FINNOVATION TECH SOLUTIONS PRIVATE LIMITED

Corporate Identity Number (CIN): U74900KA2016PTC086953
Registered Office: 4th Floor, Anjaneya Techno Park, No. 147, HAL Old Airport Road, ISRO Colony, Kodihalli, H.A.L II Stage, Bangalore, Karnataka, India – 560008
Telephone: 080-44292200; **Website:** www.kreditbee.in; **Email:** legal@kreditbee.in;

NOTICE CONVENING MEETING OF THE UNSECURED CREDITORS OF FINNOVATION TECH SOLUTIONS PRIVATE LIMITED (THE "COMPANY") PURSUANT TO COMPOSITE DIRECTIONS CONTAINED IN THE ORIGINAL ORDER DATED NOVEMBER 12, 2025 READ WITH MODIFIED ORDER DATED NOVEMBER 28, 2025 PASSED BY THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, BENGALURU BENCH ("NCLT")

Day	Monday
Date	January 12, 2026
Time	5:15 P.M. (IST)
Mode of meeting	Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM")
Cut-off date for e-voting	June 30,2025
Remote e-voting start date and time	January 09, 2026 at 9:00 A.M. (IST)
Remote e-voting end date and time	January 11, 2026 at 5:00 P.M. (IST)

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The Notice of the Meeting, Explanatory Statement under Sections 102, 230 to 232 and other applicable provisions of the Companies Act, 2013 and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 read with applicable SEBI circulars, and Annexure 1 to Annexure 9 series constitute a single and complete set of documents and should be read together as they form an integral part of this document.

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL

BENGALURU BENCH

C.A.(CAA) No.43/BB/2025

IN THE MATTER OF THE COMPANIES ACT, 2013

AND

IN THE MATTER OF SECTIONS 230 TO 232 READ WITH SECTION 52, SECTION 66 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AND RULES MADE THEREUNDER

AND

IN THE MATTER OF SCHEME OF ARRANGEMENT BETWEEN FINNOVATION TECH SOLUTIONS PRIVATE LIMITED (THE "**TRANSFEROR COMPANY**") AND KRAZYBEE SERVICES LIMITED (THE "**TRANSFEREE COMPANY**") AND THEIR RESPECTIVE SHAREHOLDERS (THE "**SCHEME**")

Finnovation Tech Solutions Private Limited	)	
CIN: U74900KA2016PTC086953	)	
is a company registered under the Companies Act, 2013 and	)	
having its registered office at 4th Floor, Anjaneya Techno Park,	)	
No. 147, HAL Old Airport Road, ISRO Colony, Kodihalli,	)	
H.A.L II Stage, Bangalore, Karnataka, India – 560008	)	Applicant Company No. 1/ Transferor Company

FORM NO. CAA. 2

[Pursuant to Section 230(3) of Companies Act, 2013 and Rule 6 and 7 of The Companies (Compromises, Arrangements and Amalgamations) Rules, 2016]

NOTICE CONVENING THE MEETING OF THE UNSECURED CREDITORS OF FINNOVATION TECH SOLUTIONS PRIVATE LIMITED

To,

The Unsecured Creditors of
Finnovation Tech Solutions Private Limited

NOTICE is hereby given that by an original order dated November 12, 2025 read with modified order dated November 28, 2025 **("Order")**, the Hon'ble National Company Law Tribunal, Bengaluru Bench ("**NCLT**"), in the above mentioned Company Scheme Application has directed *inter-alia*, a Meeting of the Unsecured Creditors of the Company, to be convened and held on Monday, January 12, 2026 through Video-Conferencing ("**VC**") / Other Audio-Visual Means ("**OAVM**"), for the purpose of considering, and if thought fit, approving,

with or without modification(s), the Scheme of Arrangement between Finnovation Tech Solutions Private Limited (the "**Transferor Company**" or the "**Company**") and Krazybee Services Limited (the "**Transferee Company**") and their respective shareholders (the "**Scheme**"), pursuant to the provisions of Sections 230 to 232 read with Section 52, Section 66 and other applicable provisions of the Companies Act, 2013 (the "**Act**") and the rules made thereunder.

In pursuance of the said Order and as directed therein, further notice is hereby given that a Meeting of the Unsecured Creditors of the Company ("**Meeting**") will be convened and held through VC/OAVM in compliance with Secretarial Standard-2 ("**SS-2**"), the applicable provisions of the Act and circulars thereunder, on Monday, January 12, 2026 at 5:15 P.M. (IST) and such date, the Unsecured Creditors of the Company are requested to attend the Meeting through VC/OAVM.

A copy of the Scheme, the Explanatory Statement under Section 102, Sections 230 to 232 and other applicable provisions of the Act and Rule 6 of the Merger Rules, along with the enclosures as indicated in the index, are enclosed. The Notice of this Meeting, together with the documents accompanying the same, is being sent through electronic mode to those Unsecured Creditors of the Transferor Company as on June 30, 2025 whose email ID's are registered/available with the Registrar and Transfer Agent ('RTA') / Depositories / Applicant Company No. 1 and by registered post (RPAD), speed post or courier to the Unsecured Creditors whose email addresses are not available with the Transferor Company / RTA/ Depositories. A copy of this Notice and the accompanying documents, including the Scheme, will be hosted on the website of the Company at www.kreditbee.in, the website of National Securities Depository Limited ("**NSDL**") at www.evoting.nsdl.com being the e-voting agency appointed by the Company to provide remote e-voting /e-voting and other facilities for the Meeting and the website of BSE Limited ("**BSE**") at www.bseindia.com.

A copy of the Scheme along with the Explanatory Statement can be obtained free of charge, from the date of dispatch of Notice up to the date of the Meeting on any day (except Saturday, Sunday and public holidays) during business hours from the Registered Office of the Company or by sending a request, along with details of your outstanding amount in the Company, by e-mail at legal@kreditbee.in

As per the directions of the Hon'ble NCLT, Mr. Saji P John (Advocate), has been appointed as the Chairperson of the Meeting including for any adjournments thereof. The Hon'ble NCLT has appointed Mr. Sajeevan CV, Former Registrar of Companies of Karnataka and Practicing Company Secretary, as a Scrutinizer for the Meeting, including any adjournments thereof, to scrutinize the process of remote e-voting prior to the Meeting as well as e-voting during the Meeting and e-voting shall be kept open for 15 minutes after the conclusion of the Meeting to enable the Unsecured Creditors who have not cast their votes to vote through e-voting system at the Meeting, to ensure that it is fair and transparent. The Scheme, if approved at the Meeting, will be subject to the subsequent approval of the Hon'ble NCLT and such other approvals, permission and sanctions of regulatory or other authorities, as may be necessary and as contemplated in the Scheme.

TAKE NOTICE that in accordance with the Order, the Unsecured Creditors of the Company shall have the facility and option of voting on the resolution for approval of the Scheme by casting their votes through (a) remote e-voting prior to the Meeting and (b) e-voting during the Meeting. The Company has engaged the services of NSDL for the purpose of providing facility of e-voting for the Meeting.

TAKE FURTHER NOTICE that the Unsecured Creditors shall have the facility and option of voting during the Meeting and in addition to the same, the Unsecured Creditors shall have the facility and option of voting on the resolution for approval of the Scheme by casting their votes through remote e-voting prior to the Meeting during the period commencing from 9:00 A.M. (IST) on January 09, 2026 and ending at 5:00 P.M. (IST) on January 11, 2026. The voting rights of Unsecured Creditors shall be in proportion to the amount due in the name of the Unsecured Creditors of the Company as on June 30, 2025, being the cut-off date ("**Cut-off**

Date"). A person who is an Unsecured Creditor of the Company as on the Cut-off Date only, shall be entitled to vote on the proposed resolution. A person who is not an Unsecured Creditor as on the Cut-off Date, should treat the Notice for information purpose only. The Unsecured Creditors opting to cast their votes by remote e-voting or e-voting during the Meeting are requested to read the instructions in the Notes of this Notice for further details on remote e-voting and e-voting during the Meeting.

TAKE FURTHER NOTICE that in pursuance of Sections 112 and 113 of the Act read with Rule 10 of the Merger Rules, where a body corporate is a creditor authorizes any person to act as its authorized representatives at the meeting, may be appointed for the purpose of voting through remote e-voting, for participation in the Meeting through VC/OAVM facility and e-voting during the Meeting provided a copy of the resolution of the Board of Directors or other governing body of such corporate authorizing such person to act as its representative at the meeting, and certified to be a true copy by a director, the manager, the secretary, or other authorized officer of such body corporate is emailed to the Scrutinizer at cvsajeevanofficial@gmail.com with a copy marked to the Company at legal@kreditbee.in not later than 48 (forty-eight) hours before the time scheduled for holding the Meeting. The Unsecured Creditors are requested to consider, and if thought fit pass, the following Resolutions with requisite majority:

"**RESOLVED THAT** pursuant to provisions of Sections 230 to 232 read with Section 52, Section 66 and other applicable provisions of the Companies Act, 2013 (the 'Act') read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the relevant provisions of the Memorandum of Association and Articles of Association of the Company and any other applicable provisions of any other law and any directions, guidelines or regulations, if any, of the appropriate authorities, to the extent applicable (including any statutory modifications or amendment thereof or re-enactment thereof for the time being in force) and subject to the approval of the Hon'ble National Company Law Tribunal, Bengaluru Bench (hereinafter referred to as "**NCLT**") and/or such other approvals, permissions and sanctions of any other regulatory or statutory authority(ies), as may be deemed necessary and subject to such conditions and modifications as may be prescribed or imposed by the NCLT or any other regulatory or statutory authority(ies), while granting such consents, approvals and permissions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "**Board**"), the Scheme of Arrangement between Finnovation Tech Solutions Private Limited (the "**Transferor Company**" or the "**Company**") and Krazybee Services Limited (the "**Transferee Company**") and their respective shareholders (the "**Scheme**"), as enclosed with this Notice of the NCLT convened Meeting of the Unsecured Creditors, be and is hereby approved.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the arrangements embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the NCLT and/or any other authority(ies) while sanctioning the Scheme or by any authority(ies) under law, or as may be required for the purpose of resolving any doubts or difficulties that may arise including passing of such accounting entries and/or making such adjustments in the books of accounts as considered necessary in giving effect to the Scheme, as the Board may deem fit and proper without being required to seek any further approval of the Unsecured Creditors or otherwise to the end and intent that the Unsecured Creditors shall be deemed to have given their approval thereto expressly by the authority of this resolution."

RESOLVED FURTHER THAT the Board may delegate all or any of its powers herein conferred to any Director(s) and / or officer(s) and / or employee(s) of the Company, to give effect to this Resolution, if required, as it may in its absolute discretion deem fit, necessary or desirable, without any further approval from the Unsecured Creditors of the Company."

Sd/-

Saji P John (Advocate)

Chairperson appointed for the Meeting

Date: December 10, 2025

Place: Bengaluru

Registered Office: 4th Floor, Anjaneya Techno Park,
No. 147, HAL Old Airport Road,
ISRO Colony, Kodihalli, H.A.L II Stage,
Bangalore, Karnataka, India – 560008

Tel: 080-44292200

CIN: U74900KA2016PTC086953

Notes:

1. Pursuant to the directions of the Hon'ble NCLT, Bengaluru Bench vide its original order dated November 12, 2025 read with modified order dated November 28, 2025, the Meeting of the Unsecured Creditors of the Transferor Company is being conducted through Video Conferencing ("**VC**") / Other Audio Visual Means ("**OAVM**") facility to transact the business set out in the Notice convening this Meeting. The Meeting will be conducted in compliance with the provisions of the Act, SS-2, and the requirements prescribed by various circulars issued by the Ministry of Corporate Affairs for holding general meetings through VC/OAVM and providing facility of e-voting ("**MCA Circulars**"). Accordingly, the meeting of the Unsecured Creditors of the Company will be convened on Monday, January 12, 2026 at 5:15 P.M. (IST), through VC/OAVM, for the purpose of considering, and if thought fit, approving, with or without modification(s), the Scheme. In accordance with the Order, the deemed venue for the Meeting shall be 4th Floor Anjaneya Techno Park No 147, HAL Old Airport Road ISRO Colony, Kodihalli Bangalore-560008.

2. The Statement pursuant to Sections 102, 230 to 232 of the Act read with other applicable provisions of the Act, and Merger Rules is annexed to this Notice.

3. As per the directions provided in the Order of the Hon'ble NCLT, and in compliance with the MCA Circulars, the Notice of the Meeting and the accompanying documents mentioned in the Index are being sent through electronic mode to those Unsecured Creditors of the Transferor Company whose email ID's are registered/available with the RTA /Depositories/ the Transferor Company and by registered post (RPAD), speed post or courier to the Unsecured Creditors whose email addresses are not available with the Transferor Company / RTA/ Depositories.

4. The Notice convening the Meeting will be published through advertisement in (i) Business Standard in English language; and (ii) Kannada Prabha in Kannada language having wide circulation in Karnataka i.e., the state where the Registered Office of the Company is situated, indicating the day, date, place and time of the Meeting and stating that the copy of the Scheme, the Notice and the Explanatory Statement as required to be furnished pursuant to Section 102 read with Sections 230 to 232 of the Act read with Rule 11 of the Merger Rules can be obtained free of charge from the Registered Office of the Company or by sending a request to the Company at legal@kreditbee.in

5. The Unsecured Creditors may note that the aforesaid documents are also available on the website of the Company at www.kreditbee.in, on the website of BSE at www.bseindia.com and on the website of NSDL at www.evoting.nsdl.com.

6. Facility to join the Meeting shall be opened fifteen minutes before the scheduled time of the Meeting. The Unsecured Creditors will be able to view the live proceedings of the Meeting on the NSDL's e-voting website at www.evoting.nsdl.com. The facility of participation at the Meeting through VC/OAVM will be made available to Unsecured Creditors on a first come first served basis as per MCA Circulars.

7. Since this Meeting is being held through VC/OAVM, the requirement of physical attendance of Unsecured Creditors has been dispensed with. Accordingly, the facility for appointment of proxies by the Unsecured Creditors will not be available and hence the proxy form, route map and attendance slip are not annexed to this Notice.

8. In accordance with the requirements of Sections 112 and 113 of the Act read with Rule 10 of the Merger Rules, where a body corporate is a member authorizes any person to act as its authorized representatives at the meeting, may be appointed for the purpose of voting through remote e-voting, for participation in the Meeting through VC/OAVM facility and e-voting during the Meeting provided a copy of the resolution of the Board of Directors or other governing body of such corporate authorizing such person

to act as its representative at the meeting , and certified to be a true copy by a director, the manager, the secretary, or other authorized officer of such body corporate is emailed to the Scrutinizer at cvsajeevanofficial@gmail.com with a copy marked to the Company at legal@kreditbee.in not later than 48 (forty-eight) hours before the time scheduled for holding the Meeting.

9. The attendance of the Unsecured Creditors joining the Meeting through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Act. In case the required quorum for the Meeting is not present at the commencement of the Meeting, then the Meeting shall be adjourned by 30 (thirty) minutes and thereafter, the Unsecured Creditors present shall be deemed to constitute the quorum.

10. Unsecured Creditors shall have the option to vote electronically ("**e-voting**") either before the Meeting ("**remote e-voting**") or during the Meeting. In accordance with the regulatory requirements as prescribed by the Hon'ble NCLT, the facility for remote e-voting and e-voting during the Meeting in respect of the business to be transacted at the Meeting is being provided by the Company through NSDL. Necessary arrangements have been made by the Company with NSDL to facilitate remote e-voting and e-voting during the Meeting.

11. Voting rights shall be reckoned in proportion to the amount due to the Unsecured Creditors of the Company as on the Cut-off Date i.e. June 30, 2025 ("**Cut-Off Date**").

12. ONLY a person, who is an Unsecured Creditor of the Company as on the Cut-off Date (i.e. June 30, 2025) shall be entitled to exercise his/ her/ its voting rights on the resolution proposed in the Notice and attend the Meeting. A person who is not a Unsecured Creditor as on the Cut-off Date should treat the Notice for information purpose only.

13. It is clarified that casting of votes by remote e-voting (prior to the Meeting) does not disentitle Unsecured Creditors from attending the Meeting. However, after exercising right to vote through remote e-voting prior to the Meeting, Unsecured Creditors shall not vote again at the Meeting.

14. Instructions for e-voting and joining the Meeting through VC/OAVM are, as under:

A. Process and Manner for Unsecured Creditors voting through Electronic Means:

(i) In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer the facility of voting through electronic means in respect of the business set out in the Notice. For this purpose, the Company has entered into an agreement with NSDL for facilitating voting through electronic means, as the authorized agency.

(ii) The facility of casting votes by Unsecured Creditors using remote e-voting system as well as e-voting on the date of the meeting will be provided by NSDL.

(iii) Unsecured Creditors as on the Cut-off Date (i.e. June 30, 2025), will be entitled to avail the facility of remote e-voting as well as e-voting at the Meeting.

(iv) Any person who is not a Unsecured Creditor of the Company as on the Cut-off Date should treat this notice for information purpose only.

(v) The facility of voting through electronic means would also be made available at the Meeting and the Unsecured Creditors present in the meeting through VC/OAVM facility who have not already cast their votes by remote e-voting shall be able to exercise their right of voting through e-voting system during the Meeting. The Unsecured Creditors who have already cast their vote by remote e-voting prior to the Meeting, may also attend/participate in the Meeting through VC/OAVM but shall not be entitled to cast their vote again.

(vi) The remote e-voting module on the day of the Meeting shall be disabled by NSDL for voting, 15 minutes after the conclusion of the Meeting.

(vii) The procedure and instructions for remote e-voting and joining the Meeting on NSDL e-voting System for Unsecured Creditors are provided below.

B. Instructions for Unsecured Creditors

The User ID and/or Password for joining the Meeting through VC/OAVM and casting votes by e-voting is being sent by the Company along with the Notice through E-mail to the Unsecured Creditors, whose E-mail address is available with the Company.

Steps: Access to NSDL e-voting system

1. Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member/Creditor' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.
4. Your Login id and password details casting your vote electronically and for attending the Meeting of Unsecured Creditors through VC/ OAVM are attached in the .pdf file.
5. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
6. Now, you will have to click on "Login" button.
7. After you click on the "Login" button, Home page of e-voting will open.
8. You will be able to see the EVEN no. of the Company.
9. Click on "EVEN" of Company to cast your vote.
10. Now you are ready for e-voting as the Voting page opens.
11. Cast your vote by selecting appropriate options i.e. assent or dissent, and click on "Submit" and also "Confirm" when prompted.
12. Upon confirmation, the message "Vote cast successfully" will be displayed.
13. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
14. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
15. If you face any problems/experience any difficulty or if you forgot your password please feel free to contact on phone no. 022 - 4886 7000 or email id evoting@nsdl.com.
16. The procedure for e-voting on the day of the Meeting is same as the instructions mentioned above for remote e-voting.

C. Instructions for Unsecured Creditors for attending the Meeting through VC/OAVM:

(i) Unsecured Creditors will be provided with a facility to attend the Meeting through VC/OAVM through the NSDL e-voting system. Unsecured Creditors may access the same by following the steps mentioned above for "Access to NSDL e-voting system". After successful login, you can see link of "VC/OAVM link" placed under "Join Meeting" menu against the Company name. You are requested to click on VC/OAVM link placed under "Join Meeting" menu. The link for VC/OAVM will be available in Shareholder/Member/Creditor login where the EVEN of the Company will be displayed.

(ii) Unsecured Creditors can participate in meeting through Laptop/Desktop/Mobile devices, however, for better experience and smooth participation, it is advisable to join the Meeting through Laptops connected through broadband. Further, the Unsecured Creditors will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the Meeting. Please note that Participants connecting from Mobile devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is, therefore, recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

(iii) Unsecured Creditors who would like to express their views or ask questions during the Meeting may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/Folio Number, PAN, Mobile number at legal@kreditbee.in between January 05, 2026 (9:00 A.M.) to January 07, 2026 (5:00 P.M.). Those Unsecured Creditors who have registered themselves as a speaker will only be allowed to express their views/ask questions during the Meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the Meeting.

D. General Information for the Unsecured Creditors

(i) Only those Unsecured Creditors, who will be present in the Unsecured Creditors meeting through VC/OAVM facility and have not casted their vote on the resolution through remote e-Voting shall be eligible to vote through e-Voting system in the Unsecured Creditors Meeting.

(ii) It is strongly recommended that you do not share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

(iii) Unsecured Creditors who have not received the User ID and Password may obtain the same by sending a request at evoting@nsdl.com or legal@kreditbee.in. Such Unsecured Creditors are requested to provide their name, address, PAN and e-mail address along with the request.

(iv) Unsecured Creditors as on Cut-off Date whose email address is not registered with the Company / Registrar and Transfer Agent / Depositories may send a request to the Company at legal@kreditbee.in for one time registration of their email address along with their Name, PAN and DP ID & Client ID, for receiving the Notice of this meeting and casting vote electronically.

Sd/-

Saji P John (Advocate)

Chairperson appointed for the Meeting

Date: December 10, 2025

Place: Bengaluru

Registered Office: 4th Floor, Anjaneya Techno Park,
No. 147, HAL Old Airport Road,
ISRO Colony, Kodihalli, H.A.L II Stage,
Bangalore, Karnataka, India – 560008

Tel: 080-44292200

CIN: U74900KA2016PTC086953

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL

BENGALURU BENCH

C.A. (CAA) No.43/BB/2025

IN THE MATTER OF THE COMPANIES ACT, 2013

AND

IN THE MATTER OF SECTIONS 230 TO 232 READ WITH SECTION 52, SECTION 66 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AND RULES MADE THEREUNDER

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IN THE MATTER OF SCHEME OF ARRANGEMENT BETWEEN FINNOVATION TECH SOLUTIONS PRIVATE LIMITED (THE "**TRANSFEROR COMPANY**") AND KRAZYBEE SERVICES LIMITED (THE "**TRANSFEREE COMPANY**") AND THEIR RESPECTIVE SHAREHOLDERS (THE "**SCHEME**")

Finnovation Tech Solutions Private Limited	)	
CIN: U74900KA2016PTC086953	)	
is a company registered under the Companies Act, 2013 and	)	
having its registered office at 4th Floor, Anjaneya Techno Park,	)	
No. 147, HAL Old Airport Road, ISRO Colony, Kodihalli,	)	
H.A.L II Stage, Bangalore, Karnataka, India – 560008	)	Applicant Company No. 1/ Transferor Company

EXPLANATORY STATEMENT UNDER SECTION 230 TO 232 AND SECTION 102 OF THE COMPANIES ACT, 2013 READ WITH RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 AND OTHER APPLICABLE LAWS

I. Meeting for the Scheme:

This is a statement accompanying the Notice convening the meeting of the Unsecured Creditors of Finnovation Tech Solutions Private Limited as per the directions given by the Hon'ble NCLT vide its original order dated November 12, 2025 read with modified order dated November 28, 2025 passed in the Company Scheme Application No. C.A (CAA)/43/BB/ 2025. The Meeting is scheduled to be held on Monday, January 12, 2026 at 5:15 P.M. (IST), through VC/OAVM for the purpose of considering, and if thought fit, approving, with or without modification(s), the Scheme of Arrangement between Finnovation Tech Solutions Private Limited (the "**Transferor Company**") and Krazybee Services Limited (the "**Transferee Company**") and their respective shareholders (the "**Scheme**") under the provisions of Sections 230 to 232 read with Section 52, Section 66 of the Companies Act, 2013 ("**Act**") and other applicable provisions.

The Unsecured Creditors of the Company would be entitled to vote by remote e-voting prior to the Meeting or by e-voting during the Meeting. Also, e-voting will be kept open for 15 minutes after the conclusion of the Meeting to enable the Unsecured Creditors who have not cast their votes to vote through e-voting system at the Meeting. The quorum of the Meeting shall be as per Section 103 of the Act present through VC/OAVM.

In terms of the said Order, the Hon'ble NCLT has appointed Mr. Saji P John (Advocate), has been appointed as the Chairperson of the Meeting and Mr. Sajeevan CV, Former Registrar of Companies of Karnataka and Practicing Company Secretary, as a Scrutinizer for the Meeting.

The Scheme provides for the amalgamation of the Transferor Company with the Transferee Company, the dissolution of the Transferor Company without winding up and the consequent issuance of New Equity Shares (*as defined in the Scheme*) and New CCPS (*as defined in the Scheme*), as the case may be, as provided in Clause 12 of the Scheme, as per the approved Share Entitlement Ratio Report, in accordance with Part II of the Scheme;

A copy of the Scheme is enclosed herewith as **Annexure 1**.

II. Need, Rationale and Benefits of the Scheme of Arrangement:

1. The Transferor Company and the Transferee Company have common shareholders having identical shareholding percentage in both the companies. The Transferee Company proposes to enter into the Scheme with the Transferor Company, to consolidate their service capabilities thereby improving operational efficiency and better use of resources for improving overall customer satisfaction, optimization of working capital utilization and collaborate to effectively leverage their human resources and expertise.
2. Therefore, the management of the Transferor Company and the Transferee Company believe that this Scheme would result in strategic and organizational benefits which would benefit the respective companies and other stakeholders of respective companies, inter-alia, on account of the following reasons:

   i. *The Transferor Company possesses strong technological capabilities, having developed a digital lending application "KreditBee" along with a robust technological framework that enables seamless customer onboarding and facilitates the entire loan process through a digital platform. The Transferee Company will benefit from such expertise and will strengthen its existing technological framework.*

   ii. *Integration of business operations will provide the Transferee Company with significant impetus to its growth.*

   iii. *Enable more concentrated and strategic management attention, consolidate the holding of the shareholders into one company, for a better and more efficient control.*

   iv. *Greater efficiency in cash management of the merged entity, and unfettered access to cash flow generated by the business which can be deployed more efficiently to fund growth opportunities.*

   v. *Attract investment opportunities from strategic investors/ financial investors who have varied business interests and risk perceptions.*

   vi. *Achieve simplification of the corporate structure of entities, streamline business operations and decision-making process and enable greater economies of scale.*

   vii. *The Amalgamation will result in effective and faster mobilization of financial resources for meeting increased business expenditures.*

viii. Avoidance of duplication of administrative functions, significant reductions in multiplicity of legal and regulatory compliance cost. Therefore, this Scheme would result in streamlining of legal, compliance and other statutory functions to allow a more coordinated approach towards governance for the businesses.

III. Details as per Rule 6(3) of the Merger Rules:

a) Details of the NCLT Order which directs the calling, convening and conducting of the Meeting:

Please refer to Paragraph No. I of this Explanatory Statement for date of the Order and the Date, time and venue of the NCLT Convened Meeting.

b) Details of companies involved in the Scheme:

A. Krazybee Services Limited

Date of Incorporation	March 16, 2016
Corporate Identification Number	U65100KA2016PLC086990
Permanent Account Number	AAGCK1119D
Type of Company	Public Limited Company
Registered Office	3rd Floor, No. 128/9, Maruthi Sapphire, HAL Old Airport Road, Murugesh Palya, Bangalore, Karnataka, India – 560017
Email Address	legal@krazybee.com
Name of the stock exchange(s) where securities of the Company are listed	Certain non-convertible debentures and commercial papers of the Transferee Company are listed on BSE Limited

B. Finnovation Tech Solutions Private Limited

Date of Incorporation	March 15, 2016
Corporate Identification Number	U74900KA2016PTC086953
Permanent Account Number	AACCF7831R
Type of Company	Private Limited Company
Registered Office	4th Floor, Anjaneya Techno Park, No. 147, HAL Old Airport Road, ISRO Colony, Kodihalli, H.A.L II Stage, Bangalore, Karnataka, India – 560008
Email Address	legal@kreditbee.in

c) Other particulars of the Transferee Company as per Rule 6(3) of the Merger Rules:

i. Summary of the main objects as per the Memorandum of Association and main business carried on by the Transferee Company:

The Transferee Company is registered with the Reserve Bank of India ("RBI") as a non-deposit taking systemically important Non-Banking Finance Company ("NBFC") in terms of the certificate of registration dated 25 September 2025 issued by the RBI, bearing registration no N-02.00281, in lieu of the original certificate of registration dated 25 May 2017 issued by the RBI. The Transferee Company is classified as middle layer Investment and Credit Company (NBFC-ICC) pursuant to the Master Directions - Reserve Bank of India (Non-Banking

Financial Company - Scale Based Regulation) Directions, 2023. The Transferee Company is primarily engaged in the business of providing secured and unsecured loans to its customers.

The extracts of main and other objects of the Transferee Company as per the Memorandum of Association have been reproduced below for the perusal of the Unsecured Creditors:

"3rd. The objects for which the Company is established are :-

(a) THE OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE: -

1. *To carry on the business of lending on easy payment system, household and office furniture, domestic or business appliances, computers, tabulators, addressing machine and other sophisticated office machinery, installation fitting, machinery, cycles, bicycles, two wheelers, tools, plants, implements, utensils, apparatus and requisites and accessories, all kinds of electric accessories, all kind of appliances, furniture, all kind of tradable goods, wireless and television receivers, telephones, telex, teleprinters, or other apparatus, ships, dredgers, barges and containers and to carry on the business of hire purchase of movable properties of any kind, including machinery, plant of all kinds to buy, sell, alter, repair, exchange and deal in and finance the sale of furniture, apparatus, machinery, materials, goods and articles.*
2. *To carry on the business of a loan and finance company, including lending and advancing money or giving credit on any terms or manner and with or without security to any individual, firm, body corporate or any other entity (including without prejudice to the generality of the foregoing any holding company, subsidiary or fellow subsidiary of, or any other company whether or not associated in any way with, the Company) for the purpose of purchase and acquisition of goods, merchandise, assets of any nature or for any other purposes, However the Company will not carry on the banking business as defined under the Banking Regulation Act, 1949.*
3. *To seek and obtain registration as a Non-Banking Finance Company from the Reserve Bank of India and to undertake any such business as may be permitted by the Reserve Bank of India from time to time.*
4. *To act as the Mutual Fund Distributor and to undertake such other activities as are incidental or ancillary thereto, subject to the receipt of requisite approvals from the Association of Mutual Funds in India.*

ii. Details of change of name, registered office and objects of the Transferee Company during the last 5 (five) years:

a) Change of Name: The Transferee Company had applied for conversion from private company to public company with Registrar of Companies, Bangalore on July 07, 2025. Requisite approval for such conversion and consequently change of name of the Transferee Company from "Krazybee Services Private Limited" to "Krazybee Services Limited" was obtained, pursuant to which a fresh certificate of incorporation was issued by Registrar of Companies, Bangalore on September 08, 2025. Accordingly, the name of the Transferee Company is changed from "Krazybee Services Private Limited" to "Krazybee Services Limited".

b) Change of Registered Office: There has been no change of Registered Office address during the last 5 (five) years.

c) Change of Objects: Clause 4 was inserted into the Object Clause of the Memorandum of Association pursuant to the vide extra ordinary general meeting held on August 30, 2024 and appropriate numbering was carried out. The Clause 4 has been reproduced below:

To act as the Mutual Fund Distributor and to undertake such other activities as are incidental or ancillary thereto, subject to the receipt of requisite approvals from the Association of Mutual Funds in India.

iii. The authorised, issued, subscribed and paid-up share capital of the Transferee Company as on September 30, 2025 was as follows:

Particulars	**Amount in Rs.**
AUTHORIZED SHARE CAPITAL	
35,30,00,000 equity shares of Rs. 10 each	3,53,00,00,000
5,60,000 non – cumulative compulsorily convertible preference shares of Rs. 18,000 each	10,08,00,00,000
TOTAL	13,61,00,00,000
ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL	
22,76,28,000 equity shares of Rs. 10 each	2,27,62,80,000
4,77,866 non – cumulative compulsorily convertible preference shares of Rs. 18,000 each	8,60,15,88,000
TOTAL	**10,87,78,68,000**

iv. Details of promoters and directors of the Transferee Company along with their addresses:

Details of Promoters of the Transferee Company as on September 30, 2025 are, as follows:

Sr. No.	**Name**	**Address**
Not Applicable - The Company is a professionally managed company and does not have any identifiable promoters.		

Details of Directors of the Transferee Company as on September 30, 2025 are, as follows:

Sr. No.	**Name**	**Address**	**DIN No.**
1.	Madhusudan Ekambaram	No. 296, Behind Jublee Collage, Jinkethimana Halli, Rammurthynagar, Bangalore - 560036	07442577
2.	Karthikeyan Krishnaswamy	K-701, SNN Raj Lake View Apts, 29th Main Road NS Palya Main Road, Btm Layout Bengaluru, Karnataka - 560076	07449376

3.	Vivek Veda	Flat No. 1073, Shoba Daisy Apartment, Bellandur, Green Glay Layout, Bangalore, Karnataka - 560103	07560229
4.	Adesh Kumar Gupta	701, Tagore Avenue, Tagore Road, Santacruz West Mumbai Maharashtra - 400054	00020403
5.	Shashikala Ramachandra	Aura C-201, Ozone Urbana Township Kannamangala Bangalore Rural Karnataka 562110	08087460
6.	Abhishek Singhvi	B-803, Joy Valencia, Jogeshwari Vikhroli Link Road, Behind Majas Bus Depot, Jogeshwari East, Mumbai, Maharashtra - 400060	07972535
7.	Nattanmai Venkataraman Saravanan	E3/34 Kailash Chandra CHS Mahindra Nagar Haji Bapu Road, Haji Bapu Road, Mumbai - 400097	06989767
8.	Gagan Lalit Mohan Joshi	N-202, The Trees, Residences Phase 2 CHS LTD 51/B, Pirojsha Nagar, off western highway Mumbai, Maharashtra 400079	07807857
9.	Vinit Mukesh Mehta	501 Satguru Towers Central Avenue Mumbai, Maharashtra -400054	08792902
10.	Mamtesh Sugla	Flat 301, Tower 5, Crescent Bay, Jer Bai Wadia Road Near Mahatma Phule Educational Society, Bhoiwada Mumbai, Maharashtra - 400012	08312311

11.	Ravindra Sengaonkar	Plot No 89, Phase III, Near Club House, 4 Seasons Society, Bhugaon, Pune 412115	07474309

v. Details of the date of the Board Meeting of the Transferee Company at which the Scheme was approved by the Board of Directors including the name of the Directors who voted in favour of the resolution, who voted against the resolution and who did not vote or participate on such resolution:

The Board of Directors of the Transferee Company approved the Scheme at its Meeting held on May 21, 2025. Details of the manner in which the Directors of the Transferee Company voted at its meeting are as follows:

Sr. No.	Names of Director	Voted in favour/against/Did not Vote or Participate
1.	Madhusudan Ekambaram	Voted in favour
2.	Karthikeyan Krishnaswamy	Voted in favour
3.	Vivek Veda	Voted in favour
4.	Adesh Kumar Gupta	Voted in favour
5.	Shashikala Ramachandra	Voted in favour
6.	Abhishek Singhvi	Voted in favour

The details of the shareholding of the Directors and Key Managerial Personnel of the Transferee Company as on September 30, 2025 is, as follows:

Sr. No.	Name	Designation	No. of Shares held
1.	Madhusudan Ekambaram	Director & Chief Executive Officer	1,47,13,075
2.	Karthikeyan Krishnaswamy	Director	45,45,070
3.	Vivek Veda	Director & Chief Financial Officer	Nil
4	Adesh Kumar Gupta	Independent Director	Nil
5.	Shashikala Ramachandra	Independent Director	Nil
6	Abhishek Singhvi	Independent Director	Nil
7	Nattanmai Venkataraman Saravanan	Nominee Director	1,06,400
8	Gagan Lalit Mohan Joshi	Nominee Director	Nil
9	Vinit Mukesh Mehta	Nominee Director	Nil

10	Mamtesh Sugla	Nominee Director	Nil
11	Ravindra Sengaonkar	Independent Director	Nil
12	Pallavi Lingaraju	Company Secretary	Nil

vi. Disclosure about the effect of the Scheme on the various stakeholders of the Transferee Company:

a. Effect on the shareholders (promoter and non-promoter), Key Managerial Persons, Directors, Debenture holders, creditors, staff or employees: The effect of the Scheme on the shareholders (promoter and non-promoter), Key Managerial Persons, Directors, Debenture holders, creditors, staff or employees has been set out in the report adopted by the Board of Directors of the Transferee Company pursuant to the provisions of Section 232(2)(c) of the Act which is attached as **Annexure 2B** to this statement.

b. Effect on the Debenture Trustee: The Debenture Trustee appointed for the respective series of debentures shall continue to remain the debenture trustee and shall not be affected by the Scheme.

c. Effect of the Depositors and Deposit Trustee: Not Applicable.

vii. Amount due to Unsecured Creditors: The amount due to Unsecured Creditors, as on June 30, 2025, is approximately Rs. 65,859.63 lakh.

d) Other particulars of the Transferor Company as per Rule 6(3) of the Merger Rules:

i. Summary of the main objects as per the Memorandum of Association and main business carried on by the Transferor Company:

The Transferor Company is primarily engaged in the business of developing and managing an application platform under the brand name "KreditBee", "Kreditzy" and "KrazyBee" which acts as a digital lending application for connecting borrowers with NBFCs for availing unsecured personal loans. The Transferor Company had applied for a Corporate Agent License with the Insurance Regulatory and Development Authority of India (IRDAI). However, vide email dated 25 April 2025, the Transferor Company has withdrawn its application and will not apply for the license.

The extracts of main objects and other objects of the Transferor Company as per the Memorandum of Association have been reproduced below for the perusal of the Unsecured Creditors:

"3rd. The objects for which the Company is established are :-

(a) THE OBJECTS TO BE PURSUED BY THE COMPAN Y ON ITS INCORPORATION ARE: -

1. To carry on the business of E-commerce service provider, E-commerce solutions, E-commerce platforms, E-commerce education, E-commerce technologies and E-business solutions and providing solutions and services related to Web-Technologies and E-commerce, including to design, develop, maintain, operate, own, establish, install, host, provide, create, facilitate, supply, sale, purchase, license or otherwise deal in Internet portals, Internet networks, Media Portals, Internet solutions, Internet gateways, Internet service providers, E-commerce, Web-site designing, Web based and Web enabled services and applications.

2. *To carry on the business of facilitating information flow of financial services including online financial services for consumer products such as mortgage loan, auto loan and other loans.*

3. *To provide or facilitate the information flow through online on capital issues, investments consultants, insurance schemes, pension schemes, Government Securities, Tax planning, retirement planning, and other related floated income instruments.*

4. *To obtain Corporate Agency License under the Insurance Regulatory and Development Authority (Licensing of Corporate Agents) Regulations 2002, as amended from time to time and carry on the business of a corporate agent for an Indian insurance company or an insurance co-operative society (as defined under the Insurance Regulatory and Development Authority Act, 1999, as amended from time to time) , thereby, to represent insurance companies and sell their policies and to engage in a particular business of corporate insurance agency and sell insurance policies to the existing customers as well as to new customers (including acquisition) and carry on and transact in India or elsewhere in any manner whatsoever, by soliciting and procuring insurance business including business relating to procuring, continuance, renewal or revital of policies of insurance or by providing any other facilities including infrastructure facilities as may be required by such Indian insurance companies or insurance co-operative societies, and to act as agent, representative, surveyor, sub insurance agent, franchiser, consultant, advisor, collaborator, or otherwise to deal in all incidental and allied activities related to general insurance business, subject to the receipt of requisite approvals from the Insurance Regulatory and Development Authority of India."*

ii. Details of change of name, registered office and objects of the Transferor Company during the last 5 (five) years:

a) Change of Name: There has been no change in the name during the last 5 (five) years.

a) Change of Registered Office: Pursuant to the resolution passed by the Board of Directors on September 27th, 2024, the registered office of the Transferor Company was sifted from "16/3, Adarsh Y elavarthy Centre, opp to Frank Anthony School, Cambridge Layout, Jogupallya, Bangalore, Kamataka- 560008" to "4th Floor, Anjaneya Techno Park, No. 147, HAL Old Airport Road, ISRO Colony, Kodihalli, Bengaluru- 560008, Karnataka".

b) Change of Objects: Clause 5 was inserted into the Object Clause of the Memorandum of Association pursuant to the vide extra ordinary general meeting held on April 18, 2024 and appropriate re-numbering was carried out. The Clause 4 has been reproduced below:

To obtain Corporate Agency License under the Insurance Regulatory and Development Authority (Licensing of Corporate Agents) Regulations 2002, as amended from time to time and carry on the business of a corporate agent for an Indian insurance company or an insurance co-operative society (as defined under the Insurance Regulatory and Development Authority Act, 1999, as amended from time to time) , thereby, to represent insurance companies and sell their policies and to engage in a particular business of corporate insurance agency and sell insurance policies to the existing customers as well as to new customers (including acquisition) and carry on and transact in India or elsewhere in any manner whatsoever, by soliciting and procuring insurance business including business relating to procuring, continuance, renewal or revital of policies of insurance or by providing any other facilities including infrastructure facilities as may be required by such Indian insurance companies or insurance co-operative societies, and to act as agent, representative, surveyor, sub insurance agent, franchiser, consultant, advisor, collaborator, or otherwise to deal in all incidental and allied

activities related to general insurance business, subject to the receipt of requisite approvals from the Insurance Regulatory and Development Authority of India."

iii. The authorised, issued, subscribed and paid-up share capital of the Transferor Company as on September 30, 2025 was as follows:

Particulars	**Amount in Rs.**
AUTHORIZED SHARE CAPITAL	
40,00,000 equity shares of Rs. 10 each	4,00,00,000
5,50,000 non – cumulative compulsorily convertible preference shares of Rs. 10 each	55,00,000
TOTAL	**4,55,00,000**
ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL	
11,91,105 equity shares of Rs. 10 each	1,19,11,050
5,00,105 non – cumulative compulsorily convertible preference shares of Rs. 10 each	50,01,050
TOTAL	**1,69,12,100**

iv. Details of promoters and directors of the Transferor Company along with their addresses:

Details of Promoters of the Transferor Company as on September 30, 2025 are, as follows:

Sr. No.	**Name**	**Address**
Not Applicable - The Company is a professionally managed company and does not have any identifiable promoters.		

