Annexed.

For C V Ramana Rao & Co
Chartered accountants
Firm registration no.: 002917S

CA. K. Kavya
Partner
Membership No. 223355

Place: Hyderabad
Date: 17.06.2026

For and on behalf of the Board of Directors

Koteswara Rao S S R
Chairperson
DIN: 00964290

R. Mallikarjuna
Managing Director & CEO
DIN: 10428677

V. S. Ranga Rao
Chief Financial Officer

V. Vani
Company Secretary

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Prasaditya ARC Limited,
(Formerly Known as Pridhvi Asset Reconstruction and Securitisation Company limited),
Hyderabad.

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated financial statements of **Prasaditya ARC Limited, (formerly known as Pridhvi Asset Reconstruction and Securitisation Company limited),** ("the Holding Company") and Subsidiary Trusts formed by the Company (the Holding company and its subsidiary trusts together referred to as the "Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2026, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and a summary of the material accounting policies and other explanatory information (hereinafter referred to as "the Consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the accompanying Consolidated 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 prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other Accounting Principles generally accepted in India, of the Consolidated state of affairs of the Group as at 31st March, 2026, its Consolidated profit and its Consolidated total comprehensive income, Consolidated changes in equity and its Consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group 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 Consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated financial statements.

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

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

Our opinion on the Consolidated 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 Consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated financial statements or our knowledge obtained during the course of our 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.

Management's Responsibilities for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated financial statements that give a true and fair view of the Consolidated financial position, Consolidated financial performance, its Consolidated total comprehensive income, Consolidated changes in equity and Consolidated cash flows of the Group in accordance with the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, as amended 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 the assets of the Group 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 Consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors of the Holding Company is responsible for overseeing the Group's financial reporting process.

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

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

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

- Identify and assess the risks of material misstatement of the Consolidated 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 financial controls 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 Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 Consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated financial statements, including the disclosures, and whether the Consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the trusts or business activities within the Group to express an opinion on the Consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such Trusts included in Consolidated financial statements of which we are the independent auditors.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated 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.

Report on other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit of the group we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of Consolidated financial statements.

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

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

d) In our opinion, the aforesaid Consolidated financial statements comply with the accounting standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended.

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

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

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

The remuneration paid to by the Holding company to its directors during the year is in accordance with the provisions of the section197 of the Act.

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

i. The Group has disclosed the impact of pending litigations on its Consolidated financial position in its Consolidated financial statements. (Refer Note no. 37 to the Consolidated Financial Statements).

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

iii. There were no amounts which were required to be transferred, to the "Investor Education and Protection Fund" by the Holding Company.

iv. a. The Management of the Holding Company has represented that, to the best of its knowledge and belief, as disclosed in the note 39 (e) to the Consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the group to or in any other person(s) or entity(i.e.),

including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b. The Management of the holding company has represented, that, to the best of its knowledge and belief, as disclosed in the note 39 (e) to the Consolidated financial Statements, no funds have been received by the group from any person(s) or entity (i. e), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

c. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.

v. The Holding company has not declared nor paid dividend during the year.

vi. Based on our examination which included test checks, the Holding company 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 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 Holding company as per the statutory requirements for record retention.

2. With respect to the matters specified in paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO report issued by us for the Holding Company, we report that there are no qualifications or adverse remarks in the CARO report. Subsidiary Trusts controlled by the Holding Company and included in the Consolidated financial statements CARO is not applicable.

For C V Ramana Rao & Co.
Chartered Accountants
Firm Regn No. 002917S

(K Kavya)
Partner
Membership No.223355
UDIN:26223355SGREXN4591

Place: Hyderabad
Date:17.06.2026

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting of **Prasaditya ARC Limited (Formerly Pridhvi Asset Reconstruction and Securitisation Company Limited), Hyderabad,** ("the Holding Company") as of 31st March, 2026 in conjunction with our audit of the Consolidated financial statements of the Group for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

Holding company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated financial statements for external purposes in accordance with generally accepted accounting principles. Holding company's internal financial control over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Holding 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 Holding company are being made only in accordance with authorizations of management and directors of the Holding company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Holding company's assets that could have a material effect on the Consolidated financial statements.

Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Holding Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2026, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For C V Ramana Rao & Co.
Chartered Accountants
Firm Regn No. 002917S

(K Kavya)
Partner
Membership No.223355
UDIN:26223355SGREXN4591

Place: Hyderabad
Date : 17.06.2026

Consolidated Balance Sheet as at 31st March, 2026

(Rs. in Lakhs)

Sl. No.	Particulars	Note No.	As at 31.03.2026	As at 31.03.2025	As at 01.04.2024
	ASSETS				
(I)	**Financial assets**				
a	Cash and cash equivalents	**5**	623.48	507.22	3,511.33
b	Bank balances other than cash and cash equivalents	**6**	374.66	657.52	427.85
c	Trade Receivables	**7**	5,029.22	4,099.27	3,558.51
d	Investments	**8**	47,286.34	36,280.53	31,796.03
e	Other financial assets	**9**	9,854.61	2,635.80	2,026.96
			63,168.31	**44,180.34**	**41,320.68**
(II)	**Non-Financial assets**				
a	Deferred Tax Asset (Net)	**10**	-	-	28.16
b	Investment Property	**11**	-	-	1,740.11
c	Property, plant and equipment	**11A**	486.59	493.26	501.98
d	Other Intangible Assets	**11A**	3.14	3.49	4.06
e	Other Non-Financial Assets	**12**	27.42	53.28	14.66
			517.15	**550.03**	**2,288.97**
	Total Assets (I+II)		**63,685.46**	**44,730.37**	**43,609.65**
	LIABILITIES AND EQUITY				
	LIABILITIES				
(III)	**Financial liabilities**				
a	Trade Payables - Total outstanding dues of: - micro enterprises and small enterprises - creditors other than micro enterprises and small enterprises	**13**	 - 65.01	 - 56.93	 - 54.26
b	Debt Securities	**14**	18,911.28	8,686.78	17,132.76
c	Borrowings (other than debt securities)	**15**	1,955.58	4,761.37	2,989.34
d	Other financial liabilities	**16**	3,797.37	2,270.25	2,080.84
			24,729.24	**15,775.33**	**22,257.20**
(IV)	**Non-Financial liabilities**				
a	Current tax liability (Net)	**17**	1.81	513.50	210.46
b	Provisions	**18**	15.34	26.51	22.90
c	Deferred Tax liability (Net)	**10**	675.42	272.49	-
d	Other non-financial liabilities	**19**	253.05	501.76	134.10
			945.62	**1,314.26**	**367.46**
(V)	**EQUITY**				
a	Equity Share capital	**20**	12,058.82	12,058.82	10,000.00
b	Other equity	**21**	23,999.35	15,516.93	10,984.99
	Equity attributable to the Holding company (a+b)		**36,058.17**	**27,575.75**	**20,984.99**
c	Non-Controlling interests		**1,952.43**	**65.03**	**-**
	Total Equity (a+b+c) (V)		**38,010.60**	**27,640.78**	**20,984.99**
	Total Liabilities and Equity (III+IV+V)		**63,685.46**	**44,730.37**	**43,609.65**

Summary of Material Accounting Policies and other accompanying notes form an integral part of Consolidated financial statements

As per our report of even date Annexed.

For C V Ramana Rao & Co
Chartered accountants
Firm registration no.: 002917S

CA. K. Kavya
Partner
Membership No. 223355

Place: Hyderabad
Date: 17.06.2026

For and on behalf of the Board of Directors

Koteswara Rao S S R
Chairperson
DIN: 00964290

V. S. Ranga Rao
Chief Financial Officer

R. Mallikarjuna
Managing Director & CEO
DIN: 10428677

V. Vani
Company Secretary

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

(Rs. in Lakhs)

Sl. No.	Particulars	Note No.	For the year ended March 31, 2026	For the year ended March 31, 2025
(I)	**Revenue from operations**			
a	Interest Income	22	177.08	198.60
b	Fees and Incentives income	23	13,486.24	10,509.88
c	Gain on redemption of Security Receipts	24	1,825.15	203.91
d	Net Gain on Fair Value changes	25	-	168.93
	Total Revenue from operations		**15,488,47**	**11,081.32**
(II)	Other income	26	123.71	217.47
(III)	**Total revenue (I+II)**		**15,612.18**	**11,298.79**
(IV)	**Expenses**			
a	Finance costs	27	2,090.12	1,245.00
b	Net loss on Fair Value changes	25	590.47	-
c	Impairment on financial instruments	28	98.76	104.33
d	Employee benefit expenses	29	285.54	264.61
e	Depreciation and amortisation expenses	30	11.91	11.91
f	Other expenses	31	1,353.90	859.26
	Total expenses		**4,430.70**	**2,485.11**
(V)	**Profit before tax (III-IV)**		**11,181.48**	**8,813.68**
(VI)	**Tax expense**			
a	Current tax	34A	2,378.13	1,920.44
b	Adjustment of tax relating to earlier periods	34A	(20.53)	7.63
c	Deferred tax	34B	401.00	300.49
	Total tax expense		**2,758.60**	**2,228.56**
(VII)	**Profit for the year (V-VI)**		**8,422.88**	**6,585.12**
(VIII)	**Other Comprehensive Income (OCI)**			
	Items that will not be reclassified to profit or loss:			
a	Remeasurement of defined benefit plans	29D	7.62	0.68
b	Income tax effect on the above	34B	(1.92)	(0.17)
	Total other comprehensive income		**5.70**	**0.51**
(IX)	**Total comprehensive income for the year (VII+VIII)**		**8,428.58**	**6,585.63**
	Profit for the year attributable to :-			
	Holding Company		**8,476.72**	**6,590.25**
	Non-Controlling Interests		**(53.84)**	**(5.13)**
	Other Comprehensive income attributable to :-			
	Holding Company		**5.70**	**0.51**
	Non-Controlling Interests		**-**	**-**
	Total Comprehensive income attributable to :-			
	Holding Company		**8,482.42**	**6,590.76**
	Non-Controlling Interests		**(53.84)**	**(5.13)**
	Earnings per equity share:			
	Basic earnings per share	36	7.03	5.64
	Diluted earnings per share		7.03	5.64

Summary of Material Accounting Policies and other accompanying notes form an integral part of Consolidated financial statements

As per our report of even date Annexed.

For and on behalf of the Board of Directors

For C V Ramana Rao & Co
Chartered accountants
Firm registration no.: 002917S

CA. K. Kavya
Partner
Membership No. 223355

Place: Hyderabad
Date: 17.06.2026

Koteswara Rao S S R
Chairperson
DIN: 00964290

V. S. Ranga Rao
Chief Financial Officer

R. Mallikarjuna
Managing Director & CEO
DIN: 10428677

V. Vani
Company Secretary

Consolidated Statement of cash flows for the year ended 31st March, 2026

(Rs. in Lakhs)

S.No.	Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
A)	**Cash flows from operating activities**		
	Profit for the year before Tax	**11,181.48**	**8,813.68**
	Adjustments to reconcile profit before tax to net cash flows		
	Depreciation and amortisation expenses	11.91	11.91
	Finance Costs	2,090.12	1,245.00
	Impairment of financial instruments (net)	98.76	104.33
	(Gain) / Loss on fair value changes (net)	590.47	(168.93)
	(Gain) / Loss on mutual funds (net)	-	(32.25)
	(Gain) / Loss on sale of investment in property (net)	-	(109.89)
	Interest earned on fixed deposits	(42.25)	(64.01)
	Rental Income	(3.91)	(3.78)
	Operating profit before working capital changes	**13,926.58**	**9,796.06**
	Movements in working capital:		
	(Increase)/ Decrease in Trade Receivables	(929.95)	(540.76)
	(Increase)/Decrease in other financial assets	(5,386.36)	(1,390.67)
	(Increase)/Decrease in other non-financial assets	25.86	(38.62)
	(Increase)/Decrease in other bank balances	282.86	(229.67)
	Increase/(Decrease) in trade payable, Provisions	4.53	6.96
	Increase/(Decrease) in other financial liability	1,527.12	189.41
	Increase/(Decrease) in other non-financial liabilities	(248.71)	367.66
	Cash generated from operations	**-**	**8,160.37**
	Direct taxes (paid)/ refund received (net)	(2,869.30)	(1,625.03)
	Net cash generated in operations (A)	**(2,869.30)**	**6,535.34**
B)	**Cash flows from investing activities**		
	Acquisition of Property, Plant and equipment	(4.89)	(2.62)
	Amount received on redemption of Security Receipts	8,688.75	8,427.86
	Amount received on sale of Security Receipts	-	650.00
	Amount invested towards Security Receipts	(20,275.00)	(25,552.00)
	Amount (paid)/received towards purchase of security receipts	-	11,170.00
	Amount towards (investment)/ Redemption in mutual funds	-	1,768.44
	Amount received from sale of investment in property	-	1,850.00
	Interest income on fixed deposits	42.25	64.01
	Rental Income	3.91	3.78
	Net cash used in investing activities (B)	**(11,544.98)**	**(1,620.53)**

Consolidated Statement of cash flows for the year ended 31st March, 2026

(Rs. in Lakhs)

C)	**Cash flows from financing activities**		
	Increase/(Decrease) in short-term borrowings (net)	(2,805.79)	1,772.03
	Finance Costs paid	(2,273.94)	(1,220.96)
	Receipt of Non Convertible Debentures	17,000.00	4,960.00
	Repayment of Non Convertible Debentures	(6,591.66)	(13,430.00)
	Receipt of inter corporate loan	1,000.00	-
	Repayment of inter corporate loan	(1,000.00)	-
	Share Application money refunded	-	(3,500.00)
	Share Captital Received	-	2,058.82
	Share premium received on shares allotment	-	1,441.18
	Net cash (used in)/ generated from financing activities (C)	**5,328.61**	**(7,918.93)**
	Net increase/(decrease) in cash and cash equivalents (A+B+C)	**116.25**	**(3,004.12)**
	Add: Cash and cash equivalents at the beginning of the year	507.22	3,511.34
	Cash and cash equivalents at the end of the year	**623.47**	**507.22**
	Components of cash and cash equivalents		
	Cash on hand	0.02	0.41
	Balances with banks in current accounts	623.46	506.81
	Total	**623.47**	**507.22**

Reconciliation of cash and cash equivalents as per cash flow statement and as per balance sheet:

(Rs. in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Cash and cash equivalents in balance sheet	623.47	507.22
Cash and cash equivalents in above statement	623.47	507.22
Difference	**-**	**-**

Summary of Material Accounting Policies and other accompanying notes form an integral part of the Consolidated financial statements

As per our report of even date Annexed.

For and on behalf of the Board of Directors

For C V Ramana Rao & Co
Chartered accountants
Firm registration no.: 002917S

CA. K. Kavya
Partner
Membership No. 223355

Place: Hyderabad
Date: 17.06.2026

Koteswara Rao S S R
Chairperson
DIN: 00964290

V. S. Ranga Rao
Chief Financial Officer

R. Mallikarjuna
Managing Director & CEO
DIN: 10428677

V. Vani
Company Secretary

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

Corporate Information, Basis of preparation and Material Accounting Policy information:

1. Corporate Information

Prasaditya ARC Limited (formerly known as Pridhvi Asset Reconstruction and Securitization Company Limited ('the Holding Company') was incorporated as a Public Company on October 5, 2007 under the provisions of the Erstwhile Companies Act, 1956. The Holding Company's Registered office is at 4th Floor, Raja Praasadamu, Kondapur, Hyderabad, Telangana, India. The Holding Company has obtained Certificate of Registration from Reserve Bank of India (RBI) w.e.f. April 09, 2008 with Registration no.008/ 2008 to act as Asset Reconstruction and Securitisation Company under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 ("SARFAESI")

The Holding Company is engaged in business of acquiring Loan Portfolios, Loan Accounts, Non-Performing Assets (NPA) from the Banks and Financial Institutions and resolving them through appropriate resolution strategies enunciated in SARFAESI.

Name of the Holding Company name was changed w.e.f March 11,2026 from "Pridhvi Asset Reconstruction and Securitisation Company Ltd" to "Prasaditya ARC Limited" with approval of the Registrar of Companies (ROC) and the Reserve Bank of India (RBI).

The Holding Company together with trusts controlled by Holding Company, is hereinafter referred to as "the Group".

These financial statements were approved by the Board of Directors of the Holding Company and authorized for issue on 17th June, 2026.

2. Statement of compliance and basis of preparation and presentation

A) Statement of Compliance

The financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) prescribed under section 133 of the Companies Act, 2013 and other relevant provisions of the Act to the extent applicable and the guidelines prescribed by the RBI, to the extent applicable.

B) Basis of preperation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally the original cost or transaction price of goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date regardless of whether that price is directly observable or estimated using another valuation technique.

C) Presentation of financial statements

The Group presents its balance sheet in compliance with the Division III of the Schedule III to the Companies Act, 2013. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows".

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

Amounts in the financial statements are presented in Indian Rupees (Rs.) which is also the Group's functional currency and all the amounts rounded off to the nearest lakhs with two decimals, unless otherwise stated.

D) Basis of consolidation

The Holding Company sets up trusts to acquire stressed assets for the purpose of carrying the activity of Securitisation and Asset Reconstruction. These trusts issue SRs which represent the beneficial undivided right, title and interest in the assets of the respective trust to the beneficiaries. The Holding Company acts as assets manager in respect of these trusts in accordance with the respective Trust Deeds and applicable regulatory framework. These trusts will be considered for consolidation where Holding company has control over Trusts.

Control is achieved when the Company:

i. has power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)

ii. is exposed or has rights, to variable returns from its involvement with the investee, and

iii. has the ability to use its power over the investee to affect its returns.

The Holding company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

When making this judgement, no single factor is determinative and considers all relevant facts and circumstances in arriving at its conclusion regarding control. The Holding Company considers voting and similar rights available to it and other parties, who may limit the Group's ability to control, remuneration to which it is entitled and its exposure to variability of returns from other interests held in such trusts. Trusts which do not meet consolidation criteria either due to magnitude of, and variability associated with, Group's remuneration relating to the returns expected from the activities of the investee or Substantive rights held by other parties.

The Group evaluates whether it is acting as a principal or an agent after considering the scope of its decision-making authority, the rights held by other parties, its remuneration and its exposure to variable returns. Where the Company concludes that it is acting as a principal and controls the trust, the trust will be considered for consolidation. This assessment is reassessed whenever relevant facts and circumstances change.

The Group Considers all relevant facts and circumstances, including:

- The purpose and design of the trust;
- The relevant activities of the trust, how decisions relating to those activities are made and whether the Holding Company has the current ability to direct those activities;
- The contractual rights and obligations of the Holding Company, the Trustee and the Security Receipt holders under the respective Trust Deeds including termination provisions;

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

- Whether the Holding Company is exposed, or has rights, to variable returns from its involvement with the investee, and has the power to affect the variability of such returns;
- Decision making authority in trusts managed by it, economic interests in the form of units of Security Receipts (SRs), fees earned and collection incentives;
- The Holding company contractual rights and obligations under the Trust Deed and related agreements;
- Removal rights held by other parties

Consolidation procedure

a. Combine all items of assets, liabilities, equity, income, expenses and cash flows of the Holding Company with those of trusts over which Group has control.

b. Offset (eliminate) the carrying amount of the Holding Company's investment in Security receipts of each trust against the Holding company share in Trust's corpus.

c. Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognised in assets, are eliminated in full).

d. When necessary, adjustments are made to the financial statements of entities to bring their accounting policies into line with the Group's accounting policies. The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company. The financial statement of the controlled structured trusts (all incorporated in India) has been consolidated as per Ind AS 110 - Consolidated Financial Statements.

e. Upon loss of control over a consolidated trust, the Group derecognizes the assets, liabilities and non-controlling interests of the trust. Any retained interest is remeasured at fair value and any resulting gain or loss is recognized in the Statement of Profit and Loss. Amounts previously recognized in Other Comprehensive Income are reclassified or transferred in accordance with the applicable Ind AS.

f. Investments in Security Receipts issued by consolidated trusts are eliminated on consolidation. Accordingly, the consolidated financial statements present the underlying financial assets, liabilities, income and expenses of such trusts rather than the Holding Company's investment in the respective Security Receipts.

g. Non-controlling interests representing the interests of Security Receipt holders other than the Holding Company are presented separately in equity in the Consolidated Balance Sheet and their share of profit or loss is presented separately in the Consolidated Statement of Profit and Loss.

3. Material Accounting Policies related to preparation of the Consolidated financial statements:

3.1 Revenue Recognition

Revenue is recognized when (or as) the Group satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset. When (or as) a performance obligation is satisfied, the

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

Group recognizes as revenue the amount of the transaction price (excluding estimates of variable consideration) that is allocated to that performance obligation.

The Group applies the five-step approach for recognition of revenue:

- Identification of contract(s) with customers;
- Identification of the separate performance obligations in the contract;
- Determination of transaction price;
- Allocation of transaction price to the separate performance obligations; and
- Recognition of revenue when (or as) each performance obligation is satisfied.

The Group is generally able to make reliable estimates after it has agreed to the following with the other parties to the transaction:

- each party's enforceable rights regarding the service to be provided and received by the parties;
- the consideration to be exchanged; and
- the manner and terms of agreements or offer documents.

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at transaction price i.e. the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to the customer, excluding amounts collected on behalf of third parties. The Group consider the terms of the contract and its customary business practices to determine the transaction price. Where the consideration promised is variable, the Group excludes the estimates of variable consideration that are constrained. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers.

The Group recognises revenue from the following sources:

a. **Management fees:** The Holding Company receives management fee from trusts declared by it for acquisition of financial assets and the same is accounted for on accrual basis as per terms of the relevant trust deeds and offer document issued by the Trust over the period of service in accordance with Ind AS 115. The fees are recognized on accrual basis till the NAV of the Trust is recoverable and not wholly impaired.

   Incentives: redemption incentive and recovery incentive is accounted over the period on cash basis, i.e. as and when received by the Holding Company, based on terms of the relevant trust deeds and offer document issued by the Trust.

b. Any upside share in excess realisation over acquisition price of financial asset by trust is recognised at point of time basis as per terms of the relevant trust deed/offer document. Gain on redemption of security receipts is accounted only after the full redemption of security receipts. Amount realized in surplus/ deficit of the acquisition cost of security receipts in accordance with the terms of the trust deed/ offer document is recorded as gain on redemption of security receipts.