Details of Directors of the Transferor Company as on September 30, 2025 are, as follows:

Sr. No.	**Name**	**Designation**	**Address**	**DIN No.**
1.	Madhusudan Ekambaram	Director	No. 296, Behind Jublee Collage, Jinkethimana Halli, Rammurthynagar, Bangalore - 560036	07442577
2.	Karthikeyan Krishnaswamy	Director	K-701, SNN Raj Lake View Apts,	07449376
3.	Gagan Lalit Mohan Joshi	Nominee Director	N-202 The Trees Residences, Phase 2 CHS LTD 51/B Pirojshanagar, Vikhroli, Mumbai 400079	07807857

4.	Nattanmai Venkataraman Saravanan	Nominee Director	Villa 13 Ozone Residenza Harlur Road Next to Sobha Classic Bangalore South Bangalore, Karnataka - 560102	06989767
5.	Vinit Mukesh Mehta	Nominee Director	501 Satguru Towers Central Avenue Mumbai, Maharashtra -	08792902
6.	Mamtesh Sugla	Nominee Director	Flat 301, Tower 5, Crescent Bay, Jer Bai Wadia Road Near Mahatma Phule Educational Society, Bhoiwada Mumbai,	08312311
7.	Harry Archerman	Nominee Director	N-202 The Trees Residences, Phase 2 CHS LTD 51/B Pirojshanagar, Vikhroli, Mumbai 400079	10627357

v. Details of the date of the Board Meeting of the Transferor Company at which the Scheme was approved by the Board of Directors including the name of the Directors who voted in favour of the resolution, who voted against the resolution and who did not vote or participate on such resolution:

The Board of Directors of the Transferor Company approved the Scheme at its Meeting held on May 21, 2025. Details of the manner in which the Directors of the Transferor Company voted at its meeting are as follows:

Sr. No.	**Names of Director**	**Voted in favour/against/Did not Vote or Participate**
1.	Madhusudan Ekambaram	Voted in favour
2.	Karthikeyan Krishnaswamy	Voted in favour
3.	Gagan Lalit Mohan Joshi	Voted in favour
4.	Nattanmai Venkataraman Saravanan	Voted in favour
5.	Vinit Mukesh Mehta	Voted in favour
6.	Mamtesh Sugla	Voted in favour
7.	Harry Archerman	Did not participate

vi. The details of the shareholding of the Directors and Key Managerial Personnel of the Transferor Company as on September 30, 2025 is, as follows:

S. No.	Name	Designation	No. of Shares held
1.	Madhusudan Ekambaram	Director	76,988
2.	Karthikeyan Krishnaswamy	Director	23,785
3.	Gagan Lalit Mohan Joshi	Nominee Director	Nil
4.	Nattanmai Venkataraman Saravanan	Nominee Director	557
5.	Vinit Mukesh Mehta	Nominee Director	Nil
6.	Mamtesh Sugla	Nominee Director	Nil
7.	Harry Archerman	Nominee Director	Nil

vii. Disclosure about the effect of the Scheme on the various stakeholders of the Transferor Company:

a. Effect on the shareholders (promoter and non-promoter), Key Managerial Persons, Directors, Debenture holders, creditors, staff or employees: The effect of the Scheme on the shareholders (promoter and non-promoter), Key Managerial Persons, Directors, Debenture holders, creditors, staff or employees has been set out in the report adopted by the Board of Directors of the Transferor Company pursuant to the provisions of Section 232(2)(c) of the Act which is attached as **Annexure 2A** to this statement.

b. Effect on the Debenture Trustee: Not Applicable.

c. Effect of the Depositors and Deposit Trustee: Not Applicable.

viii. Amount due to Unsecured Creditors: The amount due to Unsecured Creditors, as on June 30, 2025, is approximately Rs. 2,915.09 lakh.

IV. Other Details regarding the Scheme as per Rule 6(3) of the Merger Rules:

a. Relationship subsisting between Parties to the Scheme:

The Transferor Company and the Transferee Company were part of a common holding company, Finnov Private Limited ('Finnov'), a Singapore based company. Pursuant to voluntary liquidation process, the parent company was dissolved and its shareholders became direct shareholders of the Transferor Company and the Transferee Company

b. Appointed date, effective date, record date and other considerations for the Scheme:

i. **Appointed Date (as defined in the Scheme):** Appointed Date under the Scheme means the 01 April 2024, or such other date as may be approved by the Tribunal.

ii. **Effective Date (as defined in the Scheme):** Effective Date under the Scheme means the last of the dates on which all conditions, matters and filings referred to in Clause 21 hereof have been fulfilled or waived and necessary orders, approvals and consents referred to therein have been obtained. All references in this Scheme to "upon the coming into effect of this Scheme" or "effectiveness of the Scheme" or "the Scheme becoming effective" shall represent and mean the Effective Date.

iii. **Record Date (as defined in the Scheme):** Record Date under the Scheme means shall mean the date to be fixed by the Board of the Transferor Company in consultation with the Board of the Transferee Company for the purpose of determining shareholders of the Transferor Company, who shall be entitled to receive New Equity Shares and/or New CCPS (as defined in the Scheme) of the Transferee Company, as the case may be.

iv. **Share Entitlement Ratio (as defined in the Scheme):**

351 (Three-Hundred and Fifty-One) fully paid up New Equity shares of face value of Rs. 10/- (Rupees Ten Only) each of Transferee Company shall be issued and allotted as fully paid up for every 5 (Five) equity shares of the face value of Rs. 10/- (Rupees Ten Only) each fully paid-up held by the shareholders in the Transferor Company.

351 (Three-Hundred and Fifty-One) fully paid up New CCPS (as defined in Scheme) of face value of Rs. 10/- (Rupees Ten Only) each of Transferee Company shall be issued and allotted as fully paid up for every 5 (Five) Existing CCPS shares of the face value of Rs. 10/- (Rupees Ten Only) each fully paid-up held by the shareholders in the Transferor Company.

v. **Details of capital structuring:** No capital restructuring is envisaged in the Scheme. However, upon Scheme becoming effective, the securities premium account arising pursuant to amalgamation and available with the Transferee Company would be reduced against: (i) the Goodwill arising on amalgamation; and (ii) the Fair value adjustments of identified Intangible Assets of the Transferor Company transferred to Transferee Company pursuant to amalgamation, pursuant to Clause 16.1 and Clause 16.2 of the Scheme. This consequential capital reduction of the Transferee Company shall be effected as an integral part of the Scheme itself and not under a separate procedure, in terms of Section 52(1) read with Section 66 of the Act, and the order of the competent authority sanctioning the Scheme shall be deemed to be an order under Section 66 of the Act, or any other applicable provisions, confirming the reduction. The consent of the shareholders of the Transferor Company and the Transferee Company to the Scheme shall be deemed to be the consent of its shareholders for the purpose of effecting the reduction under the provisions of Section 52(1) read with Section 66 of the Act as well and no further compliances would be separately required.

vi. **Details of debt structuring:** No debt restructuring of the Transferor Company or Transferee Company is envisaged in the Scheme.

vii. **Summary of Share Entitlement Ratio Report and Fairness Opinion:**

a. Copy of report dated May 21, 2025 from Shreyansh M Jain, an independent Registered Valuer, recommending the fair share entitlement ratio in connection with the Scheme ("**Share Entitlement Ratio Report**") is enclosed as **Annexure 4**. The report provides for fair share entitlement ratio as:

"*351 (Three Hundred and Fifty One) equity shares of the Transferee Company of INR 10/- each fully paid-up for every 5 (Five) equity shares of the Transferor Company of INR 10/- each fully paid-up*".

"*351 (Three Hundred and Fifty One) CCPS of the Transferee Company of INR 10/- each fully paid-up for every 5 (Five) CCPS of the Transferor Company of INR 10/- each fully paid-up*".

b. Copy of fairness opinion dated May 21, 2025, issued by Saffron Capital Advisors Private Limited, an independent SEBI registered Category I Merchant Banker providing opinion in respect of the Share Entitlement Ratio Report is enclosed as **Annexure 5**.

viii. Auditors' Certificate on conformity of accounting treatment specified in the Scheme with Accounting Standards:

The Statutory Auditor of the Transferee Company have confirmed that the accounting treatment specified in the Scheme is in conformity with the Accounting Standards prescribed under Section 133 of the Act. The certificate is enclosed as **Annexure 3**.

ix. Details of ongoing adjudication and recovery proceedings, prosecution initiated, and all other enforcement action taken, against the Company, its promoters and directors of the Company and investigation or proceedings, if any, pending against the Transferor Company and the Transferee Company under the Act are included at **Annexure 9A** and **Annexure 9B** respectively.

x. Details of approvals, sanctions or no-objection(s) from regulatory or any other governmental authorities required, received or pending for the purpose of the Scheme:

i. BSE vide its Observation Letter dated August 14, 2025 has provided its No Objection for the Scheme. Copy of said letter is enclosed as **Annexure 6**.

ii. Reserve Bank of India ("RBI") vide its letter dated 09 July 2025 has provided its No Objection for the Scheme.

iii. Copy of the original order and modified order passed by the Hon'ble NCLT in Company Application No. C.A.(CAA)/43/BB/2025 pronounced on November 12, 2025 and November 28, 2025 respectively.

The Scheme, if approved at the Meeting, will be subject to the subsequent approval of the Hon'ble NCLT and such other approvals, permission, and sanctions of regulatory or other authorities, as may be necessary and as contemplated in the Scheme.

xi. Brief background and salient features of the Scheme:
Please refer Point No. (II) on Need, Rationale and Benefits of the Scheme.

V. Inspection of Documents:

Electronic copy of the following documents are available for inspection on the website of the Company at www.kreditbee.in.

a) Copy of original order dated November 12, 2025 and modified order dated November 28, 2025 passed by the Hon'ble NCLT, Bengaluru Bench, in Company Scheme Application No. C.A.(CAA)/43/BB/2025, directing inter alia the calling, convening and conducting of the Meeting of Unsecured Creditors of the Transferor Company and Meeting of Secured Creditors and Unsecured Creditors of the Transferee Company;

b) Scheme of Arrangement between the Transferor Company and the Transferee Company and their respective shareholders under the provisions of Sections 230 to 232 read with Section 52, Section 66 and other applicable provisions of the Act;

c) Copies of the reports adopted by the respective Board of Directors of the Transferor Company and the Transferee Company, pursuant to the provisions of Section 232(2)(c) of the Act;

d) Certificate issued by the Statutory Auditor of the Transferee Company confirming that the accounting treatment specified in the Scheme is in compliance with Section 133 of the Act and applicable accounting standards;

e) Share Entitlement Ratio Report of the Company dated May 21, 2025, issued by Shreyansh M Jain, an independent Registered Valuer, recommending the fair share entitlement ratio in connection with the Scheme;

f) Fairness opinion dated May 21, 2025, issued by Saffron Capital Advisors Private Limited, an independent SEBI registered Category I Merchant Banker providing opinion in respect of the Share Entitlement Ratio Report;

g) Audited standalone financial statements of the Transferee Company for the financial year ended March 31, 2025;

h) Unaudited financial statements of the Transferee Company as on September 30, 2025 along with a copy of Limited Review Report issued by the Statutory Auditor of the Transferee Company;

i) Audited standalone financial statements of the Transferor Company for the financial year ended March 31, 2025;

j) Unaudited financial statements of the Transferor Company as on September 30, 2025;

k) Observation Letter dated August 14, 2025 issued by BSE;

l) All other documents displayed on the website of the Company at www.kreditbee.in;

m) All other documents referred to or mentioned in the Statement to this Notice.

The above documents shall be available for obtaining extract from or for making copies of by the Unsecured Creditors at the Registered Office of the Company on all working days, between Monday to Friday except public holidays, between 10:00 A.M. (IST) to 5:00 P.M. (IST) up to the date of the Meeting.

Sd/-

Saji P John (Advocate)

Chairperson appointed for the Meeting

Date: December 10, 2025

Place: Bengaluru

Registered Office: 4th Floor, Anjaneya Techno Park,

No. 147, HAL Old Airport Road,

ISRO Colony, Kodihalli, H.A.L II Stage,

Bangalore, Karnataka, India – 560008

Tel: 080-44292200

CIN: U74900KA2016PTC086953

SCHEME OF ARRANGEMENT

BETWEEN

FINNOVATION TECH SOLUTIONS PRIVATE LIMITED

(THE "TRANSFEROR COMPANY")

AND

KRAZYBEE SERVICES PRIVATE LIMITED

(THE "TRANSFEREE COMPANY")

AND

THEIR RESPECTIVE SHAREHOLDERS

UNDER SECTIONS 230 TO 232 READ WITH SECTION 52, SECTION 66 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AND RULES MADE THEREUNDER

(A) PREAMBLE

1. This Scheme (*as defined hereinafter*) is presented under Sections 230 to 232 read with Section 52, Section 66 and other applicable provisions of the Act (*as defined hereinafter*) read with Section 2(1B) and other applicable provisions of the IT Act (*as defined hereinafter*), and other Applicable Law (*as defined hereinafter*), if any, and provides for amalgamation of the Transferor Company (*as defined hereinafter*) and the Transferee Company(*as defined hereinafter*).

2. This Scheme *inter alia* provides for:

   (i) the amalgamation of the Transferor Company into the Transferee Company and the consequent dissolution of the Transferor Company without being wound up;

   (ii) the consequent issuance of the New Equity Shares (*as defined hereinafter*) or New CCPS (*as defined hereinafter*), as the case may be, by the Transferee Company to the shareholders of the Transferor Company as at the Record Date (*as defined hereinafter*) in accordance with the Share Entitlement Ratio (*as defined hereinafter*);

(iii) the reduction of securities premium account of the Transferee Company; and

(iv) various other matters consequential, incidental, supplementary or otherwise integrally connected therewith.

3. Pursuant to the provisions of Sections 230 to 232 read with Section 52, Section 66 and other applicable provisions of the Act in the manner provided for in this Scheme and in compliance with the provisions of the IT Act ("**Amalgamation**").

(B) DESCRIPTION OF THE COMPANIES

1. **Finnovation Tech Solutions Private Limited** was incorporated on 15 March 2016, as a private limited company, under the provisions of the Act with corporate identification number U74900KA2016PTC086953 and having its registered office at 4th Floor, Anjaneya Techno Park, No. 147, HAL Old Airport Road, ISRO Colony, Kodihalli, H.A.L II Stage, Bangalore – 560008, Karnataka (the "**Transferor Company**").

   The Transferor Company is primarily engaged in the business of developing and managing an application platform under the brand name "KreditBee", "Kreditzy" and "KrazyBee" which acts as a digital lending application for connecting borrowers with non-banking finance companies ("**NBFCs**") for availing unsecured personal loans. The Transferor Company had applied for a Corporate Agent License with the Insurance Regulatory and Development Authority of India (IRDAI). However, *vide* email dated 25 April 2025, the Transferor Company has withdrawn its application and will not apply for the license.

2. **Krazybee Services Private Limited** was incorporated on 16 March 2016, as a private limited company, under the provisions of the Act with corporate identification number U65100KA2016PTC086990 and having its registered office at 3rd Floor, No. 128/9, Maruthi Sapphire, HAL Old Airport Road, Murugesh Palya, Bangalore, Karnataka, India – 560 017 (the "**Transferee Company**").

   The Transferee Company is registered with the Reserve Bank of India ("**RBI**") as a non-deposit taking systemically important NBFC in terms of the certificate of registration dated 25 May 2017 issued by the RBI, bearing registration no N-02.00281. The Transferee Company is classified as middle layer Investment and Credit Company (NBFC-ICC) pursuant to the Master Directions - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023. The Transferee Company is primarily engaged in the business of providing secured and unsecured loans to its customers. The Transferee Company is also classified as "High Value Debt Listed Entity" in terms of SEBI LODR (*as defined hereinafter*). Certain non-convertible debentures and commercial papers issued by the Transferee Company are listed on the debt segment of BSE (*as defined hereinafter*).

The Transferee Company has obtained a No Objection Certificate (NOC) from the RBI dated 14 May 2025, for its conversion from a 'private limited company' to a 'public limited company'. Pursuant to the receipt of the NOC, the Transferee Company is in the process of obtaining Board (*as defined hereinafter*) and shareholders' approval and filing the requisite forms with the Registrar of Companies (*as defined hereinafter*). Upon receipt of approval from the ROC, the Transferee Company will proceed to apply to the RBI for a fresh certificate of registration reflecting the change of its name from 'Krazybee Services Private Limited' to 'Krazybee Services Limited'.

(C) RATIONALE OF THE SCHEME

1. The Transferor Company and the Transferee Company have common shareholders having identical shareholding percentage in both the companies. The Transferee Company proposes to enter into this Scheme with the Transferor Company, to consolidate their service capabilities thereby improving operational efficiency and better use of resources for improving overall customer satisfaction, optimization of working capital utilization and collaborate to effectively leverage their human resources and expertise.

2. Therefore, the management of the Transferor Company and the Transferee Company believe that this Scheme would result in strategic and organizational benefits which would benefit the respective companies and other stakeholders of respective companies, *inter-alia*, on account of the following reasons:

   i. The Transferor Company possesses strong technological capabilities, having developed a digital lending application "KreditBee" along with a robust technological framework that enables seamless customer onboarding and facilitates the entire loan process through a digital platform. The Transferee Company will benefit from such expertise and will strengthen its existing technological framework.

   ii. Integration of business operations will provide the Transferee Company with significant impetus to its growth.

   iii. Enable more concentrated and strategic management attention, consolidate the holding of the shareholders into one company, for a better and more efficient control.

   iv. Greater efficiency in cash management of the merged entity, and unfettered access to cash flow generated by the business which can be deployed more efficiently to fund growth opportunities.

   v. Attract investment opportunities from strategic investors/ financial investors who have varied business interests and risk perceptions.

vi. Achieve simplification of the corporate structure of entities, streamline business operations and decision-making process and enable greater economies of scale.

vii. The Amalgamation will result in effective and faster mobilization of financial resources for meeting increased business expenditures.

viii. Avoidance of duplication of administrative functions, significant reductions in multiplicity of legal and regulatory compliance cost. Therefore, this Scheme would result in streamlining of legal, compliance and other statutory functions to allow a more coordinated approach towards governance for the businesses.

In view of the above, the Amalgamation shall take place with effect from the Appointed Date (*as defined hereinafter*) in accordance with Section 2(1B) of the IT Act. There is no likelihood that any creditor or shareholder of the Transferor Company or the Transferee Company will be prejudiced as a result of this Scheme (*as defined hereinbelow*).

(D) PARTS OF THE SCHEME

The Scheme is divided into the following parts:

(i) **Part I** deals with definitions, date of taking effect and share capital of the Transferor Company and the Transferee Company.

(ii) **Part II** deals with amalgamation of the Transferor Company with the Transferee Company.

(iii) **Part III** deals with matters relating to reduction of securities premium account of the Transferee Company.

(iv) **Part IV** deals with general terms and conditions as applicable to this Scheme.

PART I
DEFINITIONS AND SHARE CAPITAL

1. DEFINITIONS, INTERPRETATIONS, AND SHARE CAPITAL

DEFINITIONS

In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the meanings as mentioned herein below:

i) **"Act"** or **"the Act"** means the Companies Act, 2013 including any rules, regulations, guidelines, circulars and notifications made thereunder or any statutory modification thereto or re-enactment thereof for the time being in force.

ii) **"Applicable Law(s)"** means (i) applicable statutes, enactments, acts of legislature or parliament, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, or policies of any applicable country and/or jurisdiction; (ii) writ, injunction, directions, directives, judgment, arbitral award, decree, orders or approvals of, or agreements with, any appropriate authority or recognized stock exchange, in each case having the force of law, and that is binding or applicable to a person, whether in effect as of the date on which this Scheme has been approved by the Board or at any time thereafter.

iii) **"Appointed Date"** means the 01 April 2024, or such other date as may be approved by the Tribunal.

iv) **"Board of Directors"** or **"Board"** in relation to the Transferor Company and/ or the Transferee Company, as the case may be, shall, mean the board of directors of the Transferor Company or the Transferee Company (as the case may be), and unless it is repugnant to the context or otherwise, include a committee of directors duly constituted and/ or any other person duly authorised by the board of directors of the Transferor Company or the Transferee Company (as the case may be) for the purpose of this Scheme.

v) "**Competent Authority**" means the National Company Law Tribunal ("**NCLT**" or "**Tribunal**") or the National Company Law Appellate Tribunal ("**NCLAT**"), in each case, having jurisdiction at Bangalore, for approving any scheme of arrangement, amalgamation, compromise or reconstruction of companies under the relevant provisions of the Act.

vi) **"Effective Date"** means the last of the dates on which all conditions, matters and filings referred to in Clause 21 hereof have been fulfilled or waived and necessary orders, approvals and consents referred to therein have been obtained. All references in this Scheme to **"upon the coming into effect of this Scheme"** or **"effectiveness of the**

Scheme" or **"the Scheme becoming effective"** shall represent and mean the Effective Date.

vii) **"Eligible Employees"** means the employees of the Transferor Company, who are part of the Transferor Company Option Plan, to whom, as on the Effective Date, options of the Transferor Company have been granted, irrespective of whether they are vested or not as on the Effective Date.

viii) **"Existing CCPS**" shall mean the Series D CCPS.

ix) **"Existing Equity Shares"** shall mean equity shares of face value of Rs. 10/- (Rupees Ten only) each, issued and allotted by the Transferor Company as on the Record Date.

x) "**GST**" shall include the Central Goods and Services Tax ('CGST'), the State Goods and Services Tax ('SGST'), Integrated Goods and Services Tax ('IGST'), Union Territory Goods and Services Tax ('UTGST') and any other taxes levied under the GST related legislations in India as may be applicable.

xi) "**IT Act**" means the Income Tax Act, 1961 including any statutory modifications or reenactments or amendments thereof for the time being in force.

xii) **"Intangible Assets"** means the Intangible Assets as defined under the Indian Accounting Standard (Ind AS) 38 as amended from time to time.

xiii) "**MAT**" means Minimum Alternate Tax as defined under the provisions of the IT Act.

xiv) **"NCD(s)"** means the non-convertible debentures issued by the Transferee Company.

xv) **"Listed NCD(s)"** means the non-convertible debentures issued by the Transferee Company which are listed on BSE, the details of which, as on the date of the Scheme being approved by the Board, are specified in Annexure A of this Scheme.

xvi) **"New Equity Shares"** shall mean the equity shares to be issued by the Transferee Company to the equity shareholders of the Transferor Company in accordance with Clause 12 of this Scheme.

xvii) **"New CCPS**" shall mean Series D1 CCPS.

xviii) **"Registrar of Companies"** or **"ROC"** means the Registrar of Companies, at Bangalore, Karnataka.

xix) **"Record Date"** shall mean the date to be fixed by the Board of the Transferor Company in consultation with the Board of the Transferee Company for the purpose of

determining shareholders of the Transferor Company, who shall be entitled to receive New Equity Shares and/or New CCPS of the Transferee Company, as the case may be.

xx) **"Scheme"** or **"the Scheme"** or **"this Scheme"** means this scheme of arrangement pursuant to Sections 230 to 232 read with Section 52, Section 66 and other applicable provisions, if any, of the Act, in its present form as submitted to the Tribunal or this Scheme with such modification(s), if any made, as per Clause 23 of the Scheme or such other modifications / amendments as the Tribunal may direct.

xxi) **"SEBI"** means the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992.

xxii) **"SEBI Debt Circular"** means the Chapter XII of the master circular issued by SEBI bearing reference number SEBI/HO/DDHS/DDHS-PoD-1/P/CIR/2024/48 dated 21 May 2024 (as amended from time to time) for listing obligations and disclosure requirements for Non-convertible Securities, Securitized Debt Instruments and/or Commercial Paper.

xxiii) "**SEBI LODR**" means the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, and shall include any statutory modification, amendment, and re-enactment thereof for the time being in force or any act, regulations, rules, guidelines etc., that may replace such regulations.

xxiv) "**Series D CCPS**" means the 0.001% non-cumulative fully and compulsorily convertible preference shares of face value of Rs. 10/- (Rupees Ten only) each, issued and allotted by the Transferor Company as on the Record Date.

xxv) "**Series D1 CCPS**" shall mean 0.001% Series D1 non-cumulative fully and compulsorily convertible preference shares of face value of Rs. 10/- (Rupees Ten only) each and carrying such terms and conditions as set out in Annexure B, to be issued by the Transferee Company to the preference shareholders of the Transferor Company in accordance with Clause 12 of this Scheme.

xxvi) **"Share Entitlement Ratio"** has the meaning given to it in Clause 12.1.

xxvii) "**Stock Exchange"** or **"BSE"** means BSE Limited.

xxviii) "**Stock Exchange Approval**" means the approval to be obtained by the Transferee Company from the Stock Exchange in relation to the Scheme pursuant to Regulation 59A and other applicable provisions of SEBI LODR and SEBI Debt Circular.

xxix) "**TCS**" means tax collected at source.

xxx) "**TDS**" means tax deducted at source.

xxxi) **"Transferor Company"** means Finnovation Tech Solutions Private Limited, a company incorporated under the Companies Act, 2013 and having its registered office at 4th Floor, Anjaneya Techno Park, No. 147, HAL Old Airport Road, ISRO Colony, Kodihalli, H.A.L II Stage, Bangalore - 560008, Karnataka, India – 560008.

xxxii) **"Transferor Company Option Plan"** means Finnovation Employee Stock Option Plan, 2023.

xxxiii) **"Transferee Company"** means Krazybee Services Private Limited, a company incorporated under the Companies Act, 2013 and having its registered office at 3rd Floor, No.128/9, Maruthi Sapphire, HAL Old Airport Road, Murugesh Palya, Bangalore, Karnataka, India – 560 017.

xxxiv) "**Transferee Company Option Plan**" means Krazybee Employee Stock Option Plan, 2023.

xxxv) **"Undertaking"** shall mean the whole of the undertaking and entire business of the Transferor Company as a going concern, including all assets, operations, properties, investment, liabilities and business activities of the Transferor Company on a going concern basis, including (without limitation):

(i) All the assets and properties (whether movable or immovable, tangible or intangible, real or personal, corporeal or incorporeal, present, future or contingent) of the Transferor Company, without being limited to, plant and machinery, equipment, freehold land, leasehold lands, leasehold improvements, buildings and structures, right of way, offices, residential and other premises, capital work in progress, furniture, fixtures, electrical fittings, office equipment, vehicles, appliances, accessories, sundry debtors, deposits, all stocks, assets, investments of all kinds (including share application monies, shares, scrips, stocks, bonds, debenture, stocks, units or pass through certificates), cash, balances with banks, loans, borrowings, advances, contingent rights or benefits, receivables, earnest moneys, advances or deposits or payments of any nature made to any governmental authority by the Transferor Company, financial assets, book debts, actionable claims, leases (including lease rights), hire purchase contracts and assets, lending contracts, rights and benefits under any agreement, benefit of any security arrangements or under any guarantees, reversions, powers, municipal permissions, tenancies in relation to the office and/or residential properties for the employees or other persons, guest houses, godowns, warehouses, licenses, fixed and other assets, trade and service names, brand names and marks, patents, copyrights, client records, client details and other intellectual property rights of any nature to *inter alia* include: trademarks, service marks, patents, brands, licenses, approvals, marketing authorisations, marketing tangibles, utility models, rights in inventions, supplementary protection certificates, rights in information (including know-how, confidential

information and trade secrets) and the right to use, and protect the confidentiality of, trademarks, service marks, rights in logos, trade and business names and marks, rights in each of get-up and trade dress and all associated goodwill, rights to sue for passing off and/or for unfair competition and domain names, copyright, moral rights and related rights, platform or application or rights therein, rights in computer software and programs, computer programs, manuals, data, catalogues, sales material database rights, rights in designs, and semiconductor topography rights, any other intellectual property rights, including all rights or forms of protection (whether registered or unregistered) in any country in any form, media or technology now known or later developed which has been used or intended to be usedrights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights including tax relief and credits under IT Act (such as balance of brought forward losses and unabsorbed depreciation, right to carry forward and set off unabsorbed losses, and depreciation, if any, credit for advance and/ or deposits, MAT credit entitlement, refunds of income-tax whether or not such claim is recorded in the books of accounts of the Transferor Company, etc.), benefits of assets or properties or other interest held in trust, including and not limited to existing provident fund, gratuity fund, pension and/ or superannuation fund and any other fund maintained for the employee benefits, rights, titles, claims and all other interests, right and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages, benefits, exemptions and approvals of whatsoever nature (including but not limited to benefits of all tax, credit of taxes deducted at source, tax collected at source, deferred tax assets in the nature of Section 43B items, etc., benefits under sales tax act, sales tax deferrals, set off, benefits of any unutilized Central Value Added Tax (CENVAT) credits, input tax credit balance as per GST, service tax benefits / refunds and losses (including but not limited to brought forward tax losses, tax unabsorbed depreciation, brought forward book losses, unabsorbed depreciation as per books) whether or not such claim is recorded in the books of accounts of the Transferor Company, etc.) and wheresoever situated or belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company or in connection with or relating to the Transferor Company and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company, whether in India or abroad;

(ii) All secured and unsecured debts (whether in Indian rupees or foreign currency), liabilities (including debentures, whether convertible or non-convertible/ contingent liabilities), sundry creditors, employee related liabilities, liabilities

relating to payment of gratuity, pension benefits, provident fund, employee related compensations and benefits, and other liabilities (including contingent liabilities), duties and obligations of the Transferor Company of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilised;

(iii) All agreements, rights, contracts, entitlements, sanctions, permits, insurance policies / cover of every description, licenses, approvals, registrations, permissions, exemptions, authorizations, incentives, concessions, subsidies, grants, liberties, special status, consents/no-objections, quota rights, engagements, arrangements, authorities, allotments, security arrangements, benefits of any guarantees, reversions, powers and all other approvals of every kind, nature and description whatsoever relating to business activities and operations of the Transferor Company;

(iv) All benefits and obligations under the contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of any nature of the Transferor Company;

(v) All intellectual property rights, records, files, papers, computer program, software, quotations, advertising materials, business plans, budgets, forecasts, estimates, customer credit information, customer pricing information, tax records, manuals, data, catalogues, sales material, lists of customers and suppliers, other customer information and all other records and documents relating to the business activities and operations of the Transferor Company; and

(vi) Right to any claim not preferred or made by the Transferor Company in respect of any refund of tax, duty, cess or other charge, including any erroneous or excess payment thereof made by the Transferor Company and any interest thereon, with regard to any law, act or rule or scheme made by the government, and in respect of set-off, carry forward of unabsorbed losses and/ or unabsorbed depreciation, deferred revenue expenditure, deduction, exemption, rebate, allowance, amortization benefit, etc. under the IT Act, or taxation laws of other countries, or any other or like benefits under the said statute(s) or under and in accordance with any law or statute, whether in India or anywhere outside India;

(vii) All other obligations of whatsoever kind, including liabilities of the Transferor Companies with regard to their employees with respect to the payment of gratuity, pension benefits and the provident fund or compensation, if any, in the event of resignation, death, voluntary retirement or retrenchment; and

(viii) All employees engaged in or relating to the business activities and operations of the Transferor Company as on the Effective Date.

It is intended that the definition of Undertaking of Transferor Company under this Clause will enable the transfer of all property, assets, rights, duties, obligations, entitlements, benefits, employees and liabilities of the Transferor Company to the Transferee Company pursuant to this Scheme.

xxxvi) "**VAT**" means Value Added Tax, including any statutory modifications or reenactments or amendments thereof for the time being in force.

The terms and words, which are used in this Scheme and not defined in this Scheme shall, unless repugnant or contrary to the context or meaning hereof, have the same meaning ascribed to them under the Act and other Applicable Laws, rules, regulations, byelaws, as the case may be, including any statutory modification or re-enactment thereof, from time to time.

2. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the Tribunal or made as per Clause 23 of this Scheme, shall be effective from the Appointed Date but shall become operative from the Effective Date.

3. SHARE CAPITAL

3.1. Transferor Company

The authorized, issued, subscribed and paid-up capital of the Transferor Company as on February 28, 2025, and as on 31 March 2024 is as under:

Amount in Rs.

Particulars	As on February 28, 2025	As on March 31, 2024
Authorized share capital		
40,00,000 equity shares of Rs. 10 each	4,00,00,000	4,00,00,000
5,50,000 non – cumulative compulsorily convertible preference shares of Rs. 10 each	55,00,000	55,00,000
Total	**4,55,00,000**	**4,55,00,000**
Issued, subscribed and paid-up capital		
11,79,777 equity shares of Rs. 10 each	1,17,97,770	1,17,97,770

5,00,105 non – cumulative compulsorily convertible preference shares of Rs. 10 each	50,01,050	50,01,050
Total	**1,67,98,820**	**1,67,98,820**

The Transferor Company has outstanding employee stock options (vested and unvested) under the Transferor Company Option Plan, the exercise of which may result in an increase in the issued, subscribed and paid-up share capital of the Transferor Company before the Effective Date. As on the date of the Scheme being approved by the Board of Directors of the Transferor Company, 1,48,788 employee stock options granted by the Transferor Company are outstanding, out of which 1,31,662 employee stock options have vested and 17,126 remains unvested.

There is no change in authorized, issued, subscribed and paid-up share capital of the Transferor Company as on the date of the Scheme being approved by the Board of Directors of the Transferor Company.

3.2. Transferee Company

(i) The authorized, issued, subscribed and paid-up capital of the Transferee Company as on February 28, 2025, and as on 31 March 2024 is as under:

Amount in Rs.

Particulars	**As on February 28, 2025**	**As on March 31, 2024**
Authorized share capital		
30,00,000 equity shares of Rs. 10 each	3,00,00,000	3,00,00,000
5,60,000 non – cumulative compulsorily convertible preference shares of Rs. 18,000 each	10,08,00,00,000	10,08,00,00,000
Total	**10,11,00,00,000**	**10,11,00,00,000**
Issued, subscribed and paid-up capital		
11,27,314 equity shares of Rs. 10 each	1,12,73,140	1,12,73,140
4,77,866 non – cumulative compulsorily convertible preference shares of Rs. 18,000 each	8,60,15,88,000	8,60,15,88,000
Total	**8,61,28,61,140**	**8,61,28,61,140**

(ii) Post 28 February 2025, the Transferee Company has allotted 22,43,35,486 equity shares on 16 April 2025, to its equity shareholders pursuant to bonus issue declared on 21 March 2025. Simultaneously, the conversion ratio of the non – cumulative compulsorily convertible preference shares has also been amended from 1:1 to 200:1 (i.e. 200 equity shares to be issued upon conversion of 1 non – cumulative compulsorily convertible preference share).

(iii) The authorized, issued, subscribed and paid-up capital of the Transferee Company as on the date of the Scheme being approved by the Board of Directors of the Transferee Company is as under:

Particulars	**Amount in Rs.**
Authorized share capital	
35,30,00,000 equity shares of Rs. 10 each	3,53,00,00,000
5,60,000 non – cumulative compulsorily convertible preference shares of Rs. 18,000 each	10,08,00,00,000
Total	**13,61,00,00,000**
Issued, subscribed and paid-up capital	
22,54,62,800 equity shares of Rs. 10 each	2,25,46,28,000
4,77,866 non – cumulative compulsorily convertible preference shares of Rs. 18,000 each	8,60,15,88,000
Total	**10,85,62,16,000**

(iv) The Transferee Company has outstanding employee stock options (vested and unvested) under the Transferee Company Option Plan, the exercise of which may result in an increase in the issued, subscribed and paid-up share capital of the Transferee Company before the Effective Date. As on the date of the Scheme being approved by the Board of Directors of the Transferee Company, 1,41,967 employee stock options granted by the Transferee Company are outstanding, out of which 1,30,512 employee stock options have vested and 11,455 remains unvested.

(v) The equity shares of the Transferor Company and the Transferee Company are not listed on any stock exchange.

PART II
AMALGAMATION OF THE TRANSFEROR COMPANY WITH THE TRANSFEREE COMPANY

4. TRANSFER AND VESTING OF UNDERTAKING OF THE TRANSFEROR COMPANY WITH THE TRANSFEREE COMPANY

4.1 Upon this Scheme becoming effective on the Effective Date and with effect from the Appointed Date and subject to the provisions of this Scheme, the Undertaking of the Transferor Company shall, pursuant to Sections 230 to 232 of the Act and Section 2(1B) of the IT Act, without any further act, instrument or deed, be and stand transferred to and vested in and/or be deemed to have been and stand transferred to and vested in the Transferee Company as a going concern and shall become the property of and an integral part of the Transferee Company, subject, however, to all charges, liens, mortgages, if any, then affecting the same or any part thereof.

4.2 Without prejudice to the generality of the foregoing, upon the coming into effect of the Scheme and with effect from the Appointed Date, all estate, assets (including movable, immovable, tangible, and intangible), properties (including investments in shares, securities, stocks, bonds), rights, claims, title, interest and authorities including accretions and appurtenances of the Transferor Company, whether or not included in the books of the Transferor Company, and also all the additions and accretions to the properties thereof, shall, pursuant to the provisions of Sections 230 to 232 of the Act and all other applicable provisions, if any, of the Applicable Law and, without any further act, deed or instrument, cost or charge and without any notice or other intimation to any third party for the transfer of the same, be and stand transferred to and vested in and/ or deemed to be transferred to and vested in the Transferee Company as a going concern so as to become, as and from the Appointed Date, the estate, assets, properties (including investments in shares, securities, stocks, bonds), rights, claims, title, interest and authorities including accretions and appurtenances comprised in the undertaking of whatsoever nature of the Transferee Company and shall become an integral part of the Transferee Company.

4.3 Without prejudice to the provisions of Clause 4.2 above, in respect of such assets and properties of the Transferor Company, which are movable in nature (including but not limited to all Intangible Assets, shares, investments, securities, stocks, cash and cash balances, units of mutual funds, bonds), or incorporeal property or are otherwise capable of transfer by delivery or possession, or by endorsement, the same shall stand transferred by the Transferor Company to the Transferee Company upon coming into effect of this Scheme and shall, *ipso facto* and without any other order to this effect, become the assets and properties of the Transferee Company with effect from the Appointed Date pursuant to the provisions of Sections 230 to 232 of the Act and all other applicable provisions of Applicable Law, if any, without requiring any deed or

instrument of conveyance, cost or charge and without any notice or other intimation to any third party for transfer of the same.

4.4 In respect of any assets and properties belonging to the Transferor Company, other than those referred to in Clause 4.3 above, including sundry debtors, receivables, bills, credits, outstanding loans and advances, if any, recoverable in cash or kind or value to be received, bank balances and deposits including accrued interest, cash balances, development rights, advances paid to any parties for any business purpose, earnest money, security deposits, retention monies and any deposits with any government, quasi government, local or other authority or body or with customers or any company or other person, if any, shall stand transferred to and vested in the Transferee Company and/ or deemed to have been transferred to and vested in the Transferee Company, without any further act, instrument, or deed, cost or charge and without any notice or other intimation to any third party, upon the coming into effect of this Scheme and with effect from the Appointed Date pursuant to the provisions of Sections 230 to 232 of the Act and all other applicable provisions of Applicable Law, if any.

4.5 All immovable properties of the Transferor Company, including land together with buildings and structures thereon and rights and interests in immovable properties of the Transferor Company, whether freehold or leasehold or otherwise and all documents of title, rights and easements in relation thereto, shall stand transferred to and vested in the Transferee Company, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party, upon the coming into effect of this Scheme and with effect from the Appointed Date pursuant to the provisions of Sections 230 to 232 of the Act and all other applicable provisions of Applicable Law, if any. The Transferee Company shall be entitled to exercise all rights and privileges attached to such immovable properties and shall be liable to fulfil all obligations in relation to or applicable to such immovable properties. The relevant authorities shall grant all clearances/ permissions, if any, required for enabling the Transferee Company to absolutely own and enjoy such transferred immovable properties in accordance with Applicable Law. The mutation and substitution of title to the immovable properties of the Transferor Company shall, upon this Scheme becoming effective and with effect from the Appointed Date, be made and duly recorded in the name of the Transferee Company by the appropriate authorities pursuant to sanction of this Scheme by the Tribunal and upon the coming into effect of this Scheme in accordance with the terms hereof.

4.6 No additional stamp duty shall be payable on the transfer of such properties (including shares and other investments) upon its transfer and vesting in the Transferee Company other than any stamp duty payable pursuant to the Scheme and as determined in accordance with Applicable Law.

4.7 Upon coming into effect of this Scheme and with effect from the Appointed Date, pursuant to Sections 230 to 232 of the Act and other applicable provisions of Applicable

Law, all trademarks, trade names, service marks, patents, copyrights, licenses, labels, logos, corporate names, brand names, domain names, marketing authorisations, approvals, marketing tangibles, and all registrations, applications and renewals in connection therewith, and software and all website content (including text, graphics, images, audio, video and data), trade secrets, confidential business information and other proprietary information, all rights of commercial nature including those attached to goodwill, title, interest, brand registrations and all such other industrial or intellectual rights of whatsoever nature of the Transferor Company shall stand transferred to and vested in the Transferee Company.

4.8 Upon the Scheme becoming effective on the Effective Date and with effect from the Appointed Date, all debts, liabilities, including pursuant to convertible and non-convertible debt instruments, losses, sundry creditors, all secured and unsecured debts (irrespective of the currency), liabilities (including current liabilities, contingent liabilities deferred tax liabilities, duties and obligations under any licenses or permits or schemes), guarantees, duties and obligations and undertakings of the Transferor Company of every kind, nature and description whatsoever whether present or future, and howsoever arising, raised or incurred or utilised for its business activities and operations along with any charge, encumbrance, lien or security thereon, whether or not included in the books and records of the Transferor Company shall, under the provisions of Sections 230 to 232 of the Act and other applicable provisions of Applicable Law, if any, without any further act, instrument or deed, matter or thing, cost or charge and without any notice or other intimation to any third party for the transfer of the same, be and stand transferred to and / or deemed to be transferred and vested with the Transferee Company, to the extent they are outstanding on the Effective Date and shall become as and from the Appointed Date, the debts, liabilities, contingent liabilities, duties and obligations of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company, and the Transferee Company undertakes to meet, discharge and satisfy the same and further it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such liabilities have arisen in order to give effect to the provisions of this Clause 4.8.

4.9 Where any of the liabilities and obligations of the Transferor Company, as on the Appointed Date, deemed to be transferred to the Transferee Company have been discharged by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Transferee Company, and all loans raised and used and all liabilities and obligations incurred by the Transferor Company for the purposes of its business after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used or incurred for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall also without any further act or deed be and

stand transferred to the Transferee Company and shall become its liabilities and obligations.

4.10 Provided that, upon this Scheme coming into effect, all inter-company transactions including loans, advances, and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a liability, including a contingent liability in whatsoever form), if any, contracts executed or entered into by or inter se between the Transferor Company and the Transferee Company, if any, shall stand cancelled with effect from the Appointed Date and neither the Transferor Company nor the Transferee Company shall have any obligation or liability against the other party in relation thereto. For avoidance of doubt, inputs tax credits as per GST laws already availed of or utilized by the Transferor Company and the Transferee Company in respect of the inter-se transactions shall not be adversely impacted by the cancellation of inter se transactions pursuant to this Scheme.

4.11 Any reference in any security documents or arrangements (to which the Transferor Company is a party) to the Transferor Company and its assets and properties, shall be construed as a reference to the Transferee Company and the assets and properties of the Transferor Company transferred to the Transferee Company by virtue of this Scheme. Without prejudice to the foregoing provisions, the Transferee Company may execute any instruments or documents or do all the acts and deeds as may be considered appropriate, including the filing of necessary particulars and/ or modification(s) of charge, with the ROC to give formal effect to the above provisions, if required.

4.12 All the loans, advances and other facilities sanctioned to the Transferor Company, by its bankers and financial institutions prior to the Appointed Date, which are partly drawn or utilized shall be deemed to be the loans and advances sanctioned to the Transferee Company and the said loans and advances shall be drawn and utilized either partly or fully by the Transferor Company from the Appointed Date till the Effective Date and all the loans, advances and other facilities so drawn by the Transferor Company (within the overall limits sanctioned by their bankers and financial institutions) shall on the Effective Date be treated as loans, advances and other facilities made available to the Transferee Company and all the obligations of the Transferor Company under any loan agreement shall be construed and shall become the obligation of the Transferee Company without any further act or deed on the part of the Transferee Company.

4.13 The transfer and vesting as aforesaid shall be subject to subsisting charges, if any, in respect of any assets of the Transferor Company. Provided always that the Scheme shall not operate to enlarge the security for any loan, deposit or facility availed of by the

Transferor Company and the Transferee Company shall not be obliged to create any further or additional security thereof after the Effective Date or otherwise.

4.14 Any and all statutory licenses, permits, registrations, no-objection certificates, permissions, consents, quotas, rights, claims, title, interest, incentives, tax deferrals, exemptions and benefits, subsidies, tenancy rights, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed of, entitlements and approvals of whatsoever nature and wherever situate, whether or not included in the books of the Transferor Company, including but not limited to right to use and avail electricity connections, water connections, telephone connections, facsimile connections, telexes, e-mail, internet, leased line connections and installations, and other approval and all rights and benefits that have accrued or which may accrue to the Transferor Company, whether on, before or after the Appointed Date, shall, pursuant to Sections 230 to 232 of the Act and other applicable provisions of Applicable Law, if any, without any further act, deed or instrument, cost or charge and without any notice or intimation to any third party for the transfer of the same, be and stand transferred to and vested in and/ or deemed to be transferred to and vested in the Transferee Company, with effect from the Appointed Date.

4.15 The Transferee Company, as the case may be, shall at any time after coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, execute deeds of confirmation or other writings or arrangements with any party to any contract or arrangement to which the Transferor Company is a party in order to give formal effect to the above provisions. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on part of the Transferor Company.

4.16 For the purpose of giving effect to the vesting order passed under Sections 230 to 232 of the Act in respect of this Scheme, the Transferee Company shall at any time pursuant to the orders on this Scheme be entitled to secure the record of the change in the legal right(s) upon the vesting of such assets of the Transferor Company in accordance with the provisions of Sections 230 to 232 of the Act.

5. TREATMENT OF TAXES

5.1 All tax assessment proceedings/ appeals of whatsoever nature by or against the Transferor Company pending and/ or arising at the Appointed Date and relating to the Transferor Company shall be continued and/ or enforced until the Effective Date in the name of the Transferor Company. As and from the Effective Date, the tax proceedings shall be continued and enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company. Further, all tax proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of

the Transferor Company with the Transferee Company or anything contained in the Scheme.

5.2 Any tax liabilities under the IT Act, Wealth-tax Act, 1957, GST laws, excise duty laws, service tax laws, applicable state VAT laws or other Applicable Laws/ regulations (hereinafter in this clause referred to as "**Tax Laws**") dealing with taxes/ duties/ levies allocable or related to the business of the Transferor Company to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date shall stand transferred to the Transferee Company. Any tax incentives, benefits (including claims for unabsorbed tax losses and unabsorbed tax depreciation), advantages, privileges, elections, exemptions, deductions, credits, tax holidays, benefits of exercise of any option, remissions or reduction which would have been available to the Transferor Company, shall be available to the Transferee Company, and following the Effective Date, the Transferee Company shall be entitled to initiate, raise, add or modify any claims in relation to such Taxes on behalf of or as a successor of the Transferor Company. Without prejudice to above, all unavailed credits, set offs, claims for refunds under any income tax, VAT, GST laws, central sales tax acts, central excise and service tax provisions or any other state or central statutes regardless of the period to which they may relate, shall stand transferred to the benefit of and shall be available in the hands of the Transferee Company without restrictions under the respective provisions.

5.3 Any refund under the Tax Laws due to the Transferor Company consequent to the assessments made on the Transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.

5.4 All taxes under the Tax Laws paid or payable by the Transferor Company in respect of the operations and/ or the profits of the business on and from the Appointed Date, shall be on account of the Transferee Company and, in so far as it relates to the tax payment (including without limitation income tax, GST, excise duty, service tax, applicable state VAT, etc.), whether by way of deduction at source, advance tax, MAT credit, or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operation of the business on and from the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company, and shall, in all proceedings, be dealt with accordingly.

5.5 Without prejudice to the generality of the above, all benefits incentives, losses, credits including under the IT Act, GST laws, excise duty laws, service tax laws, applicable state VAT laws etc., to which the Transferor Company is entitled to in terms of the applicable tax laws of the union and state governments, shall be available to and vest in the Transferee Company, upon this Scheme coming into effect.

5.6 Upon the Scheme becoming effective, the Transferor Company and with effect from

the Appointed Date, the Transferee Company shall have the right to file/ revise its financial statements and returns along with prescribed forms, filings and annexures under the IT Act (including for the purpose of re-computing tax on book profits, and claiming other tax benefits), GST laws, central sales tax law, applicable state VAT law, service tax laws, excise duty laws, VAT law and other tax laws, and statutory returns even beyond the due date, if required, and shall have the right to claim refunds, advance tax credits, credits of all taxes paid and / or withheld (including minimum alternate tax, tax deducted at source, etc.), and to claim tax benefits etc. and for matters incidental thereto, if any, as may be required, to give effect to the provisions of the Scheme from the Appointed Date, notwithstanding that the period for filing/ revising such returns and claiming refunds/ credits may have lapsed, consequent to implementation of the Scheme.

5.7 The Transferee Company shall be entitled to claim deduction under Section 43B of the IT Act in respect of unpaid liabilities, transferred to it as part of the Undertaking, to the extent not claimed by the Transferor Company, as and when the same are paid post the Appointed Date.

6. LEGAL PROCEEDINGS

6.1 Upon the coming into effect of this Scheme, unless otherwise provided for in this Scheme, all notices, disputes, suits, actions, appeals or other legal, quasi-judicial, arbitral, administrative, or other proceedings of whatever nature, whether civil or criminal, under any Applicable Law, including legal and taxation proceedings (including before any statutory or quasi-judicial authority or tribunal or any courts or any other tax authority), by or against the Transferor Company, whether pending and/ or arising on or before the Effective Date, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of this arrangement or by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if the Scheme had not been made.

6.2 On and from the Effective Date, the Transferee Company, shall and may, if required, step in on behalf of the Transferor Company and initiate appropriate legal proceedings on behalf of the Transferor Company.

7. CONTRACTS, DEEDS OTHER INSTRUMENTS

7.1 Upon the coming into effect of this Scheme and with effect from the Appointed Date, and subject to the other provisions of the Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature to which the Transferor Company is a party, or the benefit to which the Transferor

Company may be eligible, and which are subsisting or operative immediately on or before the Effective Date, shall, under the provisions of Sections 230 to 232 of the Act and all other applicable provisions of Applicable Law, if any, without any further act, instrument, or deed, cost or charge and without any notice or other intimation to any third party, continue in full force and effect against or in favour, as the case may be, of the Transferee Company and may be enforced as fully and effectively as if instead of the Transferor Company, the Transferee Company had been a party or beneficiary thereto. Further, the Transferee Company shall be deemed to be authorised to execute any such deeds, writings or confirmations on behalf of the Transferor Company and to implement or carry out all formalities required on the part of the Transferor Company, to give effect to the provisions of this Scheme.

7.2 For the avoidance of doubt and without prejudice to the generality of the foregoing, upon the coming into effect of the Scheme with effect from the Appointed Date, all consents, permissions, licenses, certificates, clearances, authorities, powers of attorney given by, issued to, or executed in favour of the Transferor Company shall stand transferred to the Transferee Company as if the same were originally given by, issued to, or executed in favour of the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company.

7.3 On and from the Effective Date and till such time that the name of the bank accounts of the Transferor Company have been substituted with that of the Transferee Company, the Transferee Company shall be entitled to maintain and operate the bank accounts of the Transferor Company in the name of the Transferee Company for such time as may be determined to be necessary by the Transferee Company.

7.4 All cheques and other negotiable instruments and payment orders received in the name of the Transferor Company after the Effective Date shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company. Similarly, the banker of the Transferee Company shall honour cheques issued by the Transferor Company for payment on or after the Appointed Date and presented after the Effective Date.

8. CONDUCT OF BUSINESS UNTIL EFFECTIVE DATE

With effect from the Appointed Date and up to and including the Effective Date:

8.1 The Transferor Company shall carry on and be deemed to have carried on its business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of the undertaking for and on account of and/ or in trust for, and/ or on behalf of the Transferee Company. The Transferor Company undertakes to hold its said assets with utmost prudence until the Effective Date.

8.2 It is clarified that any taxes paid including advance tax paid/ TDS credits/ TDS certificates/ indirect tax credits received by the Transferor Company be treated and be deemed to be paid or accrued as taxes paid by/ to the Transferee Company. The Transferee Company shall have the right to claim refund of payment of the taxes arising on account of transactions entered between the Transferor Company and the Transferee Company between the Appointed Date and the Effective Date. Any taxes deducted by the Transferee Company from payments made to the Transferor Company, shall be deemed to be advance tax paid by the Transferor Company.

8.3 All the profits or income accruing or arising to the Transferor Company or expenditure, or losses or taxes arising or incurred or suffered by the Transferor Company shall for all purposes be treated and be deemed to be accrued as the income or profits or losses or expenditure or taxes, as the case may be, of the Transferee Company.

8.4 Any of the rights, powers, authorities and privileges attached or related or pertaining to and exercised by or available to the Transferor Company shall be deemed to have been exercised by the Transferor Company for and on behalf of and as an agent for the Transferee Company. Similarly, any of the obligations, duties and commitments attached, related or pertaining to the Undertaking that have been undertaken or discharged by the Transferor Company shall be deemed to have been undertaken or discharged for and on behalf of and as agent for the Transferee Company.

8.5 All assets howsoever acquired by the Transferor Company for carrying on business of the Undertaking and the liabilities relating thereto shall be deemed to have been acquired and are also contracted for and on behalf of the Transferee Company. However, no onerous or extraordinary asset shall have been acquired by, or onerous liability shall be incurred by the Transferor Company after the Appointed Date without prior written consent of the Transferee Company. The Transferor Company shall not incur any expenditure except in the ordinary course of business.

8.6 The Transferor Company shall carry on its business and/ or activities with reasonable diligence and business prudence and in the ordinary course of business and shall not, except in the ordinary course of business take any material business decisions and actions without taking the prior consent of the Transferee Company.

8.7 The transfer of property and liabilities and the continuance of proceedings by or against the Transferor Company shall not affect any transaction or proceedings already concluded by the Transferor Company on or after the Appointed Date to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company, in regard thereto as done and executed by the Transferee Company on behalf of itself.

8.8 The Transferor Company and the Transferee Company shall be entitled, pending sanction of the Scheme, to apply to the central or state government, and all other

agencies, departments and authorities concerned as are necessary under any law or rules, for such consents, approvals and sanctions, which may be required pursuant to this Scheme.

8.9 The Transferor and the Transferee Company shall be able to raise equity capital as it may deem fit during the period between the approval of the Scheme by the Board of the Transferor Company and the Board of the Transferee Company and the Effective Date, provided that such capital raise shall be in compliance with all Applicable Laws.

9. STAFF, WORKMEN AND EMPLOYEES

9.1. Upon the Scheme becoming effective and with effect from the Appointed Date, all staff, workmen and employees of the Transferor Company in service as on the Effective Date ("**Employees**"), under the provisions of Sections 230 to 232 of the Act and other provisions of Applicable Law, if any, without any further act, instrument, deed, cost or charge and without any notice or other intimation to any third party for their transfer, shall be deemed to have become staff, workmen and employees of the Transferee Company on such date without any break or interruption in their service and on the terms and conditions of their employment not less favourable than those subsisting with reference to the Transferor Company as on the Effective Date.

9.2. The Transferee Company undertakes to continue to abide by any agreement/ settlement or arrangement, if any, entered into or deemed to have been entered into by the Transferor Company with any of the Employees of the Transferor Company. The Transferee Company agrees that the services of all such Employees with the Transferor Company prior to the transfer shall be taken into account for the purposes of all existing benefits (including any leave encashment benefits) to which the said Employees may be eligible, including for the purpose of payment of any retrenchment compensation, gratuity and other retiral/ terminal benefits.

9.3. Subsequent to the Effective Date, the accumulated balances of all contributions to funds or schemes, if any, standing to the credit of the aforesaid Employees in the existing provident fund, employee state insurance contribution, gratuity fund,and superannuation fund of which they are members and employee's welfare trusts and/ or other schemes or funds or trusts created by the Transferor Company for its Employees, will be transferred respectively to such provident fund, employee state insurance contribution, gratuity fund, superannuation funds, employee's welfare trusts and/ or other schemes or funds or trusts nominated by the Transferee Company and/ or such new provident fund, employee state insurance contribution, gratuity fund, superannuation fund, employee's welfare trusts and/ or other schemes or funds or trusts to be established in accordance with Applicable Law and caused to be recognized by the appropriate authorities, by the Transferee Company.

9.4. Upon transfer of the aforesaid funds to the respective funds of the Transferee Company, subject to Applicable Laws, the existing trusts created for such funds by the Transferor Company shall stand dissolved and no further act or deed shall be required to this effect. It is further clarified that the services of the Employees of the Transferor Company will be treated as having been continuous, uninterrupted and taken into account for the purpose of the said fund or funds.

9.5. Without prejudice to the aforesaid, the Board of the Transferee Company, if it deems fit and subject to Applicable Laws, shall be entitled to retain separate trusts or funds within the Transferee Company for the erstwhile fund(s) of the Transferor Company.

9.6. It is clarified that the services of all transferred Employees of the Transferor Company, to the Transferee Company will be treated as having been continuous for the purpose of the aforesaid employee benefits and liabilities. For the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits and any other liability pertaining to the permanent employees, the past services of such Employees with the Transferor Company shall also be taken into account by the Transferee Company, who shall pay the same if and when payable.

10. DISSOLUTION WITHOUT WINDING UP

Upon this Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up and without any further act or deed of a similar nature.

11. VALIDITY OF EXISTING RESOLUTIONS, ETC

Upon the coming into effect of the Scheme, the resolutions of the Transferor Company as are considered necessary by the Board of the Transferee Company which are validly subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company. However, if any such resolutions have any monetary limits approved under the provisions of the Act or of any other Applicable Laws, then the said limits, as approved by the Board of the Transferee Company and subject to it being permissible under the Act, shall be deemed to be added to the limits, if any, under the like resolutions passed by the Transferee Company.

12. CONSIDERATION

12.1. Upon this Scheme becoming effective, in consideration for the transfer of and vesting of the Undertaking of the Transferor Company in the Transferee Company and in terms of the Scheme, the Transferee Company shall, without any further act, instrument, or deed, issue and allot to the shareholders of the Transferor Company whose names appear on the register of members as a member of the Transferor Company holding the respective class of equity or preference shares as on the Record Date or whose names appear as the beneficial owners of the equity shares or preference shares of the

Transferor Company in the records of the depositories/ register of members, as the case may be, as on the Record Date, or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognized by the Board of the Transferor Company New Equity Shares or New CCPS of the Transferee Company (as the case may be) in the following manner:

Share Entitlement Ratio

351 (Three Hundred and Fifty-One) fully paid-up New Equity Shares of the Transferee Company of Rs. 10 (Ten) each for every 5 (Five) Existing Equity Shares of the Transferor Company of Rs. 10 (Ten) each fully paid up.

351 (Three Hundred and Fifty-One) fully paid-up New CCPS of the Transferee Company of Rs. 10 (Ten) each for every 5 (Five) Existing CCPS of the Transferor Company of Rs. 10 (Ten) each fully paid up.

12.2. If any shareholder of the Transferor Company is entitled to New Equity Share or New CCPS of the Transferee Company in accordance with Clause 12.1 above such that it amounts to a fractional entitlement, the Transferee Company shall round off the said fractional entitlement to the nearest integer, and the Transferee Company shall issue and allot the New Equity Shares or New CCPS to such shareholders of the Transferor Company.

12.3. The Transferee Company shall issue and allot New Equity Shares and New CCPS of the Transferee Company as per Clause 12.1 to the shareholders of the Transferor Company on the Scheme becoming effective. The New Equity Shares and New CCPS allotted in accordance with Clause 12.1 shall be subject to the provisions of the Memorandum and Articles of Association of the Transferee Company and shall rank *pari-passu* with the Existing Equity Shares and the Existing CCPS of the Transferee Company.

12.4. In the event of any change in share capital of either the Transferee Company or the Transferor Company whether by way of increase of (including by issue of equity shares), decrease, reduction, consolidation, stock split, sub division, reorganization, reclassification or other similar action in relation to the share capital of the Transferor Company or the Transferee Company occurs after the date of approval of the Scheme by the Board of the Transferor Company and the Board of the Transferee Company, and on or before the Effective Date, the Share Entitlement Ratio shall be subject to equitable adjustments determined by the Boards of the Transferor Company and the Transferee Company.

12.5. Approval of this scheme by the shareholders of the Transferee Company shall be deemed to be the due compliance Applicable Law, including Section 42 and of the provisions of Section 62 of the Act and other relevant provisions of the Act for the issue

and allotment of shares by the Transferee Company to the shareholders of the Transferor Company, as provided in this Scheme.

12.6. The allotment of New Equity Shares or New CCPS as provided in this Scheme as an integral part thereof and shall be deemed to have been carried out in compliance with the provisions of the Act, as well as provisions under the IT Act.

12.7. The Transferee Company shall take necessary steps to increase or alter, (if necessary), its Authorized share capital suitably to enable it to issue and allot the New Equity Shares and New CCPS under this Scheme. The consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting the above amendment or increase in authorized share capital of the Transferee Company, and no further resolution under Section 13 and Section 61 or any other applicable provisions of the Act would be required to be separately passed.

12.8. In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Transferor Company, the Board of the Transferee Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, as the case may be, to effectuate such a transfer as if such changes in the registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transfer of the shares in the Transferor Company and in relation to the shares issued by the Transferee Company, after the effectiveness of the Scheme. The Board of the Transferee Company shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new shareholders in the Transferee Company on account of difficulties faced in the transition period.

13. EMPLOYEE STOCK OPTION PLAN

13.1 With respect to the stock options granted by the Transferor Company under the Transferor Company Option Plan, upon coming into effect of this Scheme, the Transferee Company shall issue stock options to the Eligible Employees taking into account the Share Entitlement Ratio and on the same terms and conditions as are existing and are in force under the Transferor Company Option Plan, and which are not less favourable than those provided in the Transferor Company Option Plan. However, subject to Applicable Law, such stock options may be issued by the Transferee Company either under the existing Transferee Company Option Plan or a revised stock option plan for the employees of the Transferee Company and the Eligible Employees of the Transferor Company or under a separate employee stock option plan created by the Transferee Company *inter alia* for the purpose of granting stock options to the Eligible Employees of the Transferor Company pursuant to this Scheme.

13.2 It is clarified that the existing employee stock options held by Eligible Employees of the Transferor Company under the Transferor Company Option Plan, shall

automatically stand cancelled. Further, upon this Scheme becoming effective and after cancellation of the options granted under the Transferor Company Option Plan, fresh options shall be granted by the Transferee Company to the Eligible Employees basis the Share Entitlement Ratio as set out in Clause 12.1.

13.3 Fractional entitlement, if any, arising pursuant to the applicability of Share Entitlement Ratio as above shall be rounded off to the next highest whole number.

13.4 The exercise price payable for options granted by the Transferor Company to the Eligible Employees shall be based on the exercise price payable by such Eligible Employees under the Transferor Company Option Plan as adjusted after taking into account the effect of the Share Entitlement Ratio. It is hereby clarified that in relation to the options granted by the Transferee Company to the Eligible Employees, the period during which the options granted by the Transferor Company were held by or deemed to have been held by the Eligible Employees shall be taken into account for determining the minimum vesting period required under Applicable Law or agreement or deed for stock options granted under the Transferee Company Option Plan, as the case may be.

13.5 The grant of options to the Eligible Employees pursuant to above clauses of this Scheme shall be effected as an integral part of the Scheme and the approval of RBI and/ or any other appropriate authority, shareholders of the Transferor Company to this Scheme shall be deemed to be their consent in relation to all matters pertaining to the Transferee Company Option Plan, including without limitation, for the purposes of creating the Transferee Company Option Plan and/ or modifying the Transferee Company Option Plan (including increasing the maximum number of equity shares that can be issued consequent to the exercise of the stock options granted under the Transferor Company Option Plan, and/ or modifying the exercise price of the stock options under the Transferee Company Option Plan), and all related matters. No further approval of the shareholders of the Transferee Company would be required in this connection under Applicable Law.

13.6 The Boards of the Transferee Company and the Transferor Company or any of the committee(s) thereof, shall take such actions and execute such further documents as may be necessary or desirable for the purpose of giving effect to the provisions of this Clause of the Scheme.

14. DIVIDEND

14.1 Nothing contained herein shall be construed as restricting the Transferor Company from being entitled to declare and pay dividends, whether interim or final, to its shareholders whether during the pendency of the Scheme or otherwise and the holders of the equity shares of the Transferor Company shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights in relation to the equity shares including the right to receive dividends.

14.2 It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any member of the Transferor Company to demand or claim any dividends, which, subject to the provisions of the Act and the Articles of Association of the Transferor Company, shall be entirely at the discretion of its Board subject to the approval, if required, of the members of the Transferor Company.

15. ACCOUNTING TREATMENT FOR AMALGAMATION OF THE TRANSFEROR COMPANY WITH THE TRANSFEREE COMPANY

IN THE BOOKS OF THE TRANSFEREE COMPANY

15.1. On the Scheme becoming effective, the Transferee Company shall account for the amalgamation of the Transferor Company with the Transferee Company in its books of accounts in accordance with accounting prescribed under "acquisition method" of Indian Accounting Standard ('Ind AS') -103 (Business Combinations) as specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 or any other relevant or related requirement under the Act, as may be applicable.

15.2. The amount of intercompany balances, transactions or investments, if any, between the Transferor Company and the Transferee Company appearing in the books of accounts of the Transferor Company and the Transferee Company, shall stand cancelled without any further act or deed.

15.3. Any matter not dealt with in this Scheme or hereinabove shall be dealt with in accordance with the applicable accounting standards prescribed.

IN THE BOOKS OF TRANSFEROR COMPANY

15.4. As the Transferor Company shall stand dissolved without being wound up, upon the Scheme becoming effective as stated in Clause 10, hence no accounting treatment is being prescribed under this Scheme in the books of the Transferor Company.

PART III
MATTERS RELATING TO REDUCTION OF SECURITIES PREMIUM ACCOUNT OF THE TRANSFEROR COMPANY

16. REDUCTION OF SECURITIES PREMIUM ACCOUNT OF THE TRANSFEREE COMPANY

16.1. Immediately upon Scheme becoming effective, the securities premium account arising pursuant to Amalgamation and available with the Transferee Company would be reduced against the goodwill arising on Amalgamation.

16.2. Additionally and simultaneously, immediately upon Scheme becoming effective, the securities premium account arising pursuant to Amalgamation and available with the Transferee Company would be reduced against the fair value adjustments of identified Intangible Assets of the Transferor Company transferred to Transferee Company pursuant to Amalgamation.

16.3. This consequential capital reduction of the Transferee Company pursuant to Clauses 16.1 and 16.2 above, shall be effected as an integral part of the Scheme itself and not under a separate procedure in terms of section 52(1) read with section 66 of the Act, and the order of the Competent Authority sanctioning the scheme shall be deemed to be an order under section 66 of the Act or any other applicable provisions confirming the reduction. The consent of the shareholders of the Transferor Company and the Transferee Company to this Scheme shall be deemed to be the consent of its shareholders for the purpose of effecting the reduction under the provisions of Section 52(1) read with Section 66 of the Act as well and no further compliances would be separately required.

16.4. For the sake of completeness, it is clarified that the rights/ interests of the shareholders/ stakeholders shall remain unaltered.

16.5. The Transferee Company shall not be required to add the words “and reduced” as a suffix to its name consequent upon the reduction of capital under Clause 16.1 of this Part III above.

16.6. The reduction of capital of the Transferee Company, as above, does not involve any diminution of liability in respect of any unpaid share capital or payment to any shareholder of any paid-up share capital or payment in any other form.

PART IV
GENERAL TERMS AND CONDITIONS

17. COMPLIANCE WITH LAW

17.1. The Scheme has been drawn up to comply with the conditions relating to "Amalgamation" as specified under the Tax Laws, including section 2(1B) and other relevant sections of the IT Act. If any terms or provisions of the Scheme are found to be interpreted to be inconsistent with any of the provisions at a later date, whether as a result of any amendment of law or any judicial or executive interpretation or for any other reason whatsoever, the aforesaid provisions of the Tax Laws shall prevail. The Scheme shall then stand modified to the extent determined necessary to comply with the said provisions. Such modification will however not affect other parts of the Scheme. The power to make such amendments as may become necessary shall vest with the Board of Directors of the Transferor Company and the Transferee Company, which power shall be exercised reasonably in the best interests of the companies and its stakeholders.

17.2. The Board or any other person authorized on this behalf shall seek necessary approvals and comply with all the necessary rules / regulations or law in force as may be required to give effect to this Scheme including relevant filings under the Foreign Exchange Management Act, 1999 and regulations framed thereunder.

18. ALTERATION IN OBJECT CLAUSE OF MEMORANDUM OF ASSOCIATION OF THE TRANSFEREE COMPANY

18.1. With effect from the Appointed Date and upon the Scheme becoming effective, the main object clause of the Memorandum of Association of the Transferee Company shall be altered and amended, without any further act or deed, to include the objects as required for the purpose of carrying on the business activities of the Transferor Company, pursuant to the provisions of Section 13 and 14 of the Act and other applicable provisions of the Act. The consent of the shareholders of the Transferee Company to the Scheme shall be deemed sufficient for the purposes of effecting the above amendment to the Memorandum of Association, and no further resolution under Section 13, Section 61, Section 62 and Section 64 of the Act or any other applicable provisions of the Act, would be required to be separately passed. Accordingly, the main object clause of the Memorandum of Association of the Transferee Company shall be altered and amended and necessary revision in the numbering of the clauses inserted shall be carried out. The following clauses shall be inserted to existing 3rd Clause of the Memorandum of Association of the Transferee Company:

"...

To carry on the business of E-commerce service provider, E-commerce solutions,E-commerce platforms, E-commerce education, E-commerce technologies and E-business solutions and providing solutions and services related to Web-Technologies

and E-commerce, including to design, develop, maintain, operate, own, establish, install, host, provide, create, facilitate, supply, sale, purchase, license or otherwise deal in Internet portals, Internet networks, Media Portals, Internet solutions, Internet gateways, Internet service providers, E-commerce, Web-site designing, Web based and Web enabled services and applications.

To carry on the business of facilitating information flow of financial services including on line financial services for consumer products such as mortgage loan, auto loan and other loans.

To provide or facilitate the information flow through online on capital issues, investment consultants, insurance schemes, pension schemes, Government Securities, Tax planning, retirement planning, and other related floated income instruments.

18.2. For the purposes of amendment in the Memorandum of Association and Articles of Association of the Transferee Company to this Scheme under the Act and any other applicable provisions of the Act shall be required to be passed for making such change/ amendment in the Memorandum of Association and the Articles of Association of the Transferee Company and filing of the Certified copy of the Memorandum of Association for the purposes of said Section 13 and 14 of the Act and all other applicable provisions of the Act and the Registrar of Companies, Bangalore shall register the same and make the necessary alterations in the Memorandum of Association and the Articles of Association of the Transferee Company accordingly and shall certify the registration thereof in accordance with the provisions of Section 13 and 14 of the Act and any other applicable provisions of the Act.

18.3. The Transferee Company shall file with the jurisdictional Registrar of Companies all requisite forms and complete the compliance and procedural requirements under the Act, if any.

19. MERGER OF AUTHORIZED SHARE CAPITAL

19.1. As an integral part of the Scheme, and, upon the Scheme becoming effective, the authorised capital of the Transferor Company shall get merged with that of the Transferee Company pursuant to the Scheme and consequentially the authorised share capital of the Transferee Company shall stand increased without any further act, instrument or deed on the part of the Transferee Company including payment of stamp duty and registration fee or filing fee to the ROC on such merged authorised share capital and the Memorandum of Association of the Transferee Company shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders of the Transferee Company to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under the applicable provisions of the Act would be required to be separately passed, as the case may be, and for this purpose the stamp duty and fees paid on the authorized capital of the Transferor Company shall be utilized and applied to the increased authorized share capital of the Transferee Company and there would be no

requirement for any further payment of stamp duty and/ or fee by the Transferee Company for increase in the authorised share capital to that extent.

19.2. With effect from the Effective Date and subsequent to the merger of the authorized share capital of the Transferor Company with the authorised equity share capital of the Transferee Company, the authorised share capital of the Transferee Company shall be reclassified and the 5th Clause contained in the Memorandum of Association of the Transferee Company shall without any further act, instrument or deed be and stand altered, modified and amended pursuant to Sections 13, 14, 61 and 64 of the Act and Section 232 and other applicable provisions of the Act, as set out below:

19.3. The existing capital Clause 5th contained in the Memorandum of Association of the Transferee Company shall read as under:

"5th. The Authorised Share Capital of the Company is Rs. 13,65,55,00,000 (Indian Rupees One Thousand Three Hundred Sixty-Five Crores and Fifty-Five Lakhs only) divided into 35,70,00,000 (Thirty-Five Crores Seventy Lakhs) Equity Shares of face value of Rs. 10 (Ten) each, 4,77,866 (Four Lakhs Seventy Seven Thousand) Compulsory Convertible Preference Shares of face value of Rs.18,000 (Eighteen Thousand) each and 14,83,91,200 (Fourteen Crores Eighty Three Lakhs Ninety One Thousand and Two Hundred) Compulsory Convertible Preference Shares of face value of Rs.10 (Ten) each with power to increase or reduce the capital and to divide and subdivide the shares into several classes and to attach there to respectively such preferential qualified or special rights, privileges or conditions, as may be determined by or in accordance with the Articles of Association of the Company for the time being and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by the Companies Act, 2013, or as provided by the Articles of Association of the Company for the time being."

19.4. For the avoidance of doubt, it is clarified that, in case, the authorised share capital of the Transferor Company and/ or the Transferee Company, as the case may be, undergoes any change, either as a consequence of any corporate actions or otherwise, then Clause 19.1 and Clause 19.2 shall automatically stand modified/ adjusted accordingly to take into account the effect of such change.

19.5. During the pendency of the Scheme and up to the Effective Date, in case the authorised share capital of the Transferee Company has been increased, then, provisions of Clause 19.1 and 19.2 above shall be applied to the authorized share capital so increased, and the quantum of shares and share capital stated in Clause 19.3 above shall stand modified accordingly.

20. IMPACT OF THE SCHEME ON THE NCD HOLDERS

20.1. Pursuant to this Scheme, there will be no change in terms and conditions of the NCDs of the Transferee Company. Details of Listed NCDs of the Transferee Company are set-out in Annexure A hereto.

20.2. Safeguards for the protection of holders of NCDs of the Transferee Company: Pursuant to the Scheme, the NCD holders of the Transferee Company as on the Effective Date will continue to hold NCDs of the Transferee Company, without any interruption, on same terms, including the coupon rate, tenure, redemption price, quantum, and nature of security, ISIN, etc. A certificate from statutory auditor of the Transferee Company certifying the payment/ repayment capability of the Transferee Company against the outstanding NCDs is referred in Annexure A hereto.

20.3. Exit offer to NCDs holders of the Transferee Company: The NCDs of the Transferee Company, as on the Effective Date, will continue to be freely tradable and listed on the Stock Exchange, thereby providing liquidity to holders of the NCDs of the Transferee Company. Further, the Scheme will not have any adverse impact considering the positive net worth of the Transferee Company post the Scheme. In view of provisions of this clause, the Scheme will not have any adverse impact on the NCD holders of the Transferee Company.

21. SCHEME CONDITIONAL ON APPROVAL / SANCTIONS

21.1. The Scheme is conditional upon and subject to:

(a) Obtaining of Stock Exchange Approval by the Transferee Company in relation to the Scheme under Regulation 59A of SEBI LODR;

(b) The approval by the requisite majorities of the members and creditors (where applicable) of the Transferor Company and the Transferee Company as required under Applicable Law or as may be directed by the Tribunal or any dispensation that may be granted by the Tribunal;

(c) The sanction of the Scheme by the Tribunal under section 230 to 232 read with Section 52, Section 66 and other applicable provisions of the Act in favour of the Transferor Company and the Transferee Company, as the case may be, under the said provisions and to the necessary order sanctioning the Scheme being obtained;

(d) The requisite consent, approval or permission of any other statutory or regulatory authority, including the RBI, SEBI which by law may be necessary for implementation of this Scheme; and

(e) Certified or authenticated copy of the order of the Tribunal sanctioning the Scheme being filed with the Registrar of Companies of the jurisdiction of the

Transferor Company and the Transferee Company or as may be directed by the Tribunal sanctioning the Scheme.

21.2. If any part of this Scheme is invalid, ruled illegal by any Court of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the parties that such part shall be severable from the remainder of this Scheme, and this Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case the Board of the companies involved in the Scheme shall attempt to bring about a modification in this Scheme, as will best preserve for the parties the benefits, and obligations of this Scheme, including but not limited to such part.

22. APPLICATION TO THE TRIBUNAL

22.1. The Transferor Company and the Transferee Company shall, with all reasonable dispatch, make applications to the Tribunal, under Sections 230 to 232 read with Section 52, Section 66 and other applicable provisions of the Act, seeking orders for dispensing with or convening, holding and conducting of the meetings of the classes of their respective members and/ or creditors and for sanctioning this Scheme, with such modifications as may be approved by the Tribunal.

22.2. Upon this Scheme being approved by the requisite majority of the respective members of the Transferor Company and the Transferee Company (as may be directed by the Tribunal), the Transferor Company and the Transferee Company shall, with all reasonable dispatch, apply to the Tribunal, for sanction of this Scheme under Sections 230 to 232 and other applicable provisions of the Act, and for such other order or orders, as the said Tribunal may deem fit for carrying this Scheme into effect.

22.3. Upon this Scheme becoming effective, the respective shareholders of the Transferor Company and the Transferee Company shall be deemed to have also accorded their approval under all relevant provisions of the Act for giving effect to the provisions contained in this Scheme.

23. MODIFICATIONS/ AMENDMENTS TO THE SCHEME

23.1. The Transferor Company and the Transferee Company by their respective Boards or such other person or persons, as the respective Boards may authorize including any committee or sub-committee or authorised representatives thereof, may, collectively or severally, make and/ or consent to any modifications/ amendments to the Scheme or to any conditions or limitations as may be necessary or deemed fit and appropriate to resolve any questions or difficulties if any which may arise under or in respect of the Scheme or in regard to its implementation or in any matter connected therewith and including for compliance of any conditions or limitations which the Tribunal and/ or any other authorities under the Applicable Law may impose and/ or deem fit to direct.

23.2. The Transferor Company and the Transferee Company by their respective Boards shall be authorized to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or order of any other authority or otherwise however arising out of or under or by virtue of the Scheme and/ or any matter concerned or connected therewith.

24. WITHDRAWAL OF THE SCHEME

24.1. At any time prior to the Effective Date, the Boards of the Transferor Company and the Transferee Company shall be entitled to revoke, cancel and declare the Scheme of no effect if the respective Board are of view that the coming into effect of the Scheme as provided under this Scheme could have adverse implications on the Transferor Company and the Transferee Company.

25. EFFECT OF NON-RECEIPT OF APPROVALS/ SANCTIONS

25.1. In the event of any of the said sanctions and approvals referred to in Clause 21 above, not being obtained and/ or complied with and/ or satisfied and/ or the Scheme being rejected by the Tribunal, this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/ or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.

26. CHANGE IN NAME OF THE TRANSFEREE COMPANY

26.1. The Transferee Company has obtained a No Objection Certificate (NOC) from the RBI dated 14 May 2025, for its conversion from a ‘private limited company’ to a ‘public limited company’. Pursuant to the receipt of the NOC, the Transferee Company is in the process of obtaining Board and shareholder approval and filing the requisite forms with the Registrar of Companies.

26.2. Upon receipt of approval from the ROC, the Company will proceed to apply to the RBI for a fresh certificate of registration reflecting the change of its name from 'Krazybee Services Private Limited' to 'Krazybee Services Limited'.

27. SAVING OF CONCLUDED TRANSACTIONS

27.1. The transfer of properties and liabilities under PART II Clause 4 above, the continuance of proceedings by or against the Transferor Company under Clause 6 above and the effectiveness of contracts under Clause 7 above shall not affect any transaction or proceedings already concluded by the Transferor Company on or after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts

and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of itself.

28. COST, CHARGES, AND EXPENSES

28.1. All costs, charges, taxes including duties (including the stamp duty and/ or transfer charges, if any, applicable in relation to this Scheme), levies and all other expenses, if any (save as expressly otherwise agreed) of the Transferor Company and the Transferee Company arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne and paid by the Transferee Company.

28.2. In the event of this Scheme failing to take effect finally, this Scheme shall become null and void and in that case no rights and liabilities whatsoever shall accrue to or be incurred *inter-se* by the parties or their shareholders or creditors or employees or any other person. In such an event the aforesaid costs, charges, and expenses shall be borne by the Transferor Company or the Transferee Company as mutually agreed upon.

29. SEVERABILITY

29.1. If any part of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Board or authorised signatories of the Transferor Company and/ or the Transferee Company, affect the validity or implementation of the other parts/ provisions of this Scheme.

30. MISCELLANEOUS

30.1. The Transferee Company shall be entitled to file the relevant intimations, for the record of the statutory authorities signifying the transfer of the permissions, approvals, consents, sanctions, remissions, special reservations, sales tax remissions, incentives, concessions and other authorizations of the Transferor Company.

30.2. The Transferor Company and the Transferee Company shall also take all such other steps as may be necessary or expedient to give full and formal effect to and implement to the provisions of this Scheme.

30.3. Any error, mistake, omission, commission which is apparent and or absurd in the Scheme should be read in a manner which is appropriate to the intent and purpose of the Scheme and in line with the preamble as mentioned hereinabove.