   Sale proceeds of secured assets/OTS payments/amounts received from trusts/ instalments of rescheduled debts etc are appropriated first towards expenses incurred for formation of trusts,

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

outstanding management fees, outstanding expenses recoverable, outstanding acquisition cost and the balance amount, if any, is recognized as gain/ upside income.

c. Interest income on bank deposits is accounted for on accrual basis as per the terms of the deposits. Interest income from interest bearing financial assets is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is recognised/ estimated using the effective interest rate method. The effective interest rate which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. However, recognition of interest on receivables from Trusts is discontinued when NAV of Security receipts of the Trust become Nil and no future recoveries is expected. The unrecognised interest is recognised on realisation.

The above receipts are recognised as revenue excluding GST.

3.2 Borrowing costs

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets as defined in Ind AS 23 are capitalized as a part of costs of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use.

Interest expenses are calculated using the EIR and all other Borrowing costs are recognized in the Statement of Profit and Loss in the period in which they are incurred.

3.3 Retirement and other employee benefits

Defined Contribution Plan

Payments to defined contribution plans like provident fund, ESI are recognised as expense in the Statement of Profit and Loss of the year when employees have rendered service entitling them to the contributions. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due.

Defined Benefit Obligation:

The Company's liabilities under the Payment of Gratuity Act, 1972, are determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method. The Group net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. The Group recognizes current service cost, past service cost, if any and interest cost in the Statement of Profit and Loss. Remeasurement gains and losses arising from experience adjustments and changes in actual assumptions are recognized in the period in which they occur in the OCI.

Short-term employee benefits:

Short-term employee benefits are expensed as the related service is provided at the undiscounted amount of the benefits expected to be paid in exchange for that service. A liability is recognized for the amount expected to be paid if the Group 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

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

reliably. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

Other Long Term Employee benefits (Compensated Absences):

The Group liability for earned leave is determined at each Balance sheet based on an actuarial valuation using the Projected Unit Credit Method.

The Group has a funded arrangement with the LIC to manage its leave encashment liabilities. The liability or asset recognized in the balance sheet is the present value of the defined obligation at the end of the reporting period less the fair value of plan assets.

Remeasurements, comprising actuarial gains and losses, the effect of the asset ceiling and the return on plan assets are recognized immediately in the statement of Profit and Loss in the period in which they occur.

3.4 Income tax expenses

Income tax expense represents the sum of the Income tax currently payable and deferred tax. Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

Current tax

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from, or paid to, the taxation authorities. The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

Deferred tax assets are also recognised with respect to carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised.

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. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3.5 Goods and services tax (GST) on acquisition of assets or on incurring expenses

Expenses and assets are recognised net off GST paid, except: When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable. The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

3.6 Property, plant and equipment and Intangible Assets

Property, plant and equipment

Property, plant and equipment is stated at cost excluding the costs of day to day servicing, less accumulated depreciation and accumulated impairment in value. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

Subsequent costs incurred on an item of property, plant and equipment is recognised in the carrying amount thereof when those costs meet the recognition criteria i.e. it is probable that future economic benefits will flow to the entity and cost can be measured reliably. Repairs and maintenance are recognised in statement of profit or loss as incurred.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives. Depreciation is charged on straight line method as per the requirement of Schedule II of the Companies Act, 2013 from the date the asset is ready for its intended use. In respect of assets sold, depreciation is provided upto the date of disposal.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The carrying amount of those components which have been separately recognised as assets is derecognised at the time of replacement thereof. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in profit or loss. The date of disposal of an item of property, plant and equipment is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.

For transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognised as of April 01, 2024 (transition date) measured as per the previous accounting standards and use that carrying value as its deemed cost as of the transition date.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

Intangible Assets

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors. Amortization methods and useful lives are reviewed periodically including at each financial year end. Changes in the expected useful life, or the expected pattern of consumption of future economic benefits embodied in the asset, are accounted for by changing the amortisation period or methodology, as appropriate, which are then treated as changes in accounting estimates. Estimate useful life of software is considered as 3 years.

3.7 Leasing

The Group evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116.

The Group as a lessee

The Group assesses, whether the contract is, or contains, a lease if the contract involves–

a) the use of an identified asset,

b) the right to obtain substantially all the economic benefits from use of the identified asset, and

c) the right to direct the use of the identified asset.

The Group at the inception of the lease contract recognizes a Right-of-Use (RoU) asset at cost and a corresponding lease liability, for all lease arrangements in which it is a lessee, except for leases with term of less than twelve months (short term) and low value assets. Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term.

The right-of use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

For lease liabilities at inception, the Group measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate is readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate.

For short-term of 12 months or less and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

Operating lease

Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term. Contingent rental payable is recognized as an expense in the period in which it is incurred.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

The Group as a lessor

Leases for which the Group is a lessor is classified as a finance or operating lease. Contracts in which all the risks and rewards of the lease are substantially transferred to the lessee are classified as a finance lease.

All other leases are classified as operating leases and rental income is recognised on accrual basis based on lease term.

3.8 Provisions, Contingent liabilities and Contingent assets

Provisions are recognised only when:

- an entity has a present obligation (legal or constructive) as a result of a past event; and
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation

These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Further, long term provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost. A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract.

Contingent liability is disclosed in case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and
- a present obligation arising from past events, when no reliable estimate is possible.

Contingent Assets:

Contingent assets are not recognised in the financial statements.

3.9 Statement of Cash Flows

Statement of Cash Flows is prepared in accordance with Ind AS-7, statement of cash flows, using indirect method, segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of:

- changes during the period in receivables and payables transactions of a non-cash nature;
- non-cash items such as depreciation, provisions, deferred taxes; and
- all other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of Balance Sheet.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

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

3.10 Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss (before Other Comprehensive Income) for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss (before Other Comprehensive Income) for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

3.11 Financial Instruments

Financial instruments comprise of financial assets and financial liabilities. Financial assets and liabilities are recognized when the Group becomes the party to the contractual provisions of the instruments. Financial assets primarily comprise of Security receipts, advances to trusts, investment in security receipts other deposits, trade receivables and cash and cash equivalents. Financial liabilities primarily comprise of borrowings and trade payables.

3.11.1 Business model assessment

The Group determines its business model at the level that best reflects how it manages financial assets to achieve its business objective.

The Group's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)
- The expected frequency, value and timing of sales are also important aspects of the Group's assessment

3.11.2 The SPPI test

As a second step of its classification process the Group assesses the contractual terms of financial assets to identify whether they meet the Solely Payments of Principal and Interest (SPPI) test. 'Principal' for the purpose of this test is defined as the fair value of the financial asset at Initial recognition and may change over the life of the financial asset. The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Group applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

3.11.3 Recognition of Interest

Under Ind AS 109 interest income is recorded using the effective interest rate (EIR) method for all financial instruments measured at amortised cost. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset.

The EIR (and therefore, the amortized cost of the financial asset) is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Group recognizes interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the interest-bearing advances. Hence, it recognizes the effect of potentially different interest rates charged at various stages, and other characteristics of the product life cycle (including prepayments, penalty interest and charges).

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is booked 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 statement of profit and loss.

When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the Group calculates interest income by applying the effective interest rate to the amortised cost (net of expected credit loss) of the financial asset.

3.11.4 Initial measurement of financial instruments

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

When the fair value of financial instruments at initial recognition differs from the transaction price, the Group accounts for the Day 1 profit or loss, as described below:

When the transaction price of the financial instrument differs from the fair value at origination and the fair value is based on a valuation technique using only inputs observable in market transactions, the Group recognises the difference between the transaction price and fair value in net gain/loss on fair value changes. In those cases where fair value is based on models for which some of the inputs are not observable, the difference between the transaction price and the fair value is deferred and is only recognised in profit or loss when the inputs become observable, or when the instrument is derecognised.

3.11.5 Measurement categories of financial instruments

(a) Financial assets:

The Group classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

- Amortised cost
- Fair value through profit or loss (FVTPL)

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

The Group measures debt financial assets that meet the following conditions at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at FVTPL.

Amortized cost and Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and allocating interest income over the relevant period.

For financial instruments other than purchased or originated credit-impaired financial assets, the effective interest rate is the rate that exactly discounts estimated future cash receipts (including receipts and payments that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Financial assets at fair value through profit or loss

Financial assets in this category are those that are not held for trading and have been either designated by management upon initial recognition or are mandatorily required to be measured at fair value under Ind AS 109. Management only designates an instrument at FVTPL upon initial recognition when one of the following criteria are met. Such designation is determined on an instrument-by-instrument basis:

-The designation eliminates, or significantly reduces, the inconsistent treatment that would otherwise arise from measuring the assets or recognising gains or losses on them on a different basis

Financial assets at FVTPL are recorded in the balance sheet at fair value. Changes in fair value are recorded in statement of profit and loss.

b. Financial liabilities

All financial liabilities are measured at amortised cost except derivative financial liabilities and financial liabilities designated at fair value through profit and loss.

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held for trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

The Group issues certain non-convertible debentures, the return of which is linked to performance of specified indices over the period of the debenture. Such debentures have a component of an embedded derivative which is fair valued at a reporting date. The resultant 'net unrealised loss or gain' on the fair valuation of these embedded derivatives is recognised in the statement of profit and loss.

Financial liabilities at fair value through profit or loss (FVTPL)

Financial liabilities in this category are those that are not held for trading and have been either designated by management upon initial recognition or are mandatorily required to be measured at fair value under Ind AS 109. Management only designates an instrument at FVTPL upon initial recognition when the following criteria are met. Such designation is determined on an instrument-by-instrument basis

The designation eliminates, or significantly reduces, the inconsistent treatment that would otherwise arise from measuring liabilities or recognizing gains or losses on them on a different basis,

financial liabilities at FVTPL are recorded in the balance sheet at fair value. Changes in fair value are recorded in profit and loss. Interest incurred on financial liabilities designated at FVTPL is accrued in finance cost, using the EIR, taking into account any discount/ premium and qualifying transaction costs being an integral part of instrument.

3.11.6 Reclassification of financial assets and financial liabilities

If the business model under which the Group holds financial assets changes, the financial assets affected are reclassified. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the change in business model that result in reclassifying the Group's financial assets. During the current financial year and previous accounting period there was no change in the business model under which the Group holds financial assets and therefore no reclassifications were made. Changes in contractual cash flows are considered under the accounting policy on modification and de-recognition of financial assets described below.

3.11.7 Derecognition of financial assets & financial liabilities

(a) Derecognition of Financial assets

The Group derecognises a financial asset when the Group has transferred the right to receive cash flows from the financial assets or retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in OCI and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

(b) Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid, including modified contractual cash flow recognised as new financial liability, is recognised in profit or loss.

3.11.8 Impairment of financial assets

The Group records allowance for expected credit losses for all advances to trusts, other financial assets not held at FVTPL, in this section all referred to as 'financial instruments'. Equity instruments are not subject to impairment under Ind AS 109.

The Group follows "simplified approach" for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime Expected Credit Loss (ECL') at each reporting date, right from its initial recognition. The Group uses a provision matrix to determine impairment loss allowance on portfolio of its receivables. The provision matrix is based on its historically observed default rates over the expected life of the receivables.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses (12m ECL). The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12m ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

Based on the above process, the Group categorises its financial instruments into Stage 1, Stage 2, and Stage 3 as described below:

Stage 1: When advances are first recognised, the Group recognises an allowance based on 12m ECLs. Stage 1 financial instruments also include facilities where the credit risk has improved and the financial instruments have been reclassified from Stage 2.

Stage 2: When a financial instrument has shown a significant increase in credit risk since origination, the Group records an allowance for the life time ECLs (LTECL). Stage 2 financial instruments also include facilities, where the credit risk has improved and the financial instruments have been reclassified from Stage 3.

Stage 3: Financial instruments considered credit-impaired. The Group records an allowance for the LTECLs.

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

3.11.9 Collateral valuation

To mitigate its credit risks on financial assets, the Group seeks to use collateral, where possible. The collateral comes in various forms, such as cash, securities, letters of credit/guarantees, real estate, receivables, inventories, other non-financial assets and credit enhancements such as netting agreements. Collateral, unless repossessed, is not recorded on the balance sheet. However, the fair value of collateral affects the calculation of ECLs. It is generally assessed, at a minimum, at inception and re-assessed on a periodical basis.

To the extent possible, the Group uses active market data for valuing financial assets held as collateral. Non-financial collateral, such as real estate, is valued based on data provided by third parties such as valuers, mortgage brokers, or based on housing price indices.

3.11.10 Write off

Financial assets are written off either partially or in their entirety only when the Group has stopped pursuing the recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to impairment on financial instruments in statement of profit and loss.

3.11.11 Determination of fair value

The Group measures financial instruments, such as investment in security receipts (SRs) at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. The Group periodically reviews its valuation techniques including the adopted methodologies and model calibrations.

The Group applies various techniques to estimate the credit risk associated with its financial instruments measured at fair value, which include a portfolio-based approach that estimates the expected net exposure per counterparty over the full lifetime of the individual assets, in order to reflect the credit risk of the individual counterparties for non-collateralised financial instruments.

Security Receipts are measured at fair value at each reporting date based on expected future recoveries, timing of recoveries and appropriate discount rates using valuation techniques in accordance with Ind AS 109 and Ind AS 113 and based on recovery ratings bands (NAV) as determined by the independent rating agencies. The valuation is reviewed periodically based on the latest information available.

The Group evaluates the levelling at each reporting period on an instrument-by-instrument basis and reclassifies instruments, when necessary, based on the facts at the end of the reporting period.

3.11.12 Impairment of non-financial assets

The Group assesses at each balance sheet date whether there is any indication that an asset may be impaired based on internal/external factors. If any such indication exists, the Group estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of cash generating unit which the asset belongs to is less than it's carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that a previously

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of the depreciable historical cost.

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.

4.1 Critical accounting judgements, assumptions and Sources of key estimation uncertainty:

In the application of the Group's material accounting policies, which are described in note 3, the management is required to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the accompanying disclosures, as well as the disclosure of contingent liabilities, about the carrying amounts of assets and liabilities that are not readily available from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The judgements, estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

4.2 Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations, that the management has made in the process of applying the Group's accounting policies and that have the most significant effects on the amounts recognised in the financial statements.

Business model assessment

Classification and measurement of financial assets depend on the results of the SPPI and the business model test. The Group determines the business model at a level that reflects how Group's 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 is 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 Group monitors financial assets measured at amortised cost that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Group'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.

Significant increase in credit risk

ECL is measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. Ind AS 109 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased the Group takes into account qualitative and quantitative reasonable and supportable forward-looking information.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

4.3 Sources of key estimation uncertainty

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

Fair value of financial instruments

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

For Investments made into Security receipts (SRs), Company uses discounted cash flow model, given that the SRs are less liquid instruments. Expected cash flow levels including timing of cash flows are estimated by using quantitative and qualitative measures regarding the characteristics of the underlying assets including default rates, nature & value of collaterals, manner of resolution and other economic drivers. For any valuation which are based on models, Judgements and estimates are applied, which include considerations of liquidity, credit risk (both own and counterparty), funding value adjustments, correlation and volatility.

Impairment of financial assets

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

The Groups' ECL calculations are outputs of models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

- Probabilities of defaults (PDs) the calculation of which includes historical data, assumptions and expectations of future conditions.
- The company's criteria for assessing if there has been significant increase in credit risk and so allowances for financial assets should be measured on a life-time expected credit loss model basis and the qualitative assessment.
- The segmentation of financial assets when their ECL is assessed on a collective basis Development of ECL models, including the various formulas and the choice of inputs Determination of associations between macroeconomic scenarios and, economic inputs, such as unemployment levels and collateral values, and the effect on PDs, exposure at defaults and loss given defaults (LGDs).

It is Group's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

Defined benefit obligations

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

Useful Lives of Property, Plant and Equipment

The Group reviews the useful life of assets at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

Accounting for deferred taxes

Deferred tax assets are recognised for impairment of assets, other items to the extent that it is probable that taxable profit will be available against it can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Group has recognised deferred tax assets on impairment of assets, other items where the Company believes that the said deferred tax assets shall be recoverable based on the estimated future taxable income which in turn is based on approved business plans and budgets.

Provisions and other contingent liabilities

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

When the Group can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Group records a provision against the case. Where the probability of outflow is considered to be remote, or 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 Group 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.

As per our report of even date Annexed.

For and on behalf of the Board of Directors

For C V Ramana Rao & Co
Chartered accountants
Firm registration no.: 002917S

CA. K. Kavya
Partner
Membership No. 223355

Place: Hyderabad
Date : 17.06.2026

Koteswara Rao S S R
Chairperson
DIN: 00964290

V. S. Ranga Rao
Chief Financial Officer

R. Mallikarjuna
Managing Director & CEO
DIN: 10428677

V. Vani
Company Secretary

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

A. Equity Share Capital

As at 31.03.2026

(Rs. in Lakhs)

Balance at 01.04.2025	Changes in Equity Share Capital due to prior period errors	Restated balance as at 01.04.2025	Changes in equity share capital during the current year	Balance as at 31.03.2026
12,058.82	-	12,058.82	-	12,058.82

As at 31.03.2025

Balance at 01.04.2024	Changes in Equity Share Capital due to prior period errors	Restated balance as at 01.04.2024	Changes in equity share capital during FY 2024-25 (Due to shares issue)	Balance as at 31.03.2025
10,000.00	-	10,000.00	2,058.82	12,058.82

As at 31.03.2024

Balance at 01.04.2023	Changes in Equity Share Capital due to prior period errors	Restated balance as at 01.04.2023	Changes in equity share capital during FY 2023-24	Balance as at 31.03.2024
10,000.00	-	10,000.00	-	10,000.00

B Other Equity

As at 31st March,2026

(Rs. in Lakhs)

Particulars	Reserves and Surplus					Items of Other Comprehensive Income	Equity Attributable to Holding company	Non-Controlling Interests	Total
	Share application money received pending allotment	Debenture Redemption Reserve	Securities Premium	General Reserve	Retained Earnings	Remeasurement gains / (losses) on the defined benefit obligations			
Balance at 01.04.2025	-	860.00	1,441.18	10,000.00	3,215.24	0.51	15,516.93	65.03	15,581.96
Changes in accounting policy/ prior period errors	-	-	-	-	-	-	-	-	-
Restated balance at 01.04.2025	**-**	**860.00**	**1,441.18**	**10,000.00**	**3,215.24**	0.51	**15,516.93**	65.03	**15,581.96**
Addition during the year								1,941.24	1,941.24
Total Comprehensive Income for the year ended 31.03.2026	-	-	-	-	8,476.72	5.70	8,482.42	(53.84)	8,428.58
Transfer to General Reserve	-	-	-	9,000.00	(9,000.00)	-	-	-	-
Transfer to Debenture Redemption Reserve	-	1,041.00	-	-	(1,041.00)	-	-	-	-
Balance as at 31.03.2026	**-**	**1,901.00**	**1,441.18**	**19,000.00**	**1,650.96**	**6.21**	**23,999.35**	**1,952.43**	**25,951.78**

(Rs. in Lakhs)

Particulars	Reserves and Surplus					Items of Other Comprehensive Income	Equity Attributable to Holding company	Non-Controlling Interests	Total
	Share application money pending allotment	Debenture Redemption Reserve	Securities Premium	General Reserve	Retained Earnings	Remeasurement gains / (losses) on the defined benefit obligations			
As at 31st March, 2025									
Balance at 01.04.2024	3,500.00	590.00	-	6,000.00	894.99	-	10,984.99	-	10,984.99
Changes in accounting policy/ prior period errors	-	-	-	-	-	-	-		
Restated balance as at 01.04.2024	**3,500.00**	**590.00**	**-**	**6,000.00**	**894.99**	**-**	**10,984.99**	**-**	**10,984.99**
Addition during the year	-	-	-	-	-	-	-	70.16	70.16
Total Comprehensive Income for the year ended 31.03.2025	-	-	-	-	6,590.25	0.51	6,590.76	(5.13)	6,585.63
Transfer to General Reserve	-	-	-	4,000.00	(4,000.00)	-	-	-	-
Transfer to Debenture Redemption Reserve	-	270.00	-	-	(270.00)	-	-	-	-
Issue of equity share capital	(2,058.82)	-	-	-	-	-	(2,058.82)	-	(2,058.82)
Transfer to Securities premium	(1,441.18)	-	1,441.18	-	-	-	-	-	
Balance at 31.03.2025	**-**	**860.00**	**1,441.18**	**10,000.00**	**3,215.24**	**0.51**	**15,516.93**	**65.03**	**15,581.96**
As at 01 April, 2024									
Balance at 01.04.2023	-	350.00	-	2,000.00	1,429.55	-	3,779.55	-	**3,779.55**
Changes in accounting policy /prior period errors	-	-	-	-	-	-	-	-	-
Restated balance at 01.04.2023	**-**	**350.00**	**-**	**2,000.00**	**1,429.55**	**-**	**3,779.55**	**-**	**3,779.55**
Receipts during the year	3,500.00	-	-	-	-	-	3,500.00	-	3,500.00
Total Comprehensive Income for the year ended 31.03.2024	-	-	-	-	4,152.74	-	4,152.74	-	4,152.74
Transfer to General Reserve	-	-	-	4,000.00	(4,000.00)	-	-	-	-
Transfer to Debenture Redemption Reserve	-	240.00	-	-	(240.00)	-	-	-	-
First time adoption of Ind AS	-	-	-	-	(447.30)	-	(447.30)	-	(447.30)
Restated balance as at 01.04.2024	**3,500.00**	**590.00**	**-**	**6,000.00**	**894.99**	**-**	**10,984.99**	-	**10,984.99**

Summary of Material Accounting Policies and other accompanying notes form an integral part of the Consolidated financial statements

As per our report of even date Annexed.