Annexure A

Details of Listed NCDs issued by Transferee Company

Sr. no.	ISIN	Type of Instrument (secured or unsecured)	Face value per NCD (Amount in INR)	Issuance date	Amount issued (Amount in INR)	Tenure / maturity (in no of days)	Outstanding amount as on (in INR)	Coupon		Redemption					Other embedded features (put option, call option, dates, notification times, etc.)	Other terms of the instrument	Credit rating	Debenture Trustee
							21-May-25	Coupon rate	Coupon frequency	Terms of redemption	Principal Redemption Amount (in INR)	Redemption date	Redemption premium / disclosunt	Early redemption scenarios, if any				
1	INE07HK07643	Secured	1,00,000	30-11-2023	40,00,00,000	547	40,00,00,000	11.80%	Interest payment on 12th and 18th Month	Principal shall be repaid on maturity	40,00,00,000	30-05-2025	-	-	Not Applicable	Not Applicable	CRISIL A-/Stable	Vardhman Trusteeship Private Limited
2	INE07HK07676	Secured	1,00,000	23-02-2024	40,00,00,000	455	8,00,00,000	10.15%	Monthly interest payment	Principal shall be repaid on Quarterly basis	40,00,00,000	23-05-2025	-	-	Not Applicable	Not Applicable	CRISIL A-/Stable	Vardhman Trusteeship Private Limited
3	INE07HK07700	Secured	1,00,000	13-03-2024	35,00,00,000	549	35,00,00,000	12.00%	Interest payment on 12th and 18th Month	Principal shall be repaid on maturity	35,00,00,000	13-09-2025	-	-	Not Applicable	Not Applicable	CRISIL A-/Stable	Vardhman Trusteeship Private Limited
4	INE07HK07718	Secured	1,00,000	19-04-2024	32,95,00,000	548	32,95,00,000	12.50%	Monthly Interest payment	Prinicipal shall be repaid on maturity	32,95,00,000	19-10-2025	-	-	Not Applicable	Not Applicable	Care A-/Stable	Vardhman Trusteeship Private Limited
5	INE07HK07718	Secured	1,00,000	26-08-2024	50,00,00,000	419	50,00,00,000	12.50%	Monthly Interest payment	Prinicipal shall be repaid on maturity	50,00,00,000	19-10-2025	-	-	Not Applicable	Not Applicable	Care A-/Stable	Vardhman Trusteeship Private Limited
6	INE07HK07726	Secured	1,00,000	26-04-2024	1,00,00,00,000	456	1,00,00,00,000	9.84%	Monthly Interest payment	Prinicipal shall be repaid on maturity	1,00,00,00,000	26-07-2025	-	-	Not Applicable	Not Applicable	Care A-/Stable	Vardhman Trusteeship Private Limited
7	INE07HK07726	Secured	1,00,000	27-05-2024	55,00,00,000	425	55,00,00,000	9.84%	Monthly Interest payment	Prinicipal shall be repaid on maturity	55,00,00,000	26-07-2025	-	-	Not Applicable	Not Applicable	Care A-/Stable	Vardhman Trusteeship Private Limited
8	INE07HK07734	Secured	1,00,000	12-06-2024	80,00,00,000	548	53,33,33,333	12.50%	Monthly Interest payment	Prinicipal shall be repaid on Semi-annual basis i.e. at the end of 6th month, 12th month and 18th month	80,00,00,000	12-12-2025	-	-	Not Applicable	Not Applicable	CRISIL A-/Stable	Vardhman Trusteeship Private Limited
9	INE07HK07734	Secured	1,00,000	12-07-2024	40,00,00,000	518	26,66,66,667	12.50%	Monthly Interest payment	Prinicipal shall be repaid on Semi-annual basis i.e. at the end of 5th, 11th and 17th Month (Reissuance Case)	40,00,00,000	12-12-2025	-	-	Not Applicable	Not Applicable	CRISIL A-/Stable	Vardhman Trusteeship Private Limited
10	INE07HK07742	Secured	1,00,000	19-06-2024	50,00,00,000	548	33,33,33,433	10.20%	Monthly Interest payment	Prinicipal shall be repaid on Semi-annual basis i.e. at the end of 6th month, 12th month and 18th month	50,00,00,000	19-12-2025	-	-	Not Applicable	Not Applicable	CRISIL A-/Stable	Vardhman Trusteeship Private Limited
11	INE07HK07742	Secured	1,00,000	05-07-2024	50,00,00,000	532	33,33,33,433	10.20%	Monthly Interest payment	Prinicipal shall be repaid on Semi-annual basis i.e. at the end of 5th, 11th and 17th Month (Reissuance Case)	50,00,00,000	19-12-2025	-	-	Not Applicable	Not Applicable	CRISIL A-/Stable	Vardhman Trusteeship Private Limited
12	INE07HK07742	Secured	1,00,000	24-07-2024	70,00,00,000	513	46,66,66,806	10.20%	Monthly Interest payment	Prinicipal shall be repaid on Semi-annual basis i.e. at the end of 5th, 11th and 17th Month (Reissuance Case)	70,00,00,000	19-12-2025	-	-	Not Applicable	Not Applicable	CRISIL A-/Stable	Vardhman Trusteeship Private Limited
13	INE07HK07759	Secured	1,00,000	01-07-2024	22,25,00,000	861	22,25,00,000	11.82%	Monthly Interest payment	Prinicipal shall be repaid in 4 equal instalments payable at the end of 12 months, 18 months, 24 months and 27 months	22,25,00,000	09-11-2026	-	-	Not Applicable	Not Applicable	CRISIL A-/Stable	MITCON Credentia Trusteeship Services Limited
14	INE07HK07767	Secured	1,00,000	31-07-2024	1,20,00,00,000	548	59,99,99,860	11.00%	Monthly Interest payment	Prinicipal shall be repaid on Quarterly basis	1,20,00,00,000	30-01-2026	-	-	Not Applicable	Not Applicable	CRISIL A-/Stable	Vardhman Trusteeship Private Limited
15	INE07HK07775	Secured	1,00,000	21-10-2024	70,00,00,000	729	52,50,00,000	12.10%	Quarterly Interest payment	Prinicipal shall be repaid on Quarterly basis	70,00,00,000	20-10-2026	-	-	Not Applicable	Not Applicable	CRISIL A-/Stable	SBICAP Trustee Company Limited
16	INE07HK07783	Secured	1,00,000	12-12-2024	1,50,00,00,000	547	1,50,00,00,000	10.30%	Monthly Interest payment	Prinicipal shall be repaid on half yearly basis	1,50,00,00,000	12-06-2026	-	-	Not Applicable	Not Applicable	CRISIL A-/Stable	Vardhman Trusteeship Private Limited
17	INE07HK07783	Secured	1,00,000	20-12-2024	30,00,00,000	539	30,00,00,000	10.30%	Monthly Interest payment	Prinicipal shall be repaid on half yearly basis	30,00,00,000	12-06-2026	-	-	Not Applicable	Not Applicable	CRISIL A-/Stable	Vardhman Trusteeship Private Limited

18	INE07HK07791	Secured	1,00,000	23-01-2025	3,20,00,00,000	546	3,20,00,00,000	10.95%	Monthly Interest payment	Prinicipal shall be repaid in January 2026 & July 2026	3,20,00,00,000	23-07-2026	-	-	Not Applicable	Not Applicable	Care A-/Stable	SBICAP Trustee Company Limited
19	INE07HK07791	Secured	1,00,000	05-02-2025	1,15,00,00,000	533	1,15,00,00,000	10.95%	Monthly Interest payment	Principal shall be repaid in January 2026 & July 2026	1,15,00,00,000	23-07-2026	-	-	Not Applicable	Not Applicable	Care A-/Stable	SBICAP Trustee Company Limited
20	INE07HK07809	Secured	1,00,000	06-05-2025	2,00,00,00,000	549	2,00,00,00,000	10.65%	Monthly Interest payment	Principal shall be repaid on the 15th & 18th Month	2,00,00,00,000	06-11-2026	-	-	Not Applicable	Not Applicable	Care A-/Stable	Vardhman Trusteeship Private Limited

Safeguards for the protection of holders of NCDs	Taking into consideration (i) the valuation reports issued by an independent registered valuer and (ii) the fairness opinions provided by a SEBI-registered independent merchant banker, it is confirmed that the proposed Scheme of Arrangement will not have any adverse impact on the credit profile of the Non-Convertible Debentures (NCDs) issued by the Transferee Company. This assessment has been confirmed by the Registered Valuer and certified as fair by the Merchant Banker. Furthermore, since there is no change in the terms and conditions of the NCDs pursuant to the Scheme — including the coupon rate, tenure, redemption price, quantum, nature of security, and ISIN — the Scheme does not affect the rights or interests of the NCD holders in any manner. Therefore, the Scheme will not have any adverse impact on the holders of the NCDs and thus adequately safeguards interests of the holders of the NCDs.
Exit offer to the dissenting holders of NCDs	Since the holders of the NCDs/ in the Transferee Company shall continue to hold the NCDs in the Transferee Company even post the Scheme becoming effective on the same terms and conditions at which they were issued, the holders of the NCD are not affected by the Scheme. Further, the liability of Transferee Company towards the NCDs holders of the Transferee Company, is neither being reduced nor being extinguished under the Scheme. Therefore, the Scheme, does not envisage any exit offer to the dissenting holders of NCDs.
Latest audited financials along with notes to accounts and any audit qualifications.	Refer to following URL on the website of the Transferee Company: https://www.kbnbfc.in/
An auditors' certificate certifying the payment/ repayment capability of the resultant entity	Refer to following URL on the website of the Transferee Company: https://www.kbnbfc.in/
Fairness report	Refer to following URL on the website of the Transferee Company: https://www.kbnbfc.in/
Any other information/details pertinent for NCD holders	Not Applicable

Annexure B
Terms of New CCPS to be issued by Transferee Company

1.	Voting right	Each holder of Series D1 CCPS shall be entitled to exercise voting rights in respect to the respective shares held by it on an "As If Converted Basis". Each Series D1 CCPS will entitle the holder to the number of votes equal to the number of equity Shares into which such Series D1 CCPS could then be converted.
2.	Dividend	0.001% p.a on non-cumulative basis (a) Dividends in respect of the Series D1 CCPS shall be declared by the Board of Directors from funds or reserves that are legally available and paid on a pari-passu basis with all other preference shares, prior, and in preference, to any declaration or payment of dividends in favour of any other class of securities of the Transferee Company including, without limitation, the any equity shares. In the event that any dividend payable in respect of the Series D1 CCPS is accrued but unpaid, then no dividend may be paid in respect of any other securities of the Transferee Company until all such accrued but unpaid dividends in respect of the Series D1 CCPS are paid in full. (b) Notwithstanding paragraph 2(a) above, if in any financial year, the Board or the Transferee Company declares a dividend or distribution on any other securities of the Transferee Company exceeding the Series D1 dividend rate, the Series D1 CCPS shall also carry, on a *pari-passu* basis, pro rata to their shareholding, on an As If Converted Basis, such higher rate of other dividend in such financial year.
3.	Face value	Rs. 10 (Rupees Ten only)
4.	Terms for conversion	Each Series D1 CCPS shall convert into equity shares on a 1:1 basis. The Series D1 CCPS can be converted at the option of the holder of the Series D1 CCPS by serving a prior written notice to the company. The Series D1 CCPS will mandatorily convert in equity shares on the earlier of (i) 20 years from the date of allotment and (ii) date preceding the Qualified Initial Public Offering of the Company.

		No fractional equity shares shall be issued upon the conversion of any Series D1 CCPS, and the number of equity shares to be issued shall be rounded to the nearest whole equity share.
5.	Conversion Price	The Series D1 CCPS shall convert into equity shares at the Series D1 Conversion Price (in accordance with the terms to be agreed between the shareholders). Provided further that the Series D1 Conversion Price shall be subject to adjustment in accordance with terms to be agreed in the articles of association of the Transferee Company.
6.	Conversion procedure	(i) Subject to point 4 above, for the conversion of the Series D1 CCPS, the holder of Series D1 CCPS electing to convert the Series D1 CCPS shall, at such time as per its sole discretion, give a notice of conversion ("**Notice of Conversion**") to the Transferee Company, specifying its intention to convert such number of Series D1 CCPS held by it. Along with the Notice of Conversion, such holder of Series D1 CCPS shall, if applicable, either: (I) surrender the certificate or certificates evidencing its holding of the Series D1 CCPS, duly endorsed, at the office of the Transferee Company; or (II) notify the Transferee Company that such certificates have been lost, stolen or destroyed and shall give written notice to the Transferee Company, along with such other documents as may be required under Applicable Law, that it elects to convert the same. (ii) The Transferee Company shall, within 15 (Fifteen) calendar days of issue of Notice of Conversion, as per the direction of the holder of the Series D1 CCPS, either: (i) issue and deliver to the holder of Series D1 CCPS, a certificate or certificates, duly executed and stamped, for the number of equity shares to which the holder shall be entitled as aforesaid, plus any declared and unpaid dividends on the converted Series D1 CCPS, or (ii) issue irrevocable instructions to its depository participant to credit the number of equity shares issued upon conversion of the Series D1 CCPS to the demat account of the relevant holder of Series D1 CCPS and pay the applicable stamp duty, in accordance with Applicable Law, on the issuance and allotment of the equity shares upon conversion plus any declared and unpaid dividends on the converted Series D1 CCPS. The Transferee Company shall cause the register of members of the Transferee Company to be updated to effect the

		conversion as well as file such forms electronically with the relevant governmental authority. In the event of a mandatory conversion, all outstanding Series D1 CCPS shall be converted into equity shares, in accordance with Applicable Law. (iii) Subject to the Applicable Law, the conversion of Series D1 CCPS shall be deemed to have been made immediately prior to the close of business on the date of such surrender of the Series D1 CCPS to be converted, and the holder of Series D1 CCPS shall be treated as the holder of the equity shares on such date; provided, however, that if the conversion is in connection with a Qualified Initial Public Offering, the Series D1 CCPS shall be converted into equity shares in accordance with Applicable Law. (iv) Upon the occurrence of each adjustment or readjustment of the Series D1 conversion ratio, as applicable, pursuant to these terms, the Transferee Company shall immediately compute such adjustment or readjustment in accordance with the terms thereof and furnish to the holder of Series D1 CCPS, details of the same. The Transferee Company shall, upon the written request of a holder of Series D1 CCPS, furnish or cause to be furnished to such holder of Series D1 CCPS, a certificate setting forth: (a) such adjustments and readjustments, (b) the Series D1 Conversion Ratio and Series D1 Conversion Price at the time in effect, and (c) the number of equity shares and the amount, if any, of other property which at the time would be received by such holder of Series D1 CCPS upon conversion of the Series D1 CCPS. (v) The Transferee Company shall make all necessary filings, disclosures and procedures as required under Applicable Law or as required by the holders of Series D1 CCPS, in relation to the allotment and issuance of equity shares and provide the holders of the Series D1 CCPS with certified true copies of such forms duly filed with the relevant authority along with receipts in respect of such fillings; and (vi) The shareholders of the Transferee Company, the Transferee Company Board, the Transferee Company and

		the Founders agree to do all such acts and deeds to give effect to the provisions of this paragraph.
7.	Adjustments	The Series D1 Conversion Ratio and Series D1 Conversion Price shall be subject to adjustments based on: (i) bonus issues, (ii) share splits, consolidation, reorganization, recapitalization, reclassification, scheme of arrangement (including merger or demerger) or similar events with respect to the share capital of the Transferee Company to adjust the number of equity shares into which such class of Series D1 CCPS are convertible, and (iii) the valuation protection rights to be set out under the articles of association of the Transferee Company.
8.	Liquidation preference	Upon the occurrence of a Liquidation Event, the manner of distribution of the proceeds from such Liquidation Event shall be as set out under Article VII of the articles of association of the Transferee Company. "Liquidation Event" means the occurrence of any of the following events: (i) liquidation, dissolution or winding up of the Transferee Company and/or any of its subsidiaries, (ii) a merger, acquisition, listing (subject to Applicable Laws), change of control, consolidation, or other transaction or series of transactions in which the shareholders, prior to such transaction will not: (A) retain a majority of the voting power of the surviving entity, or (B) have the rights to control the board of the surviving entity, or (iii) a sale, lease, license or other transfer of all or substantially all the assets (including intellectual property), business or licenses of any group companies.
9.	Miscellaneous	(a) Any amendment to the terms of the Series D1 CCPS shall be in accordance with Applicable Law and subject to section 9.02 (*Amendment of Rights*) of the amended and restated shareholders' agreement dated 11 July 2024 executed by and between, inter-alia, the Transferee Company, the Transferor Company, the Founders and the Investors. (b) The Series D1 CCPS shall be governed by and construed in accordance with the Applicable Laws of India.

Vivek Veda
Digitally signed by Vivek Veda
Date: 2025.05.21 17:31:32 +05'30'

K KARTHIKEYAN
Digitally signed by K KARTHIKEYAN
Date: 2025.05.21 17:32:06 +05'30'

Annexure 2A

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF FINNOVATION TECH SOLUTIONS PRIVATE LIMITED (THE "COMPANY") AT ITS MEETING HELD ON WEDNESDAY, 21 MAY 2025 AT 1ST FLOOR, NO.128/9, MARUTHI SAPPHIRE, HAL AIRPORT ROAD, MURGESH PALYA, BANGALORE-560017 EXPLAINING THE EFFECT OF THE SCHEME OF ARRANGEMENT BETWEEN FINNOVATION TECH SOLUTIONS PRIVATE LIMITED AND KRAZYBEE SERVICES PRIVATE LIMITED AND THEIR RESPECTIVE SHAREHOLDERS, ON EACH CLASS OF SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, CREDITORS, EMPLOYEES AND DIRECTORS

1. Background:

1.1. The Board of Directors of Finnovation Tech Solutions Private Limited (the "**Board**") at its meeting held on May 21, 2025, approved the Scheme of Arrangement between Finnovation Tech Solutions Private Limited (the "**Transferor Company**" or the "**Company**") and Krazybee Services Private Limited (the "**Transferee Company**") and their respective shareholders (the "**Scheme**") from appointed date 01 April, 2024, to be implemented as per provisions of Sections 230 to Section 232 read with Section 52, Section 66 and other applicable provisions of the Companies Act, 2013 ('**Act'**) to the extent applicable and the rules and regulations made thereunder, as amended from time to time (including any statutory modification(s) or re-enactment or amendments thereof for the time being in force).

1.2. The Scheme is to be filed with the National Company Law Tribunal having jurisdiction over the Transferor Company and the Transferee Company.

1.3. In terms of Section 232(2)(c) of the Act, a report is required to be adopted by the Board of the Company explaining the effect of the Scheme on each class of shareholders (promoters and non - promoter shareholders), key managerial personnel ("**KMPs**"), creditors, employees and directors of the Company, setting out, among other things, the fair share entitlement ratio, specifying any special valuation difficulties, if any. Such report is then required to be appended with the notice of the meeting of shareholders and/or creditors if ordered by the jurisdictional National Company Law Tribunal.

1.4. Accordingly, the Board have considered following documents for preparing this Report:

1.4.1. Scheme;

1.4.2. The report dated 21 May 2025 from Shreyansh M Jain, an Independent Registered Valuer (IBBI Regd No. IBBI/RV/03/2019/12124), recommending the fair share entitlement ratio in connection with the Scheme ("**Share Entitlement Ratio Report**");

1.4.3. The report dated 21 May 2025 from Shreyansh M Jain, an Independent Registered Valuer (IBBI Regd No. IBBI/RV/03/2019/12124) on assessment of impact of Scheme on Listed Non-Convertible Debentures ("**NCD Impact Assessment Report**");

1.4.4. The Fairness Opinion dated 21 May 2025 ("**Fairness Opinion**") issued by Saffron Capital Advisors Private Limited an independent SEBI registered Category – I Merchant Banker (SEBI Regd No. INM000011211) providing opinion in respect of the Share Entitlement Ratio Report and NCD Impact Assessment Report;

1.4.5. The draft certificate provided by M/s. Walker Chandiok & Co LLP, Chartered Accountants (ICAI Firm Regd No. 001076N/N500013), the statutory auditors of the Company, to the effect that the accounting treatment contained in the Scheme is in compliance with the applicable Accounting Standards prescribed under Section 133 of the Act; and

1.4.6. Other presentations, reports, documents and information pertaining to the draft Scheme made available or circulated to the Board.

Words and expressions, used in capitalized form but not defined in this Report, shall have the meaning ascribed to them in the Scheme.

2. Rationale of the Scheme:

2.1. The Transferor Company and the Transferee Company have common shareholders having identical shareholding percentage in both the companies. The Transferee Company proposes to enter into this Scheme with the Transferor Company, to consolidate their service capabilities thereby improving operational efficiency and better use of resources for improving overall customer satisfaction, optimization of working capital utilization and collaborate to effectively leverage their human resources and expertise.

2.2. Therefore, the management of the Transferor Company and the Transferee Company believe that this Scheme would result in strategic and organizational benefits which would benefit the respective companies and other stakeholders of respective companies, inter-alia, on account of the following reasons:

2.2.1. The Transferor Company possesses strong technological capabilities, having developed a digital lending application "KreditBee" along with a robust technological framework that enables seamless customer onboarding and facilitates the entire loan process through a digital platform. The Transferee

Company will benefit from such expertise and will strengthen its existing technological framework.

2.2.2. Integration of business operations will provide the Transferee Company with significant impetus to its growth.

2.2.3. Enable more concentrated and strategic management attention, consolidate the holding of the shareholders into one company, for a better and more efficient control.

2.2.4. Greater efficiency in cash management of the merged entity, and unfettered access to cash flow generated by the business which can be deployed more efficiently to fund growth opportunities.

2.2.5. Attract investment opportunities from strategic investors/ financial investors who have varied business interests and risk perceptions.

2.2.6. Achieve simplification of the corporate structure of entities, streamline business operations and decision-making process and enable greater economies of scale.

2.2.7. The Amalgamation will result in effective and faster mobilization of financial resources for meeting increased business expenditures.

2.2.8. Avoidance of duplication of administrative functions, significant reductions in multiplicity of legal and regulatory compliance cost. Therefore, this Scheme would result in streamlining of legal, compliance and other statutory functions to allow a more coordinated approach towards governance for the businesses.

3. The Scheme, amongst others, contemplates the following arrangements:

3.1. the amalgamation of the Transferor Company into the Transferee Company and the consequent dissolution of the Transferor Company without being wound up;

3.2. the consequent issuance of the New Equity Shares (*as defined in the Scheme*) or New CCPS (*as defined in the Scheme*), as the case may be, by the Transferee Company to the shareholders of the Transferor Company as at the Record Date (*as defined in the Scheme*) in accordance with the Share Entitlement Ratio (*as defined in the Scheme*);

3.3. the reduction of securities premium account of the Transferee Company in the manner provided under Part III of the Scheme; and

3.4. various other matters consequential, incidental, supplementary or otherwise integrally connected therewith.

4. Effect of the Scheme on the Promoter/Non-Promoter Shareholders of the Company:

4.1. The Transferor Company is a professionally managed company and does not have any promoter therefore the effect on the promoter shareholders is not applicable.

4.2. Upon coming into effect of the Scheme and in consideration of the aforementioned amalgamation, the Transferee Company shall issue and allot New Equity Shares and New CCPS (as defined in the Scheme) to the shareholders of the Transferor Company whose names are recorded in the register of members, as a member of the Transferor Company on the Record Date, in terms of the above fair Share Entitlement Ratio (as defined in the Scheme) determined in the Share Entitlement Ratio Report. Basis the Share Entitlement Ratio Report and Fairness Opinion, which have been duly considered by the Board of Directors of the Company, the Board has come to the conclusion that the said Share Entitlement Ratio (as defined in the Scheme) is fair and reasonable.

5. Effect of the Scheme on the Key Managerial Personnel (KMP) and Directors of the Company:

Upon the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up and consequently the directors / KMPs of the Transferor Company will cease to be the directors / KMPs of the Transferor Company. Further, all the employees including the KMPs, shall become employees of the Transferee Company, on the same terms and conditions.

6. Effect on the Creditors:

As per Clause 4 of the Scheme, all debts, liabilities, duties and obligations of the Transferor Company shall be transferred to and / or deemed to be transferred and vested with the Transferee Company.

7. Effect on Staff or Employees:

As per Clause 9 of the Scheme, all the staff and employees of the Transferor Company who are in such employment as on the Effective Date shall become and be deemed to have become, the employees of the Transferee Company without any break or interruption of service and on the basis of continuity of service, and on the same terms and conditions and which are not less favorable than those subsisting with reference to the Transferor Company as on the Effective Date.

8. Recommendation of the Board:

8.1. The Board discussed and deliberated upon the rationale and expected benefits of the Scheme. In light of the aforementioned and the Scheme, Share Entitlement Ratio Report, Fairness Opinion and other documents presented before the Board, they noted that the proposed arrangement is beneficial, advantageous and not prejudicial to the interest of the shareholders, creditors and other stakeholders.

8.2. The Board recommends the proposed Scheme to be effective from the Appointed Date, after taking into consideration the Share Entitlement Ratio Report, Fairness Opinion and abovementioned safeguards to the shareholders and the creditors of the Company (as may be applicable) for its approval and for favourable consideration by the appropriate authorities, as may be required.

8.3. The Board has adopted this Report after noting and considering the documents and information set forth in this Report. The Board is entitled to make relevant modifications to this Report, if required and such modification or amendments shall be deemed to form part of this Report.

For **Finnovation Tech Solutions Private Limited**

K KARTHIKEYAN
Digitally signed by K KARTHIKEYAN
Date: 2025.05.27 18:15:18 +05'30'

Karthikeyan Krishnaswamy
Director
DIN: 07449376

Place: Bengaluru
Date: May 27, 2025

Krazybee Services Private Limited

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF KRAZYBEE SERVICES PRIVATE LIMITED IN THEIR MEETING HELD ON WEDNESDAY, MAY 21 2025 AT 1ST FLOOR, NO.128/9, MARUTHI SAPPHIRE, HAL AIRPORT ROAD, MURGESH PALYA, BANGALORE-560017 EXPLAINING THE EFFECT OF THE SCHEME OF ARRANGEMENT BETWEEN FINNOVATION TECH SOLUTIONS PRIVATE LIMITED AND KRAZYBEE SERVICES PRIVATE LIMITED AND THEIR RESPECTIVE SHAREHOLDERS ON EACH CLASS OF SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, DEBENTURE HOLDERS, CREDITORS, EMPLOYEES AND DIRECTORS

1. **Background :**

1.1. The Board of Directors of Krazybee Services Private Limited (the "Board") at its meeting held on May 21, 2025 approved the Scheme of Arrangement between Finnovation Tech Solutions Private Limited (the "**Transferor Company**") and Krazybee Services Private Limited (the "**Transferee Company**" or the "**Company**") and their respective Shareholders (the "**Scheme**") from Appointed Date 01 April 2024, to be implemented as per provisions of Sections 230 to Section 232 read with Section 52, Section 66 and other applicable provisions of the Companies Act, 2013 ('Act') to the extent applicable and the rules and regulations made thereunder, as amended from time to time (including any statutory modification(s) or re-enactment or amendments thereof for the time being in force) and Regulation 59A and 94A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR Regulations') and the Master Circular bearing no. SEBI/HO/DDHS/DDHS-PoD-1/P/CIR/2024/48 dated 21 May 2024 ("**SEBI Debt Circular**"), as amended from time to time.

1.2. Certain Non-Convertible Debentures ("**NCDs**") issued and allotted by the Transferee Company are listed on the debt market segment of BSE Limited ("**BSE**").

1.3. The Scheme is subject to approval of shareholders and creditors of the Companies involved and regulatory authorities i.e., BSE, Securities and Exchange Board of India ("**SEBI**"), Reserve Bank of India ("**RBI**"), National Company Law Tribunal, Bengaluru ("**NCLT**") having jurisdiction over the Transferor Company and the Transferee Company and any other regulatory authorities as may be required.

1.4. In terms of Section 232(2)(c) of the Act, a report is required to be adopted by the Board of the Company explaining the effect of the Scheme on each class of shareholders (promoters and non - promoter shareholders), key managerial personnel ("**KMPs**"), debenture holders, creditors, employees and directors of the Company, setting out, among other things, the share entitlement ratio, specifying any special valuation difficulties, if any. Such report is

then required to be appended with the notice of the meeting of shareholders and/or creditors if ordered by the jurisdictional NCLT.

1.5. Further, pursuant to the requirements of Chapter XII of the SEBI Debt Circular, the Board is required to recommend the draft Scheme, taking into consideration, inter-alia, the Valuation Report and ensuring that the Scheme is not detrimental to the holders of the NCDs, and also comment on impact of the Scheme on the holders of NCDs, safeguards for the protection of the holders of NCDs and exit offer to the dissenting shareholders of NCDs, if any. Such report is then required to be appended with the notice of the meeting of shareholders and/or creditors if ordered by the jurisdictional NCLT.

1.6. Accordingly, the Board have considered following documents for preparing this Report:

1.6.1. Scheme;

1.6.2. The report dated 21 May 2025 from Shreyansh M Jain, an Independent Registered Valuer (IBBI Regd No. IBBI/RV/03/2019/12124), recommending the fair share entitlement ratio in connection with the Scheme ("**Share Entitlement Ratio Report**");

1.6.3. The report dated 21 May 2025 from Shreyansh M Jain, an Independent Registered Valuer (IBBI Regd No. IBBI/RV/03/2019/12124) on assessment of impact of Scheme on Listed Non-Convertible Debentures ("**NCD Impact Assessment Report**");

1.6.4. The Fairness Opinion dated 21 May 2025 ("**Fairness Opinion**") issued by Saffron Capital Advisors Private Limited an independent SEBI registered Category – I Merchant Banker (SEBI Regd No. INM000011211) providing opinion in respect of the Share Entitlement Ratio Report and NCD Impact Assessment Report;

1.6.5. The certificate provided by M/s TATTVAM & Co., Chartered Accountants (ICAI Firm Regd No. 015048N), the statutory auditors of the Company, certifying the payment /repayment capability of the Transferee Company and that the Accounting Treatment under the Scheme is in conformity with the Accounting Standards prescribed under Section 133 of the Act; and

1.6.6. Other presentations, reports, documents and information pertaining to the Scheme made available or circulated to the Board.

Words and expressions, used in capitalized form but not defined in this Report, shall have the meaning ascribed to them in the Scheme.

2. Rationale of the Scheme :

2.1. The Transferor Company and the Transferee Company have common shareholders having identical shareholding percentage in both the companies. The Transferee Company proposes to enter into this Scheme with the Transferor Company, to consolidate their service capabilities thereby improving operational efficiency and better use of resources for improving overall customer satisfaction, optimization of working capital utilization and collaborate to effectively leverage their human resources and expertise.

2.2. Therefore, the management of the Transferor Company and the Transferee Company believe that this Scheme would result in strategic and organizational benefits which would benefit the respective companies and other stakeholders of respective companies, inter-alia, on account of the following reasons:

2.2.1. The Transferor Company possesses strong technological capabilities, having developed a digital lending application "KreditBee" along with a robust technological framework that enables seamless customer onboarding and facilitates the entire loan process through a digital platform. The Transferee Company will benefit from such expertise and will strengthen its existing technological framework.

2.2.2. Integration of business operations will provide the Transferee Company with significant impetus to its growth.

2.2.3. Enable more concentrated and strategic management attention, consolidate the holding of the shareholders into one company, for a better and more efficient control.

2.2.4. Greater efficiency in cash management of the merged entity, and unfettered access to cash flow generated by the business which can be deployed more efficiently to fund growth opportunities.

2.2.5. Attract investment opportunities from strategic investors/ financial investors who have varied business interests and risk perceptions.

2.2.6. Achieve simplification of the corporate structure of entities, streamline business operations and decision-making process and enable greater economies of scale.

2.2.7. The Amalgamation will result in effective and faster mobilization of financial resources for meeting increased business expenditures.

2.2.8. Avoidance of duplication of administrative functions, significant reductions in multiplicity of legal and regulatory compliance cost. Therefore, this Scheme would result in streamlining of legal, compliance and other statutory functions to allow a more coordinated approach towards governance for the businesses.

3. The Scheme, amongst others, contemplates the following arrangements :

3.1. the amalgamation of the Transferor Company into the Transferee Company and the consequent dissolution of the Transferor Company without being wound up;

3.2. the consequent issuance of the New Equity Shares (*as defined in the Scheme*) or New CCPS (*as defined in the Scheme*), as the case may be, by the Transferee Company to the shareholders of the Transferor Company as at the Record Date (*as defined in the Scheme*) in accordance with the Share Entitlement Ratio (*as defined in the Scheme*);

3.3. the reduction of securities premium account of the Transferee Company in the manner provided under Part III of the Scheme; and

3.4. various other matters consequential, incidental, supplementary or otherwise integrally connected therewith.

4. Share Entitlement Ratio :

351 (Three Hundred and Fifty-One) fully paid-up New Equity Shares of the Transferee Company of Rs. 10 (Ten) each for every 5 (Five) Existing Equity Shares of the Transferor Company of Rs. 10 (Ten) each fully paid up.

351 (Three Hundred and Fifty-One) fully paid-up New CCPS of the Transferee Company of Rs. 10 (Ten) each for every 5 (Five) Existing CCPS of the Transferor Company of Rs. 10 (Ten) each fully paid up.

No special valuation difficulties have been reported by the valuer.

5. Effect of the Scheme on the Promoter/Non-Promoter Shareholders of the Company :

5.1. The Transferee Company is a professionally managed company and does not have any promoter therefore the effect on the promoter shareholders is not applicable.

5.2. Upon coming into effect of the Scheme and in consideration of the aforementioned amalgamation, the Transferee Company shall issue and allot New Equity shares and New CCPS (as defined in the Scheme) to the shareholders of the Transferor Company whose names are recorded in the register of members, as a member of the Transferor Company on the Record Date, in terms of the above fair Share Entitlement Ratio (as defined in the Scheme) determined in the Share Entitlement Ratio Report. As on the date of this Report, the Transferor Company and the Transferee Company have common and identical shareholders. Therefore, the amalgamation will not result in dilution of holding of the shareholders of the Transferee Company.

5.3. The New Equity shares and New CCPS (as defined in the Scheme) of the Transferee Company to be issued to the Members of the Transferor Company shall be subject to the Scheme, and the Memorandum of Association and the Articles of Association of the Transferee Company and shall rank pari pasu with the Existing Equity shares and existing CCPS of the Transferee Company.

6. Effect of the Scheme on the Key Managerial Personnel (KMP) and Directors of the Company :

6.1. The Transferee Company undertakes to continue to abide by the agreement/settlement if any entered into by the Transferee Company with any of its employees/ KMP, which is in force as on the Effective Date. The Transferee Company is not expecting any change in the KMPs, in pursuance to the Scheme becoming effective.

6.2. Further, none of the Directors and Key Managerial Personnel of the Transferee Company and their respective relatives (as defined under the Companies Act, 2013 and rules framed thereunder) have any interest in the Scheme except to the extent of the shares held by them in the Transferor Company and/or in the Transferee Company, if any and / or to the extent the said director(s) are common director(s) and/or as creditors of the Transferor Company and / or the Transferee Company.

7. Effect on the Creditors :

Under the Scheme, no arrangement or compromise is proposed for any of the creditors (secured or unsecured) of the Company. The liability of the creditors of the Company is neither being reduced nor being extinguished under the Scheme.

8. Effect on Staff or Employees:

The Scheme will not have any effect on the rights of the staff and employees currently being engaged by the Company.

9. Impact of the Scheme on the holders of NCDs :

9.1. The Scheme will not have any impact on the holders of the listed Non-Convertible Debentures issued by the Transferee Company. Considering the positive net worth of the Transferee Company post the amalgamation, the Company will be able to pay interest and repay the principal amount represented by such NCDs as per terms of issue, and further the NCDs are secured. Further, the Scheme does not provide for any alteration in the existing terms and conditions of the NCDs, which could have any impact on the holders of NCDs, therefore such NCD holders shall continue to hold the same number of NCDs on the existing terms.

9.2. Further, pursuant to the Scheme, no new NCDs shall be issued by the Transferee Company as there are no NCD obligations of the Transferor Company. Accordingly, the NCD holders of the Transferee Company shall remain unimpacted pursuant to the proposed Scheme.

10. Safeguards for the protection of holders of NCDs :

10.1. Pursuant to the Scheme, the NCD holders of the Transferee Company as on the Effective Date will continue to hold NCDs of the Transferee Company, without any interruption, on same terms, including the coupon rate, tenure, redemption price, quantum, and nature of security, ISIN, etc. A certificate from statutory auditor of the Transferee Company certifying the payment/ repayment capability of the Transferee Company against the outstanding NCDs has been provided in this regard.

10.2. Therefore, the Scheme will not have any adverse impact on the holders of the NCDs of the Transferee Company and thus adequately safeguards their interests. Further, the Transferee Company shall comply with all the SEBI Regulations in relation to protection of NCD holders.

11. Exit offer to the dissenting holders of NCDs, if any :

The NCDs of the Transferee Company, as on the Effective Date, will continue to be freely tradable and listed on the Stock Exchange, thereby providing liquidity to holders of the NCDs of the Transferee Company. As the Scheme does not in any manner affect the interest of the NCD holders nor does it impact the ability of the Company to discharge its obligations towards the NCD holders, no exit offer being offered to the dissenting holders.

12. Recommendation of the Board :

12.1. The Board discussed and deliberated upon the rationale and expected benefits of the Scheme. In light of the aforementioned and the Scheme, Share Entitlement Ratio Report, NCD Impact Assessment Report and Fairness Opinion, and other documents presented before the Board, they noted that the proposed amalgamation is beneficial, advantageous and not prejudicial to the interest of the shareholders, creditors and other stakeholders and is not detrimental to the interest of NCD holders of the Company.

12.2. The Board recommends the proposed Scheme to be effective from the Appointed Date, after taking into consideration the Share Entitlement Ratio Report, NCD Impact Assessment Report and Fairness Opinion and abovementioned safeguards for the holder(s) of NCDs and other parameters, to the shareholders and the creditors of the Company (as may be applicable) for its approval and for favourable consideration by the Stock Exchange, SEBI, RBI and other appropriate authorities, as may be required.

12.3. The Board has adopted this Report after noting and considering the documents and information set forth in this Report. The Board or any fully authorized committee by the Board is entitled to make relevant modifications to this Report, if required, and such modifications or amendments shall be deemed to form part of this Report.

For **Krazybee Services Private Limited**

Vivek Veda

Digitally signed by Vivek Veda
Date: 2025.05.27 18:14:20 +05'30'

Vivek Veda
Director
DIN : 07560229
Place: Bengaluru
Date: May 27, 2025

Walker Chandiok & Co LLP

Walker Chandiok & Co LLP
5th Floor, No.65/2, Block "A",
Bagmane Tridib, Bagmane
Tech Park, C V Raman Nagar,
Bengaluru 560093

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Independent auditor's certificate on the proposed accounting treatment included in the Proposed Scheme of arrangement pursuant to sections 230 to 232 and other applicable provisions of the Companies Act, 2013, and the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016

To,
The Board of Directors,
Finnovation Tech Solutions Private Limited
16/3, Adarsh Yelavarthy Centre,
Opp to Frank Anthony School,
Cambridge Layout, Jogupalya
Bangalore – 560008

1. This certificate is issued in accordance with the terms of our engagement letter dated 20 May 2025 with **Finnovation Tech Solutions Private Limited** ('the Company' or 'the Transferor Company').

2. We, the statutory auditors of the Company, have examined the proposed accounting treatment clause as specified in Clause 15.4 of the Proposed Scheme of arrangement between the Company and Krazybee Services Private Limited ('the Transferee Company') and their respective shareholders (hereinafter referred to as the 'Proposed Scheme') as approved by the Board of Directors in their meeting held on 21 May 2025, in terms of the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ('the Act') and the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ('the rules') with reference to its compliance with the accounting standards prescribed under section 133 of the Act, read with relevant rules issued thereunder (the 'applicable accounting standards') and other generally accepted accounting principles in India. An extract of the certified true copy of the Proposed Scheme is attached herewith in Appendix I, has been initialed and stamped by us for identification purposes only.

Management's Responsibility

3. The responsibility for the preparation of the Proposed Scheme, and its compliance with the relevant laws and regulations, including the applicable accounting standards and other generally accepted accounting principles in India, is that of the Board of directors of the companies involved. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the Proposed Scheme and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

4. The management is also responsible for ensuring that the Company complies with the requirements of the Act and the rules, and the applicable accounting standards and other generally accepted accounting principles in India, in relation to the Proposed Scheme, and for providing all relevant information to the relevant National Company Law Tribunal.

Auditor's Responsibility

5. Pursuant to the requirements of the relevant laws and regulations, it is our responsibility to provide a reasonable assurance as to whether the proposed accounting treatment as specified in Clause 15.4 of the Proposed Scheme, complies with the applicable accounting standards and other generally accepted accounting principles.

6. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('the ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements, issued by the ICAI.

Opinion

8. Based on our examination as above and according to the information and explanations given to us, along with the representations provided by the management, in our opinion, since, upon the Proposed Scheme becoming effective, all the assets and liabilities of the Company shall be transferred to the Transferee Company as mentioned in Clause 4 of the Proposed Scheme, and the Transferor Company shall stand dissolved without being wound up as per Clause 10 of the Proposed Scheme, the question of compliance of the accounting treatment in the books of Transferor Company with applicable accounting standards does not arise.

Restriction on distribution or use

9. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the requirements of the provisions of Sections 230 to 232 and other applicable provisions of the Act read with the rules, for onward submission along with the Proposed Scheme to the relevant National Company Law Tribunal. Our obligations in respect of this certificate are entirely separate from, and our responsibility and liability is in no way changed by, any other role we may have as statutory auditors of the Company or otherwise. Nothing in this certificate, nor anything said or done in the course of or in connection with the services that are the subject of this certificate, will extend any duty of care we may have in our capacity as statutory auditors of the Company.

10. This certificate is issued at the request of the Company's management for onward submission along with the Proposed Scheme to the relevant National Company Law Tribunal. Accordingly, this certificate may not be suitable for any other purpose, and should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No.: 001076N/N500013

Varun RS
Partner
Membership No. 238900

UDIN: 25238900BOENSY4275

Place: Bengaluru
Date: 21 May 2025

Annexure I

An extract of the certified true copy of the Proposed Scheme

IN THE BOOKS OF TRANSFEROR COMPANY

15.4. As the Transferor Company shall stand dissolved without being wound up, upon the Scheme becoming effective as stated in Clause 10, hence no accounting treatment is being prescribed under this Scheme in the books of the Transferor Company.

10. DISSOLUTION WITHOUT WINDING UP

Upon this Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up and without any further act or deed of a similar nature.



RV SHREYANSH M JAIN
Registered Valuer (SFA)

Date: May 21, 2025

To,
The Board of Directors
Finnovation Tech Solutions Private Limited,
4th Floor, Anjaneya Techno Park, No. 147, HAL Old Airport Road, ISRO Colony, Kodihalli, Bengaluru- 560008, Karnataka.

To,
The Board of Directors
KrazyBee Services Private Limited,
3rd Floor, No.128/9, Maruthi Sapphire, HAL Airport Road, Murgesh Palya, Bangalore, Karnataka, India – 560 017.

Subject: Recommendation of fair Share Entitlement Ratio for the Proposed Scheme of Finnovation Tech Solutions Private Limited and KrazyBee Services Private Limited.

Dear Sir/Madam,

I refer to the engagement letter dated **April 16, 2025** and the discussion undertaken with the Management of KrazyBee Services Private Limited (**'KSPL' or 'Transferee Company'**) and Finnovation Tech Solutions Private Limited (**'FTSPL' or 'Transferor Company'**) (hereinafter collectively referred to as **'the Management'**), wherein the Management has requested RV Shreyansh M Jain (**'Valuer' or 'I' or 'me'**) to undertake a valuation exercise and recommend fair Share Entitlement Ratio (as defined in the Proposed Scheme) for the Proposed Scheme of FTSPL with KSPL.

Hereinafter, above-mentioned proposed Scheme of Arrangement shall be referred to as the *'Proposed Transaction' or 'Proposed Scheme'*; the management, including the Board of Directors of KSPL and FTSPL, shall together be referred to as *'the Management'*; and the Transferee Company and Transferor Company shall together be referred to as ***'Transacting Companies'***.

Please find enclosed the report (comprising 14 pages including annexures) detailing my recommendation of the fair Share Entitlement Ratio for the Proposed Transaction, the methodologies employed, and the assumptions used in my analysis.

This report sets out the scope of work, background, source of information, procedures performed by me, and my recommendation of the fair Share Entitlement Ratio for the Proposed Transaction.

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SHREYANSH JAIN ★ Securities & Financial Assets ★ Registered Valuer ★ IBBI/RV/03/2019/12124

COMPANY BACKGROUND, SCOPE AND PURPOSE OF THIS REPORT

KrazyBee Services Private Limited ('KSPL' or Transferee Company') was incorporated on 16 March 2016, as a private limited company, under the provisions of the Companies Act, 2013 with corporate identification number U65100KA2016PTC086990 and having its registered office at 3rd Floor, No.128/9, Maruthi Sapphire, HAL Airport Road, Murgesh Palya, Bangalore, Karnataka, India – 560 017.

Finnovation Tech Solutions Private Limited ('FTSPL' or 'Transferor Company') was incorporated on 15 March 2016, as a private limited company, under the provisions of the Companies Act, 2013 with corporate identification number U74900KA2016PTC086953 and having its registered office at 4th Floor, Anjaneya Techno Park, No. 147, HAL Old Airport Road, ISRO Colony, Kodihalli, Bangalore - 560008, Karnataka.

I understand that the Management of the Transacting Companies is contemplating a Scheme of Arrangement, wherein they intend to amalgamate FTSPL with KSPL in accordance with the provisions of Sections 230 to 232 read with Section 52 and 66 and other applicable provisions of the Companies Act, 2013, or any statutory modifications, re-enactments, or amendments thereof for the time being in force ("the Act"), read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, as amended from time to time ("the Rules"), and all other applicable provisions, if any, of the Act and any other applicable law for the time being in force, and in the manner provided in the Proposed Scheme of Arrangement ("**Proposed Scheme**" or "**Scheme**").

The equity shares to be issued by KSPL for the aforesaid Proposed Transaction shall be based on the Share Entitlement Ratio as determined by the Board of Directors, relying upon the Share Entitlement Ratio report prepared by a Registered Valuer, as required under the applicable provisions of the Companies Act, 2013.

In connection with the above-mentioned Proposed Transaction, the Management has appointed RV Shreyansh M Jain ("Registered Valuer" or "I" or "me") to submit a report recommending a fair Share Entitlement Ratio for the Proposed Transaction, to be placed before the Board of Directors of the KSPL and FTSPL.

I understand that the Appointed Date for the Proposed Transaction shall be 01 April 2024, as defined in the Scheme, or such other date as may be directed or approved by the competent authority. I have determined the Share Entitlement Ratio for the Proposed Transaction, considering valuation as at the Report Date ("**Valuation Date" or Report Date"**). The cut off for the financial statements considered is February 28, 2025 and the market factors have been considered till May 20, 2025.