For and on behalf of the Board of Directors

For C V Ramana Rao & Co
Chartered accountants
Firm registration no.: 002917S

CA. K. Kavya
Partner
Membership No. 223355

Place: Hyderabad
Date: 17.06.2026

Koteswara Rao S S R
Chairperson
DIN: 00964290

V. S. Ranga Rao
Chief Financial Officer

R. Mallikarjuna
Managing Director & CEO
DIN: 10428677

V. Vani
Company Secretary

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

Note 5: Cash and Cash Equivalents

(Rs. in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025	As at 01 April 2024
Cash on hand	0.02	0.41	0.81
Balances with banks in Current Accounts	623.46	506.81	3,510.52
Total	**623.48**	**507.22**	**3,511.33**

Note 6: Bank balances other than cash and cash equivalents

(Rs. in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025	As at 01 April 2024
Earmarked balances with Banks (Deposits with maturity more than 3 months but less than 12 months)			
Deposit with Union Bank of India:			
: Mid Corporate Branch (Refer Note 6.1)	350.30	329.64	310.32
: Kothaguda branch (Refer Note 6.2)	24.36	327.88	117.53
Total	**374.66**	**657.52**	**427.85**

Note 6.1: Pledged Deposits

Deposit of Rs 350.30 lakhs (March 31,2025: 329.64 Lakhs) pledged with Union Bank of India as Cash Collateral for availing Secured Overdraft facility (Refer Note 15 A on Borrrowings (other than debt securities)).

Note 6.2: Restricted Balances

(a) Includes Rs.24.36 Lakhs (March 31,2025: 23.35 Lakhs) received and deposited in Bank as per Court direction in SBIKG-033 trust.

(b) Included Rs. Nil towards Debenture Redemption Fund (March 31,2025 : Rs. 304.53 lakhs)

Note 7: Trade Receivables

(Rs. in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025	As at 01 April 2024
Unsecured, considered good			
Trade receivables	6,134.31	5,191.08	4,568.75
Less:Allowance for Expected Credit Loss	(1,105.09)	(1,091.81)	(1,010.24)
Total	**5,029.22**	**4,099.27**	**3,558.51**

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

Note 7A: Ageing of trade receivables

(Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payment as at 31 March 2026					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables - Considered good	2,095.99	2,149.64	660.21	199.70	1,028.77	6,134.31
Less: Allowance for Expected credit loss	(21.92)	(73.59)	(77.07)	(65.68)	(866.82)	(1,105.09)
Total	**2,074.07**	**2,076.05**	**583.14**	**134.02**	**161.95**	**5,029.22**

Particulars	Outstanding for following periods from due date of payment as at 31 March 2025					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables - Considered good	2,508.79	881.59	307.18	280.35	1,213.17	5,191.08
Less: Allowance for Expected credit loss	(43.56)	(89.84)	(51.80)	(90.84)	(815.77)	(1,091.81)
Total	**2,465.23**	**791.75**	**255.38**	**189.51**	**397.40**	**4,099.27**

Particulars	Outstanding for following periods from due date of payment as at 01 April 2024					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables - Considered good	1,528.51	1,285.87	291.18	302.26	1,160.93	4,568.75
Less: Allowance for Expected credit loss	(12.82)	(182.27)	(54.88)	(100.46)	(659.81)	(1,010.24)
Total	**1,515.69**	**1,103.60**	**236.30**	**201.80**	**501.12**	**3,558.51**

Note 7B: Trade Receivables - Credit Risk

a) The Holding Company's trade receivables significantly comprise management fees recoverable from trusts managed by the Holding Company. As per the terms of the respective Trust Deeds,such management fees are payable by the trust to the Holding Company only on realisation from the cashflows of the underlying assets held in the trust. Accordingly, the timing of collection of these receivables is dependent on the realisation from the underlying assets in the trust and is not solely dependent on the passage of time. The Holding Company assesses recoverability based on the expected realisation from the underlying assets of the trust and historical trend.

b) Although certain balances are overdue beyond 180 days as shown in the ageing above, the nature of the business, the existence of contractual safeguards such as security receipts, consistent historical recovery trend indicate that there is no significant increase in credit risk or evidence of credit impairment for these receivables. These receivables are secured through contractual terms and are considered recoverable irrespective of their overdue status. Considering the nature of the Holding Company's business and the requirements of the applicable RBI guidelines, management fee income recognised under Ind AS largely represents amounts that remain unbilled as on the reporting date, accordingly, substantially the above balances represents unbilled revenue and, therefore, a separate disclosure of unbilled revenue has not been presented in the financial statements.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

c) No trade or other receivables are due from directors or other officers of the Group either severally or jointly with any other person or from firms,including limited liability partnerships (LLPs)or private companies respectively in which any director is a partner, a director or a member.

d) There are no disputed and not-due receivables, hence the same is not disclosed in the ageing schedule.

Note 7C:Movement of ECL on trade receivables:

Allowance for Expected Credit Losses (ECL) measured as per simplified approach (Rs.in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Balance at the beginning of the year	1,091.80	1,010.24
Add:Provided during the Year	13.29	81.56
Balance at the end of the year	**1,105.09**	**1,091.80**

Note 7D: Details of outstanding Management Fees Receivable

The following disclosure is from the Standalone Financial Statements and is made pursuant to the Reserve Bank of India guidelines:

(Information on ageing of unrealised management fee as per circular RBI/2022-23/182-DOR.ACC.REC. No.104/21.07.001/2022-23 dated February 20, 2023) (Rs. in Lakhs)

Particulars	As at 31 March 2026	As at 01 April 2025
Total Outstanding amount of unrealised management fee	6,134.31	5,217.98
Out of the above, amount outstanding for:		
a) Amounts where the net asset value of the security receipts has fallen below 50 per cent of the face value	1,149.59	1,569.36
b) Other amounts unrealised for:		
(i) More than 180 days but upto 1 year	2,132.99	763.99
(ii) More than 1 year but upto 3 years	724.57	147.22
(iii) More than 3 years	31.17	201.71
c) Allowances held for ECL on unrealised management fee (on a&b)	(1,083.17)	(1,048.24)
Net unrealised management fee receivable	**2,955.15**	**1,634.04**

Note 8: Investments*

(Rs. in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025	As at 01 April 2024
Investments measured at Fair Value through Profit and Loss:			
Security receipts	47,286.34	36,280.53	30,059.85
Investment in Mutual Funds: Nil (36956.567 Units)			
HDFC Liquid Fund Growth	-	-	1,736.18
Total	**47,286.34**	**36,280.53**	**31,796.03**

*No Investments were made by the company outside India

Note 8A: Details of Pledged/hypothecated Investments (at Cost)

(Rs. in Lakhs)

Nature of Pledge	As at 31 March 2026	As at 31 March 2025	As at 01 April 2024
Pledged with Banks against overdraft	7,650.00	8,055.00	7,192.00
Pledged against Non-Convertible Debentures	13,038.88	15,880.00	21,428.00
Hypothecated for issue of Non-Convertible Debentures	33,901.20	-	-

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

Note 8B: Details of investment in Security receipts

(Rs. in Lakhs)

Sl. No.	Name of Trust	As at March 31, 2026		As at March 31, 2025		As at April 01, 2024	
		No of SRs	Amount	No of SRs	Amount	No of SRs	Amount
1	PARAS-VEAF-011	93	119.27	93	16.70	93	14.65
2	PARAS-IOBPF-027 Trust	39	41.47	39	24.77	39	21.53
3	PARAS-RTP-032 Trust	3575	34.56	3575	23.85	3575	20.74
4	PARAS-SBIKG-033 Trust	2457	367.15	2457	178.95	2457	135.31
5	PARAS-SBH 2015-035 Trust	24457	397.38	24457	399.05	24457	347.00
6	PARAS-SPML-038 Trust	3924	364.76	3924	286.96	3924	249.53
7	PARAS-MACL-039 Trust	30105	264.54	30105	118.13	30105	101.83
8	PARAS-SPEPL-040 Trust	1410	-	2175	43.90	2175	38.17
9	PARAS-MSL-046 Trust	218	97.62	233	130.43	329	113.42
10	PARAS-SPPL-049 Trust	1596	16.70	1639	14.24	1639	12.15
11	PARAS-SOUB-055 Trust	-	-	-	-	190	28.50
12	PARAS-DB2015-056 Trust	10912	243.79	10912	163.50	10912	140.94
13	PARAS-MLA-060 Trust	120	56.15	120	34.08	120	29.62
14	PARAS-JSL-061 Trust	44715	599.54	44715	376.69	44715	324.57
15	PARAS-AWL-065 Trust	210	178.70	210	158.13	480	366.30
16	PARAS-VBI-067 Trust	4050	34.69	4050	9.36	4050	9.36
17	PARAS-MAIPL-071 Trust	-	-	-	-	1915	143.24
18	PARAS-VHPL-072 Trust	-	-	443	44.30	443	381.70
19	PARAS-SIPPL-073 Trust	99	212.72	99	172.02	99	144.38
20	PARAS-VEAL-075 Trust	7845	132.04	8325	61.60	8325	61.18
21	PARAS-SBPL-076 Trust	7605	100.20	8655	26.77	8655	26.60
22	PARAS-SSDF-080 Trust	-	-	165	1.65	465	3.85
23	PARAS-DTPL-082 Trust	31500	334.03	31500	285.50	31500	244.33
24	PARAS-MRC-084 Trust	-	-	712	7.25	712	6.28
25	PARAS-SPKHL-085 Trust	30120	303.14	30120	297.60	30120	250.53
26	PARAS-VAP-086 Trust	3525	37.89	3525	33.64	3525	28.30
27	PARAS-RC-090 Trust	-	-	1120	12.65	1735	16.03
28	PARAS-CRD - 092 Trust	3750	42.46	3750	40.82	3750	34.46
29	PARAS-GS-093 Trust	3450	38.21	3450	38.74	3450	32.70
30	PARAS-SPMPL-094 Trust	2550	110.40	2550	28.41	2550	23.98
31	PARAS-NPPL-095 Trust	-	-	-	-	2985	26.17
32	PARAS-DFPPL-096 Trust	12600	153.41	13500	196.87	13500	168.84
33	PARAS-VCMPL-097 Trust	5475	55.43	5475	54.24	5475	46.41
34	PARAS-VPPL-099 Trust	12002	129.47	12002	128.02	12002	110.49
35	PARAS-GTKVB-100 Trust	-	-	1125	15.48	2117	112.68
36	PARAS-RTKVB-101 Trust	1725	61.00	1725	42.07	1725	36.62
37	PARAS-NTKVB-103 Trust	25173	287.94	25173	284.83	25173	247.97
38	PARAS-SNV-104 Trust	3675	35.18	3675	35.19	3675	29.86

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

(Rs. in Lakhs)

Sl. No.	Name of Trust	As at March 31, 2026		As at March 31, 2025		As at April 01, 2024	
		No of SRs	Amount	No of SRs	Amount	No of SRs	Amount
39	PARAS-SVRTC-105 Trust	-	-	3675	37.30	3675	31.75
40	PARAS-HCT-106 Trust	-	-	-	-	195	19.50
41	PARAS-SVCM-107 Trust	-	-	-	-	1725	17.25
42	PARAS-SLNGM-109 Trust	-	-	-	-	2985	29.85
43	PARAS-SAA-110 Trust	3405	23.24	3405	34.37	3405	29.93
44	PARAS-CEF-112 Trust	-	-	-	-	10	10.00
45	Investment in Security Receipts-ACRE-112 Trust	-	-	-	-	975000	11,170.00
46	PARAS-SKE-113 Trust	5400	68.34	5625	74.20	5625	64.05
47	PARAS-SEKVB-114 Trust	-	-	-	-	23	23.00
48	PARAS-MKS-115 Trust	135	25.10	135	18.21	135	15.86
49	PARAS-SSKVB-116 Trust	-	-	-	-	39	39.00
50	PARAS-SBISEWCT - 119 Trust	221	21.22	221	17.14	221	14.89
51	PARAS-132 Trust Trust	-	-	21995	31.51	63582	430.46
52	PARAS-133 Trust Trust	18072	51.39	20731	58.08	23293	153.82
53	PARAS-135 Trust Trust	17047	214.74	30031	322.30	53368	493.68
54	PARAS-136 Trust Trust	405000	4,216.31	405000	3,696.09	405000	3,071.46
55	PARAS-137 Trust Trust	-	-	45000	442.54	45000	377.83
56	PARAS-138 Trust Trust	115266	1,764.14	139433	1,186.19	186793	1,473.12
57	PARAS-139 Trust Trust	22430	87.31	23905	295.04	25533	275.54
58	PARAS-140 Trust Trust	232500	2,087.69	232500	2,783.49	232500	2,387.37
59	PARAS-141 Trust Trust	85332	1,351.69	96674	881.15	-	-
60	PARAS-142 Trust Trust	13000	113.36	13000	197.17	-	-
61	PARAS-143 Trust Trust	60061	330.91	117947	1,008.87	202650	1,650.39
62	PARAS-144 Trust Trust	134608	1,080.99	144709	1,346.13	150420	1,229.10
63	PARAS-145 Trust Series-A	-	-	5175	51.75	180200	1,802.00
64	PARAS-145 Trust Series B	53625	1,028.41	70500	811.43	70500	719.66
65	PARAS-146 Trust	2045	21.07	2045	16.06	2045	13.95
66	PARAS-147 Trust	14906	135.72	30561	298.47	52178	386.16
67	PARAS-148 Trust	22798	-	24583	327.40	-	-
68	PARAS-149 Trust	71540	560.48	83174	797.32	-	-
69	PARAS-150 Trust	42663	526.87	49352	359.62	-	-
70	PARAS-151 Trust	62805	787.35	73762	679.50	-	-
71	PARAS-152 Trust	87759	638.56	99385	1,023.42	-	-
72	PARAS-153 Trust	358800	3,765.37	358800	4,240.18	-	-
73	PARAS-155 Trust	35646	133.17	48836	480.53	-	-
74	PARAS-156 Trust	38586	-	43207	502.58	-	-
75	PARAS-157 Trust	62697	700.63	67439	613.87	-	-
76	PARAS-158 Trust	44044	-	49804	453.26	-	-
77	PARAS-159 Trust Series -B	-	-	29873	268.09	-	-
78	PARAS-160 Trust	169745	1,409.72	201146	1,517.78	-	-
79	PARAS-161 Trust	70569	535.76	91475	715.30	-	-
80	PARAS-162 Trust Series -A	-	-	55008	188.83	-	-
81	PARAS-162 Trust Series -B	50421	591.30	51000	897.17	-	-
82	PARAS-163 Trust	44258	-	70300	612.58	-	

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

(Rs. in Lakhs)

Sl. No.	Name of Trust	As at March 31, 2026		As at March 31, 2025		As at April 01, 2024	
		No of SRs	Amount	No of SRs	Amount	No of SRs	Amount
83	PARAS-164 Trust	83731	944.28	92870	710.25	-	-
84	PARAS-165 Trust	87393	993.79	94029	700.59	-	-
85	PARAS-166 Trust	79389	549.75	90400	651.90	-	-
86	PARAS-167 Trust	138735	901.76	-	-	-	-
87	PARAS-168 Trust	143211	689.17	-	-	-	-
88	PARAS-169 Trust	87108	961.02	95179	717.63	-	-
89	PARAS-170 Trust	72029	686.88	85500	678.61	-	-
90	PARAS-171 Trust	78408	850.49	91500	705.56	-	-
91	PARAS-172 Trust	65011	686.63	79500	627.46	-	-
92	PARAS-173 Trust	36953	261.19	52500	417.22	-	-
93	PARAS- 174 Trust	90199	1,029.21	-	-	-	-
94	PARAS-175 Trust	74239	741.75	-	-	-	-
95	PARAS-176 Trust	90788	1,085.95	-	-	-	-
96	PARAS-177 Trust	74961	407.74	-	-	-	-
97	PARAS-178 Trust	121694	737.81	-	-	-	-
98	PARAS-179 Trust	91247	652.18	-	-	-	-
99	PARAS-180 Trust	81890	456.12	-	-	-	-
100	PARAS-181 Trust	77424	790.95	-	-	-	-
101	PARAS-182 Trust	55567	569.66	-	-	-	-
102	PARAS-183 Trust	59611	614.36	-	-	-	-
103	PARAS 184 Trust	79664	501.36	-	-	-	-
104	PARAS-188 Trust	99031	682.18	-	-	-	-
105	PARAS 189 Trust	58323	550.55	-	-	-	-
106	PARAS-190 Trust	45119	438.07	-	-	-	-
107	PARAS 191 Trust	37500	281.20	-	-	-	-
108	PARAS 192 Trust	104006	868.01	-	-	-	-
109	PARAS-193 Trust	30000	376.63	-	-	-	-
110	PARAS-195 Trust	170000	1,460.94	-	-	-	-
111	PARAS-196 Trust	35000	396.08	-	-	-	-
	Total		**47,286.34**		**36,280.53**		**30,059.85**

Note : The Holding Company has interest in various unconsolidated structured entities in the form of trusts constituted for the acquisition, holding and resolution of stressed financial assets. Such trusts are established in accordance with the applicable regulatory framework and issue of Security Receipts ("SRs") representing beneficial interests in the underlying financial assets held by the respective trusts.

The Holding Company acts as the Asset Manager for these trusts and is responsible for undertaking recovery and resolution activities, including restructuring, settlements, enforcement of security interests and sale of underlying assets, in accordance with the respective trust deeds, contractual arrangements and applicable regulatory guidelines. The Holding Company also invests in Security Receipts issued by certain trusts and is therefore exposed to the variability of returns arising from the performance of the underlying assets.

The Holding Company's continuing involvement with such unconsolidated structured entities primarily comprises investment in Security Receipts and contractual arrangements for earning management fees, recovery management fees, incentive fees and other service-related income. Accordingly, Holding Company's principal operating revenues are substantially derived from the management of such trusts and returns on investments held therein.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

The following table sets out an analysis of the carrying amounts of interests held by the Company in unconsolidated structured entities. The maximum exposure to loss is the carrying amount of the assets held.

(Rs. in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025	As at 01 April 2024
Investment in Security Receipts	47,286.35	36,280.53	30,059.85
Trade receivables	5,029.22	4,099.28	3558.34
Advances recoverable from trusts	629.89	942.66	788.53
Total	**52,945.46**	**41,322.47**	**34,406.72**

Note 9: Other Financial Assets

(Rs. in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025	As at 01 April 2024
Advance for investment in Security Receipts (Refer Note below)	500.00	-	-
Financial Assets acquired under the Asset Reconstruction Business (measured at FVTPL)	8,709.84	1,681.91	1,237.16
Security Deposit	1.23	11.23	1.23
Other receivables	13.65	-	-
Amount Recoverable from Trusts	1,263.69	1,490.71	1,313.85
Less:Allowance for Expected Credit Loss	(633.80)	(548.05)	(525.28)
Net amount Recoverable from Trusts	629.89	942.66	788.57
Total	**9,854.61**	**2,635.80**	**2,026.96**

Note: This advance is given for investment in Security Receipts of a new trust.

Note 10: Deferred Tax Asset / (Liability) (net)

(Rs. in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025	As at 01 April 2024
Deferred Tax Asset (A)			
Unpaid amounts U/s 43B of Income tax Act, 1961	3.86	7.78	5.76
Impairment of financial instruments	437.77	412.82	386.50
Carrying amount adjustments to Financial Assets	79.63	22.75	-
Total Deferred Tax Asset (A)	**521.26**	**443.35**	**392.26**
Deferred Tax Liabilities (B)			
Difference between books and tax written down value (WDV) of Property, Plant and Equipment	71.26	67.88	63.87
Measurement of financial instruments at fair value	1,125.42	647.96	300.23
Total Deferred Tax Liabilities (B)	1,196.68	715.84	364.10
Deferred Tax Asset/ (Liability) (Net) (A-B)	**(675.42)**	**(272.49)**	**28.16**

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

Note 10(A): Components, movement of Deferred Tax Assets/(Liabilities) as at 31st March, 2026 are given below

(Rs. in Lakhs)

Particulars	As at 31 March 2025	(Charge)/ Credit Recognised in Profit or loss	(Charge)/ Credit Recognised in other comprehensive Income	As at 31 March 2026
Deferred Tax Assets:				
i) Unpaid amounts U/s 43B of Income tax Act, 1961	7.78	(2.00)	(1.92)	3.86
ii) Impairment of financial instruments	412.82	24.95	-	437.77
iii) Carrying amount adjustments to Financial Assets	22.75	56.88	-	79.63
Deferred Tax Liabilities				
iv) Difference between books and tax written down value (WDV) of Property, Plant and Equipment	(67.88)	(3.38)	-	(71.26)
v) Measurement of financial instruments at fair value	(647.96)	(477.46)	-	(1,125.42)
At the end of the year	**(272.49)**	**(401.00)**	**(1.92)**	**(675.42)**

Note 10(B): Components, movement of Deferred Tax Assets/(Liabilities) as at 31st March, 2025 are given below

(Rs. in Lakhs)

Particulars	As at 01 April 2024	(Charge)/ Credit Recognised in Profit or loss	(Charge)/ Credit Recognised in other comprehensive Income	As at 31 March 2025
Deferred Tax Assets:				
i) Unpaid amounts U/s 43B of Income tax Act, 1961	5.76	2.18	(0.17)	7.78
ii) Impairment of financial instruments	386.50	26.32	-	412.82
iii) Carrying amount adjustments to Financial assets	-	22.75	-	22.75
Deferred Tax Liabilities				
iv) Difference between books and tax written down value (WDV) of Property, Plant and Equipment	(63.87)	(4.01)	-	(67.88)
v) Measurement of financial instruments at fair value	(300.23)	(347.73)	-	(647.96)
At the end of the year	**28.16**	**(300.49)**	**(0.17)**	**(272.49)**

Note 11: Investment Property

(Rs. in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025	As at 01 April 2024
Investment in Commercial Building	-	-	1,740.11
Total	**-**	**-**	**1,740.11**

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

As at 31-03-2026
Note 11A: Property, Plant and Equipment

(Rs. in Lakhs)

Particulars	Gross Cost				Depreciation				Net block	
	As on 01.04.2025	Additions	Deletions/ Adjust-ments	Total as on 31.03.2026	Up to 01.04.2025	For the year	On deletions	Total upto 31.03.2026	Balance as at 31.03.2026	Balance as at 31.03.2025
Building	586.68	-	-	586.68	111.21	9.29	-	120.50	466.18	475.47
Furniture	143.12	-	-	143.12	131.28	0.59	-	131.87	11.25	11.84
Data Processing Equipment	27.19	0.81	-	28.00	22.94	1.34	-	24.28	3.72	4.25
Office Equipment	15.78	4.05	-	19.83	15.22	0.26	-	15.48	4.35	0.57
Vehicles	20.87	-	-	20.87	19.73	0.06	-	19.79	1.08	1.14
Library	0.23	0.03	-	0.26	0.23	0.03	-	0.26	-	-
Total	**793.87**	**4.89**	**-**	**798.76**	**300.61**	**11.56**	**-**	**312.18**	**486.59**	**493.26**

Note 11A: Intangible Assets

Particulars	Gross Cost				Amortisation				Net block	
	As on 01.04.2025	Additions	Deletions/ Adjust-ments	Total as on 31.03.2026	Up to 01.04.2025	For the year	On deletions	Total upto 31.03.2026	Balance as at 31.03.2026	Balance as at 31.03.2025
Softwares	60.60	-	-	60.60	57.11	0.35	-	57.47	3.14	3.49
	60.60	**-**	**-**	**60.60**	**57.11**	**0.35**	**-**	**57.47**	**3.14**	**3.49**

As at 31-03-2025
Note 11A: Property, Plant and Equipment

Particulars	Gross Cost				Depreciation				Net block	
	As on 01.04.2024	Additions	Deletions/ Adjust-ments	Total as on 31.03.2025	Up to 01.04.2024	For the year	On deletions	Total upto 31.03.2025	Balance as at 31.03.2025	Balance as at 31.03.2024
Building	586.68		-	586.68	101.92	9.29	-	111.21	475.47	484.76
Furniture	143.12		-	143.12	130.27	1.01	-	131.28	11.84	12.85
Data Processing Equipment	24.57	2.62	-	27.19	21.96	0.98	-	22.94	4.25	2.61
Office Equipment	15.78		-	15.78	15.22	-	-	15.22	0.57	0.57
Vehicles	20.87		-	20.87	19.67	0.06	-	19.73	1.14	1.20
Library	0.23		-	0.23	0.23	-	-	0.23	-	-
Total	**791.25**	**2.62**	**-**	**793.87**	**289.27**	**11.34**	**-**	**300.61**	**493.26**	**501.99**

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

Note 11A: Intangible Assets

(Rs. in Lakhs)

Particulars	Gross Cost				Amoritisation				Net block	
	As on 01.04.2024	Additions	Deletions/ Adjust-ments	Total as on 31.03.2025	Up to 01.04.2024	For the year	On deletions	Total upto 31.03.2025	Balance as at 31.03.2025	Balance as at 31.03.2024
Softwares	60.60	-		60.60	56.54	0.57	-	57.11	3.49	4.06
	60.60	**-**	**-**	**60.60**	**56.54**	**0.57**	**-**	**57.11**	**3.49**	**4.06**

As at 01-04-2024

Note 11A: Property, Plant and Equipment

Particulars	Gross Cost				Depreciation				Net block	
	As on 01.04.2023	Additions	Deletions/ Adjust-ments	Total as on 31.03.2024	Up to 01.04.2023	For the year	On deletions	Total upto 31.03.2024	Balance as at 01.04.2024	Balance as at 31.03.2023
Building	586.68		-	586.68	92.63	9.29	-	101.92	484.76	494.05
Furniture	137.11	6.01	-	143.12	122.70	7.57	-	130.27	12.85	14.41
Data Processing Equipment	23.65	0.92	-	24.57	19.66	2.30	-	21.96	2.61	3.99
Office Equipment	15.78		-	15.78	15.22	-	-	15.22	0.57	0.57
Vehicles	20.87		-	20.87	19.61	0.06	-	19.67	1.20	1.26
Library	0.23		-	0.23	0.23	-	-	0.23	-	-
Total	**784.32**	**6.93**	**-**	**791.25**	**270.05**	**19.22**	**-**	**289.27**	**501.98**	**514.28**

Note 11A: Intangible Assets

Particulars	Gross Cost				Amoritisation				Net block	
	As on 01.04.2023	Additions	Deletions/ Adjust-ments	Total as on 31.03.2024	Up to 01.04.2023	For the year	On deletions	Total upto 31.03.2024	Balance as at 31.03.2024	Balance as at 31.03.2023
Softwares	59.69	0.91		60.60	55.42	1.12	-	56.54	4.06	4.27
	59.69	**0.91**	**-**	**60.60**	**55.42**	**1.12**	**-**	**56.54**	**4.06**	**4.27**

Note 11A

(a) No proceedings have been initiated or pending against the holding company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended from time to time) and the rules made thereunder.

(b) Holding Company has not revalued its Property, plant & equipment (including Right of Use assets) and intangible assets during the year under report and the immediately preceeding previous year.

(c) Title deeds of all the immovable properties are held in the name of the holding company.

(d) Immovable Property has been Mortgaged with Union Bank of India to secure overdraft facility availied by the holding Company.

(e) Charge Created on all present and future movable properties with respect to Non convertible Debentures issued to NEO Income Plus fund, Neo Market services and Neo Prime Fund, which are not unencumbered.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

Note 12: Other Non-Financial Assets

(Rs. in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025	As at 01 April 2024
Unsecured,Considered Good			
Prepaid Expenses	2.94	11.06	11.45
Advance for expenses	4.00	30.15	1.00
Balance with government authorities	4.37	12.07	-
Advance paid to capital suppliers	2.71	-	-
Net Defined Benefit Asset of Compensated Absences	13.40	-	2.21
Total	**27.42**	**53.28**	**14.65**

Note 13: Trade payables

(Rs. in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025	As at 01 April 2024
Total Outstanding dues of:			
Micro enterprises and small enterprises	-	-	-
Creditors other than micro enterprises and small enterprises	65.01	56.93	54.26
Total	**65.01**	**56.93**	**54.26**

Note 13A: Dues to Small and Medium Enterprises: (Refer note below)

(Rs. in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025	As at 01 April 2024
(a) the principal amount remaining unpaid to any supplier as at the end of each accounting year	-	-	-
(b) the interest due on above principal amount remaining unpaid to any supplier as at the end of each accounting year	-	-	-
(c) the amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-	-
(d) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006)	-	-	-
(e) The amount of interest accrued and remaining unpaid at the end of accounting year; and	-	-	-
(f) The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act 2006.	-	-	-

Note: The Group has compiled this information based on the confirmations and declarations received from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act)

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

Note 13B: Ageing Schedules of Trade payables

(Rs.in Lakhs)

As at 31 March, 2026	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(a) Undisputed Dues					
i) Micro and small enterprises	-	-	-	-	-
ii) Other than Micro and small enterprises	65.01	-	-	-	65.01
(b) Disputed Dues					
i) Micro and small enterprises	-	-	-	-	-
ii) Other than Micro and small enterprises	-	-	-	-	-
Trade Payables	**65.01**	**-**	**-**	**-**	**65.01**

As at 31 March, 2025	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(a) Undisputed Dues					
i) Micro and small enterprises	-	-	-	-	-
ii) Other than Micro and small enterprises	56.93	-	-	-	56.93
(b) Disputed Dues					
i) Micro and small enterprises	-	-	-	-	-
ii) Other than Micro and small enterprises	-	-	-	-	-
Trade Payables	**56.93**	**-**	**-**	**-**	**56.93**

As at 01 April, 2024	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(a) Undisputed Dues					
i) Micro and small enterprises	-	-	-	-	-
ii) Other than Micro and small enterprises	54.26	-	-	-	54.26
(b) Disputed Dues					
i) Micro and small enterprises	-	-	-	-	-
ii) Other than Micro and small enterprises	-	-	-	-	-
Trade Payables	**54.26**	**-**	**-**	**-**	**54.26**

Note 14: Debt Securities

(Rs.in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025	As at 01 April 2024
Secured			
Non-convertible debentures			
At Amortised Cost			
468 units (2025: 1045 Units) (2024: 780 Units) of INR 5 lakhs each Black Soil Capital Pvt Ltd	2,340.06	5,204.32	3,900.00
25 units (2025: 255 Units) (2024: 400 Units) of INR 5 lakhs each Black Soil Credit Fund	125.00	1,275.00	2,000.00
713 units (2025:300) (2024: Nil) of INR 5 lakhs each Black Soil Credit Fund-II	3,540.46	1,486.57	-

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

(Rs.in Lakhs)

1835 units (2025:Nil) (2024: Nil) of INR 5 lakhs each NEO Income Plus Fund	9,069.55	-	-
240 units (2025:Nil) (2024: Nil) of INR 5 lakhs each NEO Markets Services PvtLtd	1,183.39	-	-
400 units (2025:Nil) (2024: Nil) of INR 5 lakhs each NEO Prime Fund	1,972.31	-	-
Add: Interest accrued thereon	78.12	118.34	62.70
Designated at Fair Value Through profit or loss			
360 units (2025: 360 Units) (2024: Nil) of INR 1 lakh each SK Fincap Advisory Pvt Ltd	360.00	360.00	-
240 units (2025: 240 Units) (2024: Nil) of INR 1 lakh each Touchstone Trust-Scheme-I	240.00	240.00	-
Nil units (2025: Nil) (2024: 95275 Units) of INR 10,000 each Options Exim Pvt Ltd	-	-	9,527.50
Nil units (2025: Nil) (2024: 16425 Units) of INR 10,000 each United Port Services Pvt Ltd	-	-	1,642.50
Add: Interest accrued thereon	2.40	2.55	0.06
Total	**18,911.28**	**8,686.78**	**17,132.76**

Note 14A:

Disclosure on Repayment schedule of the above Non-Convertible Debentures (NCDs) As on 31 March 2026

(Rs. in Lakhs)

Sl.No.	Name of the investor	Date of allotment	NCDs issued	NCD's Outstanding as on 31 March 2026	Value of SR's Pledged/ Hypoth-ecated	Total no. of install-ments	Install-ment amount due during FY 2026-27
1)	Blacksoil Capital Pvt Ltd.	30.11.2023	NCDs for Rs.2250 lakhs issued @ coupon rate 16.00% p.a, Face Value :Rs.5 lakhs each	375.00		6	375.00
2)	Blacksoil Capital Pvt Ltd.	31.10.2024	NCDs for Rs.2000 lakhs issued @ coupon rate 15.50% p.a, Face Value :Rs.5 lakhs each	1,800.00		7	1,333.33
3)	Blacksoil Capital Pvt Ltd.	27.03.2025	NCDs for Rs.500 lakhs issued @ coupon rate 15.50% p.a, Face Value :Rs.5 lakhs each	166.67		6	166.67
4)	Black soil India Credit Fund I.	30.11.2023	NCDs for Rs.750 lakhs issued @ coupon rate 16.00% p.a, Face Value :Rs.5 lakhs each	125.00	13,033.36	6	125.00
5)	Black soil India Credit Fund II.	31.10.2024	NCDs for Rs. 1000 lakhs issued @ coupon rate 15.50% p.a, Face Value :Rs.5 lakhs each	900.00		7	666.67
6)	Black soil India Credit Fund II.	31.10.2024	NCDs for Rs.500 lakhs issued @ coupon rate 15.50% p.a, Face Value :Rs.5 lakhs each	166.67		6	166.67

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

(Rs. in Lakhs)

Sl.No.	Name of the investor	Date of allotment	NCDs issued	NCD's Outstanding as on 31 March 2026	Value of SR's Pledged/ Hypoth-ecated	Total no. of install-ments	Install-ment amount due during FY 2026-27
7)	Black soil India Credit Fund II.	30.12.2025	NCDs for Rs.2500 lakhs issued @ coupon rate 14.10% p.a, FaceValue :Rs.5 lakhs each	2.500.00		7	1,428.57
8)	NEO Income Plus Fund.	30.07.2025	NCDs for Rs.2500 lakhs issued @ coupon rate 14.33% p.a, Face Value :Rs.5 lakhs each	2,437.50		6	437.50
9)	NEO Income Plus Fund.	28.08.2025	NCDs for Rs.2500 lakhs issued @ coupon rate 14.33% p.a, Face Value :Rs.5 lakhs each	2,437.50		6	437.50
10)	NEO Income Plus Fund.	26.12.2025	NCDs for Rs.4300 lakhs issued @ coupon rate 14.33% p.a, Face Value :Rs.5 lakhs each	4,300.00	33,635.71	9	1,720.00
11)	NEO Market Services Pvt.Ltd.	26.12.2025	NCDs for Rs. 1200 lakhs issued @ coupon rate 14.33% p.a, Face Value :Rs.5 lakhs each	1,200.00		9	480.00
12)	NEO Prime Fund	26.12.2025	NCDs for Rs.2000 lakhs issued @ coupon rate 14.33% p.a, Face Value :Rs.5 lakhs each	2,000.00		9	800,00
13)	Touchstone Trust Scheme 1*	27.08.2024	NCDs for Rs.600 lakhs issued @ coupon rate 5% p.a, Face value: Rs.1,00,000/- each	240.00	-	-	-
14)	SK Fincap Advisors Pvt Ltd*	14.11.2024	NCDs for Rs.360 lakhs issued @ coupon rate 5% p.a, Face value: Rs.1,00,000/- each	360.00	-	-	-

i. * NCDs for Rs.600 lakhs are repayable out of the proceeds of redemption of Security Receipts in PARAS 153 Trust and secured by hypothecation of cash flows from the same Trust.

ii. SRs of value Rs.13,038.88 Lakhs (NAV as per Rating agency-Rs.13,033.36 lakhs) are common security for NCDs of Rs.2,341.67 lakhs issued to Blacksoil Capital Pvt Ltd. and NCDs of Rs.3,691.66 lakhs issued to Blacksoil India Credit Fund and further secured by the personal guarantee of Sri. M. Siva Rama Vara Prasad, promoter director.

iii. SRs of value Rs.33,901.20 (NAV as per Rating agency -Rs.33,635.71) are common security Hypothecated to NEO Income Plus fund, Neo Maket Services and Neo Prime Fund and further secured by all present and future movable assets of the Holding Company including Holding company's (a) current assets, (b) equipment, appliances, furniture, fixtures, vehicles, tools and accessories, (c) all other assets and receivables of every kind, nature, and description, of the Holding Company; excluding security receipts and other receivables from trusts that are already specifically charged to existing lenders as of the date of NCDs and Personal Guarantees of promoters Sri. M. Siva Rama Vara Prasad, Smt. M. Rajyalakshmi and Sri. M. Rohit Prasad.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

As on 31 March 2025

(Rs. in Lakhs)

Sl.No.	Name of the investor	Date of allotment	NCDs issued	NCD's Outstanding as on 31 March 2025	Value of SR's Pledged/ Hypoth-ecated	Total no. of install-ments	Install-ment amount due during FY 2026-27
1)	Blacksoil Capital Pvt Ltd.	31.05.2025	NCDs for Rs.1500 lakhs issued @ coupon rate 16.50% p.a. Face value: Rs.5 lakhs each	600.00		7	600.00
2)	Blacksoil India Credit Fund.	31.05.2022	NCDs for Rs. 1000 lakhs issued @ coupon rate 16.50% p.a. Face value: Rs.5 lakhs each	400.00		7	400.00
3)	Blacksoil Capital Pvt Ltd.	Rs 500 lakhs on 29.09.2022 Rs 2250 lakhs on 04.12.2023	NCDs for Rs.2750 lakhs issued @ coupon rate 16.00% p.a. Face value: Rs.5 lakhs each	2.125.00		6	1,750.00
4)	Blacksoil India Credit Fund.	Rs 500 lakhs on 29.09.2022 Rs 750 lakhs on 04.12.2023	NCDs for Rs. 1250 lakhs issued @ coupon rate 16.00% p.a. Face value: Rs.5 lakhs each	875.00	15,879.91	6	750.00
5)	Blacksoil Capital Pvt Ltd.	Rs 2000 Lakhs on 31.10.2024 Rs 500 Lakhs on 27.03.2025	NCDs for Rs.2500 lakhs issued @ coupon rate 15.50% p.a. Face value: Rs.5 lakhs each	2.500.00		7	533.32
6)	Blacksoil India Credit Fund II.	Rs 1000 Lakhs on 31.10.2024 Rs 500 Lakhs on 27.03.2025	NCDs for Rs. 1500 lakhs issued @ coupon rate 15.50% p.a. Face value: Rs.5 lakhs each	1,500.00		7	433.32
7)	Touchstone Trust Scheme 1*	27.08.2024	NCDs for Rs.600 lakhs issued @ coupon rate 5% p.a. Face value: Rs.1,00,000/- each	240.00	-	-	-
8)	SK Fincap Advisors Pvt Ltd*	14.11.2024	NCDs for Rs.360 lakhs issued @ coupon rate 5% p.a. Face value: Rs.1,00,000/- each	360.00	-	-	-

i. * NCDs for Rs.600 lakhs are repayable out of the proceeds of redemption of Security Receipts in PARAS 153 Trust and secured by hypothecation of cash flows from the same Trust.

ii. SRs of value Rs.15,879.91 lakhs are common security for NCDs of Rs.5,225 lakhs issued to Blacksoil Capital Pvt Ltd. and NCDs of Rs. 2,775 lakhs issued to Blacksoil India Credit Fund and further secured by the personal guarantee of Sri. M.Siva Rama Vara Prasad, Promoter Director.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

As on 01 April, 2024

(Rs. in Lakhs)

Sl.No.	Name of the investor	Date of allotment	NCDs issued	NCD's Outstanding as on 31 March 2026	Value of SR's Pledged/ Hypoth-ecated	Total no. of install-ments	Install-ment amount due during FY 2026-27
1)	Blacksoil Capital Pvt Ltd.	31.05.2022	NCDs for Rs.1500 lakhs issued @ coupon rate 16.50% p.a. Face value: Rs.5 lakhs cach	1,200.00		7	600.00
2)	Blacksoil India Credit Fund.	31.05.2022	NCDs for Rs. 1000 lakhs issued @ coupon rate 16.50% p.a. Face value: Rs.5 lakhs each	800.00		7	400.00
3)	Blacksoil Capital Pvt Ltd.	Rs 500 lakhs on 29.09.2022 Rs 2250 lakhs on 04.12.2023	NCDs for Rs.2750 lakhs issued @ coupon rate 16.00% p.a. Face value: Rs.5 lakhs each	2,700.00	10,257.61	6	575.00
4)	Blacksoil India Credit Fund.	Rs 500 lakhs on 29.09.2022 Rs 750 lakhs on 04.12.2023	NCDs for Rs. 1250 lakhs issued @ coupon rate 16.00% p.a. Face value: Rs.5 lakhs each	1,200.00		6	325.00
5)	Options Exim Pvt Ltd.**	09.1.2024	NCDs for Rs.9527.50 lakhs issued @coupon rate 0.01% p.a. Face value: Rs. 10,000/- each	9,527.50	9,527.50	-	9,527.50
6)	United Port Services Pvt Ltd.**	09.01.2024	NCDs for Rs. 1642.50 lakhs issued @ coupon rate 0.01% p.a. Face value: Rs. 10,000/- each	1,642.50	1,642.50	-	1,642.50

i. ** NCDs for Rs.11,170.00 lakhs are repayable out of the proceeds of redemption of Security Receipts pledged to the investors.

ii. SRs of value Rs.10,257.61 lakhs are common security for NCDs of Rs.3,900.00 lakhs issued to Blacksoil Capital Pvt Ltd. and NCDs of Rs. 2,000.00 lakhs issued to Blacksoil India Credit Fund and further secured by the personal guarantee of Sri. M.Siva Rama Vara Prasad,Promoter Director.

Note 15: Borrowings (other than debt securities)

(Rs. in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025	As at 01 April 2024
Secured			
Bank Overdraft facility from Union Bank of India	1,955.58	4,761.37	2,989.34
Total	**1,955.58**	**4,761.37**	**2,989.34**

Note 15A:

a) Overdraft is secured by way of pledge of Security Receipts to the extent of 150% of the overdraft amount and hypothecation of present and future Financial Assets. Further secured by cash collateral of 5% of the limit, mortgage of company's Registered Office premises and personal guarantee of Sri. M. Siva Rama Vara Prasad, Promoter Director. Rate of interest is 1year MCLR (presently 8.60%) + 2.75 % p.a. = 11.35% p.a. Over Draft limit is Rs.50.00 Crores, renewable every year.

b) Quarterly statements submitted to bank for availing Overdraft facility are in agreement with books of account.

c) All the borrowings are in India only.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

Note 16: Others Financial Liabilities

(Rs. in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025	As at 01 April 2024
Money Received on sale of assets*	2,745.95	1,222.24	2,080.84
Other amounts Payable to NCD investors	1,051.42	1,048.01	-
Total	**3,797.37**	**2,270.25**	**2,080.84**

* Money Received on sale of assets represents the amounts received towards proposed sale of assets/ properties in the business. Since said transactions are under dispute and cases are pending adjudication before Hon'ble National Company Law Tribunal and other forums, such amounts have not been treated as realised recoveries/sale proceeds as at the reporting date. Said amounts have been classified as other financial liabilities since they arose from contracts for transfer of financial assets and balances will be settled through completion of transfer of the underlying assets or otherwise in accordance with the outcome of the pending proceedings.