I would like to emphasize that while certain terms of the Proposed Transaction are outlined in this report, the detailed terms shall be more fully described and explained in the Scheme document to be submitted to the relevant authorities in connection with the Proposed Transaction. Accordingly, the description of terms and certain other information contained herein is qualified in its entirety by reference to the underlying Scheme.

The scope of my services is limited to conducting a relative (and not an absolute) valuation exercise as at the Report Date, to determine the equity value of the Transacting Companies using internationally accepted valuation methodologies, as may be applicable to the Transacting Companies, and to consequently arrive at the fair Share Entitlement Ratio and report on the same.

The Management has informed me that:

a) Until the Proposed Transaction becomes effective, the Transacting Companies will not declare any dividend that is materially different from those declared in the past few years.

b) There have been no unusual or abnormal events in the Transacting Companies, other than those disclosed to me by the Management as of the Report Date, that would materially impact their operational or financial performance.

c) There will be no significant deviation between the draft scheme and the final scheme as approved and submitted to the relevant authorities.

This report constitutes my deliverable for the said engagement and is subject to the scope, assumptions, exclusions, limitations, and disclaimers detailed hereinafter. Accordingly, the report is to be read in its entirety and in conjunction with the relevant documents referred to herein.

SOURCES OF INFORMATION

In connection with the preparation of this report, I have used the following information obtained from the Management and/or gathered from the public domain:

A. Company specific information:

Information provided by the Management which includes:

- Audited Financial Statement of Transacting Companies for the Financial Year ('FY') ended on March 31, 2024;
- Special Purpose Audited Financial Statements of Transacting Companies for the period April 01, 2024 to February 28, 2025;
- Projected Financial Statements of Transacting Companies duly certified by management for the period March 2025 and for the period from FY 2025-26 to FY 2029-30;
- Key terms of **Existing CCPS (as defined in the Scheme)** issued by Transacting Companies including nature of instrument, dividend rate, tenure, conversion terms, etc.;
- Key terms of **New CCPS (as defined in the Scheme)** to be issued by Transferee Company including nature of instrument, dividend rate, tenure, conversion terms, etc.;
- Fully diluted shareholding pattern of Transacting Companies as at the Report Date and the latest fully diluted shareholding pattern of Transacting Companies as at Report date;
- Details of employee stock options granted by Transacting Companies such as number of options granted, exercise period, etc. as at the Report Date.
- Board Resolution approving the issuance of bonus share for equity shares and change in conversion ratio of CCPS of Transferee Company dated March 21,2025;
- Copy of draft Scheme of Arrangement between Transacting Companies pursuant to which the Proposed Transaction is to be undertaken;
- Discussions and correspondence with the Management in connection with business operations, past trends, proposed future business plans and prospects, realizability of assets of Transacting Companies.

B. Industry and economy information:

- Information available in public domain and databases such as S&P CapIQ, NSE, BSE, etc.; and
- Such other information and documents as provided by the Management for the purpose of this engagement.

I have also considered/obtained such other analyses, reviews, explanations, and information deemed reasonably necessary for my exercise from the Management.

In addition to the information listed above, there may be other information provided by the Management that has not been reviewed in detail, as it was not considered relevant for the defined scope of my work.



PROCEDURES ADOPTED

The procedures used in my analysis included such substantive steps as I considered necessary under the circumstances, including, but not necessarily limited to, the following:

- Discussion with the Management to:
  - Understand the business and fundamental factors that affect the earning generating capability of Transacting Companies including strength, weakness, opportunity and threat analysis; and
  - Enquire about the historical financial performance, current state of affairs, business plans and the future performance estimates of Transacting Companies.
- Considered audited financial statement of KSPL and FTSPL for the FY March 31, 2024;
- Considered special purpose audited financial statement of KSPL and FTSPL for the eleven months period ended February 28, 2025;
- Considered key terms of Existing CCPS issued by Transferor Company including nature of instrument, dividend rate, tenure, conversion terms, etc.;
- Considered key terms of New CCPS to be issued by Transferee Company including nature of instrument, dividend rate, tenure, conversion terms, etc.;
- Considered the latest fully diluted shareholding pattern of Transacting Companies as at Report date
- Considered financial projections of Transacting Companies for the period March 2025 and for the period from FY 2025-26 to FY 2029-30 ('Management Projections') which represents Management's best estimate of the future financial performance of KSPL;
- Reviewed the relevant financial and non-financial data of comparable companies;
- Considered copy of draft Scheme of Arrangement between Transacting Companies pursuant to which the Proposed Transaction is to be undertaken;
- Considered details of employee stock options granted by Transacting Companies such as number of options granted, exercise period, etc. as at Report date.
- Considered the board resolution approving the issuance of bonus share for equity shares and change in conversion ratio of CCPS of Transferee Company dated March 21,2025;
- Selection of appropriate internationally accepted valuation methodology/ (ies) after deliberations and consideration to the sector in which the Transacting Companies operate and analysis of their business operations;
- Arrived at valuation of Transacting Companies, using the method/(s) considered appropriate; and
- Arrived at the fair Share Entitlement Ratio for the Proposed Transaction.



COMPANY AND FINANCIAL OVERVIEW

KrazyBee Services Private Limited was incorporated on 16 March 2016, as a private limited company, under the provisions of the Companies Act, 2013 with corporate identification number U65100KA2016PTC086990 and having its registered office at 3rd Floor, No.128/9, Maruthi Sapphire, HAL Airport Road, Murgesh Palya, Bangalore, Karnataka, India – 560 017.

The Transferee Company is registered with the Reserve Bank of India ("RBI") as a non-deposit taking systematically important non-banking financial company ("NBFC") in terms of the certificate of registration dated 25 May 2017 issued by the RBI, bearing registration no N-02.00281 and is operating as middle layer NBFC-ICC. The Transferee Company is primarily engaged in the business of providing secured and unsecured loans to its customers. The non-convertible debentures issued by the Transferee Company are listed on the debt segment of BSE Limited ("BSE").

Security Overview

KSPL has issued a mix of equity shares having face value of INR 10 each fully paid up and Compulsorily Convertible Preference Shares ('CCPS') having face value of INR 18,000 each fully paid-up.

The shareholding pattern of KSPL as at the Report Date on a fully diluted basis is set out below:

Shareholding Pattern*

Name of the shareholder	No of shares (Face Value of INR 10)	Percentage (%)
PI Opportunities Fund – 1 & II	7,16,55,600	20.30%
NewQuest Asia Fund IV (Singapore) Pte. Ltd.	5,96,14,600	16.89%
Wiseanya Limited	5,38,10,000	15.24%
Alpine Opportunity Fund I & IV, L.P	3,84,82,200	10.90%
India Business Excellence Fund III & IV	432,87,800	12.26%
Others (including ESOPs)	8,61,22,600	24.41%
Total Equity Shares	**35,29,72,800**	**100.00%**

*Pursuant to bonus issue declared by the board of KSPL on March,21 2025, on April 16, 2025, KSPL obtained board approval for the issuance of bonus shares in the ratio of 199:1, whereby 199 bonus equity shares will be issued for every 1 share held by existing equity shareholders as on March, 21 2025. Consequently, the conversion ratio of CCPS has been revised from 1:1 to 200:1, meaning each CCPS will be converted into 200 equity shares for each CCPS held by the CCPS holder at the time of conversion.

Key terms of the above mentioned CCPS of KSPL is set out below:

Particulars	Details
Nature	Non-Cumulative, mandatorily and fully convertible preference shares
Dividend rate	Preferential non-cumulative dividend of 0.001% per annum.
Face value	INR 18,000 per share
Tenure	At the earlier of the following: 1) 1 (One) day prior to the 20th (Twentieth) anniversary of the date of allotment of the respective Tech Company Series D CCPS, subject to Applicable Law; 2) Mandatorily prior to listing of the equity shares under an IPO;
Conversion terms	The CCPS shall be converted to shares in the ratio of 200:1 (two hundred equity share for every CCPS held)



Snapshot of the special purpose audited financial statement for period ended 28 February 2025 is set out below:

Balance Sheet as at

Particulars INR in Million	28-Feb-25 Audited
Assets	
Fixed assets (including intangible and ROU)	253
Loans	54,604
Deferred Tax assets	965
Trade receivables	219
Cash and cash equivalents	4,779
Other financial assets	547
Other non-financial assets	195
Total assets	**61,562**
Equity and liabilities	
Shareholder's funds	
Share capital (including CCPS)	8,613
Reserves and surplus	14,562
Financial liabilities	
Debt Securities	16,372
Borrowings	18,397
Trade payables and other financial liabilities	3117
Non - Financial liabilities	
Provisions	81
Other non financial liabilities	339
Current tax liabilities	82
Total equity and liabilities	**61,562**

Profit and Loss Statement for the Period Ended

Particulars (INR in Million)	28-Feb-25 Audited
Revenue from operations	19,834
Other income	3
Total income	**19,837**
Expenses	
Finance Cost	(3,414)
Fees and Commission Expense	(1,538)
Impairment	(7,041)
Employee benefit expenses	(2,790)
Other operating expenses	(2,421)
Depreciation and amortisation	(80)
PBT (Profit Before Tax)	**2,552**
Tax expense	(651)
PAT (Profit After Tax)	**1,901**

Finnovation Tech Solutions Private Limited was incorporated on 15 March 2016, as a private limited company, under the provisions of the Companies Act, 2013 with corporate identification number U74900KA2016PTC086953 and having its registered office at 4th Floor, Anjaneya Techno Park, No. 147, HAL Old Airport Road, ISRO Colony, Kodihalli, Bengaluru- 560008, Karnataka.

The Transferor Company operates in the fintech space and is primarily engaged in the business of developing and managing an application platform under the brand name "KreditBee", "Kreditzy" and "KrazyBee" which acts as a marketplace for connecting borrowers with NBFCs for availing unsecured personal loans. The Transferor Company has also entered into an agreement with Axis Bank Limited and Juspay Technologies Private Limited for the purpose of providing UPI services to its customers.

Security Overview

FTSPL has issued a mix of equity shares and Compulsorily Convertible Preference Shares ('CCPS') having face value of INR 10 each fully paid-up. The shareholding pattern of FTSPL on a fully diluted basis as at the Report date is set out below:

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Shareholding Pattern

Name of the shareholder	No of shares (Face Value of INR 10)	Percentage (%)
PI Opportunities Fund – 1 & II	374,952	20.30%
NewQuest Asia Fund IV (Singapore) Pte. Ltd.	311,945	16.89%
Wiseanya Limited	281,572	15.24%
Alpine Opportunity Fund I & IV, L.P	201,365	10.90%
India Business Excellence Fund III & IV	226,512	12.26%
Others (including ESOPs)	450,654	24.41%
Total Equity Shares	**18,47,000**	**100.00%**

Key terms of the above mentioned CCPS of FTSPL is set out below:

Particulars	Details
Nature	Non-cumulative, mandatorily and fully convertible preference shares
Dividend rate	0.001% (Zero and One Thousandths Percent) p.a.
Face value	INR 10 per share
Tenure	At the earlier of the following: 1) 1 (One) day prior to the 20th (Twentieth) anniversary of the date of allotment of the respective Tech Company CCPS, subject to Applicable Law; 2) Mandatorily prior to listing of the equity shares under an IPO;
Conversion terms	The CCPS shall be converted to shares in the ratio of 1:1 (one share for every CCPS held)

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Snapshot of the special purpose audited financial statement for period ended 28 February 2025 is set out below:

Balance Sheet as at

Particulars INR in Million	28-Feb-25 Audited
Assets	
Non-current assets	
Fixed assets (including intangibles and ROUs)	250
Financial assets (including FDs)	7,491
Deferred Tax Assets	37
Income tax assets	90
Current assets	
Trade receivables	723
Cash and cash equivalents	53
Other assets	1,169
Total assets	**9,811**
Equity and liabilities	
Shareholder's funds	
Share capital	17
Reserves and surplus	8,735
Non-Current liabilities	
Long Term Lease Liabilities	92
Current liabilities	
Trade payables	28
Lease Liability	80
Short term provisions	39
Other liabilities	820
Total equity and liabilities	**9,811**

Profit and Loss Statement for the Period Ended

Particulars (INR in Million)	28-Feb-25 Audited
Revenue from operations	5,455
Total revenue	**5,455**
Expenses	
Direct Expense	(24)
Employee benefit expenses	(835)
Other operating expenses	(2,462)
EBITDA	**2,134**
Depreciation and amortisation	(130)
EBIT	**2,004**
Finance costs	(25)
Other non-operating income	919
PBT (Profit Before Tax)	**2,898**
Tax expense	(730)
PAT (Profit After Tax)	**2,168**

VALUATION APPROACHES

Basis and Premise of Valuation

For the purpose of determining the fair Share Entitlement Ratio for the Proposed Transaction, the valuation of the equity shares of the **Transacting Company** as at the Report Date has been carried out in accordance with International Valuation Standards (IVS), based on the 'Fair Value' measurement base and the 'Going Concern Value' premise. Any change in the valuation base or valuation premise may have a significant impact on the valuation outcome of the Company.

Basis of Valuation

It means the indication of the type of value being used in an engagement. "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 as at the Report Date."

Premise of Value

Premise of Value refers to the conditions and circumstances of how an asset is deployed. Valuation of the Company is carried out on a going concern value:

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"Going concern value is the value of a business enterprise that is expected to continue to operate in the future. The intangible elements of going concern value result from factors such as having a trained work force, an operational plant, the necessary licenses, systems, and procedures in place, etc."

It is important to acknowledge that the valuation of a business, company, or its assets is inherently imprecise and subject to various uncertainties and contingencies, many of which are difficult to predict and beyond my control. In performing my analysis, I made several assumptions, considering factors such as the dependency on and financial support from existing shareholders, as well as the general business and economic environment, many of which lie beyond the company's influence. Additionally, the valuation is likely to fluctuate with changes in market conditions, the company's financial and operational prospects, and other variables that generally impact the valuation of the business, its assets, and its future.

The choice of valuation method is inherently tied to the specific purpose for which the valuation is conducted. While different values may arise for different purposes, it is crucial to stress that a single value can only be determined for one specific purpose. The method I have chosen for this valuation has been based on established and conventional practices typically used in transactions of this nature, and I have made my judgment independently and in good faith, drawing from my prior experience with similar assignments.

The following are commonly used and accepted methods for determining the value of the equity shares of a company:

1. Asset Approach – Net Asset Value method
2. Market Approach:
   a) Market Price method
   b) Comparable Companies Market Multiple method
3. Income Approach – Discounted Cash Flow method

I have considered the following commonly used and accepted methods for determining the equity value of Transacting Companies for the purpose of recommending the fair Share Entitlement Ratio for the Proposed Transaction, to the extent relevant and applicable:

1. Asset Approach - Net Asset Value Method ('NAV')

The asset-based value analysis technique is based on the value of the underlying net assets of the business, either on a book value basis or realizable value basis or replacement cost basis. This methodology is likely to be appropriate for a business which derives value mainly from the underlying value of its assets rather than its earnings. This value analysis approach may also be used in cases where the firm is to be liquidated i.e. it does not meet the "going concern" criteria or in cases where the assets base dominates earnings capability. It is also used where the main strength of the business is its asset backing rather than its capacity or potential to earn profits.

*The **Transacting Companies** presently operates as a going concern and is expected to continue to do so for the foreseeable future. The Net Asset Value (NAV) method does not reflect the future profit-generating ability of the business. Accordingly, the NAV method has not been applied to determine the equity value of the **Transacting Companies**.*

2. Market Approach

a) Market Price Method

The market price of an equity shares as quoted on a stock exchange is normally considered as the value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded in, subject to the element of speculative support that may be inbuilt in the value of the shares.

*The equity shares of the **Transacting Companies** are not listed on any stock exchange; I have therefore not adopted this method to determine the equity value of the **Transacting Companies**.*

b) Comparable Companies' Multiple (CCM) Method / Comparable Transaction Method (CTM)

Under CCM, the value of shares/ business of a company is determined based on market multiples of publicly traded comparable companies. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. CCM applies multiples derived from similar or 'comparable' publicly traded companies. Although no two companies are entirely alike, the companies selected as comparable companies should be engaged in the same or a similar line of business as the subject company. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.

Based on my discussion with the Management, I understand that there are no direct comparable listed companies which operate in a similar line of business and have operating or financial metrics similar to those of the ***FTSPL****. I have therefore not adopted the Comparable Companies Market Multiple (CCM) Method.*

Considering, the availability of comparable listed peer set in the business carried out by KSPL, we have also applied the CCM method under the Market Approach to arrive at the relative fair value of the shares of KSPL. We have used the Price to Tangible Book Value (P/TBV) Multiple under CCM Method.

Under CTM, the value of shares/ business of a company is determined based on market multiples of publicly disclosed transactions in the similar space as that of the subject company. Multiples are generally based on data from recent transactions in a comparable sector, but with appropriate adjustment after consideration has been given to the specific characteristics of the business being valued.

Further, based on my discussion with the Management, I understand that there are no comparable transactions involving companies operating in a similar line of business and possessing operating or financial metrics similar to those of the ***Transacting Companies****. I have therefore not adopted the Comparable Transactions Multiple (CTM) Method.*

3. Income Approach- Discounted Cash Flows Method ('DCF')

DCF method values a business based upon the available cash flow a prudent investor would expect the subject business to generate over a given period of time. This method is used to determine the present value of a business on a going concern assumption and recognizes the time value of money by discounting the free cash flows for the explicit forecast period and the terminal value at an appropriate discount factor. Free cash flows are the cash flows expected to be generated by the company that are available to the company. The terminal value represents the total value of the available cash flow for all periods after the forecast period. The terminal value of the business at the end of the forecast period is estimated and discounted to its equivalent present value and added to the present value of the explicit forecast period cash flow to estimate the value of the business.

Using the DCF analysis involves determining the following:

Estimating future cash flows:

Free cash flows are the cash flows expected to be generated by the company that are available to equity shareholders of the company.

Appropriate discount rate to be applied to cash flows i.e. Cost of equity:

This discount rate, which is applied to the free cash flows, should reflect the opportunity cost to the equity shareholders. The opportunity cost to the equity shareholders equals the rate of return the equity shareholders expects to earn on other investments of equivalent risk.

To arrive at the total value attributable to the equity shareholders of the business, value arrived through DCF method for the company is adjusted for the value of loans, excess cash, inflow on exercise of options, non-operating assets/ liabilities (e.g. fair value of investments, any contingent liabilities, etc.). The total value for equity shareholders is then divided by the total number of equity shares (on fully diluted basis) to arrive at the equity value per share.

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For the purpose of undertaking the DCF value analysis, the free cashflows are based on projections and other information that are provided by the management.

KSPL and FTSPL generates surplus cash. Going forward, the Management expects them to continue generating profits and surplus cash in the foreseeable future. Therefore, I have used the Discounted Cash Flow (DCF) method, which is one of the most commonly used and internationally accepted pricing methodologies for valuing such companies.

RECOMMENDATION OF FAIR SHARE ENTITLEMENT RATIO FOR THE PROPOSED TRANSACTION

As mentioned in the Scheme, FTSPL is proposed to be amalgamated with KSPL. The fair Share Entitlement Ratio has been arrived at on the basis of a relative (and not absolute) equity value of FTSPL and KSPL for the proposed amalgamation based on the various methodologies mentioned herein earlier. Suitable rounding off has been carried out wherever necessary to arrive at the recommended fair Share Entitlement Ratio.

Refer Annexure-1 for detailed Share Entitlement Ratio workings

In light of the above, and after considering all the relevant factors and circumstances outlined herein, including the scope, limitations, and assumptions described in this report, I recommend the fair Share Entitlement Ratio as follows:

To equity shareholders of FTSPL

"351 (Three hundred fifty one) fully paid-up New Equity Shares of the KSPL of Rs. 10 (Ten) each for every 5 (Five) Existing Equity Shares of the FTSPL of Rs. 10 (Ten) each fully paid up for the Proposed Transaction"

To CCPS holder of FTSPL

"351 (Three hundred fifty one) fully paid-up New CCPS of the Transferee Company of Rs. 10 (Ten) each for every 5 (five) Existing CCPS of the Transferor Company of Rs. 10 (Ten) each fully paid up for the Proposed Transaction"

SHREYANSH JAIN Securities & Financial Assets Registered Valuer IBBI/RV/03/2019/12124

Shreyansh M Jain
CP No.: ICSIRVO/SFA/38
IBBI R. No.: IBBI/RV/03/2019/12124

Place: Surat
Date: May 21, 2025

SCOPE LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS

My report is subject to the scope and limitations detailed hereinafter. As such the report is to be read in totality and not in parts, in conjunction with the relevant documents referred to herein and in the context of the purpose for which it is made.

This report has been prepared for the purposes stated herein and should not be relied upon for any other purpose. The transacting companies are only authorized user of this report and is restricted for the purpose indicated in the engagement letter. The report should not be copied or reproduced without obtaining my prior written approval for any purpose other than the purpose for which it is prepared and for sharing with regulatory authorities as may be required under applicable law and with third party advisors of the Transacting Companies

In the course of the valuation, I was provided with both written and verbal information. I have however, evaluated the information provided to me by the transacting companies through broad inquiry, analysis and review but have not carried out a due diligence or audit of the information provided for the purpose of this engagement. My conclusions are based on the assumptions, forecasts and other information given by/on behalf of the Transacting Companies.

I have not carried out a due diligence or audit or review of the Companies for the purpose of this engagement, nor have I independently investigated or otherwise verified the data provided.

Valuation analysis of this nature is based on information made available to me as of the date of this report, events occurring after that date hereof may affect this report and the assumptions used in preparing it and I do not assume any obligation to update, revise or reaffirm this report.

The recommendation(s) rendered in this report only represent my recommendation(s) based upon information furnished by the Management till the date of this report and other sources, and the said recommendations) shall be considered to be in the nature of non-binding advice (my recommendation should not be used for advising anybody to take buy or sell decision, for which specific opinion needs to be taken from expert advisors).

In the course of my analysis, I was provided with both written and verbal information, by the Management as detailed in the section - Sources of Information.

In accordance with the terms of my engagement, I have assumed and relied upon, without independent verification of,

a) The accuracy of information made available to me by the Management, which formed a substantial basis for this report; and
b) The accuracy of information that was publicly available;

I am not legal or regulatory advisors with respect to legal and regulatory matters for the Proposed Transaction. I do not express any form of assurance that the financial information or other information as prepared and provided by the Management is accurate. Also, with respect to explanations and information sought from the Management, I have been given to understand by the Management that they have not omitted any relevant and material factors and that they have checked the relevance or materiality of any specific information to the present exercise with us in case of any doubt. Accordingly, I do not express any opinion or offer any form of assurance regarding its accuracy and completeness. My conclusions are based on these assumptions and information given by/ on behalf of the Management. The Management of the transacting companies has indicated to us that they have understood that any omissions, inaccuracies or misstatements may materially affect my recommendation.

Accordingly, I assume no responsibility for any errors in the information furnished by the Management and their impact

on the report. Also, I assume no responsibility for technical information (if any) furnished by the Management. However, nothing has come to my attention to indicate that the information provided was materially misstated/ incorrect or would not afford reasonable grounds upon which to base the report. I do not imply and it should not be construed that I have verified any of the information provided to us, or that my inquiries could have verified any matter, which a more extensive examination might disclose.

The report assumes that the Companies complies fully with relevant laws and regulations applicable in all its areas of operations and that the Company will be managed in a competent and responsible manner. Further, except as specifically stated to the contrary, this report has given no consideration on to matters of a legal nature, including issues of legal title and compliance with local laws and litigation and other contingent liabilities that are not represented to us by the Management.

This report does not look into the business/ commercial reasons behind the Proposed Transaction nor the likely benefits arising out of the same. Similarly, the report does not address the relative merits of the Proposed Transaction as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available. This report is restricted to recommendation of Share Entitlement Ratio for the Proposed Transaction only.

I have arrived at a relative value based on my analysis. Any transaction price may however be significantly different and would depend on the negotiating ability and motivations of the respective buyers and sellers in the transaction.

My scope is limited to the recommendation of Fair Share Entitlement Ratio as required under applicable provisions of Companies Act 2013 and rules made thereunder.

I do not have any financial interest in the Transaction Companies, nor do I have any conflict of interest in carrying out this valuation. Further, the information provided by the Management has been appropriately reviewed in carrying out the valuation.

Certain terms of the Proposed Transaction are stated in my report, however the detailed terms of the Proposed Transaction shall be more fully described and explained in the scheme document to be submitted with relevant authorities in relation to the Proposed Transaction. Accordingly, the description of the terms and certain other information contained herein is qualified in its entirety by reference to the Scheme document.

The fee for the Engagement is not contingent upon the results reported.

I owe a duty of care solely to the Board of Directors of the Transacting Companies, who have engaged me for this assignment, and to no other party. I do not accept or assume any responsibility or liability to any third party in relation to the contents or issuance of this report. It is expressly understood that this analysis does not constitute, nor should it be construed as, a fairness opinion. Under no circumstances shall my liability exceed the limits agreed upon in the terms set out in my Engagement Letter.

This Share Entitlement Ratio report is subject to the laws of India.

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Annexure 1:

Computation of fair Share Entitlement Ratio

Valuation Approach	FTSPL		KSPL	
	Value per equity share	Weights	Value per equity share	Weights
Asset Approach	NA	NA	NA	NA
Income Approach	9,913.94	100.00%	140.87	50.00%
Market Approach – CCM Method	NA	NA	141.58	50.00%
Relative Value per Share	**9,913.94**		**141.23**	
Exchange ratio (rounded off)	**70.20**			

NA = Not Adopted / Not Applicable

In light of the above, and after considering all the relevant factors and circumstances outlined herein, including the scope, limitations, and assumptions described in this report, I recommend the fair Share Entitlement Ratio as follows:

To equity shareholders of FTSPL

"351 (Three hundred fifty one) fully paid-up New Equity Shares of the KSPL of Rs. 10 (Ten) each for every 5 (Five) Existing Equity Shares of the FTSPL of Rs. 10 (Ten) each fully paid up for the Proposed Transaction"

To CCPS holder of FTSPL

"351 (Three hundred fifty one) fully paid-up New CCPS of the Transferee Company of Rs. 10 (Ten) each for every 5 (five) Existing CCPS of the Transferor Company of Rs. 10 (Ten) each fully paid up for the Proposed Transaction"

Note: Suitable rounding off has been carried out while arriving at the above-mentioned Share Entitlement Ratio.

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SHREYANSH JAIN ★ Securities & Financial Assets ★ Registered Valuer ★ IBBI/RV/03/2019/12124

Saffron Capital Advisors Private Limited
605, Sixth Floor, Centre Point, Andheri Kurla Road
J.B. Nagar, Andheri (East), Mumbai - 400059
Tel.: +91-22-49730394
Email: info@saffronadvisor.com
Website: www.saffronadvisor.com
CIN No.: U67120MH2007PTC166711

Date: 21st May 2025

To,
The board of directors
Finnovation Tech Solutions Private Limited
4th Floor, Anjaneya Techno Park, No.: 147
HAL Old Airport Road, ISRO Colony
Kodihalli
Bengaluru - 560008
Karnataka
India

To,
The board of directors
Krazybees Sevices Private Limited
3rd Floor, No.: 128/9, Maruthi Sapphire, HAL
Airport Road
Murgesh Palya,
Bengaluru - 560008
Karnataka
India

Subject: Fairness Opinion on the share entitlement ratio recommended by Mr. Shreyansh M. Jain, registered valuer (securities or financial assets; IBBI/RV/03/2019/12124), in the report dated 21st May 2025 in connection with scheme of arrangement between Finnovation Tech Solutions Private Limited and Krazybees Sevices Private Limited and their respective shareholders.

We refer to the discussion wherein the management of Finnovation Tech Solutions Private Limited ("the Transferor Company") and Krazybees Sevices Private Limited ("the Transferee Company") requested Saffron Capital Advisors Private Limited ("We", "Our" or "Us") to give a Fairness Opinion on the share entitlement ratio recommended by Mr. Shreyansh M. Jain, registered valuer (securities or financial assets; IBBI/RV/03/2019/12124), in the report dated 21st May 2025 in connection with the scheme of arrangement between Finnovation Tech Solutions Private Limited and Krazybees Sevices Private Limited and their respective shareholders ("the Scheme").

1 Background

1.1 The Transferee Company, a private limited company and a going concern entity, has its registered office 3rd Floor, No.: 128/9, Maruthi Sapphire, HAL, Airport Road, Murgesh Palya, Bengaluru - 560008, Karnataka, India and its corporate identification number is U65100KA2016PTC086990.

1.2 The Transferor Company, a private limited company and a going concern entity, has its registered office at 4th Floor, Anjaneya Techno Park, No.: 147. HAL Old Airport Road, ISRO Colony, Kodihalli, Bengaluru - 560008, Karnataka, India and its corporate identification number is U74900KA2016PTC086953.

1.3 The Scheme provides for the transfer and vesting of the Undertaking (as defined in the Scheme) of the Transferor Company with and into the Transferee Company with effect from the Appointed Date (as defined in the Scheme).

1.4 Mr. Shreyansh M. Jain, registered valuer (securities or financial assets; IBBI/RV/03/2019/12124) has been appointed to recommend a share entitlement ratio in connection with the Scheme.

2. Sources of information

For the said examination and for arriving at the Fairness Opinion set forth below, We have reviewed the following documents provided to Us by the Transferee Company:

- Draft copy of the Scheme.
- Share entitlement ratio report dated 21st May 2025 issued by Mr. Shreyansh M. Jain, registered valuer (securities or financial assets; IBBI/RV/03/2019/12124).

- Audited financial statements of the Transferor Company and the Transferee Company for the period of 1st April 2024 to 28th February 2025.
- Management approved forecasted financial statements of the Transferor Company and the Transferee Company.
- Such other information and explanations as We required and which have been provided by the management of the Transferee Company.

3. Limitations

3.1 Our Fairness Opinion is based on the information furnished to Us being complete and accurate in all material aspects. We have relied upon the information (including financial information), explanations and representations furnished to Us without carrying out any audit or other tests to verify their accuracy with limited independent appraisal.

3.2 We have not conducted any independent valuation or appraisal of any of the assets or liabilities of the Transferee Company and/ or the Transferor Company.

3.3 Our work does not constitute verification of any financial information (including the working results) of the Transferee Company and/ or the Transferor Company. Accordingly, We do not express any opinion on the fairness or accuracy of any financial information referred to in this report.

3.4 Our Fairness Opinion is not intended to and does not constitute any recommendation to any shareholder of the Transferee Company and/ or the Transferor Company as to how such shareholder should vote or act in connection with the Scheme or any matter related therein.

3.5 Our Fairness Opinion is not, nor should it be construed as Our opinion on/ or certification of compliance of this proposed transfer of the undertaking of the Transferor Company to the Transferee Company with the provisions of any law including companies, taxation and capital market related laws or as regards any legal implications or issues arising thereon.

3.6 We do not assume any responsibility for updating or revising Our Fairness Opinion based on circumstances or events occurring after the date thereof.

3.7 It is understood that this Fairness Opinion is issued to the board of directors of the Transferee Company and the Transferor Company in connection with the Scheme and may not be relied upon by any other person and may not be used or disclosed for any other purpose without Our prior written consent except that a copy of this Fairness Opinion may be included in its entirety in any filing, which the Transferee Company is required to make with SEBI and/ or with any Indian Stock Exchange in connection with this proposed transfer and vesting of the undertaking of the Transferor Company to the Transferee Company, if such inclusion is required by applicable law.

3.8 In no event shall We be liable for any loss, damage, cost or expense arising in any way from the fraudulent acts, misrepresentations or willful default on the part of the Transferee Company or the Transferor Company, their Directors, employees or agents.

3.9 Our liability (statutory, financial or otherwise) for any economic loss or damage arising out of the rendering of this Fairness Opinion shall be limited to the amount of fees received for rendering this Fairness Opinion as per Our engagement with the Transferee Company.

4. Crux of Mr. Shreyansh M. Jain, registered valuer (securities or financial assets; IBBI/RV/03/2019/12124) report

In his report dated 21st May 2025**,** Mr. Shreyansh M. Jain, registered valuer (securities or financial assets; IBBI/RV/03/2019/12124) has adopted the Discounted Cash Flow method for the valuation of the shares (equity shares and preference shares) of the Transferor Company and the Discounted Cash Flow method and Relative Valuation method (price to book multiple) for the valuation of the shares (equity shares and preference shares) of

the Transferee Company and has recommended a share entitlement ratio of 351 shares (equity shares and preference shares) of the Transferee Company of INR 10.00 (fully paid up) for 5 shares (equity share and preference share) of the Transferor Company of INR 10.00 (fully paid up).

5. Fairness Opinion

On the basis of the foregoing and based on the information and explanation provided to Us, in Our opinion, the share entitlement ratio recommended by Mr. Shreyansh M. Jain, registered valuer (securities or financial assets; IBBI/RV/03/2019/12124) in the report dated 21st May 2025, is fair and reasonable.

For Saffron Capital Advisors Private Limited

Digitally signed by SHWETA NIKHIL KALANTRI
Date: 2025.05.21 10:22:32 +05'30'

Shweta N. Kalantri
Saffron Capital Advisors Private Limited
Category I Merchant bankers
Registration no.: INM000011211

DCS/AMAL/NB/R59A/3745/2025-26

August 14, 2025

To,

The Company Secretary,
Krazybee Services Private Limited
3rd Floor, No.128/9, Maruthi Sapphire, HAL
Airport Road, Murgesh Palya, Bangalore,
Karnataka - 560017

Sub: Observation letter regarding the Scheme of arrangement between Finnovation Tech Solutions Private Limited and Krazybee Services Private Limited and their Respective Shareholders

We are in receipt of the Observation letter regarding the Scheme of Arrangement under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions and rules framed thereunder for the Observation letter regarding the Scheme of arrangement between **Finnovation Tech Solutions Private Limited (the "Transferor Company") and Krazybee Services Private Limited ("Transferee Company")** and their Respective Shareholders as required under SEBI Master circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/665 dated November 23, 2021 along with SEBI circular no. SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2022/156 dated November 17, 2022 and Regulation 59A & 94A & Schedule XI of Listing Regulations and Chapter XII of the SEBI Operational Circular Ref. No. SEBI/HO/DDHS/DDHS_Div1/P/CIR/2022/0000000103 dated July 29,2022 (as amended from time to time), SEBI (LODR) Regulations, 2015.

In this regards, SEBI vide its letter dated August 14, 2025 , has inter alia given the following comment(s) on the Scheme of Arrangement:

A. **"The entities involved in the proposed scheme shall not make any mis-statement or furnish false information with regard to disclosures to be made in the draft scheme of amalgamation as per provisions of Chapter XII of the Operational Circular, for listing obligations and disclosure requirements for Non-Convertible Securities, Securitized Debt Instruments and/ or Commercial Paper."**

B. **"The entities are advised that the observations of SEBI/ Stock Exchange shall be incorporated in the petition to be filed before NCLT and the Company is obliged to bring the observations to the notice of NCLT."**

C. **"The entities shall ensure that additional information, if any, submitted by the listed entity, after filing the scheme with the Stock Exchange, from the date of receipt of this letter, is displayed on the website of the listed entity and the Stock Exchange."**

D. **"The listed entity involved in the proposed scheme shall disclose the No-Objection letter of the Stock Exchange on its website within 24 hours of receiving the same."**

E. **"The Entities shall ensure that the details of ongoing adjudication and recovery proceedings, prosecution initiated and all other enforcement action taken, if any, against the resultant Company, its promoters and directors, are disclosed in the scheme filed before Hon'ble NCLT."**

F. **"The resulting company is advised that the "Scheme" shall be acted upon subject to the entities complying with the relevant clauses mentioned in the scheme document."**

G. **"No changes to the draft scheme except those mandated by the regulators/ authorities/ tribunals shall be made without specific written consent of SEBI."**

H. **"The entities involved in Scheme shall ensure that the proposed scheme has compiled with the relevant provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Covenants of the Debenture Trust Deeds entered with the Debenture Trustee(s) any other relevant regulations and circulars."**

I. **It is to be noted that the petitions are filed by the entity involved in the proposed scheme before the NCLT after processing and communication of comments/ observations on draft scheme by SEBI/ Stock Exchange. Hence, it is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments/ observations/ representations.**

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

i. To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
ii. To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
iii. To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT.

Please note that the submission of documents / information, in accordance with the circular to SEBI / Exchange should not in any way be deemed or construed that the same has been cleared or approved by SEBI / Exchange. SEBI / Exchange does not take any responsibility either for the financial soundness of any scheme or for the correctness of the statements made or opinions expressed in the document submitted.

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted company involved in the format prescribed for abridged prospectus as specified in the SEBI Mater Circular SEBI/HO/DDHS/DDHS-PoD-1/P/CIR/2024/48 dated May 21, 2024.

Kindly note that as required under Regulation 59A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this Observation Letter shall be six months from the date of this Letter, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Further, it may be noted that with reference to Section 230 (5) of the Companies Act, 2013 (Act), read with Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (Company Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order passed by the Hon'ble National Company Law Tribunal, a Notice of the proposed scheme of compromise or arrangement filed under sections 230-232 or Section 66 of the Companies Act 2013 as

the case may be **is required to be served upon the Exchange seeking representations or objections if any.**

In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has **already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.**

Any service of notice under Section 230 (5) or Section 66 of the Companies Act 2013 seeking Exchange's representations or objections if any, **would be accepted and processed through the Listing Centre only and no physical filings would be accepted.** You may please refer to circular dated February 26, 2019, issued to the company.

Yours faithfully,

Ashok Kumar Singh
Deputy Vice President

Raghav Garg
Deputy Manager

Walker Chandiok &Co LLP

Walker Chandiok & Co LLP

5th Floor, 65/2, Block A,
Bagmane Tridib,
Bagmane Tech Park,
CV Raman Nagar,
Bengaluru - 560 093
Karnataka, India

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Independent Auditor's Report

To the Members of Finnovation Tech Solutions Private Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Finnovation Tech Solutions Private Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2025, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

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

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

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



In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governancefor the Financial Statements

5. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

9. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

   - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

   - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;

   - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;



- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

10. 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.

Report on Other Legal and Regulatory Requirements

11. Based on our audit, we report that the provisions of section 197 read with Schedule V to the Act are not applicable to the Company since the Company is not a public company as defined under section 2(71) of the Act. Accordingly, reporting under section 197(16) is not applicable.

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

13. Further to our comments in Annexure A, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying financial statements;

    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 except for the matter stated in paragraph 13(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);

    c) The financial statements dealt with by this report are in agreement with the books of account;

    d) In our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;

    e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025 from being appointed as a director in terms of section 164(2) of the Act;

    f) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 13(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);

    g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2025 and the operating effectiveness of such controls, refer to our separate report in Annexure B wherein we have expressed an unmodified opinion; and



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, as detailed in note 36(a) to the financial statements, has disclosed the impact of pending litigation on its financial position as at 31 March 2025;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2025;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2025;

iv.

a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 41 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any persons or entities, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 41 to the financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. The Company has not declared or paid any dividend during the year ended 31 March 2025;



vi. As stated in Note 43 to the financial statements and based on our examination, which included test checks, the Company, in respect of financial year commencing on 01 April 2024, has used accounting software up to 30 June 2024 for maintaining its books of account which has a feature of recording audit trail (edit log) facility. Effective from 01 July 2024, the Company transitioned to a new accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility at the application level. However, the new accounting software used for maintenance of accounting records did not have a feature of recording audit trail (edit log) facility at the database level for the period from 01 July 2024 to 11 March 2025 and the same did not operate throughout the year for all relevant transactions recorded in the software. During the course of our audit, we did not come across any instance of audit trail feature being tampered with for the period where audit trail is enabled. Further, the audit trail has been preserved by the Company as per the statutory requirements for record retention from the date the audit trail was enabled for the accounting software.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013



Varun RS
Partner
Membership No.: 238900



UDIN: 25238900BOENTA4925

Place: Bengaluru
Date: 02 September 2025

Annexure A referred to in paragraph 12 of the Independent Auditor's Report of even date to the members of Finnovation Tech Solutions Private Limited on the financial statements for the year ended 31 March 2025

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

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

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

(b) The property, plant and equipment and relevant details of right-of-use assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification programme adopted by the Company, is reasonable having regard to the size of the Company and the nature of its assets.

(c) The Company does not own any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, reporting under clause 3(i)(c) of the Order is not applicable to the Company.

(d) The Company has adopted cost model for its Property, Plant and Equipment (including right-of-use assets) and intangible assets. Accordingly, reporting under clause 3(i)(d) of the Order is not applicable to the Company.

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

(ii) (a) The Company does not hold any inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.

(b) The Company has not been sanctioned working capital limits by banks or financial institutions on the basis of security of current assets at any point of time during the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) (a) The Company has provided guarantees and securities to others during the year as per details given below:

Particulars	Guarantees (₹ in lakhs)	Security (₹ in lakhs)
Aggregate amount provided/granted during the year: - Others	87,578.29	73,513.75
Balance outstanding as at balance sheet date from the guarantee/security provided during the year: - Others	77,624.52	73,513.75
Balance outstanding as at balance sheet date from the guarantee/security provided prior to 01 April 2024: - Others	1,562.50	357.79

Annexure A referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of Finnovation Tech Solutions Private Limited on the financial statements for the year ended 31 March 2025

(b) In our opinion, and according to the information and explanations given to us, the Company has not made any investment or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnerships (LLPs) or any other parties during the year. However, the Company has provided guarantees/security and the terms and conditions of guarantees/security provided are, prima facie, not prejudicial to the interest of the Company.

(c) The Company does not have any outstanding loans and advances in the nature of loans at the beginning of the current year nor has granted any loans or advances in the nature of loans during the year. Accordingly, reporting under clauses 3(iii)(c), 3(iii)(d), 3(iii)(e) and 3(iii)(f) of the Order is not applicable to the Company.

(iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act in respect of loans and investments made and guarantees and security provided by it, as applicable.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of the Company's services / business activities. Accordingly, reporting under clause 3(vi) of the Order is not applicable.

(vii)(a) In our opinion and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, we report that there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the statute	Nature of dues	Gross Amount (₹ in lakhs)	Amount paid under Protest (₹ in lakhs)	Period to which the amount relates	Forum where dispute is pending
Goods and services tax	Tax and penalty	21.30	1.94	FY 2020-21	Commissioner of Central Tax (Appeals-I)

(viii) According to the information and explanations given to us, we report that no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.

(ix) According to the information and explanations given to us, we report that the Company does not have any loans or other borrowings from any lender. Accordingly, reporting under clause 3(ix) of the Order is not applicable to the Company.

Annexure A referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of Finnovation Tech Solutions Private Limited on the financial statements for the year ended 31 March 2025

(x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company has been noticed or reported during the period covered by our audit.

(b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.

(c) According to the information and explanations given to us, including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company, with the related parties are in compliance with section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements etc., as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act. Further, according to the information and explanations given to us, the Company is not required to constitute an audit committee under section 177 of the Act.

(xiv)(a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system which is commensurate with the size and nature of its business as required under the provisions of section 138 of the Act.

(b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.

(xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.

(d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.

(xvii) The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.



Annexure A referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of Finnovation Tech Solutions Private Limited on the financial statements for the year ended 31 March 2025

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

(xx) According to the information and explanations given to us, the Company does not have any unspent amounts towards Corporate Social Responsibility in respect of any ongoing or other than ongoing project as at the end of the financial year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Varun RS
Partner
Membership No.: 238900

UDIN: 25238900BOENTA4925

Place: Bengaluru
Date: 02 September 2025

Annexure B to the Independent Auditor's Report of even date to the members of Finnovation Tech Solutions Private Limited on the financial statements for the year ended 31 March 2025

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

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

Responsibilities of Management and Those Charged with Governancefor Internal Financial Controls

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

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

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

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

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

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3)



Annexure B to the Independent Auditor's Report of even date to the members of Finnovation Tech Solutions Private Limited on the financial statements for the year ended 31 March 2025

provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Opinion

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

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013



Varun RS
Partner
Membership No.: 238900

UDIN: 25238900BOENTA4925

Place: Bengaluru
Date: 02 September 2025



Finnovation Tech Solutions Private Limited
Balance Sheet as at 31 March 2025
(All amounts are in lakhs of Indian rupees (₹), unless otherwise stated)

	Note	As at 31 March 2025	As at 31 March 2024
Assets			
Non-current assets			
Property, plant and equipment	3	722.33	915.06
Intangible assets	3	198.98	317.50
Right of use assets	3	1,463.67	2,333.04
Financial assets			
- Bank balances	4	75,650.17	44,870.30
- Other financial assets	5	376.47	519.21
Income tax assets (net)	6	1,211.92	2,935.05
Deferred tax assets (net)	7	327.44	291.53
		79,950.98	52,181.69
Current assets			
Financial assets			
- Trade receivables	8	6,546.59	6,882.44
- Cash and cash equivalents	9	7,164.11	8,956.25
- Bank balances other than cash and cash equivalents	9	-	1,168.05
- Other financial assets	10	5,862.21	7,513.66
Other current assets	11	611.97	459.42
		20,184.88	24,979.82
Total assets		1,00,135.86	77,161.51
Equity and liabilities			
Equity			
Equity share capital	12	117.98	117.98
Instruments entirely equity in nature	12	50.01	50.01
Other equity	13	89,692.91	62,947.92
Total equity		89,860.90	63,115.91
Liabilities			
Non-current liabilities			
Financial liabilities			
- Lease liabilities	14	869.49	1,646.67
Provisions	15	-	183.65
		869.49	1,830.32
Current liabilities			
Financial Liabilities			
- Lease liabilities	14	777.19	802.27
- Trade payables	16		
i) Total outstanding dues of micro and small enterprises		131.98	167.55
ii) Total outstanding dues of creditors other than micro and small enterprises		1,145.18	1,544.63
- Other financial liabilities	17	5,297.89	8,009.98
Other current liabilities	18	1,763.37	1,352.70
Provisions	15	289.86	338.15
		9,405.47	12,215.28
Total liabilities		10,274.96	14,045.60
Total equity and liabilities		1,00,135.86	77,161.51

Notes 1 to 49 form an integral part of these financial statements
This is the balance sheet referred to in our report of even date

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Varun RS
Partner
Membership No: 238900

Place: Bengaluru
Date: 02 September 2025

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS * BENGALURU

For and on behalf of the Board of Directors of
Finnovation Tech Solutions Private Limited
CIN: U74900KA2016PTC086953

Madhusudan Ekambaram
Director
DIN : 07442577

Place: Bengaluru
Date: 02 September 2025

Karthikeyan Krishnaswamy
Director
DIN : 07449376

Place: Bengaluru
Date: 02 September 2025

Finnovation Tech Solutions Pvt. Ltd. * Bangalore

Finnovation Tech Solutions Private Limited
Statement of profit and loss for the year ended 31 March 2025
(All amounts are in lakhs of Indian rupees (₹), unless otherwise stated)

	Note	Year ended 31 March 2025	Year ended 31 March 2024
Income			
Revenue from operations	19	58,974.68	63,747.28
Other income	20	9,237.29	6,273.97
Total income		68,211.97	70,021.25
Expenses:			
Fees and commission expense	21	258.37	187.06
Employee benefits expense	22	9,005.63	11,978.95
Depreciation and amortisation expense	23	1,412.91	1,444.87
Finance cost	24	266.16	283.69
Other expenses	25	25,558.15	39,238.53
Total expenses		36,501.22	53,133.10
Profit before tax		31,710.75	16,888.15
Tax expense:	26		
Current tax		8,031.73	1,009.32
Tax in relation to previous year		11.31	-
Deferred tax (credit) / charge		(34.50)	3,242.53
		8,008.54	4,251.85
Profit for the year		23,702.21	12,636.30
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
- Remeasurement of defined benefit plans		(5.61)	(26.40)
- Income tax relating to items that will not be reclassified to profit or loss		1.41	6.64
Total other comprehensive loss for the year (net of tax)		(4.20)	(19.76)
Total comprehensive income for the year		23,698.01	12,616.54
Earnings per equity share (nominal value ₹10 per share)	27		
- Basic (in ₹)		1,410.94	798.62
- Diluted (in ₹)		1,328.33	762.16

Notes 1 to 49 form an integral part of these financial statements

This is the statement of profit and loss referred to in our report of even date

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Varun RS
Partner
Membership No: 238900

Place: Bengaluru
Date: 02 September 2025

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS * BENGALURU

For and on behalf of the Board of Directors of
Finnovation Tech Solutions Private Limited
CIN: U74900KA2016PTC086953

Madhusudan Ekambaram
Director
DIN : 07442577

Place: Bengaluru
Date: 02 September 2025

Karthikeyan Krishnaswamy
Director
DIN : 07449376

Place: Bengaluru
Date: 02 September 2025

Finnovation Tech Solutions Pvt. Ltd. * Bangalore

Finnovation Tech Solutions Private Limited
Statement of cash flows for the year ended 31 March 2025
(All amounts are in lakhs of Indian rupees (₹), unless otherwise stated)

	Year ended 31 March 2025	Year ended 31 March 2024
Cash flow from operating activities		
Profit before tax	**31,710.75**	**16,888.15**
Adjustments for:		
Depreciation and amortisation expense	1,412.91	1,444.87
Share based payment to employees	2,772.63	872.91
Gratuity expense	63.45	108.51
Leave encashment expense	32.80	131.24
Provision for loyalty points	(4.05)	(23.36)
Net gain on investment in mutual fund	(106.95)	(361.82)
Interest expenses on remeasurement of lease liabilities	266.16	283.69
Interest on fixed deposits	(4,324.74)	(1,229.33)
Interest income on security deposits	(49.61)	(49.95)
Operating profit before working capital changes	**31,773.35**	**18,064.91**
Adjustments for:		
(Decrease) in provisions	(329.75)	(363.43)
(Decrease)/increase in other financial liabilities	(2,457.96)	3,442.59
Increase in other current liabilities	410.67	482.77
(Decrease) in trade payables	(435.02)	(6,316.54)
Decrease/(increase) in trade receivables	335.85	(3,550.37)
Decrease/(increase) in other non-current financial assets	192.35	(77.71)
Decrease/(increase) in other current financial assets	1,651.45	(3,533.63)
(Increase) in other assets	(152.55)	(15.46)
Cash generated from operations	**30,988.39**	**8,133.13**
Direct taxes paid, net of refund	(6,319.91)	(1,446.98)
Net cash generated from operating activities	**24,668.48**	**6,686.15**
Cash flow from investing activities		
Purchase of property, plant and equipment and intangible assets including capital creditors	(219.14)	(612.61)
Proceeds from sale of property, plant and equipment	0.58	2.28
Interest received	4,240.95	997.18
Movement in other bank balances	(29,528.03)	(26,293.46)
Proceeds from sale of mutual funds	51,106.95	83,134.82
Investment in mutual funds	(51,000.00)	(73,000.00)
Net cash (used in) investing activities	**(25,398.69)**	**(15,771.79)**
Cash flow from financing activities		
Proceeds from issue of equity shares and 0.001% non-cumulative CCPS	-	8,664.99
Expenses on issue of 0.001% non-cumulative CCPS	-	(260.41)
Payment of lease liabilities	(1,083.16)	(1,009.40)
Net cash (used in)/generated from financing activities	**(1,061.93)**	**7,395.18**
Net cash flows during the year	**(1,792.14)**	**(1,690.46)**
Cash and cash equivalents at the beginning of the year	8,956.25	10,646.71
Cash and cash equivalents at the end of the year	**7,164.11**	**8,956.25**
Cash and cash equivalents comprise of:		
Cash in hand	2.56	2.56
Balances with banks in current accounts	1,158.41	1,162.91
Deposits with original maturity of less than 3 months	6,003.14	7,790.78
Cash and cash equivalents (Refer note 9)	**7,164.11**	**8,956.25**

Notes 1 to 49 form an integral part of these financial statements

This is the statement of cash flow statement referred to in our report of even date

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Varun RS
Partner
Membership No: 238900

Place: Bengaluru
Date: 02 September 2025

For and on behalf of the Board of Directors of
Finnovation Tech Solutions Private Limited
CIN: U74900KA2016PTC086953

Madhusudan Ekambaram
Director
DIN : 07442577

Place: Bengaluru
Date: 02 September 2025

Karthikeyan Krishnaswamy
Director
DIN : 07449376

Place: Bengaluru
Date: 02 September 2025

Finnovation Tech Solutions Private Limited
Statement of changes in equity for the year ended 31 March 2025
(All amounts are in lakhs of Indian rupees (₹), unless otherwise stated)

A. Equity share capital

Equity shares of ₹ 10 each issued, subscribed and fully paid

Particulars	Note no	Amount
Balance as at 01 April 2023		**117.00**
Shares issued during the year		0.98
Balance as at 31 March 2024	*12*	**117.98**
Shares issued during the year		-
Balance as at 31 March 2025		**117.98**

B. Instruments entirely equity in nature

0.001% non-cumulative convertible preference shares (CCPS) of ₹ 10 each

Particulars	Note no	Amount
Balance as at 01 April 2023		**40.78**
Shares issued during the year		9.23
Balance as at 31 March 2024	*12*	**50.01**
Shares issued during the year		-
Balance as at 31 March 2025		**50.01**

C. Other equity

Particulars	Retained earnings	Securities premium	Share options outstanding account	Capital Reserve	Other comprehensive income	Total other equity
Balance as at 01 April 2023	**1,496.74**	**38,869.19**	**1,490.56**	**0.10**	**5.16**	**41,861.75**
Additions during the year on issue of equity shares and 0.001% non-cumulative CCPS	-	8,654.78	-	-	-	8,654.78
Expenses related to issue of 0.001% non-cumulative CCPS	-	(260.41)	-	-	-	(260.41)
Profit for the year	12,636.30	-	-	-	-	12,636.30
Additions during the year on account of Share based payments		-	872.91	-	-	872.91
Reversal on transfer of employees	-	-	(883.37)			(883.37)
Realization on cancellation of options	-	-	85.72	-	-	85.72
Remeasurement of defined benefit plans, net of tax	-	-	-	-	(19.76)	(19.76)
Balance as at 31 March 2024	**14,133.04**	**47,263.56**	**1,565.82**	**0.10**	**(14.60)**	**62,947.92**
Adjustment of share issue expenses	-	253.12	-	-	-	253.12
Profit for the year	23,702.21	-	-	-	-	23,702.21
Additions during the year on account of Share based payments	-	-	2,772.63	-	-	2,772.63
Addition on transfer of employees	-		21.23	-	-	21.23
Remeasurement of defined benefit plans, net of tax	-	-	-	-	(4.20)	(4.20)
Balance as at 31 March 2025	**37,835.25**	**47,516.68**	**4,359.68**	**0.10**	**(18.80)**	**89,692.91**

Notes 1 to 49 form an integral part of these financial statements

This is the statement of changes in equity referred to in our report of even date.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Varun RS
Partner
Membership No: 238900

Place: Bengaluru
Date: 02 September 2025

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS * BENGALURU

For and on behalf of the Board of Directors of
Finnovation Tech Solutions Private Limited
CIN: U74900KA2016PTC086953

Madhusudan Ekambaram
Director
DIN : 07442577

Place: Bengaluru
Date: 02 September 2025

Karthikeyan Krishnaswamy
Director
DIN : 07449376

Place: Bengaluru
Date: 02 September 2025

Finnovation Tech Solutions Pvt. Ltd. * Bangalore

1 General Information

(a) Company Overview

Finnovation Tech Solutions Private Limited (the Company) was incorporated on March 15, 2016 under the provisions of the Companies Act, 2013. The Company owns "KreditBee" and "Kreditzy" application which acts as a marketplace for connecting borrowers with NBFCs for providing unsecured personal loans which are repaid by the borrowers.

2 Material accounting policy information

(a) Basis of preparation of financial statements

The 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, read with section 133 of the Companies Act, 2013 ("the Act") and other relevant provisions of the Act.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, unless otherwise stated. These financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Companies (Indian Accounting Standards Rules, 2015 as amended and other relevant provisions of the Act.

All amounts in the financial statements are presented of Indian Rupees except share data and as otherwise stated. Transactions and balances with values below the rounding off norm adopted by the Company have been reflected as "0" in the relevant notes to these financial statements.

These financial statements have been approved by the Company's Board of Directors and authorised for issue on 02 September 2025.

Current versus non-current classification

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting Period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has evaluated and considered its operating cycle as 12 months.

(b) Use of estimates

The preparation of financial statements in conformity with Indian Accounting Standards (Ind AS) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities on the date of the financial statements and the results of operations during the reporting periods. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

Significant management judgements

The following are significant management judgements in applying the accounting policies of the Company that have the most significant effect on the financial statements.

Leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to the Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Company has concluded that no changes are required to lease period relating to the existing lease contracts.

Recognition of deferred tax assets and Income tax treatments

Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/ recovered for uncertain tax positions. The extent to which deferred tax assets can be recognised is based on an assessment of the probability that future taxable income will be available against which the deductible temporary differences and tax loss carry forward can be utilised. In addition, significant judgement is required in assessing the impact of any legal or economic limits or uncertainties.





Recoverability of advances / receivables
At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables and advances.

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

Defined benefit obligation (DBO)
Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Fair value measurements
Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

Provisions and contingencies
From time to time, the Company is subject to legal proceedings, the ultimate outcome of each being subject to uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount can be reasonably estimated. Significant judgement is required when evaluating the provision including, the probability of an unfavourable outcome and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each accounting period and revisions made for the changes in facts and circumstances. Contingent liabilities are disclosed in the notes forming part of the financial statements. Contingent assets are not disclosed in the financial statements unless an inflow of economic benefits is probable.

(c) Property, plant and equipment and Intangible assets

Property, plant and equipment and depreciation
Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of property, plant and equipment comprises its purchase price/acquisition cost, net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying property, plant and equipment up to the date the asset is ready for its intended use. Subsequent expenditure on property, plant and equipment after its purchase/completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from continued use of the asset. 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 the consolidated statement of profit and loss.

Depreciable amount for assets is the cost of an asset, or other substituted for cost, less its estimated residual value. Depreciation for assets purchased/ sold during the year is proportionately charged from/upto the date of disposal.
Depreciation on property, plant and equipment is provided on straight line method over the useful lives of the assets as prescribed in Schedule II to the Companies Act, 2013.

Particulars	Useful life
Computers	3
Office equipment	5
Furniture and fitting	10
Electrical equipments	10
Vehicles	10
Leasehold improvements	10

Intangible assets and amortisation
Intangible assets are amortized in the statement of profit and loss over their estimated useful lives, from the date that they are available for use based on the expected pattern of consumption of economic benefits of the asset . Computer software is amortized over a period of three years, Internally developed software are amortized over a period of six years and software (research and development) are amortized over a period of 10 years.

The amortisation period and method are reviewed at each Balance Sheet date. If the expected useful life of the asset is significantly different from the previous estimates, the amortisation period is changed accordingly. If there has been a significant change in the expected pattern of economic benefit from the asset, the method of amortisation is changed to reflect the changed pattern.





(d) Revenue recognition

To determine whether to recognise revenue from contracts with customers, the Company follows a 5-step process:

1 Identifying the contract with customer
2 Identifying the performance obligations
3 Determining the transaction price
4 Allocating the transaction price to the performance obligations
5 Recognising revenue when/as performance obligation(s) are satisfied.

i. Processing fee and other charges

Revenue from processing fee is recognised upon disbursement of loans to the borrowers prior to the guidelines on digital lending issued by the Reserve Bank of India. Post guidelines on digital lending, the Company recognises the processing fees on accrual basis upon completion of services as per the contracts with the customers. Other charges such credit assessment services, card activation fees etc., are recognized as revenue on receipt basis upon completion of service. The Company collects goods and service tax on behalf of the government and, therefore, it is not an economic benefit flowing to the company. Hence, it is excluded from revenue.

ii. Service fees

The Company recognises the service fees on a monthly basis to the extent of service performed as determined in accordance with the agreement entered with the lending partners (customers). The Company collects goods and service tax on behalf of the government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

iii. Income from marketing activities

The Company recognises the income from marketing activities on a monthly basis to the extent of service performed as determined in accordance with the agreement entered with the customers. The Company collects goods and service tax on behalf of the government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

(e) Other income

Other income is comprised primarily of interest income on fixed deposits, deficiency recovery, exchange gain/loss on translation of assets and liabilities etc., which are accounted on an accrual basis

(f) Employee Benefits

Expenses and liabilities in respect of employee benefits are recorded in accordance with Ind AS 19, Employee Benefits.

Short-term employee benefits

All short-term employee benefits such as salaries, wages, bonus, special awards and medical benefits which fall within 12 months of the period in which the employee renders related services which entitles them to avail such benefits and non-accumulating compensated absences are recognised on an undiscounted basis and charged to the statement of profit and loss.

A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined Contribution Plan
Provident fund

The Company makes contribution to the statutory provident fund ("the Fund") in accordance with the Employees Provident Fund and Miscellaneous Provisions Act, 1952. It is a defined contribution plan. The contributions towards the Fund are recognised in the Statement of profit and loss account when fallen due. The Company has no further obligation towards provident fund other than the contributions made to the Fund.

Defined Benefit Plan
Gratuity

The liability recognised in the statement of financial position for defined benefit plans is the present value of the defined benefit obligation (DBO) at the reporting date less the fair value of plan assets. The Company estimates the DBO annually with the assistance of independent actuaries. This is based on standard rates of inflation, salary growth rate and mortality. Discount factors are determined close to each year-end by reference to high quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related gratuity liability.

Service cost on the Company 's defined benefit plan is included in employee benefits expense. Employee contributions, all of which are independent of the number of years of service, are treated as a reduction of service cost.

Gains and losses through re-measurements of the defined benefit plans are recognized in other comprehensive income, which are not reclassified to profit or loss in a subsequent period.

Leave encashment

Liability for compensated absences is provided on the basis of valuation, as at the balance sheet date, carried out by independent actuary. The actuarial valuation method used for measuring the liability is the projected unit credit method. Under this method, "projected accrued benefit" is calculated at the beginning of the year and again at the end of the year for each benefit that will accrue for active members of the Plan. The "projected accrued benefit" is based on the Plan's accrual formula and upon service as of the beginning or end of the year, but using a member's final compensation, projected to the age at which the employee is assumed to leave active service. The plan liability is the actuarial present value of the "projected accrued benefits" as at the end of the year for active members. The actuarial gains or losses are recognized immediately in the Statement of Profit and Loss.





(g) Leases

The Company evaluates each contract or arrangement, whether it qualifies as a lease as defined under Ind AS 116. The Company determines the lease term as the non cancellable period of a lease, together with periods covered by an option to extend the lease, where the Company is reasonably certain to exercise that option.

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement. For arrangements entered into prior to 1 April 2022 (date of transition to Ind AS), the Company has applied the requirements of the standards retrospectively with the cumulative effect of initial application is recognised as at the date of transition.

The Company at the commencement of the lease contract recognizes a Right of Use (RoU) asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term leases) and low value assets. For these short term and low value leases, the Company recognizes the lease payments as an operating expense on a straight line basis over the lease term. The cost of the right-of-use asset comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease, plus any initial direct costs, less any lease incentives received. Subsequently, the right-of-use assets are measured at cost less any accumulated depreciation and accumulated impairment losses, if any.

The estimated useful life of right-of-use assets are determined on the basis of the lease term. As a lessee, the Company determines the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonable certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying assets to the Company's operation taken into account the location of the underlying asset and the availability of suitable alternatives. The lease term is future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

The Company applies Ind AS 36 to determine whether an ROU asset is impaired and accounts for any identified impairment loss as described in the impairment of non financial assets.

For lease liabilities at the commencement of the lease, 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 can be readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate that the Company would have to pay to borrow funds, including the consideration of factors such as the nature of the asset and location, collateral, market terms and conditions, as applicable in a similar economic environment.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. Lease liability and ROU asset have been separately presented in the balance Sheet and lease payments have been classified as financing cash flows.

(h) Foreign currency transactions

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





(i) Taxation

Income tax expense comprises current and deferred income tax. Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively. Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying unit intends to settle the asset and liability on a net basis.

Deferred tax is recognized on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognised as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to setoff the recognised amounts and where it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(j) Provisions and contingent liabilities

Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or it cannot be measured with sufficient reliability. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

(k) Earnings per equity share

Basic Earnings Per Share ('EPS') is computed by dividing the net profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and that either reduces earnings per share or increases loss per share are included.

(l) Cash flow statement

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

(m) Financial instruments

Initial recognition and measurement

Financial assets (other than trade receivables) are recognized when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through statement of profit and loss which are measured initially at fair value. Subsequent measurement of financial assets is described below. Trade receivables are recognized at their transaction price as the same do not contain significant financing component.

Subsequent measurement

For the purpose of subsequent measurement, financial assets are classified and measured based on the entity's business model for managing the financial asset and the contractual cash flow characteristics of the financial asset at:

a. Amortized cost
b. Fair Value Through Other Comprehensive Income (FVTOCI) or
c. Fair Value Through Profit or Loss (FVTPL)

All financial assets are reviewed for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described below.

(i) Financial asset at amortised cost

Includes assets that are held within a business model where the objective is to hold the financial assets to collect contractual cash flows and the contractual terms gives rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
These assets are measured subsequently at amortized cost using the effective interest method. The loss allowance at each reporting period is evaluated based on the expected credit losses for next 12 months and credit risk exposure. The Company shall also measure the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition.

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(ii) Financial assets at Fair Value Through Profit or Loss (FVTPL)
Financial assets at FVTPL include financial assets that are designated at FVTPL upon initial recognition and financial assets that are not measured at amortized cost or at fair value through other comprehensive income. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply. Assets in this category are measured at fair value with gains or losses recognized in statement of profit and loss. The fair value of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

Financial liabilities

Initial recognition and measurement
The Company's financial liabilities include trade and other payables, which are recognised under amortised cost.

Equity instruments
Ordinary shares, Compulsorily Convertible Preference shares are classified as equity in accordance with Ind AS 32. Incremental costs directly attributable to the issuance of new ordinary shares are recognised as a deduction from equity, net of any tax effects.

Fair value of financial instruments
In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices, and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized. For financial assets and liabilities maturing within one year from the Balance sheet date and which are not carried at fair value, the carrying amounts approximate fair value due to the short maturity of these instruments.

(n) Fair value measurement
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, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.
All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities
Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
Level 3 - Inputs for the assets and liabilities that are not based on observable market data (unobservable inputs)

(o) Cash and cash equivalents
The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks and on hand which are unrestricted for withdrawal and usage. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, as they are considered an integral part of the Company's cash management.

(p) Share based payment transaction
The fair value of options granted under the Company's employee stock option plan is recognized as an employee benefit expense with a corresponding increase in other equity. The total amount expensed is determined by reference to the fair value of options granted, excluding the impact of any service vesting condition. The total expense is recognized over the vesting period (determined separately for each tranche), which is the period over which all the specified vesting conditions are to be satisfied. At the end of each period, the Company revises its estimates of the number of options expected to vest based on service conditions. The impact of any revisions to the original estimates is recognized in the statement of profit or loss, with corresponding adjustment in equity.

3 Recent accounting pronouncements and other latest regulatory updates
Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. There is no such notification which would have been applicable from 1 April 2025.

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3 Property, plant and equipment, intangible assets and right of use assets

Particulars	Property, plant and equipment						Intangible Assets			
	Computers	Office equipment	Furniture and fitting	Leasehold improvements	Vehicles	Total	Computer software	Trade Mark	Total	Right of use assets
Gross block										
Balance as at 1 April 2023	798.71	117.01	163.41	14.92	30.10	1,124.15	616.67	-	616.67	2,460.62
Additions during the year	479.62	43.32	16.00	21.15	-	560.09	38.90	0.73	39.63	1,384.19
Deletion during the year	(3.37)	(6.82)	-	-	-	(10.19)	-	-	-	-
Balance as at 31 March 2024	1,274.96	153.51	179.41	36.07	30.10	1,674.05	655.57	0.73	656.30	3,844.81
Additions during the year	187.54	15.58	1.58	13.43	-	218.13	-	-	-	14.74
Deletion during the year	(0.92)	-	-	-	-	(0.92)	-	-	-	-
Balance as at 31 March 2025	1,461.58	169.09	180.99	49.50	30.10	1,891.26	655.57	0.73	656.30	3,859.55
Accumulated depreciation/amortisation										
Balance as at 1 April 2023	297.39	23.88	18.70	1.48	2.93	344.38	160.65	-	160.65	667.57
Depreciation/amortisation for the year	338.27	36.49	35.46	9.36	2.94	422.52	178.15	-	178.15	844.20
Deletion during the year	(3.20)	(4.71)	-	-	-	(7.91)	-		-	-
Balance as at 31 March 2024	632.46	55.66	54.16	10.84	5.87	758.99	338.80	-	338.80	1,511.77
Depreciation/amortisation for the year	343.88	35.66	20.08	7.73	2.93	410.28	118.52	-	118.52	884.11
Deletion during the year	(0.34)	-	-	-	-	(0.34)	-	-	-	-
Balance as at 31 March 2025	976.00	91.32	74.24	18.57	8.80	1,168.93	457.32	-	457.32	2,395.88
Net block										
Balance as at 31 March 2024	642.50	97.85	125.25	25.23	24.23	915.06	316.77	0.73	317.50	2,333.04
Balance as at 31 March 2025	485.58	77.77	106.75	30.93	21.30	722.33	198.25	0.73	198.98	1,463.67

	As at 31 March 2025	As at 31 March 2024
4 Bank balances (Refer note 9)		
Deposits with remaining maturity more than 12 months	-	10,005.67
Balances with banks in restricted accounts	75,650.17	34,864.63
	75,650.17	44,870.30

Notes:

1. The fixed deposit balances of the Company aggregating to ₹ 73,871.54 lakhs (31 March 2024: ₹ 31,672.60 lakhs) have been given as lien towards bank overdrafts and working capital demand loans availed by Krazybee Services Private Limited ("Related party") (Refer note 28).

2. The bank balances of the Company aggregating to ₹ 1,655.75 lakhs (31 March 2024: ₹ 1,655.75 lakhs) had been attached by the Directorate of Enforcement pursuant to the FIRs filed against the Company (Refer note 33).

3. The fixed deposit balances of the Company aggregating to ₹ 122.87 lakhs (31 March 2024 : ₹ 1,536.28 lakhs) had been given as lien to customers (Regulated Entities) as per the terms of the agreement. During the financial year 2022-23, RBI has issued Guidelines on Digital Lending notification dated 02 September 2022 ("Notification") wherein restrictions were imposed to perform certain activities on behalf of the regulated entities. Pursuant to the notification, certain terms agreed by the Company with the regulated entities got amended including removal of deficiency compensation clause. Accordingly, the regulated entities have given approval for release of lien created in favour of them. The balance outstanding as at 31 March 2025 represents approval for release of lien was given by the regulated entities and released by the bank after the balance sheet date.

	As at 31 March 2025	As at 31 March 2024
5 Other non-current financial assets		
(Unsecured, considered good unless otherwise stated)		
Security deposits	376.47	519.21
	376.47	519.21
6 Income tax assets (net)		
Advance tax (net of provision for tax)	1,211.92	2,935.05
	1,211.92	2,935.05
7 Deferred tax assets (net)		
Deferred tax asset arising on account of:		
Provision for employee benefits	209.81	196.07
Provision for loyalty points	18.37	19.39
Others	11.29	26.98
Fair valuation of security deposits	19.43	31.92
Lease liabilities	414.44	616.40
Timing difference on account of depreciation/ amortization	22.48	-
Deferred tax liabilities arising on account of:		
Timing difference on account of depreciation/ amortization	-	(12.00)
Right of use assets	(368.38)	(587.23)
	327.44	291.53

The following table shows deferred tax recorded in the balance sheet and changes recorded in the income tax expense:

	Balance as at 01 April 2024	(Charge) / credit to statement of profit and loss	(Charge) / credit to OCI	Balance as at 31 March 2025
Right of use assets	(587.23)	218.85	-	(368.38)
Lease liabilities	616.40	(201.96)	-	414.44
Provision for employee benefits	196.07	12.33	1.41	209.81
Provision for loyalty points	19.39	(1.02)	-	18.37
Fair valuation of security deposits	31.92	(12.49)	-	19.43
Property, plant and equipment and other intangible assets	(12.00)	34.48	-	22.48
Others	26.98	(15.69)	-	11.29
	291.53	34.50	1.41	327.44

	Balance as at 01 April 2023	(Charge) / credit to statement of profit and loss	(Charge) / credit to OCI	Balance as at 31 March 2024
Right of use assets	(451.31)	(135.92)	-	(587.23)
Lease liabilities	467.21	149.19	-	616.40
Provision for employee benefits	136.42	53.01	6.64	196.07
Provision for loyalty points	25.27	(5.88)	-	19.39
Carry forward unabsorbed business loss and depreciation loss	3,343.97	(3,343.97)	-	-
Fair valuation of security deposits	28.14	3.78	-	31.92
Property, plant and equipment and other intangible assets	(35.81)	23.81	-	(12.00)
Others	13.53	13.45	-	26.98
	3,527.42	(3,242.53)	6.64	291.53

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		As at 31 March 2025	As at 31 March 2024
8	**Trade receivables**		
	Unsecured considered good		
	- Related parties (Refer note 28)	3,716.09	4,214.88
	- Others	2,830.50	2,667.56
		6,546.59	**6,882.44**
	Allowances for expected credit loss		
	Allowance for credit loss	-	-
		6,546.59	6,882.44
a	**Trade receivables ageing**		
	Outstanding for following periods from due date		
	Not due	-	-
	Less than 6 months	6,536.36	6,817.38
	6 months-1 year	0.11	58.28
	1-2 years	10.13	6.78
	2-3 years	-	-
	More than 3 years	-	-
	Total	**6,546.59**	**6,882.44**

b Notes

1. All the Company's trade receivables have been reviewed for indicators of impairment and allowances if required are made for credit impairment on case to case basis where the risk is significant.
2. The Company does not have undisputed trade receivables which have significant increase in credit risk, credit impaired and disputed trade receivables as at 31 March 2025 and 31 March 2024.

		As at 31 March 2025	As at 31 March 2024
9	**Cash and bank balances**		
	Cash and cash equivalents		
	Cash in hand	2.56	2.56
	Balances with banks in current accounts	1,158.41	1,162.91
	Deposits original maturity of less than 3 months	6,003.14	7,790.78
	(A)	7,164.11	8,956.25
	Other bank balances		
	- Deposits with remaining maturity of more than 3 months but less than 12 months	-	1,168.05
	- Deposits with remaining maturity more than 12 months	-	10,005.67
	- Balances with banks in restricted accounts	75,650.17	34,864.63
		75,650.17	**46,038.35**
	Less : Amounts disclosed as non-current bank balance (Refer note 4)	(75,650.17)	(44,870.30)
	(B)	-	1,168.05
	Total (A)+(B)	**7,164.11**	**10,124.30**

		As at 31 March 2025	As at 31 March 2024
10	**Other current financial assets**		
	(Unsecured, considered good)		
	Security deposits	247.42	111.14
	Unbilled revenue (Refer note 28)	5,138.22	6,584.83
	Other receivables (Refer note 28)	476.57	817.69
		5,862.21	7,513.66
11	**Other current assets**		
	(Unsecured, considered good)		
	Prepaid expenses	363.11	128.70
	Advances to employees	18.47	24.49
	Advance to suppliers	32.78	6.64
	Other advances	174.80	299.59
	Balance with government authorities	22.81	-
		611.97	**459.42**

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	As at 31 March 2025		As at 31 March 2024	
	Number*	Amount	Number*	Amount
12 Share capital				
(i) Authorised shares				
Equity shares of ₹ 10 each	40,00,000	400.00	40,00,000	400.00
0.001% non-cumulative convertible preference shares (CCPS) of ₹ 10 each	5,50,000	55.00	5,50,000	55.00
	45,50,000	455.00	45,50,000	455.00
(ii) Issued, subscribed and fully paid up				
1,179,777 equity shares of ₹ 10 each	11,79,777	117.98	11,79,777	117.98
500,105 0.001% non cumulative CCPS of ₹ 10 each	5,00,105	50.01	5,00,105	50.01
	16,79,882	167.99	16,79,882	167.99
a) Reconciliation of number of shares outstanding				
(i) Equity shares				
Balance at the beginning of the year	11,79,777	117.98	11,69,981	117.00
Add: Shares issued during the year	-	-	9,796	0.98
Balance at the end of the year	11,79,777	117.98	11,79,777	117.98
(ii) 0.001% non-cumulative CCPS				
Balance at the beginning of the year	5,00,105	50.01	4,07,783	40.78
Add: Shares issued during the year	-	-	92,322	9.23
Balance at the end of the year	5,00,105	50.01	5,00,105	50.01

b) Shares held by the Holding Company / Shareholders holding more than 5% of the shares (Refer note 42)

	As at 31 March 2025		As at 31 March 2024	
	Number*	% holding	Number*	% holding
(i) Equity Shares of ₹ 10 each fully paid up				
Finnov Private Limited (Holding Company)	-	-	11,79,776	99.9999%
Madhusudan Ekambaram	81,334	6.89%	-	-
Alpine Opportunity Fund I & IV, L.P	2,01,365	17.07%	-	-
PI Opportunities Fund I & II	2,89,074	24.50%	-	-
NewQuest Asia Fund IV (Singapore) Pte. Ltd.	2,80,613	23.79%	-	-
India Business Excellence Fund III & IV	1,59,377	13.51%	-	-
(ii) 0.001% non-cumulative CCPS of ₹ 10 each fully paid up				
Wiseanya Limited	2,61,197	52.23%	2,61,197	52.23%
PI Opportunities Fund I & II	85,878	17.17%	85,878	17.17%
India business Excellence Fund IV	67,135	13.42%	67,135	13.42%
MUFG Bank Ltd.	32,607	6.52%	32,607	6.52%
NewQuest Asia Fund IV (Singapore) Pte. Ltd.	31,332	6.27%	31,332	6.27%

As per records of the company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

c) Shares held by promoter

	Number*	% of total shares	% Change#
As at 31 March 2024			
Finnov Private Limited	11,79,776	99.9999%	0.8373%

**number of shares are in absolute number*
 # change represents increase in no of shares held

Notes:
1. During the financial year 2023-24, Mr. Madhusudan Ekambaram and Mr. Karthikeyan Krishnaswamy was categorized as Non-Promoters of the Company pursuant to resolution passed by Board of Director at its meeting held on 09 February 2024 and resolution passed by Shareholders of the Company at the Extra-Ordinary General Meeting held on 13 February 2024. The Company has made relevant filings with regulatory authorities.
2. During the year, the shareholders of Finnov Private Limited approved its liquidation through voluntary winding up. Consequently, Finnov Private Limited ceased to be the Holding Company and promoter with effect from 17 July 2024.

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12 Share capital (Continued)

d) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except for interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets in the event of liquidation of the Company, the holders of equity shares shall be entitled to receive the distribution of proceeds of such Liquidation Event in accordance with Article VII of Part B of the Articles of Association of the Company.

e) Rights, preferences and restrictions attached to 0.001% non-cumulative CCPS

I) Voting: Each holder of 0.001% non-cumulative CCPS shall be entitled to exercise voting rights in respect to the respective shares held by it on an "As If Converted Basis".

Ii) Dividend: Each CCPS carries a preferential non-cumulative dividend of 0.001% per annum. The Dividends in respect of the 0.001% non-cumulative CCPS shall be declared by the Board of Directors from funds or reserves that are legally available and paid on a pari-passu basis with all other preference shares, prior, and in preference, to any declaration or payment of dividends in favour of any other class of share of the Company including, without limitation, the equity shares. In a case where dividends on any other class of shares of the Company are higher than the 0.001% non-cumulative CCPS dividend rate, such higher rate of dividends shall also be paid to the 0.001% non-cumulative CCPS holders in accordance with the terms and conditions specified in the Articles of Association of the Company.

Iii) Conversion:

Mandatory conversion: Each 0.001% non-cumulative CCPS shall convert into equity shares on a 1:1 basis. The 0.001% non-cumulative CCPS can be converted at the option of the holder of the 0.001% non-cumulative CCPS by serving a prior written notice to the Company. The CCPS will mandatorily convert to equity shares on the earlier of (i) 20 years from the date of allotment and (ii) Date preceding the Qualified Initial Public Offering of the Company. Terms of conversion 0.001% non-cumulative CCPS into equity shares to be issued along with the earliest date of conversion in descending order starting from the farthest such date is as follows:

Particulars	Number of shares*	Date of issue	Date of maturity
0.001% non-cumulative CCPS	31,513	28-Mar-24	27-Mar-44
0.001% non-cumulative CCPS	60,809	27-Mar-24	26-Mar-44
0.001% non-cumulative CCPS	20,596	27-Jan-23	26-Jan-43
0.001% non-cumulative CCPS	2,12,979	18-Jan-23	17-Jan-43
0.001% non-cumulative CCPS	25,328	8-Dec-22	7-Dec-42
0.001% non-cumulative CCPS	1,48,880	2-Dec-22	1-Dec-42

Optional conversion: Each holder of 0.001% non-cumulative CCPS shall have the right to convert all or part of the 0.001% non-cumulative CCPS held by it into the Company's equity shares at the conversion ratio, on a date that such holder may elect, by delivery of a prior written notice of at least 15 (fifteen) days to the Company. Subject to paragraph 3(d) and 3(e) of the agreement, based on the Company's conversion Price of ₹ 8,485.36 per share as on the date of allotment of 0.001% non-cumulative CCPS, the conversion ratio applicable to the CCPS shall be 1:1.

*numbers are in absolute figures

iv) Valuation Protection: The 0.001% non-cumulative CCPS holders are entitled to a valuation protection over the subscription price.

v) Liquidation Preference: The 0.001% non-cumulative CCPS carry a liquidation preference in preference to holders of equity shares of the Company in the following manner (a) the relevant subscription price in respect of each preference share plus any declared but unpaid dividends; and (b) in the event that there are insufficient proceeds to pay the entire preferential amount then the entire available proceeds shall be distributed among the holders of the 0.001% non-cumulative CCPS in proportion to the full amounts to which they would be entitled if there were sufficient proceeds to pay the entire preferential amount in respect of each 0.001% non-cumulative CCPS held.

g) Bonus issue, buy back and issue of shares other than in cash

The Company has neither issued any equity shares for consideration other than cash nor any bonus shares during the immediately preceding 5 financial years, except for the issue of share made pursuant to the amalgamation. Also, there has been no buy back of shares either in the aforesaid period.





12 Share capital (Continued)

h) Capital management policies and procedures

The Company's capital management objectives are:

- to safeguard the Company's ability to continue as a going concern, and continue to provide optimum returns to the shareholders and all other stakeholders by building a strong capital base.
- to maintain an optimum capital structure to reduce the cost of capital

In order to maintain or adjust the capital structure, the Company may adjust the return capital to shareholders, issue new shares, or sell investments / other assets.

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders, less cash and cash equivalents as presented on the face of the balance sheet. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

		As at 31 March 2025	As at 31 March 2024
13 Other equity			
Capital reserve			
Balance at the beginning of the year		0.10	0.10
Balance at the end of the year	**(A)**	**0.10**	**0.10**
Securities premium			
Balance at the beginning of the year		47,263.56	38,869.19
Add : Additions during the year on issue of equity shares		-	830.16
Add : Additions during the year on issue of 0.001% non-cumulative CCPS		-	7,824.62
Less: Reversal/(expenses) related to issue of 0.001% non-cumulative CCPS		253.12	(260.41)
Balance at the end of the year	**(B)**	**47,516.68**	**47,263.56**
Share options outstanding account (Refer note 28)			
Balance at the beginning of the year		1,565.82	1,490.56
Add : Additions during the year (Refer note 22)		2,772.63	872.91
Add : Realization on cancellation of options		-	85.72
Add : Addition on transfer of employees (Refer note 17)		21.23	-
Less: Reversal on transfer of employees (Refer note 17)		-	(883.37)
Balance at the end of the year	**(C)**	**4,359.68**	**1,565.82**
Surplus in the statement of profit and loss			
Balance at the beginning of the year		14,133.04	1,496.74
Add : Transferred from the statement of profit and loss		23,702.21	12,636.30
Balance at the end of the year	**(D)**	**37,835.25**	**14,133.04**
Accumulated other comprehensive income			
Balance at the beginning of the year		(14.60)	5.16
Add : Transfer from other comprehensive income		(4.20)	(19.76)
Balance at the end of the year	**(E)**	**(18.80)**	**(14.60)**
Total other equity	**(A)+(B)+(C)+(D)+(E)**	**89,692.91**	**62,947.92**

a) Capital Reserve

Represents the excess of the share capital of the transferor entity over the consideration. The balance is utilized in accordance with the provisions of the Companies Act, 2013.

b) Securities premium

Represents amount received in excess of face value on issue of shares. The balance is utilized in accordance with the provisions of the Companies Act, 2013.

c) Share options outstanding account

Represents the shared based compensation expense recorded with the respect to options granted to employees as and when the related grant conditions are met and is adjusted on exercise/transfers/forfeiture of options.

d) Surplus in the statement of profit and loss

Surplus in the statement of profit and loss represents the amounts of accumulated earnings of the Company.

e) Accumulated other comprehensive income

Represents remeasurement of defined benefit liability which comprises of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability.