Note 17: Current Tax Liabilities (Net)

(Rs. in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025	As at 01 April 2024
Provision for Income Tax (Net)	1.81	513.50	210.46
Total	**1.81**	**513.50**	**210.46**

Note 18: Provisions

(Rs. in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025	As at 01 April 2024
Provision for employee benefits:(Refer Note No-29)			
Gratuity	15.34	16.27	22.90
Compensated Absences	-	10.24	-
Total	**15.34**	**26.51**	**22.90**

Note 19: Other -Non-Financial liabilities

(Rs. in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025	As at 01 April 2024
Statutory dues payable	253.05	501.76	134.10
Total	**253.05**	**501.76**	**134.10**

Note 20: Equity Share Capital

(Rs. in Lakhs)

Particulars	As at 31 March 2026		As at 31 March 2025		As at 01 April 2024	
	Number	Rs.	Number	Rs.	Number	Rs.
Authorised						
Equity Shares of Rs.100 each	2,00,00,000	20,000.00	1,75,00,000	17,500.00	2,00,00,000	20,000.00
Preference Shares of Rs.100 each	-	-	25,00,000	2,500.00		
	2,00,00,000	**20,000**	**2,00,00,000**	**20,000**	**2,00,00,000**	**20,000**
Issued						
Equity Shares of Rs.100 each	**1,20,58,824**	**12,058.82**	**1,20,58,824**	**12,058.82**	**1,00,00,000**	**10,000.00**
Subscribed & Paid up						
Equity Shares of Rs.100 each fully paid	1,20,58,824	12,058.82	1,20,58,824	12,058.82	1,00,00,000	10,000.00
Total	**1,20,58,824**	**12,058.82**	**1,20,58,824**	**12,058.82**	**1,00,00,000**	**10,000.00**

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

Note 20A:

i) Note 20A:i)During the current year, Authorised preference share capital of 25,00,000 shares of Rs.100 each was reclassified into 25,00,000 Equity shares of Rs.100 each,pursuant to shareholders' resolution at the Extra-Ordinary General Meeting held on 09th March 2026, consquently the Authorised Equity share Capital was increased to Rs.20,000 Lakhs (2,00,00,000 Equity Shares of Rs 100/-each).

ii) During the Financial year 2024-25 the Authorised Share Capital of the Holding Company of Rs.20,000 Lakhs (2,00,00,000 equity shares @ Rs.100/- each) was reclassified as Rs.17,500 Lakhs equity share capital (1,75,00,000 shares @Rs.100/- each) and Rs.2,500 lakh preference share capital (25,00,000 shares @Rs.100/- each), with the approval of the Members in the Annual General Meeting held on 27th September, 2024.

iii) As the Holding Company has not issued preference share and reclassified to equity, disclosure of information as required under Schedule III to the Companies Act,2013 is not provided

iv) During the Financial year 2024-25 the holding company allotted 20,58,824 equity shares of face value Rs.100/- each with a premium of Rs.70/- per share on preferential allotment basis to few existing Shareholders.

Rights, preferences and restrictions attached to equity shares including declaration of dividend
The holding Company has only one class of equity shares having par value of Rs.100/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Holding Company, the holders of equity shares will be entitled to receive the remaining assets of the Holding Company in proportion to the number of equity shares held by the shareholders, after satisfaction of all creditors.

Note 20B: Movement in Share Capital

(Rs. in Lakhs)

Particulars	As at 31 March 2026		As at 31 March 2025		As at 01 April 2024	
	Number	Rs.	Number	Rs.	Number	Rs.
Equity shares at the beginning of the year	1,20,58,824	12,058.82	1,00,00,000	10,000.00	1,00,00,000	10,000.00
Add: Shares allotted during the year	-	-	20,58,824	2,058.82	-	-
Equity Shares at the end of the year	**1,20,58,824**	**12,058.82**	**1,20,58,824**	**12,058.82**	**1,00,00,000**	**10,000.00**

Note 20C: Equity shares in the Group held by each shareholder holding more than 5 percent shares specifying the number of shares held

(Rs. in Lakhs)

Name of the Share holder	As at 31 March 2026		As at 31 March 2025		As at 01 April 2024	
	No. of Shares	% of share holding	No. of Shares	% of share holding	No. of Shares	% of share holding
Smt.M.Rajya lakshmi	42,90,101	35.58	42,90,101	35.58	42,90,101	42.90
Sri.M.Siva Rama Vara Prasad	21,01,518	17.43	21,01,518	17.43	11,89,753	11.90
Punjab National Bank	9,99,000	8.28	9,99,000	8.28	9,99,000	9.99
Sri. M.Rohit Prasad	6,00,000	4.98	6,00,000	4.98	6,00,000	6.00
Sri. Mukesh Kumar Manubhai Patel	-	-	6,47,818	5.37	6,47,818	6.48
Smt. Minaxiben Mukeshkumar Manubhai Patel	6,47,818	5.37	-	-	-	-
Sri. Bimal Bhai Manubhai Patel	5,23,909	4.34	5,23,909	4.34	5,23,909	5.24
M J Patel Family Private Trust	12,70,968	10.54	12,70,968	10.54	-	-

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

Note 20D: Equity shares in the Group held by each promoter and their percentage of share holding

Shares held by promoters as at 31 March 2026

(Rs. in Lakhs)

Promoter Name	As at 31 March 2026			As at 31 March 2025		
	No. of Equity Shares	% of share holding	% change in share holding during the year	No. of Equity Shares	% of share holding	% change in share holding during the year
Smt. M. Rajya Lakshmi	42,90,101	35.58	-	42,90,101	35.58	(7.32)
Sri. Motaparti Siva Rama Vara Prasad	21,01,518	17.43	-	21,01,518	17.43	5.54
Sri. Mukesh Kumar Manubhai Patel	-	-	-	6,47,818	5.37	(1.11)
Sri. M.Rohit Prasad	-	-	-	6,00,000	4.98	(1.02)
Sri. Bimal Manubhai Patel	5,23,909	4.34	-	5,23,909	4.34	(0.89)
M/s. Design Tribe India Pvt. Ltd	-	-	-	1,50,000	1.24	(0.26)
M J Patel Family Private Trust	12,70,968	10.54	-	12,70,968	10.54	9.30

Shares held by promoters as at 31 March 2025

(Rs. in Lakhs)

Promoter Name	As at 31 March 2025			As at 01 April 2024		
	No. of Equity Shares	% of share holding	% change in share holding during the year	No. of Equity Shares	% of share holding	% change in share holding during the year
Smt. M. Rajya Lakshmi	42,90,101	35.58	(7.32)	42,90,101	42.90	-
Sri. Motaparti Siva Rama Vara Prasad	21,01,518	17.43	5.53	11,89,753	11.90	-
Sri. Mukesh Kumar Manubhai Patel	6,47,818	5.37	(1.11)	6,47,818	6.48	1.24
Sri. M.Rohit Prasad	6,00,000	4.98	(1.02)	6,00,000	6.00	-
Sri. Bimal Manubhai Patel	5,23,909	4.34	(0.90)	5,23,909	5.24	-
M/s. Design Tribe India Pvt. Ltd	1,50,000	1.24	(0.26)	1,50,000	1.50	-
M J Patel Family Private Trust	12,70,968	10.54	9.30	1,23,909	1.24	1.24
Smt. Sushilaben Patel	-	-	-	-	-	(1.24)
Smt. Mina H Patel	-	-	-	-	-	(1.24)

Note 20E: In Extra-ordinary General meeting held on 09 March 2026, the Holding Company has sub-divided each equity share of face value of Rs.100 each into 10 equity shares of face value Rs.10 each pursuant to the approval of the shareholders. Record date for the sub-division was fixed as 01 April, 2026. The sub-division has not resulted in any change in the aggregate paid-up share capital of Holding Company; however, the authorised, issued, subscribed and paid-up number of shares has been increased proportionately with no change in the aggregate share capital.

Note 20F: List of Promoters as on 31.03.2026 is as approved by the Board in its meeting held on 17.06.2026.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

Note 21: Other Equity

(Rs. in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025	As at 01 April 2024
i) Share application money pending allotment	-	-	3,500.00
ii) Debenture Redemption Reserve	1,901.00	860.00	590.00
iii) Securities Premium	1,441.18	1,441.18	-
iv) General Reserve	19,000.00	10,000.00	6,000.00
v) Retained Earnings	1,650.96	3,215.24	894.99
v) Other Comprehensive Income	6.21	0.51	-
	23,999.35	**15,516.93**	**10,984.99**

Note 21A: Other Equity Movement

(Rs. in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025	As at 01 April 2024
i) Share application money pending allotment			
Opening balance	**-**	3,500	**-**
Additions during the year	**-**	-	3,500
Issue of Share Capital	**-**	(2,058.82)	-
Transfer to Securities Premium	**-**	(1,441.18)	-
Closing Balance	**-**	**-**	**3,500**
ii) Debenture Redemption Reserve			
Opening balance	860.00	590.00	350.00
Transfer from retained earnings	1,041.00	270.00	240.00
Closing Balance	**1,901.00**	**860.00**	**590.00**
iii) Securities Premium			
Opening balance	1,441.18	-	-
On account of issue of equity shares	-	1,441.18	-
Closing Balance	**1,441.18**	**1,441.18**	**-**
iv) General Reserve			
Opening balance	10,000.00	6,000.00	2,000.00
Transfer from retained earnings	9,000.00	4,000.00	4,000.00
Closing Balance	**19,000.00**	**10,000.00**	**6,000.00**
v) Retained Earnings			
Opening balance	3,215.24	894.99	1,429.55
Profit for the year	8,476.72	6,590.25	4,152.74
Transfer to General Reserve	(9,000.00)	(4,000.00)	(4,000.00)
Transfer to Debenture Redemption Reserve	(1,041.00)	(270.00)	(240.00)
First time adoption of IND AS	-	-	(447.30)
Closing Balance	**1,650.96**	**3,215.24**	**894.99**
vi) Other Comprehensive Income			
Opening balance	0.51	-	-
Additions during the year	5.70	0.51	-
Closing Balance	**6.21**	**0.51**	**-**
Total	**23,999.35**	**15,516.93**	**10,984.99**

Note 21B: Nature and purpose of other equity

i) **Securities premium:** It is the additional amount which the shareholders have paid more than the face value of issued shares. The securities premium is to be utilised as per the provisions of Companies Act, 2013.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

ii) Retained earnings: Retained earnings generally represents the undistributed profit/ amount of accumulated earnings of the Group

iii) Debenture Redemption Reserve: The Companies Act 2013 requires companies that issue debentures to create a debenture redemption reserve from annual profits until such debentures are redeemed. The Holding Company is required to transfer a specified percentage (as provided in the Companies Act, 2013) of the outstanding redeemable debentures to debenture redemption reserve. Amounts credited to the debenture redemption reserve should not be utilised except to redeem debentures. On redemption of debentures, the amount may be transferred from debenture redemption reserve to retained earnings.

iv) General reserve: The general reserve is created by a transfer from one component of equity to another and is not an item of Other Comprehensive Income, it can be utilised from time to time as per the provisions of companies Act, 2013 .

v) Other Comprehensive Income: This represents the actuarial gains and losses along with tax effects arising on defined benefit obligations and this will not be reclassified subsequently to profit or loss.

vi) Share application money pending allotment: This represents the amounts received from shareholders towards subscription of Equity shares and which are pending for allotment as at the balance sheet date. The amount will be transferred to Share Capital upon allotment of Equity shares.

Note 22: Interest Income

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
On financial assets measured at Amortised cost		
Interest earned on advances given to Trusts	177.08	198.60
Total	**177.08**	**198.60**

Note 23: Fees and Incentives Income

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Service transferred over time		
Management Fees	11,304.66	9,374.32
Incentives	1,609.06	728.76
Income from recovery in written off accounts	348.68	151.80
Advisory & consultancy/up front fee	223.84	255.00
Total	**13,486.24**	**10,509.88**

Note 23A: Revenue disaggregation by geography

The company earns its revenue only from India

Note 24: Gain on redemption of Security Receipts

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Service transferred at a point in time		
Gain on Redemption of Security Receipts (realised)	1,825.15	82,358.20
Less: Gain Transferred to NCD Investors	-	(82,154.29)
Net Gain on redemption of Security Receipts	1,825.15	203.91
Total	**1,825.15**	**203.91**

Note 24A: During the year ended March 31, 2025, the Company realised a gain of Rs 82,358.20 lakhs on redemption of Security Receipts. In accordance with the terms of the Non-Convertible Debentures, an amount of Rs 82,154.29 lakhs out of the gain was transferred to the NCD investors.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

Note 25: Net Gain/(loss) on Fair Value changes

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Net gain/(loss) on restatement of financial instruments measure at FVTPL-on Security receipts, Financial Assets		
-Fair Value Gain/(loss) (unrealised)	(590.47)	168.93
Net Gain/(loss) on Fair Value changes	**(590.47)**	**168.93**

Note 26: Other Income

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest earned on Fixed Deposits with Banks	42.25	64.01
Interest on Income Tax Refund	3.18	-
Gain on redemption of Mutual Funds	-	32.25
Profit froms Sale of investment property	-	109.89
Miscelleneous Income	78.28	11.32
Total	**123.71**	**217.47**

Note 27: Finance Costs

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest expense on Non Convertible Debentures	1,808.86	1,077.50
Interest expense on inter- corporate loan	46.22	-
Interest expense on Secured Over Draft	211.30	135.22
Bank charges	23.74	32.28
Total	**2,090.12**	**1,245.00**

Note 27A: Interest expenses on Non-Convertible Debentures

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest on NCD's		
On Financial liabilities designated at fair value through profit or loss	33.41	18.06
On Financial liabilities measured at Amortised Cost	1,775.45	1,059.44
Total	**1,808.86**	**1,077.50**

Note 28: Impairment on Financial Instruments

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Allowance for Expected Credit Loss (On financial Instruments measured at amortised cost)		
on Trade Recoverables	13.29	81.56
on Amount recoverable from trusts	85.47	22.77
Total	**98.76**	**104.33**

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

Note 29: Employee Benefit Expenses

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries and wages	226.54	198.56
Remuneration to Directors	37.13	39.06
Contribution to gratuity & leave encashment fund	13.90	22.62
Staff welfare	7.97	4.37
Total	**285.54**	**264.61**

Note 29A: Employee benefit plans:

The disclosures of Employee Benefits as per Indian Accounting Standard 19 "Employees' Benefits" are given hereunder:

Defined Benefit Plans:

General Description of the Post Employment defined Benefit Plans:

Gratuity:

The holding company provides for gratuity to the employees as per Payment of Gratuity Act,1972. Employees who are in continuous service for a period of 5 years for regular employees & 1 year for fixed term employees are eligible for gratuity. The amount of gratuity is payable on retirement/resignation. The gratuity plan is an Unfunded plan and the holding company provides liability in the books of account based on actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method.

Long-term employee Benefits -Compensated Absences:

The Holding Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur. Encashment of accumulated earned leave, subject to maximum permissible limits as per the terms of appointment, will be paid to the employee on separation.

Risks associated with defined benefit plan:

Interest rate risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of employees. As such, an increase in the salary of employees more than assumed level will increase the plan's liability.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting year on government bonds. If the return on plan asset is below this rate, it will create a plan deficit.

Longevity risks: Longevity risks arises when the quantum of benefits payable under the plan is based on how long the employee lives post cessation of service with the company. The gratuity plan provides the benefit in a lump sum form and since the benefit is not payable as an annuity for the rest of the lives of the employees, there is no longevity risks.

Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

Note 29B: Statement showing Reconciliation of opening and closing balances of Defined Benefit obligations, Plan assets:

Gratuity

(Rs. in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025	As at 01 April 2024
A) Change in Fair value of the defined benefit obligation:			
Liability at the beginning of the year	70.95	62.89	54.24
Interest Cost	4.58	4.26	3.54
Current Service Cost	7.67	7.98	7.64
Benefits paid	(1.73)	(5.30)	(10.00)
Actuarial loss / (gain) on obligation	(6.94)	1.12	7.47
Liability at the end of the year	**74.53**	**70.95**	**62.89**
B) Change in Fair value of plan asset			
Fair value of plan assets at the beginning of the year	54.68	39.99	32.49
Expected return on plan assets	3.58	2.07	2.52
Contributions made during the year	1.98	16.12	15.00
Benefits paid	(1.73)	(5.30)	(10.00)
Actuarial gain/(loss) on plan assets	0.68	1.80	(0.02)
Fair value of plan assets at the end of the year	**59.19**	**54.68**	**39.99**
(C) Net Defined Benefit obligation/(Asset) at year end (A-B)	**15.34**	**16.27**	**22.90**

Note 29C. Expenses recognized during the year in the Statement of Profit & Loss under employee benefit expenses

Gratuity

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest Cost	4.58	4.26
Current Service Cost	7.67	7.98
Expected return on plan assets	(3.58)	(2.07)
Expenses recognized in the statement of Profit & Loss	**8.67**	**10.17**

Note 29D: Amount to be recognized in statement of other comprehensive income

Gratuity

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Remeasurements of the net defined benefit liability/ (asset) Actuarial (gains) / losses Change in Demographic assumptions	(7.62)	(0.68)
	(7.62)	**(0.68)**

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

Note 29E: Significant estimates: Acturial assumptions

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2024
Discount Rate:			
Gratuity(Unfunded)	7.24%	6.53%	7.07%
Compensated absences(Unfunded)	7.24%	6.53%	7.07%
Salary Escalation Rate:			
Gratuity(Unfunded)	6.00%	6.00%	6.00%
Compensated absences(Unfunded)	6.00%	6.00%	6.00%
Employee Attrition Rate:			
Gratuity(Unfunded)	5.00%	5.00%	5.00%
Compensated absences(Unfunded)	5.00%	5.00%	5.00%
Mortality rate during employment:			
Gratuity(Unfunded)	100.00%	100.00%	100.00%
Compensated absences(Unfunded)	100.00%	100.00%	100.00%

Note 29F: Significant estimates : Sensitivity analysis

The sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognised within the Balance Sheet.

(Rs. in Lakhs)

Projected benefits obligation on current assumptions	Change of assumption (+increase/ -decrease)	As at 31 March 2026	As at 31 March 2025
Impact on present value of defined benefit obligation if			
: discount rate is	+1%	71.18	66.88
: discount rate is	-1%	81.27	75.74
: salary growth rate is	+1%	78.01	73.94
: salary growth rate is	-1%	73.35	68.13
: employees attrition rate is	+50%	80.17	71.67
: employees attrition rate is	-50%	77.84	70.17
: mortality rate is	+10%	79.29	71.10
: mortality rate is	-10%	78.83	70.80

Note 29G: Expected contribution to the defined benefit plan in future years (undiscounted)

Gratuity

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Expected outflow in 1 year	43.40	12.96
Expected outflow from 2 to 5 years	-	26.51
beyond 5 years	115.62	103.49

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

Compensated Absences

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Expected outflow in 1 year	4.16	5.61
Expected outflow from 2 to 5 years	-	-
beyond 5 years	-	-

Note: The above disclosures have been made based on the acturial valuation report obtained from independent actuary.

Note 29H: On November 21st 2025, Government of India notified four new Labour Codes. The Group has evaluated the potential impact of the new Labour Codes on its operations and financial statements and, based on the assessment carried out, is of the opinion that group has no impact on its financial statements. Holding Company continues to monitor developments relating to the implementation of the new Labour Codes and will review the impact on an ongoing basis.

Note 30: Depreciation and amortization expenses

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation of Property, plant and equipment	11.56	11.34
Amortization of intangible assets	0.35	0.57
Total	**11.91**	**11.91**

Note 31: Other Expenses

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Customer service expenditure	2.85	2.91
Electricity, water and house keeping	9.07	10.55
Rates and taxes, excluding taxes on income	63.27	25.36
Repairs and maintenance		
- Plant and machinery	19.33	19.11
- Office premises maintenance	10.73	10.73
Insurance	1.12	1.63
Security expenses	-	2.40
Travelling and conveyance	1.74	3.44
Communication costs	3.41	3.36
Legal and professional fee	220.97	44.23
Advisor and consultants fee	820.15	554.59
Director's sitting fee	45.56	51.99
Printing and stationery	3.05	4.14
Contributions under CSR scheme	88.66	57.19
Donations	-	25.00
Payment to Auditors		
Audit fee	5.12	5.04
Tax Audit fee	0.25	0.25
Certification fee & reimbursements	2.55	2.07
Miscellaneous expenses	56.07	35.27
Total	**1,353.90**	**859.26**

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

Note 32: In accordance with the guidelines issued by the Reserve Bank of India, Security Receipts issued by Trusts which are managed by the Holding Company as managing trustee are to be rated. M/s. India Ratings research Pvt Ltd, M/s. Infomerics Valuation and ratings Limited and M/s Brick work ratings India Pvt Ltd are engaged for credit rating of SRs of Trusts.

Note 33: The Company held investment property comprising building as at April 1, 2024. During the year ended March 31, 2025, the said investment property was disposed of. Accordingly, there is no investment property held by the Company as at March 31, 2025. The gain arising on disposal of the investment property has been recognised in the Statement of Profit and Loss.During the previous year the said property not generated rental income and there were no direct operating expenses or any other expenses attributable to it.

Note 34: Tax Expense

(A) Income tax expense recognized in statement of Profit & Loss

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Current Income tax	2,378.13	1,920.44
Adjustment of tax relating to earlier periods	(20.53)	7.63
Total income Tax Expenses	**2,357.60**	**1,928.07**

(B) Deferred Tax Expense/ (Income)

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Deferred tax (Income)/ Expense recognised in statement of profit & loss	401.00	300.49
Deferred tax (Income)/ Expense recognised in Other Comprehensive income	1.92	0.17
Total deferred Tax Expenses	**402.92**	**300.66**

(C) Reconciliation of Income tax expense for the year with accounting profit;

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit before tax	11,181.48	8,813.68
Income tax expense @ 25.168%	2,814.15	2,218.23
Add/(Less): Adjustment of taxes relating to earlier periods	(20.53)	7.63
Add/(Less) Effect of non-deductible expenses	22.31	20.69
Add/(Less) Effects of OCI, deferred tax adjustments, others	(55.42)	(17.94)
Tax expense as per the Statement of Profit and Loss	**2,760.52**	**2,228.60**

Note 35:CSR Expenses disclosures

Corporate Social Responsibility

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(a) Amount required to be spent during the year	88.66	57.19
(b) Amount of expenditure incurred:		
i) Construction / acquisition of assets	50.00	30.00
ii) Other than (i) above	38.66	27.19
(c) Short fall / (excess) at the end of the Year (Including previous year)	Nil	Nil
(d) Total of Previous year shortfall	Nil	Nil
(e) Reasons for Shortfall	Nil	Nil

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

(f) Nature of CSR activities	a. Medical services b. Vocational training and education c. Education to the poor tribal children d. Construction of crematorium e. Construction of Hostel building for students	a. Medical services b. Vocational training and education c. Education to the poor tribal children d. Construction of crematorium e. Upgradation of patients ward in a cancer hospital
(g) Details of related party transactions	Nil	Nil
(h) Where a provision is made with respect to a liability incurred by entering a contractual obligation, the movements in the provision during the year shown separately.	Nil	Nil

Note 36: Earning per equity share

Basic and diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Holding Company by the weighted average number of Equity shares outstanding during the year.