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	As at 31 March 2025		As at 31 March 2024	
	Non-current	Current	Non-current	Current
14 Lease Liabilities				
Lease liabilities	869.49	777.19	1,646.67	802.27
	869.49	777.19	1,646.67	802.27

(a) Movement in lease liabilities:	Year ended 31 March 2025	Year ended 31 March 2024
Opening balance	2,448.94	1,856.19
Additions during the year	14.74	1,318.46
Deletions during the year	-	-
Interest expense (Refer note 24)	266.16	283.69
Payment of lease liabilities during the year	(1,083.16)	(1,009.40)
	1,646.68	2,448.94

(b) Movement in right of use assets:		
Opening Balance	2,333.04	1,793.05
Additions	14.74	1,384.19
Deletions/Adjustments	-	-
Depreciation charge	(884.11)	(844.20)
	1,463.67	2,333.04

(c) Amount recognised in statement of profit and loss:

The Company has lease contracts for office premises and these lease contracts are cancellable/ renewable for further period on mutually agreeable terms during the tenure of lease contracts. These lease contracts are classified as short term lease contracts under Ind AS 116 .

	Year ended 31 March 2025	Year ended 31 March 2024
Expenses		
Rent expense during the year on short term and low value leases (Refer note 25)	47.97	213.66
Interest expenses on lease liabilities (Refer note 24)	266.16	283.69
Depreciation of right of use assets (Refer note 23)	884.11	844.20

(d) Amounts recognised in statement of cash flows:		
Total cash flows for leases	1,083.16	1,009.40
	1,083.16	1,009.40

(e) Changes in liabilities arising from financing activities:

Lease liability		
Opening balance	2,448.94	1,856.19
Non cash transaction		
Interest expenses	266.16	283.69
Additions	14.74	1,318.46
Deletions	-	-
Cash transaction		
Payment of lease liabilities including interest	(1,083.16)	(1,009.40)
Closing balance	1,646.68	2,448.94

(f) The details of the contractual maturities of lease liabilities on an undiscounted basis are as follows:	Year ended 31 March 2025	Year ended 31 March 2024
Less than one year	936.97	1,083.17
One to five years	1,014.24	1,951.21
More than five years	-	-
	1,951.21	3,034.38

The Company does not face any significant liquidity risk with regard to its lease liabilities, as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

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	As at 31 March 2025		As at 31 March 2024	
	Non-Current	Current	Non-Current	Current
15 Provisions				
Provisions for employee benefits				
Provision for gratuity	-	21.00	183.65	47.76
Provision for compensated absences	-	195.86	-	213.34
Provision for loyalty points	-	73.00	-	77.05
	-	**289.86**	**183.65**	**338.15**

(i) Gratuity

In accordance with the Payment of Gratuity Act, 1972, the Company provides for gratuity, a defined benefit gratuity plan ("the Gratuity Plan") covering eligible employees. The Gratuity Plan provides for a lump sum payment to vested employees on retirement (subject to completion of five years of continuous employment), death, incapacitation or termination of employment that are based on last drawn salary and tenure of employment. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation on the reporting date.

The following table sets out the funded status of the Gratuity Plan and the amounts recognized in the financial statements:

		As at 31 March 2025	As at 31 March 2024
Changes in the present value of the defined benefit obligation			
Projected benefit obligation at the beginning of the year		231.41	236.77
Current service cost		54.55	91.87
Liability transferred in/ acquisitions		2.04	-
Transferred out / divestments		(35.32)	(137.86)
Adjustments		(4.73)	-
Interest cost		16.28	16.64
Actuarial loss		5.61	26.40
Benefits paid		(14.78)	(2.41)
Projected benefit obligation at the end of the year		**255.06**	**231.41**
Change in the Fair Value of Plan Assets			
Fair value of plan assets at the beginning of the year		-	-
Contributions paid into the plan		226.68	-
Expected return on plan assets		7.38	-
Fair Value of Plan Assets at the End of the Period		**234.06**	-
Net liability recognized in the balance sheet		**21.00**	**231.41**
Disclosed in the financial statements under:			
Defined Benefit Obligation		255.06	231.41
Funding Status		Funded	Unfunded
Fund Balance		234.06	N.A
Current liability		21.00	47.76
Non-current liability		-	183.65

		Year ended 31 March 2025	Year ended 31 March 2024
Components of net gratuity costs are			
Current service cost		54.55	91.87
Interest cost		16.28	16.64
Expected returns on plan assets		(7.38)	-
Total amount recognised in the statement of profit and loss (Refer note 22)	**(A)**	**63.45**	**108.51**
Recognized net actuarial loss		5.61	26.40
Total amount recognised in the other comprehensive income	**(B)**	**5.61**	**26.40**
Net gratuity cost	**(A)+(B)**	**69.06**	**134.91**
Principal actuarial assumptions used			
Discount rate		6.54%	7.18%
Long-term rate of compensation increase		9.00%	10.00%
Average age (in years)		29.11	27.71
Average remaining life (in years)		2.00	2.00
Attrition rate		35.00%	30.00%
Mortality table		Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate

The Company assesses these assumptions with the projected long-term plans of growth and prevalent industry standards.

The estimates of rate of escalation in salary considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary. The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

(i) Gratuity (continued)

Employee benefits - Maturity profile (Undiscounted)

Particulars	Less than a year	Between 2-5 years	Between 6-10 years	Over 10 years	Total
Defined benefit obligation - Gratuity					
31 March 2025	61.54	173.33	55.87	11.33	302.07
31 March 2024	47.76	143.33	73.40	24.51	289.00

Sensitivity Analysis

The significant actuarial assumptions for the determination of the defined benefit obligation are the attrition rate, discount rate and the long-term rate of compensation increase. The calculation of the net defined benefit liability is sensitive to these assumptions. The following table summarises the effects of changes in these actuarial assumptions on the defined benefit liability at 31 March 2025 and 31 March 2024 other factors remaining constant.

Particulars	Attrition Rate		Discount Rate		Future Salary	
	Increase	Decrease	Increase	Decrease	Increase	Decrease
31 March 2025						
>Sensitivity Level	1.00%	-1.00%	1.00%	-1.00%	1.00%	-1.00%
>Impact on defined benefit obligation	(2.35)	2.41	(5.69)	6.03	5.62	(5.49)
31 March 2024						
>Sensitivity Level	1.00%	-1.00%	1.00%	-1.00%	1.00%	-1.00%
>Impact on defined benefit obligation	(2.59)	2.68	(6.38)	6.83	6.11	(5.90)

The following table sets out the funded status of the gratuity plan and the amounts recognised in the financial statement:-

	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Net liability recognized in the balance sheet					
Present value of defined benefit obligation	21.00	231.41	236.77	118.92	96.82
	21.00	**231.41**	**236.77**	**118.92**	**96.82**

In presenting the above sensitivity analysis the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the defined benefit obligation as recognised in the balance sheet. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

(ii) Compensated absences

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

	As at 31 March 2025	As at 31 March 2024
Principal actuarial assumptions used:		
Discount rate	6.54%	7.18%
Long-term rate of compensation increase	9.00%	10.00%
Average age (in years)	29.11	27.71
Average remaining life (in years)	2.00	2.00
Attrition rate	35.00%	30.00%

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	As at 31 March 2025	As at 31 March 2024
16 Trade payables		
Total outstanding dues of micro and small enterprises	131.98	167.55
Total outstanding dues of creditors other than micro and small enterprises (Refer note 28)	1,145.18	1,544.63
	1,277.16	1,712.18

Trade payables ageing

As at 31 March 2025

Particulars	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	109.70	20.91	-	1.37	131.98
(ii) Others	-	1,080.63	31.69	12.15	20.71	1,145.18

As at 31 March 2024

Particulars	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	136.99	13.08	16.71	0.77	167.55
(ii) Others	-	1,532.09	2.12	1.46	8.96	1,544.63

Notes

a) The management has identified enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMEDA). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2025 and 31 March 2024 has been made in the financials statements based on information received and available with the Company.

Particulars	As at 31 March 2025	As at 31 March 2024
(a) Amount remaining unpaid to any supplier at the end of each accounting year:		
Principal outstanding	131.98	167.55
Interest	28.49	7.82
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	28.49	7.82
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	-	-

b) The company does not have any disputed dues payable as on 31 March 2025 and 31 March 2024.

	As at 31 March 2025	As at 31 March 2024
17 Other current financial liabilities		
Capital creditors	-	1.01
Employee related payables	595.02	831.29
Other payables (Refer note 28)	1,329.60	2,055.02
Accrued expenses	3,373.27	5,122.66
	5,297.89	8,009.98

Note:

During the current and previous year, certain employees of the Company were transferred to Krazybee Services Private Limited ("Related party"). Similarly, few employees of the related party transferred to the Company during the year. Consequently, the provision for gratuity of ₹ 171.14 lakhs (31 March 2024: ₹ 137.86 lakhs), provisions for compensated absences of ₹ 214.91 lakhs (31 March 2024: ₹ 196.44 lakhs) and share options outstanding account of ₹ 862.14 lakhs (31 March 2024: ₹ 883.37 lakhs) has been recognised as net payable to related party in respect of such employee transfer arrangement.

18 Other current liabilities		
Statutory dues payable	1,250.74	1,092.47
Deferred corporate gurantee fees (Refer note 28)	512.63	260.23
	1,763.37	1,352.70

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	Year ended 31 March 2025	Year ended 31 March 2024
19 Revenue from operations		
Revenue from services		
i) Service fees (Refer note 28)	543.33	14,155.08
ii) Processing and other service fees (Refer note 28)	48,052.04	41,047.86
Other operating revenue		
Income from marketing activities	10,379.31	8,544.34
	58,974.68	63,747.28
Timing of revenue recognition:		
Revenue transferred at a point in time	48,052.04	41,047.86
Revenue transferred over time	10,922.64	22,699.42
	58,974.68	63,747.28
20 Other income		
Recoveries from deficiency compensation expense (Refer note 28)	2,870.11	3,524.17
Interest on fixed deposits	4,324.74	1,229.33
Income from business support services (Refer note 28)	1,660.31	1,079.88
Income on investments carried at fair value through profit or loss	106.95	361.82
Interest on income tax refund	206.59	-
Other interest Income	49.61	49.95
Miscellaneous income	18.98	28.82
	9,237.29	6,273.97
21 Fees and commission expense		
Commission expenses (Refer note 28)	88.69	106.86
Credit verification charges	11.73	24.56
Processing and maintenance charges	157.95	55.64
	258.37	187.06
22 Employee benefits expense		
Salaries and wages (Refer note 28)	5,971.50	10,438.20
Contribution to provident and other funds	165.25	428.09
Gratuity expenses (Refer note 15(i))	63.45	108.51
Compensated absences	32.80	131.24
Share based payment to employees (Refer note 28 and 31)	2,772.63	872.91
	9,005.63	11,978.95
23 Depreciation and amortisation expense		
Depreciation of property, plant and equipment (Refer note 3)	410.28	422.52
Amortisation of intangible assets (Refer note 3)	118.52	178.15
Depreciation of rights of use assets (Refer note 3 and 14)	884.11	844.20
	1,412.91	1,444.87
24 Finance costs		
Interest expenses on remeasurement of lease liabilities (Refer note 14)	266.16	283.69
	266.16	283.69
25 Other expenses		
Sales promotion expenses	21,166.11	28,496.35
Collection agency charges	2,098.59	6,933.58
Technical expenses	766.31	1,253.95
Office expenses	451.67	1,189.37
Legal and professional charges	314.89	481.60
Communication costs	291.48	277.21
Rent (Refer note 14(c))	47.97	213.66
Business support services (Refer note 28)	197.99	103.05
Bank charges	34.30	78.13
Travel and conveyance	55.97	77.23
Rates and taxes	32.58	46.03
Payment to auditors (Refer note below)	28.50	31.00
Corporate social responsibility expense	56.00	-
Miscellaneous expenses	15.79	57.37
	25,558.15	39,238.53

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	Year ended 31 March 2025	Year ended 31 March 2024

25 Other expenses (Continued)

Note: Payments to auditors (excluding Goods and Service tax, administration charges and out of pocket expenses)

As auditors:		
- Statutory audit	27.50	30.00
-Certification	1.00	1.00
	28.50	**31.00**

26 Income taxes

a) Current tax

The current tax expense is calculated under the Income Tax Act, 1961 for the year after considering admissible deductions / allowances.

b) Deferred tax

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits.

c) The major components of current tax expense and the reconciliation of the expected tax expense based on the domestic effective tax rate of the Company at 25.168% and the reported tax expense in the statement of profit and loss are as follows:

	Year ended 31 March 2025	Year ended 31 March 2024
Profit before tax	31,710.75	16,888.15
Tax rates	25.168%	25.168%
Tax on profit at enacted tax rate	7,980.96	4,250.41
Tax impact on the following items :		
- Others	27.58	1.44
Tax expenses reported in the statement of profit and loss	**8,008.54**	**4,251.85**
Other comprehensive income	5.61	26.40
Tax rates	25.168%	25.168%
Tax expenses reported in the statement of other comprehensive income	**1.41**	**6.64**

27 Earnings per share

Nominal value of equity shares (in ₹)	10	10
Profit attributable to equity shareholders	23,702.21	12,636.30
Weighted average number of equity shares (A)	11,79,777	11,73,300
Weighted average number of 0.01% non-cumulative CCPS (B)	5,00,105	4,08,958
Total weighted average number of equity shares in calculating basic EPS (A+B)	**16,79,882**	**15,82,258**
Weighted average number of outstanding ESOP (C)	1,04,480	75,711
Total weighted average number of equity shares in calculating diluted EPS (A+B+C)	**17,84,362**	**16,57,969**
- Basic (in ₹)	1,410.94	798.62
- Diluted (in ₹)	1,328.33	762.16

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28 Related parties

a) Names of related parties and nature of relationship

As per the requirement of Ind AS 24, on related party disclosures, the name of the related parties with the description of the relationship and transactions between the reporting enterprise and its related parties, as identified by the management are as follows :

Nature of relationship	Name of related party*
Holding company (until 17 July 2024, refer note 42)	Finnov Private Limited, Singapore
Fellow subsidiary (until 17 July 2024, refer note 42)	KrazyBee Services Private Limited
Entity in which directors are interested (w.e.f 18 July 2024)	
Post employment benefit plan	Finnovation Tech Solutions Private Limited Group Gratuity Trust Fund
Key Management Personnel (KMP)	Madhusudan Ekambaram, Director
	Karthikeyan Krishnaswamy, Director
	Vinit Mukesh Mehta, Nominee director (w.e.f. 01 April 2024)
	Gagan Lalit Mohan Joshi, Nominee director (w.e.f. 01 April 2024)
	Mamtesh Sugla, Nominee director (w.e.f. 01 April 2024)
	Nattanmai Venkataraman Saravanan, Nominee director (w.e.f. 01 April 2024)
	Harry Archerman, Nominee director (w.e.f. 19 July 2024)

*The information has been determined to the extent such parties have been identified on the basis of information available with the Company.

b) Transactions with related parties

Nature of transactions	Year ended 31 March 2025	Year ended 31 March 2024
Service fees		
Krazybee Services Private Limited	-	2,848.27
Processing and other service fees		
Krazybee Services Private Limited	35,381.65	27,780.21
Income from business support services (corporate guarantee fees)		
Krazybee Services Private Limited	829.68	440.38
Income from business support services (salary cross charge)		
Krazybee Services Private Limited	106.18	158.06
Income from business support services (rent cross charge)		
Krazybee Services Private Limited	1,197.53	741.67
Income from business support services (assets cross charge)		
Krazybee Services Private Limited	297.74	-
Recoveries from deficiency compensation expense		
Krazybee Services Private Limited	1,977.30	2,670.27
Purchase of services (Commission recovery)		
Krazybee Services Private Limited	68.24	-
Business support Service (expenses)- salary cross charge		
Krazybee Services Private Limited	197.99	103.05
Employee transfer arrangement (in)		
Krazybee Services Private Limited	25.76	-
Employee transfer arrangement (out)		
Krazybee Services Private Limited	56.30	1,217.67
Share based payment		
Finnov Private Limited	-	109.45
Realization on cancellation of options (Refer note 2 below)		
Finnov Private Limited	-	85.72
Trademark usage fees		
Finnov Private Limited	-	0.70
Purchase of TradeMark		
Finnov Private Limited	-	0.73

b) Transactions with related parties (Continued)

Nature of transactions	Year ended 31 March 2025	Year ended 31 March 2024
Share issued during the year		
Finnov Private Limited	-	831.23
Contributions made during the year		
Finnovation Tech Solutions Private Limited Group Gratuity Trust Fund	226.68	-
Return on plan assets		
Finnovation Tech Solutions Private Limited Group Gratuity Trust Fund	7.38	-
Remuneration to key managerial personnel (Refer note 1 and 4 below)		
Madhusudan Ekambaram	2,206.64	425.45
Karthikeyan Krishnaswamy	514.10	263.80
Corporate guarantee given by the Company		
Krazybee Services Private Limited	87,578.29	30,500.00
Reimbursement of expenses:		
Madhusudan Ekambaram	12.31	8.40
Karthikeyan Krishnaswamy	13.29	-

c) Balances with related parties

Nature of transactions	As at 31 March 2025	As at 31 March 2024
Trade receivables		
Krazybee Services Private Limited	3,716.09	4,214.88
Other receivable		
Krazybee Services Private Limited	185.50	405.40
Unbilled revenue		
Krazybee Services Private Limited	4,262.72	3,174.63
Trade payables		
Krazybee Services Private Limited	197.99	25.76
Other payable		
Krazybee Services Private Limited	1,248.21	1,217.67
Outstanding fund balance		
Finnovation Tech Solutions Private Limited Group Gratuity Trust Fund	234.06	-
Outstanding corporate guarantee		
Krazybee Services Private Limited	79,187.02	29,258.51

Notes:

1. The remuneration to key managerial personnel does not include the provision made for the gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole.

2. During the previous year, the Company had received settlement from Finnov Private Limited on cancellation of options granted to the employees of the Company under the ESOP plan 2016 (Refer note 31).

3. The fixed deposit balances of the Company aggregating to ₹ 73,871.54 lakhs (31 March 2024: ₹ 31,672.60 lakhs) have been given as lien towards bank overdrafts and working capital demand loans availed by Krazybee Services Private Limited ("Related party").

4. Remuneration to key managerial personnel includes share-based payments amounting to ₹ 1,943.91 lakhs (31 March 2024: ₹ Nil) to Mr. Madhusudan Ekambaram and ₹ 374.36 lakhs (31 March 2024: ₹ Nil) to Mr. Karthikeyan Krishnaswamy.

29 Disclosure u/s 186 (4) of the Companies Act, 2013 :

(i) The Company has given corporate guarantee to its related party, Krazybee Services Private Limited aggregating to ₹ 87,578.29 lakhs (31 March 2024: ₹ 30,500 lakhs) during the current year and the outstanding corporate guarantee balances as at 31 March 2025 ₹ 79,187.02 lakhs (31 March 2024: ₹ 29,258.51 lakhs).

(ii) The fixed deposit balances of the Company aggregating to ₹ 73,871.54 lakhs (31 March 2024: ₹ 31,672.60 lakhs) has been given as lien towards bank overdrafts and working capital demand loans availed by Krazybee Services Private Limited (Refer note 4 and 28).

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30 Financial Instruments

Financial risk management

The Company's principal financial liabilities comprise of lease liabilities, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables, cash and deposits that derive directly from its operations.

The Company is exposed to market risk, foreign currency risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management assesses the financial risks and the appropriate financial risk governance framework in accordance with the Company's policies and risk objectives. The Board of Directors review and agree on policies for managing each of these risks, which are summarised below.

a) Market risk

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company did not have any exposures as at the reporting dates.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company exposure to the risk changes in foreign exchange rates relates to sales promotion and technical expenses.

Foreign currency risk exposure:

The exposure to foreign currency risk at the end of the reporting period, translated at closing rate, is as follows:

Particulars	As at 31 March 2025	As at 31 March 2024
Financial liabilities (in USD)*	1,79,486	2,18,288
Rate of exchange(USD-INR)	85.58	83.37
Financial liabilities (in EUR)*	53,372	-
Rate of exchange(EUR-INR)	92.32	-
Net exposure to foreign currency risk (liabilities) (₹)	202.88	182.00

**Amount in USD and EUR are in absolute numbers*

Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in the US dollar exchange rate and Euro exchange rate, with all other variables held constant, of the Company's profit before tax (due to changes in the fair value of monetary liabilities).

Particulars	Rate fluctuation	As at 31 March 2025	As at 31 March 2024
INR	-1%	2	1.82
INR	1%	(2)	(1.82)

Credit risk

Credit risk is the risk that a counterparty fails to discharge an obligation to the Company. The Company is exposed to this risk for various financial instruments, such as trade receivables and other receivables, the Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at reporting period, as summarised below:

Particulars	As at 31 March 2025	As at 31 March 2024
Classes of financial assets		
Trade receivables	6,546.59	6,882.44
Other financial assets	6,238.68	8,032.87

The Company continuously monitors defaults of customers and other counterparties, identified either individually or by the Company, and incorporates this information into its credit risk controls. The Company's policy is to transact only with counterparties who are highly creditworthy which are assessed based on internal due diligence parameters.

Trade receivables are typically unsecured and are derived from revenue from customers. Credit risk has been managed by the Company through proper approvals which continuously monitors the creditworthiness of the customer to whom the Company renders service in the normal course of business. Based on historical information about customer default rates, management noted that there were no instances of default or credit impairment.

Other financial assets mainly comprises of deficiency receivable from customers and security deposits which are given to landlords in relation to contracts executed and are assessed by the Company for credit risk on a continuous basis.

b) Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The table below provides details regarding the contractual maturities of financial liabilities:

As at 31 March 2025

Particulars	Less than 1 year	1 to 5 years	More than 5 years	Total
Lease liabilities	777.19	869.49	-	1,646.68
Trade payables	1,277.16	-	-	1,277.16
Other financial liabilities	5,297.89	-	-	5,297.89

As at 31 March 2024

Particulars	Less than 1 year	1 to 5 years	More than 5 years	Total
Lease liabilities	802.27	1,646.67	-	2,448.94
Trade payables	1,712.18	-	-	1,712.18
Other financial liabilities	8,009.98	-	-	8,009.98

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31 Employee stock option

The Company's Board of Directors has formulated Finnovation Employee Stock Option Plan 2023 in the previous financial year ("ESOP plan"). Such option shall vest as per the terms and conditions mentioned in the grant letter which are as follows:

Vesting period	Manner of vesting
1 year	Entire options shall vest at the end of 12 months
3 years	33.33% of the total options granted shall vest at the end of 12 months from the date of the grant (cliff period); 66.67% of the total options granted shall vest in equal quarterly instalments from the expiry of the Cliff Period, over a period of 24 months.
4 years	25% of the total options granted shall vest at the end of 12 months from the date of this grant(cliff period), and subsequently, the remaining 75% of the total Options granted shall vest in equal quarterly instalments from the expiry of the Cliff Period, over a period of 36 months.

Reconciliation of outstanding options

The number and the weighted average exercise prices of share options under employee stock option plan are as follows:

Particulars	As at 31 March 2025		As at 31 March 2024	
	Number of options*	Weighted average exercise price*	Number of options*	Weighted average exercise price*
Outstanding at the beginning of the year/conversion from old plan (Refer note 1)	87,246	10	74,391	10
Transfer during the year (In)	250	10	-	-
Granted during the year from new plan	65,273	4,478	13,555	10
Forfeited/exercised during the year	(3,904)	10	(700)	10
Outstanding at the end of the year	1,48,865	1,969	87,246	10

*in absolute numbers

Particulars	31 March 2025	31 March 2024
Weighted average remaining life	1 – 4 years	1 – 4 years

Note 1: Conversion from old plan

During the previous year, the Finnov Private Limited's Board of Directors cancelled the ESOP plan 2016 ("Old plan") and the Company's Board of Directors has formulated Finnovation Employee Stock Option Plan 2023 ("New plan"). The Company has given equivalent number of options to the existing option holders of old plan and the vesting conditions of such options are as follows:

Vesting under old plan	Vesting terms as per new plan
For options fully vested on the cancellation date	Deferred vesting requiring additional one year of service from the grant date
For options that are expected to vest within one year from the cancellation date	Deferred vesting requiring additional service such that these options all vest exactly one year from the grant date
For options that are expected to vest beyond one year from the cancellation date	No change in vesting conditions. Options under new plans to vest on the same terms as the old plan

Following the cancellation of the Old Plan, the Company granted 74,391 share options under the New Plan to holders of options from the Old Plan, in accordance with the vesting conditions outlined above. Further, during the previous year, pursuant to a business re-arrangement, the Company transferred certain identified employees to its related party. Consequently, the Company cancelled the options granted under the New Plan to those employees. However, the Company reversed the ESOP expenses recognised up to the date of transfer and created an equivalent liability payable to the related party as part of the employee transfer arrangement.





31 Employee stock option (Continued)

Share based payment expense

The expense recognised during the current year:

Particulars	31 March 2025	31 March 2024
Total expense recognised in 'employee benefits' (Refer note 22)	2,772.63	872.91

Measurement of fair values

The fair value of employee stock options is measured using the Black Scholes Model which takes into account the exercise price, term of the option, share price at grant date and expected price volatility of the underlying shares, expected dividend yield and the risk free interest rate for the term of the option.

The inputs used in the computation of fair value of the grants made during the current year:

Particulars	April 2024	July 2024	August 2024
Value of option at the grant date	7,369.00	1,585.00	7,204.00
Exercise price	10.00	8,485.00	10.00
Expected volatility	41.50%	37.00%	47.90%
Expected dividends	0.00%	0.00%	0.00%
Risk-free interest rate	7.20%	6.90%	6.82%

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32 Expenditure towards corporate social responsibility

Pursuant to Section 135 of the Companies Act, 2013, a Company meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities identified by the Company and monitored by CSR Committee. The Company did not have average net profit, accordingly, there were no amounts required to be spent during the financial year 2023-24. The details of the amounts spent during the current year are as follows:

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
(a) Gross amount required to be spent by the company during the year	55.66	-
(b) Amount spent during the year on:		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	56.00	-
(c) Excess/(Shortfall) at the end of the year	0.34	-
(d) Total of previous years shortfall	-	-

Note:
1. There are no ongoing projects for the Company as at the reporting date.
2. Nature of CSR activities are promotion of Education, Environmental sustainability, Eradicating hunger, poverty, malnutrition and preventive health care etc.

33 In relation to the investigations conducted by the Directorate of Enforcement ('Investigating Agency') on various NBFC and related fintech companies associated with such NBFCs under the Prevention of Money Laundering Act, 2002 (PMLA), summons were issued to the Company's management to provide certain information which was provided by the Company. Subsequently, a provisional attachment order dated 28 February 2023 was issued by the Investigating Agency for attaching balances in the Company's bank accounts amounting to ₹ 1,655.75 lakhs based on the investigation carried out pursuant to the FIRs filed against the Company and certain other related parties. No charges have been established against the Company in the chargesheet filed in relation to the aforementioned FIRs, and accordingly, the Company filed a petition with the High Court for the State of Telangana ('the High Court'), to quash all proceedings initiated against the Company. Consequent to such petition, during the current financial year the High Court quashed all the proceedings initiated against the company vide order dated 11 March 2025. However, the balances in the Company's bank accounts which were attached under the aforesaid investigations have not yet been formally released as at 31 March 2025. The Company is actively pursuing the release of these bank accounts and is in communication with the banks. As a consequence of this development, there are no remaining obligations, liabilities, or contingent exposures arising from the matter.

34 Expenditure in foreign currency (on accrual basis)	Year ended 31 March 2025	Year ended 31 March 2024
Sales promotion expenses	999.63	1,048.74
Technical expenses	224.88	328.12
Website maintenance	-	3.21
Trade mark	-	0.73
Office expenses	0.77	2.56
	1,225.28	1,383.36

35 Key financial ratios

Particulars	As at 31 March 2025	As at 31 March 2024	Change	Explanation (Refer below)
Current ratio (In times)	2.15	2.04	5 %	*
Return on equity ratio (In %)	31%	24%	29 %	1
Trade receivables turnover ratio (In times)	8.78	12.48	(30)%	2
Trade payables turnover ratio (In times)	17.27	8.09	113 %	3
Net capital turnover ratio (In times)	5.47	4.99	10 %	*
Net profit ratio (In %)	40%	20%	103 %	1
Return on capital employed (In %)	36%	27%	31 %	1

Details of numerator and denominator in above ratio's

Ratio	Numerator	Denominator
Current ratio	Current assets	Current liabilities
Return on equity	Profit for the year	Average shareholder's equity
Trade receivables turnover ratio	Revenue from operations	Average trade receivables for the year
Trade payables turnover ratio	Fees and commission expense and other expenses	Average trade payables for the year
Net capital turnover ratio	Revenue from operations	Average working capital
Net profit ratio	Profit for the year	Revenue from operations
Return on capital employed	Earnings before interest and taxes	Total equity, lease liabilities and borrowings

Explanation
* Variances are below 25%, hence no explanation is required
1. The major variance is on account of decrease in sales promotion expenses and collection agency charges during the year.
2. The variance is on account of increase in trade receivables from related party and other customers.
3. The variance is on account of decrease in trade payables to related party and other parties.

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36 Contingent liabilities and commitments

	As at 31 March 2025	As at 31 March 2024
a. Contingent liabilities		
Indirect tax dues (Refer note below)	21.30	-

Note:
During the current year, the Company received an order from the Assistant Commissioner of Central Tax, Bengaluru, stating that the Company had availed Input Tax Credit (ITC) in Form GSTR-3B in excess of the amounts reflected in Form GSTR-2A for the financial year 2020–21, amounting to ₹19.37 lakhs, along with a penalty of ₹1.93 lakhs. The Company submitted declarations received from suppliers for the ITC not reflected in GSTR-2A; however, the authorities stated that these declarations provided by the vendors did not comply with the terms and conditions outlined in Circular No. 193/05/2023-GST dated 17 July 2023. Subsequently, the Company filed an appeal with the Commissioner of Central Tax (Appeals-I) against the order. The Company believes that the final outcome of the dispute will be in its favour and, therefore, should not have any adverse impact on the financial statements.

b. Commitments
The Company has outstanding capital commitments of ₹ Nil as at 31 March 2025 (31 March 2024: ₹ 18.16 lakhs).

37 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) and the rules made thereunder.

38 The Company does not have any borrowings. Hence, no statements are filed by the Company with banks and financial institutions.

39 The Company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

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

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

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

42 During the year ended 31 March 2025, the shareholders of Finnov Private Limited ("Holding Company") have approved the liquidation of the Holding Company by way of voluntary winding up and as part of the liquidation process, the equity shares held by the Holding Company in the Company have been distributed to its shareholders in a manner such that there is no change in the effective shareholding of the shareholders in the Company post the in-specie distribution. Consequent to the in-specie distribution, all the shareholders of the Holding Company have now become direct shareholders of the Company. The revised shareholders, number of shares and percentage of holding after giving the effect of the said event is as follows:

Shareholders name	Equity shares	CCPS*	Total	Shareholding %
PI Opportunities Fund (I and II)	2,74,281	85,878	3,60,159	21.45%
NewQuest Asia Fund IV (Singapore) Pte. Ltd.	2,74,281	31,332	3,05,613	18.19%
Wiseanya Limited	-	2,61,197	2,61,197	15.55%
Alpine Opportunity Fund (I and IV)	2,18,434	-	2,18,434	13.00%
India Business Excellence Fund (III and IV)	1,25,949	67,135	1,93,084	11.49%
Others	73,314	32,607	1,05,921	6.31%
Madhusudan Ekambaram	1,15,453	-	1,15,453	6.87%
Mirae Asset	56,502	21,956	78,458	4.67%
Krishnaswamy Karthikeyan	41,563	-	41,563	2.47%
Total	**11,79,777**	**5,00,105**	**16,79,882**	**100.00%**

**CCPS are considered as equity shares for arriving revised shareholding percentage.*

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43 The Ministry of Corporate Affairs (MCA) has prescribed a requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules, 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

During the current year, the Company used an accounting software until 30 June 2024 for maintaining its books of account that complied with the aforementioned requirement. However, effective 01 July 2024, the Company fully transitioned to a new ERP system that did not have an audit trail feature at the database level as of the implementation date. Subsequently, the software developers released a patch update to ensure compliance with the requirement, and the Company updated its ERP on 12 March 2025. Also, the Company has been using another software for maintenance of payroll records which is operated by a third party service provider and the Company has complied with the aforementioned requirement.

Further, the audit trail has been preserved by the Company as per the statutory requirements for record retention from the date it was enabled.

44 **Subsequent event**
The Board of Directors of the Company, at its meeting held on 21 May 2025, have approved the Scheme of Arrangement between Finnovation Tech Solutions Private Limited (The 'Transferor Company') and Krazybee Services Private Limited (The 'Transferee Company') and their respective shareholders subject to the requisite approvals, consents, sanctions and/or no-objection of Reserve Bank of India ("RBI"), BSE Limited ("BSE"), the Securities and Exchange Board of India ("SEBI"), Central Government, other appropriate authorities, institutions or bodies, if required and to the extent applicable and the requisite sanctions of the National Company Law Tribunal, Bengaluru Bench ("NCLT"). Pursuant to the Board's approval, an application was filed with the NCLT on 28 August 2025.

45 There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

46 The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

47 The Company has not revalued its property, plant and equipment or intangible assets or both during the current or previous year.

48 The Company has its operations within India and all revenues are generated within India. Also the company is not reliant on revenues from transaction with single external customer. As such, there are no separate reportable segment as per the provisions of Ind AS 108 'Operating Segments'.

49 No adjusting or significant non-adjusting events have occurred between the reporting date (31 March 2025) and the date of approval of these financial statements, other than disclosed in note 44.

This is the summary of material accounting policy information and other explanatory information referred to in our report of even date.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Varun RS
Partner
Membership No: 238900

Place: Bengaluru
Date: 02 September 2025

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS * BENGALURU

For and on behalf of the Board of Directors of
Finnovation Tech Solutions Private Limited
CIN: U74900KA2016PTC086953

Madhusudan Ekambaram
Director
DIN : 07442577

Place: Bengaluru
Date: 02 September 2025

Karthikeyan Krishnaswamy
Director
DIN : 07449376

Place: Bengaluru
Date: 02 September 2025

Finnovation Tech Solutions Pvt. Ltd. * Bangalore

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF KRAZYBEE SERVICES PRIVATE LIMITED
Report on the Audit of the IndAS Financial Statements

Opinion

1. We have audited the accompanying Ind AS financial statements of KrazyBee Services Private Limited ("the Company"), which comprise the Balance sheet as at March 31, 2025, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information. (hereinafter referred to as "the financial statement").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for opinion

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

Key audit matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements for the financial year ended March 31, 2025. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

   We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Ind AS financial statements section of our report, including in relation to these

matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying Ind AS financial statements.

Key audit matters	**How our audit addressed the key audit matter**
Impairment of loans and advances to customers Charge: Rs 76,213.35 Lakhs for the year ended March 31, 2025 Provision: Rs 31,175.95 Lakhs as at March 31, 2025	
Subjective estimate The Management estimates impairment provision using Expected Credit loss (ECL) model for the loan exposure as per the Board approved policy which is in line with Ind AS requirements and the relevant Reserve Bank of India's (RBI) regulations/circulars. The recognition and measurement of impairment of loans involve significant management judgement. The Company's impairment allowance is derived from estimates including the historical default and loss ratios using criteria in accordance with Ind AS 109 and considering applicable RBI's regulations/ circulars. Collective impairment allowances are calculated using ECL model which approximate credit conditions on homogenous portfolios of loans. Since the recognition and measurement of impairment of loans is significant to the overall audit due to stakeholder and regulatory focus, we have ascertained this as a key audit matter. The relevant disclosures are made in financial statements for ECL including those relating to judgements and estimates by the Management in determination of the ECL.	Our audit procedures in relation to expected credit losses were focused on obtaining sufficient appropriate audit evidence as to whether the expected credit losses recognised in the financial statements were reasonable and the related disclosures in the financial statements made by the management were adequate. Our audit approach included testing the design, operating effectiveness of internal controls and substantive audit procedures in respect of expected credit losses. These procedures included the following: a. We examined policy of Board of Directors approving the methodology for computation of ECL that address policies, procedures and controls for assessing and measuring credit risk on all lending exposures commensurate with the size, complexity and risk profile specific to the Company. b. We had performed the walkthrough of the ECL process c. We evaluated the design and operating effectiveness of controls across the processes relevant to ECL. These controls, among others, included controls over the classification of assets into stages d. We tested, on a sample basis, the input and historical data used for determining the Probability of Default (PD) and Loss Given

Key audit matters	How our audit addressed the key audit matter
	Default (LGD) rates, model validation and agreed the data with the underlying books of account and records. We have also reviewed the system and processes relating to re-validation or re-assessment of various parameters and judgements involved in the same. e. We tested the arithmetical calculation of the workings of the ECL. f. We evaluated that the Company's impairment allowance is derived in accordance with Ind AS 109 which also include considering the impact of RBI's regulations/circulars. g. We assessed the adequacy and appropriateness of disclosures in compliance with the Ind AS 109 on ECL including judgements used in estimation of ECL provision.

Information other than the financial statements and auditors' report thereon

5. The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

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

   In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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.

Responsibilities of Management for the Ind AS Financial Statements

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

accepted in India, including the Indian Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The board of directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Ind AS Financial Statements

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

8. 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 Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

9. 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.

10. 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 Ind AS financial statements for the financial year ended March 31, 2025 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

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

    (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules 2015, as amended;

(e) On the basis of written representations received from the directors as on March 31, 2025, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025, from being appointed as a director in terms of section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate report in "Annexure 1" to this report;

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) 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 does not have any pending litigations which would impact its financial position subject to Note no. 45 of 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, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, 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, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party

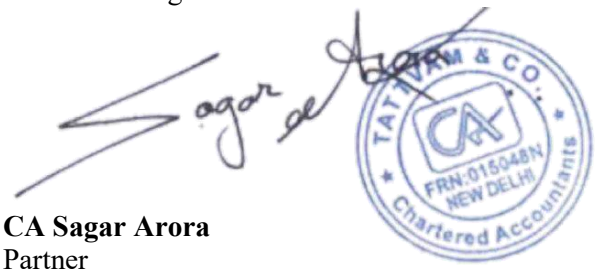
("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

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

v. Based on our examination, which included test checks, the Company transitioned to an ERP accounting software for maintaining its books of account, replacing the previously used software, effective from July 01, 2024. The ERP software has a feature of recording an audit trail (edit log) facility, which was enabled on March 12, 2025. For the period during which the audit trail feature was enabled and operational at the application and database levels, we did not come across any instance of the audit trail feature being tampered with. This should be read in conjunction with Note 46 (xviii) to the Ind AS Financial Statements.

12. As required by the Companies (Auditor's report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 2" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **M/s TATTVAM & Co.**
Chartered Accountants
ICAI Firm Registration Number: 015048N



CA Sagar Arora
Partner
Membership Number: 520999
Place of Signature: New Delhi
Date: May 28, 2025
UDIN: 25520999BMKXND3607

Annexure '1' to the Independent Auditor's Report of even date on the Ind AS Financial Statements of KrazyBee Services Private Limited

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

1. We have audited the internal financial controls with reference to these Ind AS financial statements of KrazyBee Services Private Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

   Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to these Ind AS financial statements included obtaining an understanding of internal financial controls with reference to these Ind AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The

procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

4. A company's internal financial controls with reference to Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Ind AS financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of 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 financial statements.

Inherent Limitations of Internal Financial Controls with reference to Ind AS Financial Statements

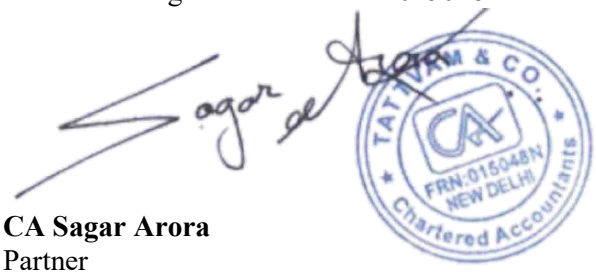
5. Because of the inherent limitations of internal financial controls with reference to Ind AS financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any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

Opinion

6. In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to Ind AS financial statements and such internal financial controls with reference to Ind AS financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential

components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **M/s TATTVAM & Co.**
Chartered Accountants
ICAI Firm Registration Number: 015048N



CA Sagar Arora
Partner
Membership Number: 520999
Place of Signature: New Delhi
Date: May 28, 2025
UDIN: 25520999BMKXND3607

Annexure "2" referred to in paragraph 12 to the Audit report of KrazyBee Services Private limited on even date

Re: KrazyBee Services Private Limited ('the Company')

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

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

(b) Property, Plant and Equipment have been physically verified by the management during the year in accordance with the regular programme of verifying them in phased manner, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given by the management, there is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2025.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii)(a) The Company's business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.

(b) As disclosed in note 15 to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks and/or financial institutions during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks and financial institutions are in agreement with the books of accounts of the Company.

(iii)(a) The Company's principal business is to give loans and is a registered NBFC, accordingly, reporting under clause (iii)(a) is not applicable.

(b) During the year the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.

(c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company.

(d) The Company has not granted loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.

(e) The company's principal business is to give loans and is a registered NBFC, accordingly, reporting under clause (iii)(e) is not applicable.

(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) According to the information and explanations given to us, there are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.

(vii)(a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including income-tax, goods & service tax, cess, employees' state insurance and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable except there are few cases in which company has not deposited the employee and employer provident fund as company is not able to generate the UAN of the employee. The provisions relating to custom duty, excise duty and value added tax are not applicable to the Company.

(b) According to the information and explanations given to us, there are no statutory dues referred in subclause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name and Nature of Statute/ laws	**GST Amount involved (Rs. Lakhs)**	**Amount paid under protest (Rs. Lakhs)**	**Period to which it relates**	**Forum where Dispute is pending**

Goods and Services Tax	7,565.32	500.00	FY 2018-19 to FY 2022-23	Hon'ble Karnataka High Court

*Refer to Note 45 of the financial statements for details of the contingent liability, including the estimated penalty and interest, related to the above dispute. An amount of Rs. 500 lakhs paid under protest is recorded as 'Other Advances' in the financial statements.

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix)(a) According to the information and explanations given to us, The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) Term loans were applied for the purpose for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

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

(f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.

(x)(a) The Company has utilized the monies raised during the year by way of initial public offer / further public offer (including debt instruments) in the nature of Debentures for the purposes for which they were raised.

(b) The Company has complied with provisions of sections 42 and 62 of the Companies Act, 2013 in respect of the preferential allotment or private placement of shares or debentures respectively during the year. The funds raised, have been used for the purposes for which the funds were raised.

(xi)(a) No fraud/ material fraud by the Company or no fraud / material fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

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

(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) According to the information and explanations given by the management, The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi)(a) The Company has registered as required, under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934).