The following reflects the income and share data used in the basic and diluted EPS computations:

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
a) Profit attributable to equity holders of the Holding Company	8,476.72	6,590.25
b) Weighted average number of Equity shares considered for calculation of basic and diluted EPS	12,05,88,240	11,68,22,727
c) Earnings per share - Basic and diluted	7.03	5.64

Note 36A: Subsequent to the reporting date, the Holding Company subdivided each equity share of face value Rs.100 each into 10 equity shares of face value Rs.10 each, with 1 April 2026 being the record date. In accordance with Ind AS 33 – Earnings per Share, the Basic and Diluted Earnings Per Share for FY 2025-26 and FY 2024-25 have been retrospectively adjusted based on the post-split number of equity shares. The share capital disclosed as at 31 March 2026 continues to reflect the pre-split capital structure, as the subdivision became effective after the reporting date.

Note 37: Contingent Liabilities

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Claims against the group not acknowledged as debt Disputed demand under Income Tax Act, 1961 for alledged short deduction of tax deduction at source for AY 2023-24; Holding Company filed an appeal with Hon'ble Commissioner of Income Tax (Appeals)	4,116.97	-

Note 37A: Legal claims

There are no legal claims against the Group as on 31.03.2026 and as on 31.03.2025

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

Note 38: Financial Ratios

(Rs. in Lakhs)

Particulars	Numerator/ Denominator	For the year ended March 31, 2026	For the year ended March 31, 2025
Capital to Risk -Weighted Assets Ratio (CRAR)	Net Owned Funds / Risk Weighted Assets	52.80%	59.15%
Tier-I CRAR	Tier I Capital / Risk Weighted Assets	52.80%	59.15%
Tier-II CRAR *	Not Applicable	Not Applicable	Not Applicable
Liquidity Coverage Ratio *	Not Applicable	Not Applicable	Not Applicable

* not applicable considering the nature of group business.

Note 39: Other additional Regulatory information

a) The group has no transactions with struck off companies under section 248 of the Companies Act, 2013 or section 560 of Companies Act,1956.

b) No charges or satisfaction are yet to be registered with Registrar of Companies beyond the statutory period.

c) Provisions of clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017 are not applicable to the Group.

d) During the year there is no Scheme of Arrangements in terms of sections 230 to 237 of the Companies Act, 2013.

e) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other person(s) or entity(is), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Group (Ultimate Beneficiaries). "The Group has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provided any guarantee, security or the like on behalf of the Ultimate Beneficiaries."

f) The Group has not granted any Loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person that are repayable on demand or without specifying any terms or period of repayment.

g) There are no transactions that are not recorded in the books of account and have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

h) The Group has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

i) The Group does not have any Capital -Work in Progress or Intangible assets under development.

j) The Group has not been declared wilful defaulter by any bank or financial institution or government or any other government authority.

k) There are no subsequent events post balance sheet date, other than those disclosed in the Consolidated Financial Statements,that could have a material impact on the Consolidated financial statements as on March 31, 2026.

Note 40: The Holding Company establishes trusts for the acquisition and resolution of stressed financial assets in accordance with the provisions of the SARFAESI Act and applicable RBI guidelines. These trusts issue Security Receipts (SRs) representing beneficial interests in the underlying assets. The Holding Company acts as the asset manager/reconstruction manager for such trusts and earns management fees and other contractual remuneration in accordance with the respective trust deeds. The Holding Company has

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

evaluated its involvement with such trusts in accordance with the requirements of Ind AS 110 – Consolidated Financial Statements. In making this assessment, the Holding Company considers, inter alia, the scope of its decision-making authority, the rights held by Security Receipt holders and other parties, the contractual remuneration to which it is entitled, its exposure to variability of returns and whether it is acting as a principal or an agent. The Holding Company's remuneration, recovery incentives and distribution of recoveries are governed by the respective trust deeds and predetermined waterfall mechanisms. The Holding Company does not have the practical ability to direct the economic benefits of the trusts for its own benefit beyond the contractual rights available to it. Accordingly, the Holding Company has concluded that it acts as an agent for the Security Receipt holders and does not control the trusts for the purpose of Ind AS 110 except those trusts which are consolidated. Investments in Security Receipts and other interests held by the Holding Company in such trusts are accounted for in accordance with the applicable requirements of Ind AS 109.

Note 41: Recent accounting pronouncements

MCA notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates in May 2025, applicable w.e.f. April 1, 2025. The Group has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its Consolidated financial statements.

In August 2025, MCA notified the following amendments to:

1. Ind AS 1, Presentation of Financial Statements, applicable w.e.f. April 1, 2025 – The amendments relate to classification of liabilities as current or non-current and non-current liabilities with covenants. The amendments clarify that the right to defer settlement of a liability for at least twelve months after the reporting period must exist at the reporting date and must have substance. The amendments also provide guidance on classification of liabilities subject to covenants required to be complied with after the reporting date. The Group does not expect these amendments to have any material impact on classification of its current and non-current liabilities. Certain consequential amendments relating to covenant breaches and lender waivers are applicable for annual reporting periods beginning on or after April 1, 2026.
2. Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments: Disclosures, applicable w.e.f. April 1, 2025 – The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Group has reviewed the amendments and based on its evaluation has determined that said amendments does not have any significant impact on its Consolidated financial statements.
3. Ind AS 12, International Tax Reform – Pillar Two Model Rules applicable immediately - The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and disclose that they have applied the relief. This relief is immediate and applies retrospectively, it does not have any significant impact in its Consolidated financial statements.

Note 42: Foreign Currency Exposure and Unhedged Foreign Currency Exposure:

The Group did not have any outstanding foreign currency exposure, including unhedged foreign currency exposure as at 31.03.2026 & 31.03.2025.

Note 43: In preparing these Ind As Consolidated financial statements, the Group has maintained a balance between providing excessive detail that may not assist users of financial statements and providing sufficient information to enable an understanding of the Group's financial position and performance. Accordingly, the line items in the formats prescribed under Division III of Schedule III to the Companies Act, 2013 are slightly modified, and items which are not applicable to the Group have not been disclosed in these financial statements.

Note 44: Segment information

The group operates in segment of distressed credit business and all its activities are incidental to its main business activities and accordingly, no separate reportable segments is to be disclosed under Ind As 108 - "Operating Segments".

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

Note 45: Related party disclosures

As per IndAS 24 "Related parties disclosure" the disclosure of Related parties as defined in the Standard are given hereunder:

I. Names of related parties

Sl No.	Particulars	
a.	**Key Management Personnel**	**Relationship**
	Sri. M. Siva Rama Vara Prasad	Promoter Non-Executive Director
	Sri. Ch. Rama Prasad (retired on 03.04.2024)	MD and CEO (KMP)
	Sri. R. Mallikarjuna (appointed on 04.04.2024)	MD and CEO (KMP)
	Sri. V.S. Ranga Rao	Chief Financial Officer (KMP)
	Smt. V. Vani	Company Secretary (KMP)
	Sri. Koteswara Rao SSR	Non Executive Independent Director
	Dr. Pamidi Kotaiah (retired on 28.09.2024)	Non Executive Independent Director
	Sri. Vepa Kamesam (retired on 28.09.2024)	Non Executive Independent Director
	Sri. Richard B Saldanha (retired on 29.09.2025)	Non Executive Independent Director
	Ms. K. Sujatha Rao (retired on 29.09.2025)	Non Executive Independent Director
	Dr. N. Ramesh Kumar (appointed on 10.06.2024)	Non Executive Independent Director
	Sri.J.Krishna Kishore (appointed on 17.06.2025)	Non Executive Independent Director
	Smt.K.Kalyani (appointed on 26.08.2025)	Non Executive Independent Director
	Sri .V.Ramagopal (appointed on 27.12.2025)	Non Executive Independent Director
b.	**Name of the Company**	**Relationship**
	M/s. Mezzequity Software Services Ltd	Entity controlled by a Director
	M/s. Bitchemy Technologies Pvt Ltd	Entity controlled by a Director
	M/s. Touchstone Capital Ltd	Entity controlled by a Director

II. Transactions with related parties during the year

(i) Remuneration to Key Managerial Personnel (KMP)

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Sri. Ch. Rama Prasad - MD & CEO	-	0.38
Sri. R. Mallikarjuna – MD & CEO	37.13	34.88
Chief Financial Officer	30.38	33.39
Company Secretary	27.37	24.44
Total	**94.88**	**93.09**

(ii) Sitting Fees to Non - Execuive Independednt Directors

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Sri. M. Siva Rama Vara Prasad	9.20	10.50
Sri. Richard B Saldanha	3.30	7.60
Sri. Koteswara Rao SSR	7.50	9.50
Dr. Pamidi Kotaiah	-	5.20
Sri. Vepa Kamesam	-	3.80
Ms. K. Sujatha Rao	2.50	5.50
Dr. N. Ramesh Kumar	8.70	5.60
Sri. J.Krishna Kishore	6.30	-
Smt. K.Kalyani	3.30	-
Sri .V.Ramagopal	1.00	-
Total	**41.80**	**47.70**

* excluding ineligible GST debited to profit and loss account.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

(iii) Transactions other than above

(Rs. in Lakhs)

Name of Party	Nature of Transaction	For the year ended March 31, 2026	For the year ended March 31, 2025
M/s. Mezzequity Software Services Ltd.	Housekeeping and security Expenses	9.84	9.84
M/s. Bitchemy Technologies Pvt Ltd.	Software Development	10.00	10.00
M/s. Touchstone Capital Ltd.	Business Consultant	249.19	159.65
M/s. Touchstone Trust Scheme -1	NCDs Issued	-	240.00
M/s. Touchstone Trust Scheme -1	Interest on NCDs	12.00	11.03
M/s. Touchstone Capital Ltd.	Receipt & repayment of intercorporate loan during the year	1,000.00	-
M/s. Touchstone Capital Ltd.	Interest paid by group on intercorporate Loan	46.22	-

* excluding ineligible GST debited to profit and loss account.

iv) Outstanding Balances at the end of the year

(Rs. in Lakhs)

Name of the related party	As at March 31, 2026	As at March 31, 2025
M/s. Touchstone Trust Scheme -1	240.00	240.00
M/s. Touchstone Capital Ltd.,	15.53	20.06

v) Compensation to Key management personnel

The remuneration and other benefits to key management personnel during the year was as follows

(Rs. in Lakhs)

Name of the related party	For the year ended March 31, 2026	For the year ended March 31, 2025
i) Short-Term employee benefits	136.68	140.79
ii) Post employment benefits *	-	-
iii) Other long term benefits	-	-
iv) Share based payments	-	-
v) Termination benefits	-	-
Total	**136.68**	**140.79**

* Gratuity & leave encashments benefits are valued as per acturial valuation and is done for company as a whole, thus not shown seperately

Note 46: Maturity Analysis of Assets and Liabilities

(Rs. in Lakhs)

	As at March 31, 2026			As at March 31, 2025			As at April 01, 2024		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
ASSETS									
Financial assets									
Cash and cash equivalents	623.48	-	623.48	507.22	-	507.22	3,511.33	-	3,511.33
Bank balances other than cash and cash equivalents	374.66	-	374.66	657.52	-	657.52	427.85	-	427.85
Trade Receivables	3,458.36	1,570.86	5,029.22	3,092.61	1,006.66	4,099.27	2,496.80	1,061.71	3,558.51
Investments	21,821.17	25,465.17	47,286.34	13,637.49	22,643.04	36,280.53	15,917.92	15,878.11	31,796.03
Other financial assets	721.12	9,133.49	9,854.61	571.83	2,063.97	2,635.80	185.19	1,841.77	2,026.96
1.Total Financial Assets	**26,998.79**	**36,169.52**	**63,168.31**	**18,466.67**	**25,713.67**	**44,180.34**	**22,539.09**	**18,781.59**	**41,320.68**
Non-Financial assets									
Deferred Tax Asset	-	-	-	-	-	-	-	28.16	28.16
Investment property	-	-	-	-	-	-	1,740.11	-0.01	1,740.11
Property, plant and equipment	-	486.59	486.59	-	493.26	493.26	-	501.98	501.98
Other Intangible Assets	-	3.14	3.14	-	3.49	3.49	-	4.06	4.06
Others Non-Financial Assets	27.42	-	27.42	53.28	0.00	53.28	14.65	-0.00	14.66
2.Total Non Financial Assets	**27.42**	**489.73**	**517.15**	**53.28**	**496.75**	**550.03**	**1,754.76**	**534.21**	**2,288.97**
Total Assets (1+2)	**27,026.21**	**36,659.25**	**63,685.46**	**18,519.95**	**26,210.42**	**44,730.37**	**24,293.85**	**19,315.80**	**43,609.65**
Liabilities and Equity									
Financial liabilities									
Trade Payables	65.01	-	65.01	56.93	-	56.93	54.26	-	54.26
Debt Securities	8,136.90	10,774.38	18,911.28	4,466.64	4,220.14	8,686.78	13,070.00	4,062.76	17,132.76
Borrowings (other than debt securities)	1,955.58	0.00	1,955.58	4,761.37	-0.00	4,761.37	2,989.34	-0.00	2,989.34
Others Financial liabilities	1,051.42	2,745.95	3,797.37	1,048.01	1,222.24	2,270.25	-	2,080.84	2,080.84
3.Total Financial Liabilities	**11,208.91**	**13,520.33**	**24,729.24**	**10,332.95**	**5,442.38**	**15,775.33**	**16,113.60**	**6,143.60**	**22,257.20**
Non-Financial liabilities									
Current tax liabilities (Net)	1.81	-	1.81	513.50	-	513.50	210.46	-	210.46
Provisions	15.34	-	15.34	26.51	-	26.51	22.90	-	22.90
Deferred Tax liability	-	675.42	675.42	-	272.49	272.49	-	-	-
Others non-financial liabilities	253.05	-	253.05	501.76	-	501.76	134.10	-	134.10
4.Total Non Financial Liabilities	**270.20**	**675.42**	**945.62**	**1,041.77**	**272.49**	**1,314.26**	**367.46**	**-**	**367.46**
Total Liabilities (3+4)	**11,479.11**	**14,195.75**	**25,674.86**	**11,374.72**	**5,714.87**	**17,089.59**	**16,481.06**	**6,143.60**	**22,624.66**
Net	**15,547.10**	**22,463.50**	**38,010.60**	**7,145.23**	**20,495.55**	**27,640.78**	**7,812.79**	**13,172.20**	**20,984.99**

Note 47: Change in liabilities arising from financing activities

Particulars	April 01, 2024	Cashflows (net)	Others *	March 31, 2025	April 01, 2025	Cashflows (net)	Others *	March 31, 2026
Debt securities	17,070.00	(8,504.11)	120.89	8,686.78	8,686.78	10,264.86	(40.38)	18,911.27
Borrowings other than debt securities	2,989.34	1,772.03	-	4,761.37	4,761.37	(2,805.80)	-	1,955.57
Total	**20,059.34**	**(6,732.08)**	**120.89**	**13,448.15**	**13,448.15**	**7,459.07**	**(40.38)**	**20,866.84**

* Interest accrued

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

Note 48: Categories of Financial Instruments

Financial Instruments by Category

The carrying value and fair value of financial instruments by categories as of 31st March, 2026 were as follows:

(Rs. in Lakhs)

Particulars	Amortized cost	Financial assets/ liabilities at fair value through profit or loss		Financial assets/ liabilities at fair value through OCI		Total carrying value	Total fair value
		Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory		
Assets:							
Cash and cash equivalents	623.48	-	-	-	-	623.48	623.48
Bank balances other than cash and cash equivalents	374.66	-	-	-	-	374.66	374.66
Trade Receivables	5,029.22	-	-	-	-	5,029.22	5,029.22
Investments	-	-	47,286.34	-	-	47,286.34	47,286.34
Other financial assets	1,144.77	-	8,709.84	-	-	9,854.61	9,854.61
Total	**7,172.13**	**-**	**55,996.18**	**-**	**-**	**63,168.31**	**63,168.31**
Liabilities:							
Trade Payables	65.01	-	-	-	-	65.01	65.01
Debt Securities	18,311.28	600.00	-	-	-	18,911.28	18,911.28
Borrowings (other than debt securities)	1,955.58	-	-	-	-	1,955.58	1,955.58
Other financial liabilities	3,797.37	-	-	-	-	3,797.37	3,797.37
Total	**24,129.24**	**600.00**	**-**	**-**	**-**	**24,729.24**	**24,729.24**

The carrying value and fair value of financial instruments by categories as of 31st March, 2025 were as follows:

Particulars	Amortized cost	Financial assets/ liabilities at fair value through profit or loss		Financial assets/ liabilities at fair value through OCI		Total carrying value	Total fair value
		Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory		
Assets:							
Cash and cash equivalents	507.22	-	-	-	-	507.22	507.22
Bank balances other than cash and cash equivalents	657.52	-	-	-	-	657.52	657.52
Trade Receivables	4,099.27	-	-	-	-	4,099.27	4,099.27
Investments	-	-	36,280.53	-	-	36,280.53	36,280.53
Other financial assets	953.89	-	1,681.91	-	-	2,635.80	2,635.80
Total	**6,217.90**	**-**	**37,962.44**	**-**	**-**	**44,180.34**	**44,180.34**
Liabilities:							
Trade Payables	56.93	-	-	-	-	56.93	56.93
Debt Securities	8,084.23	602.55	-	-	-	8,686.78	8,686.78
Borrowings (other than debt securities)	4,761.37	-	-	-	-	4,761.37	4,761.37
Other financial liabilities	2,270.25	-	-	-	-	2,270.25	2,270.25
Total	**15,172.78**	**602.55**	**-**	**-**	**-**	**15,775.33**	**15,775.33**

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

The carrying value and fair value of financial instruments by categories as of 01st April, 2024 were as follows:

(Rs. in Lakhs)

Particulars	Amortized cost	Financial assets/ liabilities at fair value through profit or loss		Financial assets/ liabilities at fair value through OCI		Total carrying value	Total fair value
		Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory		
Assets:							
Cash and cash equivalents	3,511.33	-	-	-	-	3,511.33	3,511.33
Bank balances other than cash and cash equivalents	427.85	-	-	-	-	427.85	427.85
Trade Receivables	3,558.51	-	-	-	-	3,558.51	3,558.51
Investments	-	-	31,796.03	-	-	31,796.03	31,796.03
Other financial assets	789.80	-	1,237.16	-	-	2,026.96	2,026.96
Total	**8,287.49**	**-**	**33,033.19**	**-**	**-**	**41,320.68**	**41,320.68**
Liabilities:							
Trade Payables	54.26	-	-	-	-	54.26	54.26
Debt Securities	5,962.70	11,170.06	-	-	-	17,132.76	17,132.76
Borrowings (other than debt securities)	2,989.34	-	-	-	-	2,989.34	2,989.34
Other financial liabilities	2,080.84	-	-	-	-	2,080.84	2,080.84
Total	**11,087.14**	**11,170.06**	**-**	**-**	**-**	**22,257.20**	**22,257.20**

i) The Group assessed that fair value of trade payables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

ii) The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

Long-term fixed-rate and variable-rate receivables/advances given are evaluated by the Holding Company based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.

The fair values of the Holding Company's interest-bearing borrowings are determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period.

Note 49: Financial risk management framework

A) The Holding Company's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Board of Directors monitors the compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

The risk management framework aims at,

I) Improve financial risk awareness and risk transparency

ii) Identify, control and monitor key risks

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

iii) Identify risk accumulations

iv) Provide management with reliable information on the Group's risk situation

v) Improve financial returns

B) The Group's activities expose it to credit risk, liquidity risk and market risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

a) Credit risk:

Credit risk is the risk of loss that may occur from the failure of party to abide by the terms and conditions of any financial contract, principally the failure to make the required payments. In order to minimize credit risk, the Group has adopted a policy of acquisition of asset in a transparent manner and at a fair price in a well-informed market and the transactions are executed at arm's length in exercise of due diligence and adopt an industry / sector neutral and geography neutral approach in targeting financial assets for acquisition. Credit risk management is achieved by considering the factors like cash flow, collateral values, etc.

Financial Instruments that potentially subject the Company to concentration of Credit risk consist principally of trade receivables, investment in security receipts and other recoverables from trusts. By their nature, all such financial instruments involve risks, including the credit risk of non-performance by counterparties i.e. trusts. However, the Holding Company being trustee of all the trusts managed by it, the priority of receivables/ outstanding is a priority as per the waterfall mechanism defined in Trust Deed/ Offer Document. Hence, the Group is not significantly exposed to credit risk.

b) Liquidity risk

Liquidity risk is defined as the risk that the Group Company will not be able to settle or meet its obligations on time or at a reasonable price. The Group's objective is to maintain optimum level of liquidity to meet it's cash and collateral requirements at all times. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit line to meet obligations. Due to the dynamic nature of its business, Group maintains flexibility in funding by maintaining availability of funds under committed credit lines.

Ultimate responsibility for liquidity risk rests with the management, and has established an appropriate liquidity risk framework for the management of the Group's short term, medium-term and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Exposure to liquidity risk:

(Rs. in Lakhs)

As at 31 March 2026	Carrying amount	Contractual Cash flows in		
		0-1 year	1-3 years	More than 1-3 years
Financial liabilities				
Borrowings and debt securities	20,866.86	10,092.48	10,774.38	-
Trade Payables	65.01	65.01	-	-
Others Financial Liabilities	3,797.37	1,051.42	2,745.95	-
Total	**24,729.24**	**11,208.91**	**13,520.33**	**-**
Financial Assets				
Cash and cash equivalents, other bank balances	998.14	998.14	-	-
Trade Receivables	5,029.22	3,458.36	1,558.62	12.24
Investments	47,286.34	21,821.17	18,267.85	7,197.32
Other financial assets	9,854.61	721.12	391.40	8,742.09
Total	**63,168.31**	**26,998.79**	**20,217.87**	**15,951.65**

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

(Rs. in Lakhs)

As at 31 March 2025	Carrying amount	Contractual Cash flows in		
		0-1 year	1-3 years	More than 1-3 years
Financial liabilities				
Borrowings and debt securities	13,448.15	9,228.01	4,220.14	-
Trade Payables	56.93	56.93	-	-
Others Financial Liabilities	2,270.25	1,048.01	1,222.24	-
Total	**15,775.33**	**10,332.95**	**5,442.38**	**-**
Financial Assets				
Cash and cash equivalents, other bank balances	1,164.74	1,164.74	-	-
Trade Receivables	4,099.27	3,092.61	1,006.66	-
Investments	36,280.53	13,637.49	19,698.64	2,944.40
Other financial assets	2,635.80	571.83	351.17	1,712.80
Total	**44,180.34**	**18,466.67**	**21,056.45**	**4,657.20**

As at 01 April 2024	Carrying amount	Contractual Cash flows in		
		0-1 year	1-3 years	More than 1-3 years
Financial liabilities				
Borrowings and debt securities	20,122.10	16,059.34	4,062.76	-
Trade Payables	54.26	54.26	-	-
Others Financial Liabilities	2,080.84	-	2,080.84	-
Total	**22,257.20**	**16,113.60**	**6,143.60**	**-**
Financial Assets				
Cash and cash equivalents, other bank balances	3,939.18	3,939.18	-	-
Trade Receivables	3,558.51	2,496.80	1,061.71	-
Investments	31,796.03	15,917.92	11,956.18	3,921.93
Other financial assets	2,026.96	185.19	603.34	1,238.43
Total	**41,320.68**	**22,539.09**	**13,621.23**	**5,160.36**

c) Market risk

i) Interest Rate Risk: The Group's main interest rate risk arises from bank overdraft with variable rates, which expose the Group to cash flow interest rate risk.

The Group's debt securities comprise fixed-rate Non-Convertible Debentures carrying interest at predetermined rates throughout their contractual tenure. Accordingly, the Group is not exposed to cash flow interest rate risk arising from changes in market interest rates in respect of such borrowings. Changes in market interest rates may affect the fair value of these instruments; however, as the borrowings are measured at amortised cost and are intended to be held until maturity, such changes do not have a material impact on the Group's profit or loss or equity.

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments.The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being constant) of the Group's statement of profit and loss and equity. The sensitivity of statement of profit and loss is the effect of the assumed changes in interest rates on the profit or loss for a year, based on the floating rate financial liabilities held at reporting periods.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

For the year ended March 31, 2026

(Rs. in Lakhs)

Currency of borrowing - Indian Rupees	Increase / Decrease in basis points	Effect on profit before tax	Effect on Equity
Increase in basis points	0.50%	(9.78)	(9.78)
Decrease in basis points	0.50%	9.78	9.78

For the year ended March 31, 2025

(Rs. in Lakhs)

Currency of borrowing - Indian Rupees	Increase / Decrease in basis points	Effect on profit before tax	Effect on Equity
Increase in basis points	0.50%	(23.81)	(23.81)
Decrease in basis points	0.50%	23.81	23.81

ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure/liability will fluctuate because of changes in foreign exchange rates. Since Group's operations are being carried out in India and all the material balances are denominated in its functional currency and there are no foreign currency borrowings, liabilities. The Group's exposure to foreign currencies is immaterial and hence no sensitivity analysis is presented.

iii) Operational Risk

The Group controls operational risks to ensure that operational losses (financial or reputational), including any related to conduct of business matters, do not cause material damage to the Group.

iv) Reputational Risk

The Company protects is reputation from material damage by ensuring that any business activity is satisfactorily assessed and managed by the appropriate level of management and governance oversight and The Group has no appetite for breaches in laws and regulation, while recognising that, regulatory noncompliance cannot be entirely avoided, the Group strives to reduce this to an absolute minimum.

Note 50: Capital Management

The Group manages its capital to ensure that the Group will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants. The Group monitors capital using debt to equity ratio, Management is continuously evolving strategies to optimize the returns and reduce the risks.

(Rs. in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Borrowings (Debt securities and borrowing other than debt securities)	20,866.86	13,448.15
Less: Cash and cash equivalents, other bank balances	998.14	1,164.74
Net Debt	**19,868.72**	**12,283.41**
Equity attributable to the holding company	**36,058.17**	**27,575.75**
Net Debt to equity ratio	**0.55**	**0.45**

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

Note 51: Fair Value Measurement

a) Fair Value Hierarchy and Method of Valuation

This note explains the judgements and estimates made in determining the fair values of the financial instruments that are a) recognized and measured at fair value and b) measured at amortized cost and for which fair values are disclosed in the Consolidated financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under Ind As.

The Group measures fair values using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurement.

1) **Level 1 Input:** Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.

2) **Level 2 Input:** Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.

3) **Level 3 Input:** These are derived from valuation techniques that inlcudes inputs for the asset or liablity that are not based on observable market data (Unobservable Inputs). Fair value measurements are derived on a recovery range estimated by external rating agencies and other unobservable inputs. The values of financial instruements are estimated using a combination of the recovery range provided by the external rating agency and discounting the estimated cash flows based on the realisation of collateral values using the discount rate of the trusts calculated based on certain parameters considering credit risk, uncertainties associated with prevailing economic condition, timing of the recoveries, strategy which may involve actions such as settling dues, selling assets through legal action or other means like OTS, NCLT, restructuring etc.

b) Categories of Financial Instruments :

(Rs. in Lakhs)

As at 31 March 2026	Carrying Amount				Fair Value		
	FVTPL	FVTOCI	Amortized Cost	Total	Level 1	Level 2	Level 3
Financial Assets							
Cash and cash equivalents	-	-	623.48	623.48	-	-	-
Bank balances other than cash and cash equivalents	-	-	374.66	374.66	-	-	-
Trade Receivables	-	-	5,029.22	5,029.22	-	-	-
Investments	47,286.34	-	-	47,286.34	-	-	47,286.34
Other financial assets	8,709.84	-	1,144.77	9,854.61	-	-	-
Total	**55,996.18**	**-**	**7,172.13**	**63,168.31**	**-**	**-**	**47,286.34**
Financial liabilities							
Trade Payables	-	-	65.01	65.01	-	-	-
Debt Securities	600.00	-	18,311.28	18,911.28	-	-	600.00
Borrowings (other than debt securities)	-	-	1,955.58	1,955.58	-	-	-
Other financial liabilities	-	-	3,797.37	3,797.37	-	-	-
Total	**600.00**	**-**	**24,129.24**	**24,729.24**	**-**	**-**	**600.00**

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

(Rs. in Lakhs)

As at 31 March 2025	Carrying Amount				Fair Value		
	FVTPL	FVTOCI	Amortized Cost	Total	Level 1	Level 2	Level 3
Financial Assets							
Cash and cash equivalents	-	-	507.22	507.22	-	-	-
Bank balances other than cash and cash equivalents	-	-	657.52	657.52	-	-	-
Trade Receivables	-	-	4,099.27	4,099.27	-	-	-
Investments	36,280.53	-	-	36,280.53	-	-	36,280.53
Other financial assets	1,681.91	-	953.89	2,635.80	-	-	-
Total	**37,962.44**	**-**	**6,217.90**	**44,180.34**	**-**	**-**	**36,280.53**
Financial liabilities							
Trade Payables	-	-	56.93	56.93	-	-	-
Debt Securities	602.55	-	6,597.66	8,686.78	-	-	602.55
Borrowings (other than debt securities)	-	-	4,761.37	4,761.37	-	-	-
Other Financial Liabilities	-	-	2,270.25	2,270.25	-	-	-
Total	**602.55**	**-**	**13,686.21**	**15,775.33**	**-**	**-**	**602.55**

As at 01 April 2024	Carrying Amount				Fair Value		
	FVTPL	FVTOCI	Amortized Cost	Total	Level 1	Level 2	Level 3
Financial Assets							
Cash and cash equivalents	-	-	3,511.33	3,511.33	-	-	-
Bank balances other than cash and cash equivalents	-	-	427.85	427.85	-	-	-
Trade Receivables	-	-	3,558.51	3,558.51	-	-	-
Investments	31,796.03	-	-	31,796.03	-	-	31,796.03
Other financial assets	1,237.16	-	789.80	2,026.96	-	-	-
Total	**33,033.19**	**-**	**8,287.49**	**41,320.68**	**-**	**-**	**31,796.03**
Financial liabilities							
Trade Payables	-	-	54.26	54.26	-	-	-
Debt Securities	11,170.06	-	5,962.70	17,132.76	-	-	11,170.06
Borrowings (other than debt securities)	-	-	2,989.34	2,989.34	-	-	-
Other Financial Liabilities	-	-	2,080.84	2,080.84	-	-	-
Total	**11,170.06**	**-**	**11,087.14**	**22,257.20**	**-**	**-**	**11,170.06**

c) Sensitivity for Instruments

Nature of Instrument	Increase / Decrease in Input	Fair Value as at March 31st, 2026	Sensitivity Impact for year ended 31st March 2026		Fair Value as at March 31st, 2025	Sensitivity Impact for year ended 31st March 2025	
			FV Increase	FV Decrease		FV Increase	FV Decrease
Financial Assets acquired under the Asset Reconstruction Business Significant unobservable inputs: Estimated cash flow based on realisation of collaterals, values etc	0.05	54,659.37	2,715.95	(2,715.95)	38,078.06	1,882.83	(1,882.83)

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

d) Limitations of Fair Value Estimates

The Group uses its best judgment in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of all the amounts that the Group could have realised. As such, the fair value of the financial instruments subsequent to the respective reporting dates may be different from the amounts reported at each year end.

Note 52: Qualitative analysis of significant unobservable inputs

Discount margin/spreads

Discount margin/spreads represent the discount rates used when calculating the present value of future cash flows. In discounted cash flow models such spreads are added to the benchmark rate when discounting the future expected cash flows. Hence,these spreads reduce the net present value of an asset or increase the value of a liability. They generally reflect the premium an investor expects to achieve over the benchmark interest rate to compensate for the higher risk driven by the uncertainty of the cash flows caused by the credit quality of the asset.They can be implied from market prices and are usually unobservable for illiquid or complex instruments.

Cash Flow

Expected cash flow levels, including the timing of cash flows, are estimated by using quantitative and qualitative measures regarding the characteristics of the underlying assets. These include default rates, the nature and value of collaterals, the manner of resolution, and other economic drivers.

The timing of expected cash flows is influenced by the nature of collateral and the expected use of the same by market participants. The manner of resolution is determined based on the financial position and negotiations with the counterparty.

Qualitative analysis of significant unobservable inputs

These instruments include Residential, Commercial, industrial and other asset-backed securities. The market for these securities is not active. Therefore, the Company uses a variety of valuation techniques to measure their fair values. Less liquid instruments are valued using discounted cash flow models. Expected cash flow levels are estimated by using quantitative and qualitative measures regarding the characteristics of the underlying assets, including: prepayment rates, default rates and other economic drivers such as loan-to-value ratios emergency period estimation indebtedness, and rental income levels.

Expected Gross Recoveries are pertaining to the overall assets under management of the Holding Company. Cash attributable to the Holding Company's share in expected gross recoveries will be dependant on the Holding Company's investment share and terms of the the SR's subscribed.

Note 53: Movement in level 3 financial instruments measured at fair value

The following table shows a reconciliation of the opening balances and the closing balances for fair value measurements in Level 3 of the fair value hierarchy.

(Rs. in Lakhs)

Financial assets	As at April 1, 2025	Purchase of Investments	Redemption / Write-offs	Unrealised gains related to balances held at the end of year	As at March 31, 2026
Investments in security receipts and Financial Assets acquired under the Asset Reconstruction Business	37,962.46	30,304.00	(18,707.72)	(590.47)	47,286.34
	As at April 1, 2024	**Purchase of Investments**	**Redemption / Write-offs**	**Unrealised gains related to balances held at the end of year**	**As at March 31, 2026**
	31,297.02	27,084.00	(22,269.00)	168.93	36,280.53

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

(Rs. in Lakhs)

Financial Liabilities	As at April 1, 2025	Issuances	Settlements	As at March 31, 2026
Debt Securities (NCDs)	600.00	-	-	600.00
	As at April 1, 2024	**Issuances**	**Settlements**	**As at March 31, 2025**
	11,070.00	600.00	(11,070.00)	600.00

Note 54: Previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary as per Ind As. Amounts and other disclosures for the preceding years figures are included as an integral part of the current year Consolidated financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

Note 55: Amounts have been rounded off to the nearest lakhs upto two decimal points.

Note 56: Group Information

A: Subsidiary Trusts over which the Holding Company has Control:

Sl. No.	Name of the Entity
1	PARAS-SCPCL-008 Trust
2	PARAS-VMC-054 Trust
3	PARAS-134 Trust
4	PARAS-154 Trust
5	PARAS-185 Trust
6	PARAS-186 Trust
7	PARAS-187 Trust
8	PARAS-194 Trust
9	PARAS-197 Trust

Note: All the entities considered for consolidation above are Trusts formed under SARFAESI Act in India for conducting Prinicple activities of acqusition of Financial Assets acquired under the Asset Reconstruction Business.

B: Additional Information as required under Schedule III to the Companies Act, 2013, of Trusts consolidated as Subsidiary

i) As the March 31, 2026

(Rs. in Lakhs)

Sl. No.	Particulars	Net Assets, i.e., total assets minus total liabilities		Share in profit or (loss)		Share in Other comprehensive income		Share in Total comprehensive income	
		As % of consoli-dated net assets	Amounts in lakhs	As % of consoli-dated proft / (loss)	Amounts in lakhs	As % of consoli-dated other compre-hensive income	Amounts in lakhs	As % of consoli-dated total compre-hensive income	Amounts in lakhs
	Holding Company								
1	Prasaditya ARC Limited	96.26%	36,588.50	104.72%	8,820.52	100.00%	5.70	104.72%	8,826.22
	Subsidary trust in India								
2	PARAS-SCPCL-008 Trust	0.00%	-	0.00%	-	0.00%	-	0.00%	-
3	PARAS-VMC-054 Trust	(0.02%)	(5.84)	(0.04%)	(3.58)	0.00%	-	(0.04%)	(3.58)
4	PARAS-134 Trust	0.00%	-	0.73%	61.39	0.00%	-	0.73%	61.39
5	PARAS-154 Trust	(0.53%)	(202.79)	(0.95%)	(79.92)	0.00%	-	(0.95%)	(79.92)
6	PARAS-185 Trust	(0.14%)	(53.81)	(0.64%)	(53.81)	0.00%	-	(0.64%)	(53.81)

Notes to the Consolidated Financial Statements for the year ended March 31, 2026

(Rs. in Lakhs)

7	PARAS-186 Trust	(0.36%)	(136.75)	(1.62%)	(136.75)	0.00%	-	(1.62%)	(136.75)
8	PARAS-187 Trust	(0.28%)	(105.41)	(1.25%)	(105.41)	0.00%	-	(1.25%)	(105.41)
9	PARAS-194 Trust	(0.07%)	(25.66)	(0.30%)	(25.66)	0.00%	-	(0.30%)	(25.66)
10	PARAS-197 Trust	(0.00%)	(0.06)	(0.00%)	(0.06)	0.00%	-	(0.00%)	(0.06)
	Total (a) (1 to 10)	**94.86%**	**36,058.17**	**100.64%**	**8,476.72**	**100.00%**	**5.70**	**100.64%**	**8,482.42**
	Non-Controlling interests Total (b)								
11	PARAS-154 Trust	0.22%	83.67	(0.04%)	(3.75)	-	-	(0.04%)	(3.75)
12	PARAS-186 Trust	2.70%	1,026.09	(0.37%)	(30.82)	-	-	(0.37%)	(30.82)
13	PARAS-187 Trust	0.41%	154.40	(0.08%)	(6.51)	-	-	(0.08%)	(6.51)
14	PARAS-194 Trust	1.45%	550.49	(0.15%)	(12.76)	-	-	(0.15%)	(12.76)
15	PARAS-197 Trust	0.36%	137.78	(0.00%)	(0.01)	-	-	(0.00%)	(0.01)
	Total (b) (11 to 15)	**5.14%**	**1952.43**	**(0.64%)**	**(53.84)**	**-**	**-**	**(0.64%)**	**(53.84)**
	Total (a) + (b)	**100.00%**	**38,010.60**	**100.00%**	**8,422.88**	**100.00%**	**5.70**	**100.00%**	**8,428.58**

ii) As the March 31, 2025

(Rs. in Lakhs)

Sl. No.	Particulars	Net Assets, i.e., total assets minus total liabilities		Share in profit or (loss)		Share in Other comprehensive income		Share in Total comprehensive income	
		As % of consolidated net assets	Amounts in lakhs	As % of consolidated profit / (loss)	Amounts in lakhs	As % of consolidated other comprehensive income	Amounts in lakhs	As % of consolidated total comprehensive income	Amounts in lakhs
	Holding Company								
1	Prasaditya ARC Limited	100.44%	27,762.28	102.38%	6,742.06	100.00%	0.51	102.38%	6,742.56
	Subsidary trust in India								
2	PARAS-SCPCL-008 Trust	0.00%	-	0.00%	-	0.00%	-	0.00%	-
3	PARAS-VMC-054 Trust	(0.01%)	(2.26)	(0.03%)	(1.99)	0.00%	-	(0.03%)	(1.99)
4	PARAS-134 Trust	(0.22%)	(61.39)	(0.41%)	(26.94)	0.00%	-	(0.41%)	(26.94)
5	PARAS-154 Trust	(0.44%)	(122.87)	(1.87%)	(122.87)	0.00%	-	(1.87%)	(122.87)
	Total (a) (1 to 5)	99.76%	27,575.76	100.08%	6,590.26	100.00%	0.51	100.08%	6,590.76
	Non-Controlling interests								
6	PARAS-154 Trust	0.24%	65.03	(0.08%)	(5.13)	0.00%	-	(0.08%)	(5.13)
	Total (b)	**0.24%**	**65.03**	**(0.08%)**	**(5.13)**	**0.00%**	**-**	**(0.08%)**	**(5.13)**
	Total (a) + (b)	**100.00%**	**27,640.78**	**100.00%**	**6,585.12**	**100.00%**	**0.51**	**100.00%**	**6,585.63**

iii) As the March 31, 2024

(Rs. in Lakhs)

Sl. No.	Particulars	Net Assets, i.e., total assets minus total liabilities	
		As % of consolidated net assets	Amounts in lakhs
	Holding Company		
1	Prasaditya ARC Limited	100.17%	21,019.71
	Subsidary trust in India		
2	PARAS-SCPCL-008 Trust	0.00%	-
3	PARAS-VMC-054 Trust	0.00%	(0.28)
4	PARAS-134 Trust	(0.16%)	(34.45)
	Total (a) (1 to 4)	**100.00%**	**20,984.99**
	Non-Controlling interests		
5	**Total (b)**	**0.00%**	**-**
	Total (a) + (b)	**100.00%**	**20,984.99**

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

The following disclosures are from the Stanalone Financial Statements and are made pursuant to the Reserve Bank of India guidelines.

Note 57: The Names and addresses of banks/financial institutions from whom financial assets were acquired and the values at which such assets were acquired from each such bank/financial institutions.

Seller wise acquisition details:

(Rs. in Lakhs)

Sl. No.	Sellers	Address	As at 31.03.2026	As at 31.03.2025
1	Andhra Pradesh State Co-operative Bank Ltd	Troop Bazar, Hyderabad-500 001	200.00	200.00
2	Union Bank of India	Union Bank Bhavan, 239, Vidhan Bhavan Marg, Nariman Point, Mumbai – 400 021, Maharashtra,	22,036.00	22,036.00
3	Axis Bank Limited	Corporate Office, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai - 400 025	700.00	700.00
4	Bank of Baroda	Baroda Corporate Centre, Plot No.26, G-26, Bandra Kurla Complex, Bandra (East), Mumbai-400 051	5,226.20	5,226.20
5	Bank of India	Star House, C-5, "G" Block, BandraKurla Complex, Bandra (East), Mumbai-400 051	3,249.75	3,249.75
6	Bank of Maharashtra	'Lokmangal' 1501, Shivaji Nagar, Pune-411005	5,700.00	5,700.00
7	Canara Bank	112, JC Road, Bangalore-560 002	1,730.00	1,730.00
8	Central Bank of India	Corporate Office, Chander Mukhi, Nariman Point, Mumbai-400 021	4,819.60	4,819.60
9	Deutsche Bank	DB House, HazarimalSomani Marg, Fort Mumbai-400 001	400.00	400.00
10	The Dhanalakshmi Bank Limited	Corporate Office, Naickanal, Thrissur-680 001.	550.00	550.00
11	The Federal Bank Limited	PB No.103, Federal Towers, Aluva-683 101, Ernakulam, Kerala	60.00	60.00
12	ICICI Bank Limited	ICICI Towers, BandraKurla Complex, Bandra, Mumbai-400 051	550.00	550.00
13	IDBI Bank Limited	IDBI Towers, WTC Complex, Cuffe Parade, Mumbai-400 005	3,130.73	3,130.73
14	IFCI Limited	IFCI Tower61 Nehru Place, NewDelhi-110 019	512.86	512.86
15	Indian Bank	PB No.1384, 66, RajajiSalai, Chennai-600001	3,768.30	3,768.30
16	Indian Overseas Bank	Central Office, PB.No.3765, 763, Anna Salai, Chennai-600 002	2,067.00	2,067.00
17	IREDA Limited	3rd Floor, August Kranti Bhawan, Bhikaiji Cama Place, New Delhi-110 066	653.00	653.00
18	Karur Vysya Bank	Erode Road, Karur-639 002	11,945.20	11,945.20
19	Kotak Mahindra Bank	36-38A, Nariman Bhavan,227, Nariman Point, Mumbai-400 021	1,232.99	1,232.99
20	The Lakshmi Vilas Bank Limited	Administrative Office, Salem Main Road,Karur-639006	600.00	600.00
21	Punjab National Bank	7, BhikhaijiCama Place, New Delhi	9,167.07	8,559.07
22	Stressed Assets Stabilization Fund	IDBI Towers, WTC Complex, Cuffe Parade, Colaba, Mumbai-400 005	350.00	350.00
23	State Bank of India	Madame Cama Road, Mumbai-400 021	27,098.93	27,098.93
24	Shikshak Sahakari Bank Limited	Registered Office, Opposite Gandhi Sagar Lake, Mahal, Nagapur-440 018	112.50	112.50
25	Standard Chartered Bank	90, Mahatma Gandhi Road, Fort Mumbai -400 001	50.00	50.00

26	UCO Bank	10, Biplabi TrailokyaMaharaj Sarani, (Formerly Brabourne Road) Kolkata – 700 001	131.00	131.00
27	ECL Finance Limited	Edelweiss House, Off CST Road, Kalina, Mumbai – 400 098	80,500.00	80,500.00
28	Edelweiss Asset Reconstruction Company Ltd	Edelweiss House, Off CST Road, Kalina, Mumbai – 400 098	39,598.00	39,598.00
29	Jana Small Finance Bank	The Fairway Business Park, #10/1, 11/2 & 12/2B Off Domlur, Koramangala Inner Ring Road, Next to EGL, Challaghatta, Bengaluru – 560 071	1,59,984.50	1,18,384.50
30	ARCION Revitalization Private Limited	G1/19, Grand Hyatt Plaza, Vakola, Santacruz East, Mumbai - 400 055	30,050.00	30,050.00
31	Phoenix ARC Private Limited	5th floor, Dani Corporate Park, 158, CST Road, Kalina, Santacruz East, Mumbai – 400 098	16,000.00	16,000.00
32	Pahal Financial Services Pvt Ltd	7th floor, Bincri B Square – 2, Opp. Hathising ni vadi, Ambli Iscon Road, Ahmedabad – 380 054	25,000.00	5,000.00
33	Omkara Assets Reconstruction Private Limited	No.9, MP Nagar First Street, Kongu Nagar Extension, Tirupur – 641 607	1,340.00	1,340.00
34	Asirvad Micro Finance Limited.,	9th Floor, No:9, Club House Road, Anna Salai, Chennai – 600 002	54,021.00	20,000.00
35	Assets Care & Reconstruction Enterprise Ltd., (ACRE ARC)	14th Floor, EROS Corporate Tower, Nehru Place, New Delhi – 110 019	10,000.00	10,000.00
36	Indostar Capital Finance Limited	Off No. – 301, Wing A, CTS No. 477, Silver Utopia, Chakala Road, Opp. Proctor and Gamble, Andheri (E), Sahargoan, Mumbai, Maharashtra – 400 099	27,500.00	27,500.00
37	Muthoot Microfin Limited	5th Floor, Muthoot Towers, M.G.Road, Ernakulam – 682035	34,550.0	22,250.00
38	WheelsEMI Private Limited	3A Sham Shakuntal Heights, Modi Baug, Ganeshkhind Road, Behind Deccan Wheels Showroom, Shivaji Nagar, Pune - 411 016	19,848.00	12,838.00
39	Poonawalla Fincorp Limited	201, 202- 2nd floor, AP81, Koregaon park Annex, Mundhwa, Pune - 411 036	3,212.00	3,212.00
40	Belstar Microfinance Limited	New No. 33, Old No. 14, 48th Street, 9th Avenue, Ashok Nagar, Chennai-600083	7,500.00	7,500.00
41	Annapurna Finance Pvt Ltd	Plot No. 1215/1401, Khandagiri Bari, Infront of Jayadev Vatika, PS/PO – Khandagiri, Bhubaneswar, Khorda, Orissa - 751030	14,265.00	6,915.00
42	Sai Roshni Capital Pvt Ltd	8-2-120/112/88 & 89/7/S1, II Floor, Aparna Crest, Road No.2, Khairatabad, Telangana – 500 034	5,200.00	5,200.00
43	Utkarsh Small Finance Bank Limited	Utkarsh Tower, NH - 31 (Airport Road) Sehmalpur, Kazi Sarai, Harhua, Varanasi, Uttar Pradesh – 221 105	5,200.00	5,200.00
44	Muthoot Capital Services Limited	3rd Floor, Muthoot Towers, M G Road, Ernakulam 682 035	4,800.00	4,800.00
45	Ujjivan Small Finance Bank Limited	Grape Garden, No 27, 3rd "A" Cross, 18th Main, 6th Block, Koramangala, Bengaluru – 560 095	4,055.00	4,055.00
46	Spandana Sphoorty Financial Limited	Galaxy, Wing B, 16th Floor, Plot No.1, Sy No 83/1, Hyderabad Knowledge City, TSIIC, Raidurg Panmakhta, Hyderabad – 500 081	5,129.00	1,674.00

47	Criss Financial Limited	Galaxy, Wing B, 16th Floor, Plot No.1, Sy No 83/1, Hyderabad Knowledge City, TSIIC, Raidurg Panmakhta, Hyderabad, Telangana – 500081	1,584.00	-
48	Electronica Finance Limited	Audumbar, 101/1, Erandawane, Dr. Ketkar Road, Pune, Maharashtra - 411004	3,945.00	-
49	ESAF Small Finance Bank	Building No. VII/83/8, ESAF Bhavan, Thrissur-Palakkad National Highway, Mannuthy, Thrissur 680 651	4,950.00	-
50	Hero Fincorp Limited	34, Community Centre, Basant Lok, Vasant Vihar, New Delhi – 110 057	1,579.00	-
51	Sammaan Capital Ltd	1st Floor, Tower 3A, DLF Corporate Greens, Sector - 74A, Gurgaon, Narsinghpur, Haryana, India, 122004	12,000.00	-
52	Samunnati Finance Private Limited	7th Floor, 129B, Baid Hi Tech Park, East Coast Road, Thiruvanmiyur, Chennai, Tamil Nadu, 600041	16,000.00	-
		Total	**6,93,851.63**	**5,27,449.63**

Note 58: Dispersion of various financial assets industry-wise:

(Rs. in Lakhs)

Industry	No. of borrowers		Acquisition Price		% of Total acquisition	
	As at 31.03.2026	As at 31.03.2025	As at 31.03.2026	As at 31.03.2025	As at 31.03.2026	As at 31.03.2025
Automobiles	3	3	1,393.52	1,393.52	0.20	0.26
Agriculture - Allied Activities	3	3	555.00	555.00	0.08	0.11
Bio-Chemical & Pesticides	7	7	4,798.47	4,798.47	0.69	0.91
Cement	2	2	44,702.30	44,702.30	6.44	8.48
Coir	1	1	729.76	729.76	0.11	0.14
Cold Storage	1	1	380.00	380.00	0.05	0.07
Educational Institution	4	4	3,169.98	3,169.98	0.46	0.60
Food Products	8	8	4,986.63	4,986.63	0.72	0.95
House Hold Appliances	2	2	1,000.00	1,000.00	0.14	0.39
Hospital	2	2	4,671.00	4,671.00	0.67	0.89
Hotel	1	1	2,025.00	2,025.00	0.29	0.48
Iron and Steel, Other Metals	12	12	14,254.95	14,254.95	2.05	2.70
Information Technology	4	4	346.13	346.13	0.05	0.07
Industrial Gases	3	3	1,325.00	1,325.00	0.19	0.25
Infrastructure	20	15	1,50,031.10	1,37,423.10	21.62	26.05
Logistics	1	1	600.00	600.00	0.09	0.11
Metals and Mining	3	3	439.28	439.28	0.06	0.08
Media	2	2	1,928.00	1,928.00	0.28	0.37
NBFC	11	11	921.92	921.92	0.13	0.17
Pharma	6	6	1,359.64	1,359.64	0.20	0.26
Plastics	2	2	792.04	792.04	0.11	0.15
Power	4	4	9,786.07	9,786.07	1.41	1.86
Paper	3	3	3,339.61	3,339.61	0.48	0.63
Poultry	3	3	384.00	384.00	0.06	0.07
Retail loans	48,70,619	32,41,123	4,03,122.50	2,49,328.50	58.10	47.27
Textiles	14	14	7,317.52	7,317.52	1.05	1.39
Trading	48	48	15,001.01	15,001.01	2.16	2.55
Wood	1	1	2,050.00	2,050.00	0.30	0.39
Oil Refineries, Vegetable Oil.	3	3	1,350.00	1,350.00	0.19	0.20
Others	34	34	11,091.20	11,091.20	1.60	2.15
Total	**48,70,827**	**32,41,326**	**6,93,851.63**	**5,27,449.63**	**100.00**	**100.00**

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

Note 59: Other additional disclosures

(Rs. in Lakhs)

Sl.No.	Particulars	As at 31.03.2026	As at 31.03.2025
1	A statement clearly charting therein the migration of financial assets from standard to non-performing	Nil	Nil
2	Value of financial assets acquired during the financial year either on the books of the Company or in the books of the Trusts	1,66,402.00	1,71,824.00
3	Value of financial assets fully realized during the financial year	2,062.14	1,249.70
4	Value of financial assets outstanding for realization as at the end of the financial year	3,64,481.59	2,65,964.07
5	Value of Security Receipts redeemed partially during the financial year	52,630.59	34,799.87
6	Value of Security Receipts redeemed fully during the financial year	2,062.14	1,249.70
7	Value of Security Receipts pending for redemption as at the end of the financial year	3,64,481.59	2,65,964.07
8	Value of Security Receipts which could not be redeemed as a result of non-realization of the financial asset under paragraph 36	13,191.75	5,421.00
9	Value of land and/or building acquired in ordinary course of business of reconstruction of assets (year wise)	2,600.20	2,600.20
		(FY2015-26)	**(FY2015-26)**
10	Details of assets where the value of acquisition is more than the book value (the value of assets as declared by the seller bank in the auction)	Nil	Nil
11	Details of Assets disposed of (either by write off or by realisation) during the year at a discount of more than 20% of valuation as on the previous year and reasons therefor	Nil	Nil

Note 60: Details of Assets where the value of the SR has declined more than 20% of below the acquisition value

(Rs. in Lakhs)

Sl. No.	Trust Name	As at 31.03.2026		As at 31.03.2025	
		Face Value in Rupees	NAV in Rupees	Face Value in Rupees	NAV in Rupees
1	* PARAS-VHPL-072 Trust	-	-	100000	10000
2	* PARAS-SIPPL-073 Trust	-	-	100000	10000
3	* PARAS-VEAL-75 Trust	-	-	1000	500
4	* PARAS-SBPL-076 Trust	-	-	1000	350
5	* PARAS-DTPL-082 Trust	-	-	1000	250
6	* PARAS-MRC-084 Trust	-	-	1000	750
7	* PARAS-SPKHL-085 Trust	-	-	1000	250
8	* PARAS-VAP-086 Trust	-	-	1000	250
9	* PARAS-CRD-092 Trust	-	-	1000	750
10	* PARAS-DFPPL-096 Trust	-	-	1000	750
11	PARAS-VCMPL-097 Trust	-	-	1000	750
12	PARAS-VCMPL-097 Trust	1,000	200	-	-
13	PARAS-VPPL-99 Trust	-	-	1000	750
14	PARAS-VPPL-099 Trust	1,000	200	-	-
15	PARAS-NTKVB-103 Trust	1,000	650	-	-
16	PARAS-SLNGM-109 Trust	-	-	1000	750
17	PARAS-SAA-110 Trust	-	-	1000	750
18	PARAS-SAA-110 Trust	1,000	650	-	-
19	PARAS-SKE-113 Trust	-	-	1000	750
20	PARAS-SKE-113 Trust	1,000	650	-	-
21	PARAS-SBISEWCT 119 Trust	-	-	10000	7500
22	PARAS-SBISEWCT 119 Trust	10,000	7,500	-	-

*Note: The above Trust accounts were written off during FY.2025-26 since the resolution period of 8 years has been completed.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

Note 61: First-time adoption of Ind As mandatory exceptions, optional exemptions

Note 61A: Overall principle

The Group has prepared the opening balance sheet as per Indian Accounting standards (Ind AS) as of April 01, 2024 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from financial statements prepared in accordance with the accounting standards notified under Companies (Accounting standards) Rules, 2006 (As amended) (i.e "AS") and other relevant provisions of the Act to Ind AS as required under the Ind AS prescribed under section 133 of the Companies Act, 2013, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to the certain exceptions and certain optional exemptions availed as per Ind As 101 by the Group as detailed below;

Note 61A(1): Deemed cost for property, plant and equipment, and intangible assets:

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value of its property, plant and equipment as per AS; Accordingly, the Holding company has elected to continue with the carrying value of its property, plant and equipment, intangible assets and Investment property recognised as of April 01, 2024 (transition date) measured as per AS and use that carrying value as its deemed cost as of the transition date.

Note 61A(2): Estimates

The Group's estimate in accordance with Ind ASs at the date of transition to Ind AS as at April 01 2024 are consistent with the estimates as at the same date made in conformity with the AS. However, estimates that were required under Ind AS but not required under AS are made by the Holding Company for the relevant reporting dates reflecting conditions existing as at that date.

Note 61A(3): Derecognition of financial assets and financial liabilities

The Group has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after April 01, 2024 (the transition date).

Note 61A(4): Impairment of financial assets

The Group has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Holding company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

Note 61B: The reconciliation of Net Profit after tax for the year ended March 31, 2025 as reported under erstwhile AS and Ind AS are summarised as below:

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2025
Net profit after tax as reported under AS	**5,054.80**
Ind AS adjustments increasing / (decreasing) net profit as reported under AS	
Effective interest rate on financial assets and liabilities (net)	154.82
Expected credit loss provision	(104.33)
Fair valuation of assets and liabilities including recognisition of accrued Fees	2,104.01
Reclassification of net actuarial gains/losses on employee defined benefit obligations through OCI	(0.68)
Other adjustments	4.39
Adjustments on consolidation	(179.92)
Tax effect on above adjustments	(447.98)
Net profit as per Ind AS	**6,585.12**
Other Comprehensive Income after tax as per Ind AS (Net of taxes)	0.51
Total Comprehensive Income as per Ind AS	**6,585.63**

Note 61C (i): The reconciliation of Equity as at March 31, 2025 and as at March 31, 2024 as reported under erstwhile AS and Ind AS are summarised as below:

(Rs. in Lakhs)

Particulars	As at 31 March 2025	As at 01 April 2024
Equity as reported under AS	**26,487.09**	**21,432.29**
Ind AS adjustments increasing / (decreasing) networth as reported under AS:		
Effective interest rate on financial assets and liabilities (net) (refer note 61D (v))	347.90	193.07
Expected credit loss provision (refer note 61D (iii))	(1,639.85)	(1,535.52)
Fair valuation of assets and liabilities including recognisition of accrued Fees (refer note61D (i)&(ii))	3,103.83	999.82
Other adjustments	4.39	-
Adjustments on consolidation (refer note 61D (viii))	(144.82)	(34.89)
Tax effect on above adjustments (refer note61D (vi))	(517.75)	(69.77)
Equity as per Ind AS	27,640.78	20,984.99

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

Note 61C(ii): The reconciliation of Cash flows as reported under previous AS in the Audited financial statements and Ind AS are summarised as below:

(Rs. in Lakhs)

Particulars	Previous GAAP	Effect of Transition to IND AS	As per IND AS Balance sheet
Net cash flows from operating activities	90,348.85	83,813.51	6,535.34
Net cash flows from Investing activities	(3,112.95)	(1,492.42)	(1,620.53
Net cash flows from Financing activities	(90,010.46)	(82,091.53)	(7,918.93)
		229.55	
Cash and Cash equivalents at the Beginning of the year	3,939.18	427.85	3,511.34
Cash and Cash equivalents at the end of the year	1,164.61	657.39	507.22
Changes in other Bank Balances		(229.54)	

Note 61D: Explanation of Ind As Adjustments

Note 61D (i) Fair value of SRs

Under AS, the investment in security receipts (SRs) of trusts were carried at cost net of impairment, if any. However, under Ind AS, these investments are fair valued.

Note 61D (ii) Management Fee Income

Under AS, as per RBI guidelines recognition of management fees is discontinued and any unrealized fees is reversed, if fees remain unrealized for a period of more than 180 days from the date of its recognition. However, under Ind AS, management fee is recognised on the basis of the recognition principles stated in Ind AS 115 and as per the terms of the contract. the impact is shown in fair valuation of assets and liabilities in above reconciliation.

Note 61D (iii) Trade receivables /advances to trust

Under AS, the Holding Company has created provision for doubtful recoveries on trade receivables / advances to trusts as per RBI guidelines based on days past due and calculated using incurred loss model. Under Ind AS, provision on financial assets is determined based on Expected Credit Loss model as per Ind AS 109.

Note 61D (iv) Defined benefit liabilities

Both under previous AS and Ind AS, the Group recognised costs related to its post-employment defined benefit plans on an actuarial basis. Under previous AS, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, remeasurements comprising of actuarial gains and losses are recognised through Other Comprehensive Income (OCI).

Note 61D (v) Effective Interest Rate

"Under AS advances to trust were carried at cost whereas under Ind AS, these advances are measured based on Group's business model for managing the financial asset and contractual estimated cash flows characteristics of the financial asset and are measured at amortised cost and interest income is recognised as per effective interest method."Under AS, transaction costs charged on borrowings was recognised upfront while under Ind AS, such costs are adjusted in the initial recognition amount of financial liability and recognised as interest expense using the effective interest method."

Note 61D (vi) Deferred tax

AS requires deferred tax accounting using the statement of profit and loss approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences

Notes to the Consolidated Financial Statements for the year ended 31st March, 2026

between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under AS.

In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the Group has to account for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity.

Note 61D (vii) Other comprehensive income

Under AS, the holding Company has not presented other comprehensive income (OCI) separately. Hence, it has reconciled previous AS profit/loss to Ind AS profit/loss. Further, AS profit or loss is reconciled to total comprehensive income as per Ind AS.

Note 61D (viii) Adjustments on Consolidation

The trusts over which the Group has control have been consolidated in accordance with Ind AS 110. Accordingly, the assets, liabilities, income and expenses of the controlled trusts have been recognised in the Consolidated Financial Statements and intra-group balances and transactions have been eliminated. As the consolidation is not required as per previous AS ,the resulting adjustments have been recognised with corresponding impact on equity.

As per our report of even date Annexed.

For C V Ramana Rao & Co
Chartered accountants
Firm registration no.: 002917S

CA. K. Kavya
Partner
Membership No. 223355

Place: Hyderabad
Date: 17.06.2026

For and on behalf of the Board of Directors

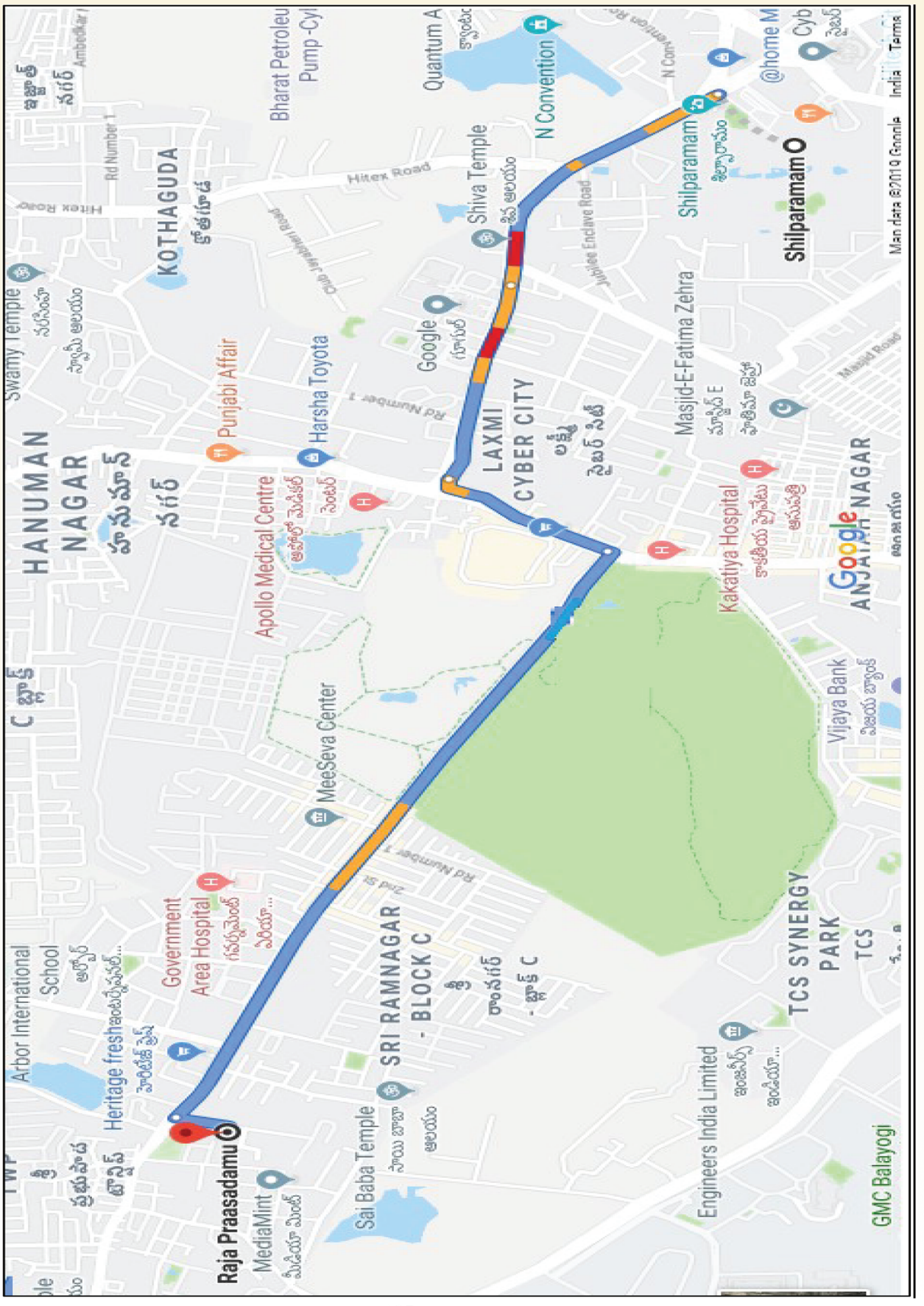
Koteswara Rao S S R
Chairperson
DIN: 00964290

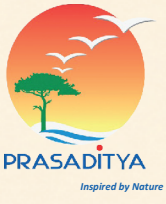
R. Mallikarjuna
Managing Director & CEO
DIN: 10428677

V. S. Ranga Rao
Chief Financial Officer

V. Vani
Company Secretary

ROUTE MAP TO THE AGM VENUE





PRASADITYA ARC LIMITED

(FORMERLY PRIDHVI ASSET RECONSTRUCTION AND SECURITISATION COMPANY LIMITED)

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