(b) According to the information and explanations given by the management, the Company has not conducted any non-banking financial activities without a valid Certificate of Registration from the Reserve Bank of India as per the Reserve Bank of India Act 1934.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses in the current financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the

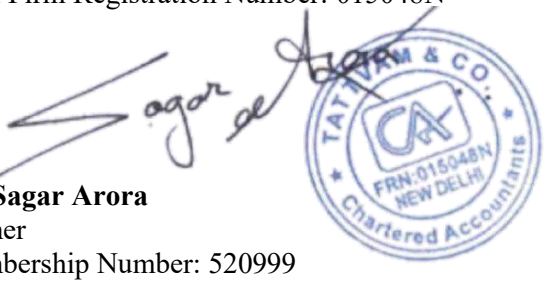
audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx)(a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 31(c) to the financial statements.

(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 31(c) to the financial statements.

(xxi) There is no subsidiary or associate of the Company, Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the Holding Company.

For **M/s TATTVAM & Co.**
Chartered Accountants
ICAI Firm Registration Number: 015048N



CA Sagar Arora
Partner
Membership Number: 520999
Place of Signature: New Delhi
Date: May 28, 2025
UDIN: 25520999BMKXND3607

KRAZYBEE SERVICES PRIVATE LIMITED
Balance sheet
(All amounts are in Rs. Lakhs, unless otherwise stated)

S.No	Particulars	Note	As at March 31, 2025	As at March 31, 2024
	ASSETS			
(1)	**Financial assets**			
(a)	Cash and cash equivalents	3(i)	18,222.24	21,510.17
(b)	Bank balance other than (a) above	3(ii)	21,308.96	7,347.26
(c)	Trade receivables	4	1,443.36	416.27
(d)	Loans	5	564,920.66	456,693.19
(e)	Other financial assets	6	4,915.03	5,307.66
			610,810.25	**491,274.55**
(2)	**Non-financial assets**			
(a)	Current tax assets (net)	7	10.34	994.20
(b)	Deferred tax assets (net)	8	9,283.53	6,962.89
(c)	Property, plant and equipment	9	469.02	318.08
(d)	Right of use asset	36(ia)	2,012.94	1,637.24
(e)	Intangible assets under development	10	-	51.07
(f)	Other intangible assets	11	66.04	9.85
(g)	Other non-financial assets	12	2,345.69	2,845.22
			14,187.56	**12,818.55**
	TOTAL ASSETS		**624,997.81**	**504,093.10**
	LIABILITIES AND EQUITY			
(1)	**Financial liabilities**			
(a)	Trade payables			
	(i) total outstanding dues of micro enterprises and small enterprises	13	987.59	1,401.67
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		13,077.00	11,481.67
(b)	Debt securities	14	161,635.21	120,184.10
(c)	Borrowings (other than debt securities)	15	198,705.63	153,787.36
(d)	Other financial liabilities	16	9,745.57	7,720.12
			384,151.00	**294,574.92**
(2)	**Non-financial liabilities**			
(a)	Current tax liabilities (net)	17	35.66	-
(b)	Provisions	18	723.97	776.43
(C)	Other non-financial liabilities	19	4,505.27	3,707.81
			5,264.90	**4,484.24**
(3)	**EQUITY**			
(a)	Equity share capital	20(b)	112.73	112.73
(b)	Instruments entirely equity in nature	20(b)	86,015.88	86,015.88
(c)	Other equity	21	149,453.30	118,905.33
			235,581.91	**205,033.94**
	TOTAL LIABILITIES AND EQUITY		**624,997.81**	**504,093.10**

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date
For TATTVAM & Co.
Chartered Accountants
Firm Registration No: 015048N

CA Sagar Arora
Partner
Membership No.: 520999
Place: New Delhi
Date: May 28, 2025
UDIN:

For and on behalf of the Board of Directors of
KrazyBee Services Private Limited
CIN: U65100KA2016PTC086990

Madhusudan Ekambaram
Director
DIN: 07442577
Place: Bengaluru
Date: May 28, 2025

Vivek Veda
Director
DIN: 07560229
Place: Bengaluru
Date: May 28, 2025

Pallavi Lingaraju
Company Secretary
Membership No: A56733
Place: Bengaluru
Date: May 28, 2025

KRAZYBEE SERVICES PRIVATE LIMITED
Statement of profit and loss
(All amounts are in Rs. Lakhs, unless otherwise stated)

Sl. No.	Particulars	Note	For the year ended March 31, 2025	For the year ended March 31, 2024
	Revenue from operations			
(i)	Interest income	22	158,966.07	122,583.41
(ii)	Fees and commission income	23	59,535.39	16,878.72
(iii)	Net gain on fair value changes	24	86.25	463.58
1	**Total revenue from operations**		**218,587.71**	**139,925.71**
2	Other income	25	95.75	107.01
3	**Total income (1+2)**		**218,683.46**	**140,032.72**
	Expenses			
(i)	Finance costs	26	37,520.32	23,510.14
(ii)	Fees and commission expense	27	17,144.72	11,107.50
(iii)	Impairment on financial instruments	28	76,213.35	43,188.23
(iv)	Employee benefits expenses	29	30,419.00	18,834.64
(v)	Depreciation and amortization expense	30	883.58	364.67
(vi)	Other expenses	31	26,821.61	16,188.87
4	**Total expenses**		**189,002.58**	**113,194.05**
5	**Profit before tax (3-4)**		**29,680.88**	**26,838.67**
	Tax expense:	32		
	(1) Current tax		9,895.23	11,229.53
	(2) Deferred tax credit		(2,314.04)	(4,544.64)
	(3) Tax in respect of earlier years		(21.98)	117.96
6	**Total tax expense**		**7,559.21**	**6,802.85**
7	**Profit for the year (5-6)**		**22,121.67**	**20,035.82**
8	**Other comprehensive income (OCI)**			
	(i) Items that will not be reclassified to profit or loss Gain/(Loss) on remeasurement of defined benefit plans		(26.23)	(1.96)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		6.60	0.49
	Total other comprehensive loss for the year (net of tax)		**(19.63)**	**(1.47)**
9	**Total comprehensive income for the year (7+8)**		**22,102.04**	**20,034.35**
10	**Earnings per equity share**			
	Basic (Rs.)		1,962.33	1,787.12
	Diluted (Rs.)		1,297.11	1,264.32

Summary of material accounting policies 2

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date

For TATTVAM & Co.
Chartered Accountants
Firm Registration No: 015048N

CA Sagar Arora
Partner
Membership No.: 520999
Place: New Delhi
Date: May 28, 2025
UDIN:

For and on behalf of the Board of Directors of
KrazyBee Services Private Limited
CIN: U65100KA2016PTC086990

Madhusudan Ekambaram
Director
DIN: 07442577
Place: Bengaluru
Date: May 28, 2025

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Director
DIN: 07560229
Place: Bengaluru
Date: May 28, 2025

Pallavi Lingaraju
Company Secretary
Membership No: A56733
Place: Bengaluru
Date: May 28, 2025

KRAZYBEE SERVICES PRIVATE LIMITED
Statement of Cash Flows
(All amounts are in Rs. Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Cash flow from operating activities:		
Profit before tax	**29,680.88**	**26,838.67**
Adjustments for:		
Interest Income	(157,849.06)	(122,079.86)
Depreciation and amortization expense	883.58	364.67
Interest income from investments	(1,091.06)	(492.25)
Realised gain on sale of investments	(86.25)	(463.58)
Impairment on financial instruments	76,213.35	43,188.23
Share-based payment expense	8,101.39	6,062.97
Finance cost	37,213.19	23,403.66
Interest income on security deposits	(25.95)	(11.30)
Interest on lease liability	307.13	106.48
Cash inflow from interest on loans	159,367.82	117,519.12
Cash outflow towards finance cost	(38,018.97)	(23,001.61)
Cash generated from operations before working capital changes	**114,696.05**	**71,435.20**
Working capital changes:		
(Increase) in loans	(186,319.45)	(262,282.92)
Decrease / (Increase) in trade receivables	(1,027.09)	2,250.13
Decrease in other financial assets	374.71	654.05
Decrease / (Increase) in other non-financial assets	499.53	(1,043.80)
Increase in trade payables	1,525.79	10,803.71
Increase / (Decrease) in provisions	(78.69)	537.75
Increase in other financial liabilities	1,518.67	5,768.96
Increase in other non-financial liabilities	1,157.33	1,171.20
Cash (used in) operations	**(67,653.15)**	**(170,705.71)**
Income tax paid (net of refunds)	(8,853.75)	(10,990.31)
Net cash flows (used in) operating activities (A)	**(76,506.90)**	**(181,696.02)**
Cash flow from investing activities:		
Purchase of property, plant and equipment and intangible assets	(394.42)	(384.18)
Sale of property, plant and equipment and intangible assets	0.05	0.21
Purchase of investments in mutual funds	(114,000.00)	(347,900.00)
Proceeds from liquidation of investments in mutual funds	114,086.25	361,556.73
Net investments in fixed deposits	(13,986.30)	(2,486.00)
Interest received on investments	1,115.66	475.86
Net cash (used in) / generated from investing activities (B)	**(13,178.74)**	**11,262.61**
Cash flow from financing activities:		
Issue of CCPS (including securities premium & net of share issue expenses)	-	20,974.17
Proceeds from issue of equity share capital (including securities premium)	-	2,263.04
Debt securities issued	156,037.54	134,495.00
Debt securities repaid	(113,902.82)	(86,287.57)
Borrowings other than debt securities raised	290,834.95	210,504.11
Borrowings other than debt securities repaid	(256,050.24)	(130,961.50)
Movement in overdraft (Net)	10,255.73	16,460.11
Dividends paid (including related income tax)	-	(3,354.56)
Payment of lease liability	(777.45)	(343.35)
Net cash generated from financing activities (C)	**86,397.71**	**163,749.43**
Net (decrease) in cash and cash equivalents (A + B + C)	**(3,287.93)**	**(6,683.97)**
Cash and cash equivalents at the beginning of the period	21,510.17	28,194.14
Cash and cash equivalents at the end of the year*	**18,222.24**	**21,510.17**

*Cash and cash equivalents presented in the cash flow statement consist of cash on hand and unencumbered & highly liquid bank balances. Also refer to Note 45

As per our report of even date
For TATTVAM & Co.
Chartered Accountants
Firm Registration No: 015048N

For and on behalf of the Board of Directors of
KrazyBee Services Private Limited
CIN:U65100KA2016PTC086990

CA Sagar Arora
Partner
Membership No.: 520999
Place: New Delhi
Date: May 28, 2025
UDIN:

Madhusudan Ekambaram
Director
DIN: 07442577
Place: Bengaluru
Date: May 28, 2025

Vivek Veda
Director
DIN: 07560229
Place: Bengaluru
Date: May 28, 2025

Pallavi Lingaraju
Company Secretary
Membership No: A56733
Place: Bengaluru
Date: May 28, 2025

KRAZYBEE SERVICES PRIVATE LIMITED
Statement of changes in equity
(All amounts are in Rs. Lakhs, unless otherwise stated)

	As at March 31, 2025		As at March 31, 2024	
(A) Equity share capital	**No. of shares**	**Amount**	**No. of shares**	**Amount**
Equity shares of Rs. 10 each issued, subscribed and fully paid				
Balance at the beginning of the year	1,127,314	112.73	1,117,953	111.79
Add: Issued during the year	-	-	9,361	0.94
Balance at the end of the year	**1,127,314**	**112.73**	**1,127,314**	**112.73**

(B) Instruments entirely equity in nature	**No. of shares**	**Amount**	**No. of shares**	**Amount**
0.001% non-cumulative convertible preference shares (CCPS) of Rs. 18,000 each issued, subscribed and fully paid				
Balance at the beginning of the year	477,866	86,015.88	389,649	70,136.82
Add: Issued during the year	-	-	88,217	15,879.06
Balance at the end of the year	**477,866**	**86,015.88**	**477,866**	**86,015.88**

(C) Other equity

For the year ended March 31, 2025:

Particulars	Reserve and surplus				Other reserves	Items of other comprehensive income	Total other equity
	Statutory reserves	Securities premium	Share options outstanding	Retained earnings	Capital redemption	Remeasurement of defined benefit	
Balance as at April 1, 2024	**7,246.49**	**79,251.80**	**6,931.36**	**25,480.71**	**0.59**	**(5.62)**	**118,905.33**
Profit for the year	-	-	-	22,121.67	-	-	22,121.67
Other comprehensive income (net of tax)	-	-	-	-	-	(19.63)	(19.63)
Total comprehensive income	**7,246.49**	**79,251.80**	**6,931.36**	**47,602.38**	**0.59**	**(25.25)**	**141,007.37**
Transfer to Statutory Reserve created pursuant to Section 45-IC of the Reserve Bank of India Act, 1934	4,424.33	-	-	(4,424.33)	-	-	-
ESOP transferred in / (out)	-	-	(21.23)	-	-	-	(21.23)
Adjustment upon cancellation and exercise of options	-	-	-	-	-	-	-
Transactions with owners in their capacity as owners:							
Amount (utilised)/reversed for share issue expenses	-	344.54	-	-	-	-	344.54
Share based payments to employees-for the year	-	-	8,122.62	-	-	-	8,122.62
Balance as at March 31, 2025	**11,670.82**	**79,596.34**	**15,032.75**	**43,178.05**	**0.59**	**(25.25)**	**149,453.30**

KRAZYBEE SERVICES PRIVATE LIMITED
Statement of changes in equity
(All amounts are in Rs. Lakhs, unless otherwise stated)

For the year ended March 31, 2024:

Particulars	Reserve and surplus				Other reserves	Items of other comprehensive income	Total other equity
	Statutory reserves (as per RBI Act)	Securities premium	Share options outstanding account	Retained earnings	Capital redemption reserve	Remeasurement of defined benefit liability	
Balance as at April 1, 2023	**3,239.33**	**71,894.59**	**868.39**	**12,806.61**	**0.59**	**(4.15)**	**88,805.36**
Profit for the year	-	-	-	20,035.82	-	-	20,035.82
Other comprehensive income (net of tax)	-	-	-	-	-	(1.47)	(1.47)
Total comprehensive income	**3,239.33**	**71,894.59**	**868.39**	**32,842.43**	**0.59**	**(5.62)**	**108,839.71**
Transfer to Statutory Reserve created pursuant to Section 45-IC of the Reserve Bank of India Act, 1934	4,007.16	-	-	(4,007.16)	-	-	-
Dividend Paid	-	-	-	(3,354.56)	-	-	(3,354.56)
ESOP transferred in / (out)	-	-	883.37	-	-	-	883.37
Adjustment upon cancellation and exercise of options	-	-	(21.34)	-	-	-	(21.34)
Transactions with owners in their capacity as owners:							
Issue of equity shares	-	2,262.10	-	-	-	-	2,262.10
Issue of CCPS	-	5,447.51	-	-	-	-	5,447.51
Amount (utilised)/reversed for share issue expenses	-	(352.40)	-	-	-	-	(352.40)
Share based payments to employees-for the year	-	-	5,200.94	-	-	-	5,200.94
Balance as at March 31, 2024	**7,246.49**	**79,251.80**	**6,931.36**	**25,480.71**	**0.59**	**(5.62)**	**118,905.33**

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date
For TATTVAM & Co.
Chartered Accountants
Firm Registration No: 015048N

CA Sagar Arora
Partner
Membership No.: 520999
Place: New Delhi
Date: May 28, 2025
UDIN:

For and on behalf of the Board of Directors of
KrazyBee Services Private Limited
CIN: U65100KA2016PTC086990

Madhusudan Ekambaram
Director
DIN: 07442577
Place: Bengaluru
Date: May 28, 2025

Vivek Veda
Director
DIN: 07560229
Place: Bengaluru
Date: May 28, 2025

Pallavi Lingaraju
Company Secretary
Membership No: A56733
Place: Bengaluru
Date: May 28, 2025

1 General information

Krazybee Services Private Limited (the "Company") is a private limited company domiciled in India and was incorporated on March 16, 2016, under the provisions of the Companies Act, 2013 applicable in India. Its registered and principal office of business is located at 3rd Floor, No.128/9, Maruthi Sapphire, HAL Airport Road, Murgesh Palya, Bangalore, Karnataka - 560017. The Company is a non-banking finance company ('NBFC') registered with the Reserve Bank of India ('RBI') with effect from May 25, 2017, with Registration No. N-02.00281. The Company is engaged in the business of consumer lending. The Company is a non-deposit taking NBFC and classified as "NBFC-Investment and Credit Company" (NBFC-ICC) pursuant to circular DNBR (PD) CC.No.097/03.10.001/2018-19 dated February 22, 2019 and an "NBFC-Middle Layer" (NBFC-ML) pursuant to the Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 dated October 19, 2023.

2 Material accounting policies

Material accounting policies adopted by the company are as under:

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed in the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under section 133 of the Companies Act, 2013 (the Act) along with other relevant provisions of the Act, the Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 ('the NBFC Master Directions'), notification for Implementation of Indian Accounting Standards issued by RBI vide circular RBI/2019-20/170 DOR(NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020 ('RBI notification for Implementation of Ind AS') and other applicable RBI circulars/guidelines.

The Company is regulated by the Reserve Bank of India ('RBI'). RBI periodically issues/amends directions, regulations and/or guidance (collectively "RBI Regulatory Framework") covering various aspects of the operation of the Company, including those relating to accounting for certain types of transactions. The RBI Regulatory Framework contains specific instructions that need to be followed by the Company in preparing its Financial Statements.

The financial statements are prepared on a going concern basis as the Management is satisfied that the Company shall be able to continue its business for the foreseeable future and no material uncertainty exists that may cast significant doubt on the going concern assumption. In making this assessment, the Management has considered a wide range of information relating to present and future conditions, including future projections of profitability, cash flows and capital resources. Accounting policies have been consistently applied to all the years presented.

The financial statements for the year ended March 31, 2025 were authorized and approved for issue by the Board of Directors on May 28, 2025.

(a) Basis of measurement

The financial statements have been prepared on a historical cost convention on accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:

i) Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments)
ii) Share based payment transactions

(b) Use of estimates

The preparation of financial statements in conformity with Ind AS requires the management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognized in the year in which the estimates are revised and in any future years affected. Refer Note 2.17 for detailed discussion on estimates and judgments.

2.2 Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the year in which they are incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-financial assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

Depreciation methods, estimated useful lives

The Company depreciates property, plant and equipment over their estimated useful lives using the straight line method. The estimated useful lives of assets are as follows:

Property, plant and equipment	Useful life
Furniture and Fixtures	10 years
Office Equipment	5 years
Computers	3 years

2.2 Property, plant and equipment (contd.)

Leasehold improvements are amortized over the lease period, which corresponds with the useful lives of the assets.

Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of acquisition. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss under 'Other Income'/'Other expenses'.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as appropriate.

2.3 Other intangible assets

Intangible assets are stated at acquisition cost, net of accumulated amortization.

The Company amortized intangible assets over their estimated useful lives using the straight line method. The estimated useful lives of intangible assets are as follows:

Intangible assets	Useful life
Computer software	3 years

Intangible assets with finite lives are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

2.4 Foreign currency transactions

(a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian Rupee (INR), which is the Company's functional and presentation currency.

(b) Transactions and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss. All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

2.5 Fair value measurement

The Company measures financial instruments, such as, derivatives, 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 accessible to the Company.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

Level 2 – Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Company will classify the instruments as Level 3.

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2.6 Revenue recognition

(a) Interest income

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. When a financial asset becomes credit-impaired, the Company calculates interest income by applying the effective interest rate to the net amortised cost of the financial asset. If the financial assets cures and is no longer credit-impaired, the company reverts to calculating interest income on a gross basis.

The effective interest rate method:

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 flows through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

The EIR and therefore, the amortised cost of the 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 recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loan. Hence, it recognises 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 the Statement of Profit and Loss.

(b) Other revenue from operations:

The Company recognises revenue from contracts with customers (other than financial assets to which Ind AS 109 'Financial instruments' is applicable) based on a comprehensive assessment model as set out in Ind AS 115 'Revenue from contracts with customers'. The Company identifies contract(s) with a customer and its performance obligations under the contract, determines the transaction price and its allocation to the performance obligations in the contract and recognises revenue only on satisfactory completion of performance obligations. Revenue is measured at the fair value of the consideration received or receivable.

Fees that are not an integral part of the effective interest rate of a financial instrument are also accounted for in accordance with Ind AS 115. This includes loan syndication fees received by the Company for arranging a loan and retaining a part of it at the same effective interest rate for comparable risk as other co-lending partners.

(i) Services fees:

The Company receives service fees towards rendering of services to its customers and recognizes revenue on satisfactory completion of these services. Fees on value added services and products are recognised on rendering of services and products to the customer.

(ii) Delayed payment charges:

Delayed payment charges (penal interest and the like) levied on customers for delay in repayments/non-payment of contractual cash flows is recognised on realisation.

(iii) Fees and commission income:

Income from processing fees chargeable to the platforms on the basis of disbursements made is recognized on the completion of loan processing activity.

(iv) Business support services:

Income from business support services is recognized on a accrual basis over the term of the agreement.

2.7 Dividend income

Income from shares and mutual fund units shall be taken into account on accrual basis when Company's right to receive payment is established.

2.8 Taxes

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.

(a) Current income tax

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities, in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) prescribed therein. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the year end date. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

(b) Deferred tax

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

(b) Deferred tax (contd.)

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current and deferred tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2.9 Leases

The Company as a lessee

The Company's lease asset classes primarily consist of leases for premises. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The ROU asset is depreciated using the straight line method from the date of initial application over the shorter of useful life of ROU asset or lease term. ROU asset are tested for impairment whenever there is any indication that their carrying amount may not be recoverable. Impairment loss, if any will be recognized in the statement of profit or loss.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

2.10 Impairment of non-financial assets

The Company assesses at each year end whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Company estimates the asset's recoverable amount and the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in Statement of Profit and Loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through Statement of Profit and Loss.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash in flows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

2.11 Provisions and contingent liabilities

Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The Company records a provision for decommissioning costs. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognized as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognized in the statement of profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

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2.11 Provisions and contingent liabilities (contd.)

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

2.12 Cash and cash equivalents

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

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, cash in banks and short-term deposits net of bank overdraft.

2.13 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(a) Financial assets

(i) (a) Date of recognition

Financial assets and liabilities, with the exception of loans, debt securities, and borrowings are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place. Loans are recognised when funds are transferred to the customers' account. The Company recognises debt securities and borrowings when funds reach the Company.

(i) (b) Initial recognition and measurement

At initial recognition, financial asset is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

(i) (c) Day 1 profit and loss

When the transaction price of the 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 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.

(ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

a) at amortized cost; or

b) at fair value through other comprehensive income; or

c) at fair value through profit or loss.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method (EIR).

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of Profit and Loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss (FVTPL): Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

Reclassification within classes of financial assets

A change in the business model would lead to a prospective re-classification of the financial asset and accordingly the measurement principles applicable to the new classification will be applied. 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.

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2.13 Financial Instruments (contd.)

(iii) Impairment of financial assets

In accordance with Ind AS 109, Financial Instruments, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets that are measured at amortized cost.

For recognition of impairment loss on financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. If the credit risk has increased significantly, lifetime ECL is used. If in subsequent years, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Life time ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

Given the short term nature of the loans, the Company does not discount the cash flows receivable on the financial assets.

The cash flows from collateral will be considered, only if a loan is guaranteed by a third party as part of its contractual terms with the customers and it carry an allowance for expected credit loss based on the combined credit risk i.e., by reflecting the effect of the guarantee in the measurement of losses expected on default. A key criteria of what does not constitute part of contractual terms is that if a loan is guaranteed but the guarantee would not pass to the new holder if the loan is transferred. The third party guarantees which does not form part of the contractual terms with the customers are treated as contingent asset and recognized separately as reimbursement income only when it is virtually certain that recovery will be made.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/expense in the Statement of Profit and Loss. In the Balance Sheet, ECL for financial assets measured at amortized cost is presented as an allowance, i.e. as an integral part of the measurement of those assets in the Balance Sheet. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

The Company has used probability weights for various economic scenarios based on management's as well as professional judgement. The probability weights is reviewed periodically and amended based on the forward-looking information as available from time to time. Any change to the probability weights is approved by the Risk Management function of the Company.

The assessment of credit risk and estimation of ECL are unbiased and probability weighted. It incorporates all information that is relevant including information about past events, current conditions and reasonable forecasts of future events and economic conditions at the reporting date. Forward looking economic scenarios determined with reference to external forecasts of economic parameters that have demonstrated a linkage to the performance of our portfolios over a period of time have been applied to determine impact of macro economic factors.

(iv) Derecognition of financial assets

A financial asset is derecognized only when

a) the rights to receive cash flows from the financial asset is transferred or

b) 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 financial asset is transferred then in that case financial asset is derecognized only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

(v) Write-off

Impaired loans and receivables are written off, against the related allowance for loan impairment on completion of the Company's internal processes and when the Company concludes that there is no longer any realistic prospect of recovery of part or all of the loan. For loans that are individually assessed for impairment, the timing of write off is determined on a case by case basis. A write-off constitutes a de-recognition event. The Company has a right to apply enforcement activities to recover such written off financial assets. Subsequent recoveries of amounts previously written off are credited to the income statement.

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(b) Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

(ii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Financial liabilities at amortized cost:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

(iii) Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When 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 the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

(c) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.14 Employee Benefits

(a) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognized in respect of employees' services up to the end of the year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the Balance Sheet.

(b) Other long-term employee benefit obligations

(i) Defined contribution plan

Provident Fund: Contribution towards provident fund is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

Employee's State Insurance Scheme: Contribution towards employees' state insurance scheme is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

(ii) Defined benefit plans

Gratuity: The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972 by making contributions to a Gratuity Fund administered by trustees, assets of which are independently managed. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the other comprehensive income in the year in which they arise.

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(ii) Defined benefit plans (contd.)

Compensated absences: Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the statement of profit and loss in the year in which they arise.

Leaves under define benefit plans can be encashed only on discontinuation of service by employee.

2.15 Contributed equity

Equity shares are classified as equity share capital.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.16 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is the net profit or loss for the year after deducting preference dividends and any attributable tax thereto for the year. The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

2.17 Use of judgments, estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

(i) Estimates and assumptions

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

(a) Share-based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 35.

(b) Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

(c) Defined benefit plans (gratuity benefits and leave encashment)

The cost of the defined benefit plans such as gratuity and leave encashment 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 year end.

The principal assumptions are the discount and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis. For details refer Note 34.





2.17 Use of judgments, estimates and assumptions (contd.)

(d) Useful life and expected residual value of assets

Depreciation and amortisation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

(e) Leases

The determination of lease term for lease contracts in which the Company is a lessee, including whether the Company is reasonably certain to exercise lessee options. The determination of the incremental borrowing rate used to measure lease liabilities.

(ii) Judgements

(a) Business model assessment

Classification and measurement of financial assets depends on the results of the Solely payments of principal and Interest (SPPI) and the business model test. The Company determines the business model at a level that reflects how Company'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 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 or fair value through other comprehensive income 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.

(b) 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. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility.

(c) Effective Interest Rate (EIR) method

The Company's EIR methodology, recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given / taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges).

This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well expected changes to India's base rate and other fee income/expense that are integral parts of the instrument.

(d) Impairment of financial asset

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

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

- The Company's internal credit grading model, which assigns PDs to the individual grades
- The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a LTECL 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 Probability of defaults, Exposure at defaults and Loss given defaults
- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models

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

(e) Provisions and other contingent liabilities

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

When the Company can reliably measure the outflow of economic benefits in relation to a specific case 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.

2.18 Operating segments

The operating segments are reported in a manner consistent with the internal reporting provided by the Chief Operating Decision Maker ('CODM') of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company. The Company is engaged in the business of consumer lending in India which is considered to be the only reportable segment.

2.19 Statement of cash flows

Statement of Cash Flows is prepared 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:
i. changes during the period in operating receivables and payables transactions of a non-cash nature;
ii. non-cash items such as depreciation, provisions, deferred taxes, unrealised foreign currency gains and losses, and undistributed profits of associates and joint ventures; and
iii. 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.

2.20 Dividend payable

Interim dividend declared to Shareholders, if any, is recognised as liability in the period in which the said dividend has been declared by the Directors. Final dividend declared, if any, is recognised in the period in which the said dividend has been approved by the Shareholders.

2.21 Modification of financial assets

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date. The Company renegotiates loans to customers in financial difficulty to maximise collection and minimise the risk of default. A loan forbearance is granted in cases where although the borrower made all reasonable efforts to pay under the original contractual terms, there is a high risk of default or default has already happened and the borrower is expected to be able to meet the revised terms. The revised terms in most of the cases include an extension of the maturity of the loan, changes to the timing of the cash flows of the loan (principal and interest repayment), reduction in the amount of cash flows due (principal and interest forgiveness). Such accounts are classified as stage 3 immediately upon such modification in the terms of the contract.

Not all changes in terms of loans are considered as renegotiation and changes in terms of a class of obligors that are not overdue is not considered as renegotiation and is not subjected to deterioration in staging.

2.22 De-recognition of property, plant and equipment and intangible assets

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. 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. An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

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2.23 Share based payment transaction

The stock options is granted to employees pursuant to the Company's Stock Options Schemes, are measured at the fair value of the options at the grant date. The amount recognised as expense is based on the estimate of the number of options for which the related service vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of options that do meet the related service vesting conditions at the vesting date. If a grant lapses after the vesting period, the cumulative discount recognised as an expense in respect of such grant is transferred to the general reserve within other equity, which a free reserve in nature.

During the previous year, all stock options of the Holding Company provided to employees of the Company have been cancelled, and stock options for the same value have been issued to the employees of the Company with a modified vesting period. As per Ind AS 102, since the modified vesting period is non-beneficial in nature, the Company has continued to account for the share based payment expenses as if such cancellation & issuance had not taken place.

2.24 Financial guarantees

As issuer of financial guarantees:

Financial guarantees are initially recognised in the Financial Statements at fair value. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Any increase in the liability relating to financial guarantees is recorded in the Statement of Profit and Loss in impairment expense. The premium received is recognised in the Statement of Profit and Loss in fees and commission income over the life of the guarantee.

As beneficiary of financial guarantees:

The Company avails financial guarantees from it's Fellow Subsidiary (upto July 17, 2024) and Entity under common directorship (w.e.f. July 17, 2024) for borrowings availed from various lenders. The fair value of the consideration have been accounted for as per Ind AS 109: Financial Instruments under the "EIR method". Also refer Note 37(A)(f) of these Financial Statements.

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		March 31, 2025	March 31, 2024
3 (i) Cash and cash equivalents			
Balances with banks in current accounts		16,200.67	17,297.81
Balances with banks in escrow accounts		2,021.57	4,212.36
Total	(I)	18,222.24	21,510.17
(ii) Bank balance other than cash and cash equivalent			
Fixed deposits (with original maturity more than 3 months)			
Encumbered (Refer Notes below)		20,525.41	6,369.17
Unencumbered		783.55	978.09
Total other bank balances	(II)	21,308.96	7,347.26
Total cash and bank balances	(I+II)	39,531.20	28,857.43

Notes:

(a) Fixed deposits aggregating to Rs. 3,329.84 lakhs (March 31, 2024: Rs. 2,568.99 lakhs) placed with Banks have a lien for term loan, overdraft and working capital facilities availed by the Company.

(b) Fixed deposits aggregating to Rs. 40.45 lakhs (March 31, 2024: Rs. 36.20 lakhs) placed with Banks have a lien for a credit card facility availed and bank guarantees provided by the Company.

(c) Fixed deposits aggregating to Rs. 4,630.09 lakhs (March 31, 2024: Rs. 1,128.70 lakhs) are provided as collateral for Securitized Liabilities of the Company. Out of the total lien marked FDs for these liabilities, lien on an FD for Rs. 504.78 lakhs (excluding interest) for one PTC which was fully paid on March 17, 2025 was removed subsequently on May 3, 2025.

(d) Fixed deposits aggregating to Rs. 12,525.03 lakhs (March 31, 2024: Rs. 2,635.28 lakhs) placed with Banks have a lien for default loss guarantee cover provided by the Company.

(e) Balance with banks in escrow accounts do not include balances of the Company's co-lending partners as these funds are in the nature of float balances for disbursements and collections from end-customers pending settlement to co-lending partners.

(f) Also refer Note 45 to these Financial Statements.

4 Trade receivables			
Considered good -Unsecured			
Fees, commission and others		1,443.36	416.27
		1,443.36	416.27
Less: Allowance for impairment loss		-	-
Total trade receivables		1,443.36	416.27

(a) **Trade Receivables ageing schedule**

Undisputed trade receivables - considered good		
Unbilled due	1,227.39	330.26
Outstanding from due date of payment:		
Less than 6 months	215.97	86.01
from 6 months to 1 years	-	-
from 1 year to 2 years	-	-
from 2 year to 3 years	-	-
More than 3 years	-	-

(b) Impairment loss allowance recognised on Undisputed trade receivables is Rs. Nil (Previous year Rs. Nil).

(c) No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person.

(d) No trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

	March 31, 2025	March 31, 2024
5 Loans		
Loans (at amortised cost)		
Loan to customers	596,098.61	482,361.14
Less: Impairment loss allowance	(31,177.95)	(25,667.95)
Total	**564,920.66**	**456,693.19**
(A)		
(i) Term loans	596,098.61	482,361.14
(ii) Others	-	-
Less: Impairment loss allowance	(31,177.95)	(25,667.95)
Total (A)	**564,920.66**	**456,693.19**
(B)		
(i) Secured by tangible assets*	15,627.87	354.67
(ii) Secured by intangible assets	-	-
(ii) Covered under credit guarantee scheme	2,046.52	-
(iii) Unsecured	578,424.22	482,006.47
Less: Impairment loss allowance	(31,177.95)	(25,667.95)
Total (B)	**564,920.66**	**456,693.19**
*Secured against hypothecation of automobiles & mortgage of immovable properties.		
(C)		
Loans outside India	-	-
Loans in India		
(i) Public sector	-	-
(ii) Others	596,098.61	482,361.14
(a) Retail	596,098.61	482,361.14
(a) Corporate	-	-
Less: Impairment loss allowance	(31,177.95)	(25,667.95)
Total (C)	**564,920.66**	**456,693.19**
Summary of EIR impact on loans		
Total Gross Loan	600,005.68	483,823.75
EIR Impact	(3,907.07)	(1,462.61)
Total Gross Loan net of EIR impact	**596,098.61**	**482,361.14**
6 Other financial assets		
Security deposit	587.55	306.13
Receivables from intermediaries*	2,466.03	3,414.08
Other receivables	1,861.45	1,587.45
Total	**4,915.03**	**5,307.66**

*Note (a): The amount represents balance of loans repaid by borrowers, which as at the Balance Sheet date is pending settlement by the intermediary e-wallet/payment gateways to the Company and is generally settled on a Transaction plus one/two (T+1/T+2) banking days basis.
*Note (b): Also refer Note 45 to these Financial Statements.

Other receivables include (Refer Note 37):		
Receivable from related party - Finnovation Tech Solutions Private Limited	1,446.20	1,217.67
7 Current tax assets (net)		
Advance income tax*	10.34	994.20
Total	**10.34**	**994.20**
**Advance income tax includes income tax refundable for previous years.*	*10.34*	*516.37*
8 Deferred tax assets (net)		
Deferred tax assets (Refer Note 32)	9,283.53	6,962.89
Total	**9,283.53**	**6,962.89**

Note: Refer Note 32 for the reconciliation of income tax expenses for the year.

9 Property, plant and equipment - tangible assets

	Gross block				Depreciation				Net block
	As at April 1, 2024	Additions	Deductions	As at March 31, 2025	As at April 1, 2024	For the year	On deductions	As at March 31, 2025	As at March 31, 2025
Owned assets									
Furniture and fixtures	94.26	57.99	-	152.25	34.65	49.04	-	83.69	68.56
Office equipments	83.94	48.58	0.08	132.44	34.15	32.10	0.03	66.22	66.22
Leasehold Improvement	135.62	53.97	-	189.59	24.19	59.16	-	83.35	106.24
Computers	294.07	201.98	-	496.05	196.82	71.23	-	268.05	228.00
Total	**607.89**	**362.52**	**0.08**	**970.33**	**289.81**	**211.53**	**0.03**	**501.31**	**469.02**

	Gross block				Depreciation				Net block
	As at April 1, 2023	Additions	Deductions	As at March 31, 2024	As at April 1, 2023	For the year	On deductions	Up to March 31, 2024	As at March 31, 2024
Owned assets									
Furniture and fixtures	37.93	56.33	-	94.26	12.58	22.07	-	34.65	59.61
Office equipments	27.76	57.67	1.49	83.94	16.53	18.90	1.28	34.15	49.79
Leasehold Improvement	-	135.62	-	135.62	-	24.19	-	24.19	111.43
Computers	218.92	75.15	-	294.07	181.82	15.00	-	196.82	97.25
Total	**284.61**	**324.77**	**1.49**	**607.89**	**210.93**	**80.16**	**1.28**	**289.81**	**318.08**

Note : No revalution of any class of assets is carried out during the year.

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10 Intangible assets under development

	Gross block				Amortization				Net block
	As at April 1, 2024	Additions	Transfer	As at March 31, 2025	As at April 1, 2024	For the year	On transfers	As at March 31, 2025	As at March 31, 2025
Intangible assets under development	51.07	-	51.07	-	-	-	-	-	-
Total	**51.07**	**-**	**51.07**	**-**	**-**	**-**	**-**	**-**	**-**

	Gross block				Amortization				Net block
	As at April 1, 2023	Additions	Transfer	As at March 31, 2024	As at April 1, 2023	For the year	On transfers	As at March 31, 2024	As at March 31, 2024
Intangible assets under development	-	51.07	-	51.07	-	-	-	-	51.07
Total	**-**	**51.07**	**-**	**51.07**	**-**	**-**	**-**	**-**	**51.07**

Aging for intangible assets under development

Particulars	As at	Amount for a period of				
		Less than 1 year	1 - 2 years	2 - 3 years	> 3 years	Total
Computer software	March 31, 2025	-	-	-	-	-
Computer software	March 31, 2024	51.07	-	-	-	51.07

*Note: During the period, the intangible assets under developments are implemented as per the schedule and is now recognized as Intangible assets.

11 Intangible assets

	Gross block				Amortization				Net block
	As at April 1, 2024	Additions	Deductions	As at March 31, 2025	As at April 1, 2024	For the year	On deductions	As at March 31, 2025	As at March 31, 2025
Computer software	45.64	82.97	-	128.61	36.34	26.78	-	63.12	65.49
Trade Mark	0.55	-	-	0.55	-	-	-	-	0.55
Total	**46.19**	**82.97**	**-**	**129.16**	**36.34**	**26.78**	**-**	**63.12**	**66.04**

	Gross block				Amortization				Net block
	As at April 1, 2023	Additions	Deductions	As at March 31, 2024	As at April 1, 2023	For the year	On deductions	As at March 31, 2024	As at March 31, 2024
Computer software	37.83	7.81	-	45.64	33.05	3.29	-	36.34	9.30
Trade Mark	-	0.55	-	0.55	-	-	-	-	0.55
Total	**37.83**	**8.36**	**-**	**46.19**	**33.05**	**3.29**	**-**	**36.34**	**9.85**

Note : No revalution of any class of assets is carried out during the year.

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TAYAL AM & CO. FRN: 016048N NEW DELHI Chartered Accountants

12 Other non-financial assets	March 31, 2025	March 31, 2024
Prepaid expenses	895.24	395.32
Advance to suppliers	183.39	64.61
Debt prepayments	32.52	1,790.59
Capital advances	80.40	-
GST input tax credit	654.14	94.70
Other Advances*	500.00	500.00
Total	**2,345.69**	**2,845.22**

**Note: Also refer Note 45 to these Financial Statements.*

13 Trade payables		
(a) Total outstanding dues of micro enterprises and small enterprises	987.59	1,401.67
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	13,077.00	11,481.67
Total	**14,064.59**	**12,883.34**

Trade payables ageing schedule:

Outstanding for following periods from due date of payment	March 31, 2025		March 31, 2024	
	MSME	Others	MSME	Others
Unbilled due	979.73	8,959.55	1,389.67	6,686.80
Less than 1 year	7.78	4,116.61	12.00	4,793.27
1 - 2 years	0.08	0.82	-	-
2 - 3 years	-	0.02	-	1.60
> 3 years	-	-	-	-

Note

The Company has identified enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMEDA). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2025 and March 31, 2024 have been made in the Financials Statements based on information received and available with the Company.

Disclosure relating to suppliers registered under MSMED Act based on the information available with the Company:

Particulars		
(a) Amount remaining unpaid to any supplier at the end of each accounting year:		
Principal	987.59	1,401.67
Interest	5.96	9.08
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	5.29	1.09
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	5.96	9.08
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	5.96	9.08

Trade payables include (Refer Note 37):		
Payable to Finnovation Tech Solutions Private Limited	7,978.80	7,363.75





	March 31, 2025	March 31, 2024
14 Debt securities*		
At amortized cost		
Secured		
Privately placed reedeemable non-convertible debentures**	152,185.52	105,012.70
Unsecured		
Commercial Papers - unsecured	9,449.69	15,171.40
Total	**161,635.21**	**120,184.10**

**All the Debt securities are in India.*

*** Non-convertible debentures includes principal and interest repayment to related party - Refer note 37*

i. **Maturity pattern as at March 31, 2025:**

Particulars	0 - 1 Year	1 - 3 years	3 - 5 years	> 5 years	Total
Redeemable at par	121,295.18	31,487.62	-	-	152,782.80
Interest accrued	802.12	-	-	-	802.12
Impact of EIR					(1,399.40)
TOTAL	122,097.30	31,487.62	-	-	152,185.52

Key repayment terms as at March 31, 2025:

Interest rates	Ranging from 9.84% to 12.50%
Principal and Interest	Various securities comprising of bullet payments, monthly installments, quarterly installments, Semi-annual and annual repayments
No. of installments	Principal: 53 installments, Interest: 194 installments

Maturity pattern as at March 31, 2024:

Particulars	0 - 1 Year	1 - 3 years	3 - 5 years	> 5 years	Total
Redeemable at par	72,863.79	31,804.45	-	-	104,668.24
Interest accrued	1,485.73	-	-	-	1,485.73
Impact of EIR					(1,141.27)
TOTAL	74,349.52	31,804.45	-	-	105,012.70

Key repayment terms as at March 31, 2024:

Interest rates	Ranging from 9.80% to 12.50%
Principal and Interest	Various securities comprising of equated monthly installments, quarterly installments, Semi-annual payments, annual payments and bullet repayment schedules
No. of installments	Principal: 79 installments, Interest: 246 installments

ii. All the above non-convertible debentures are secured by way of hypothecation of the loan receivables of the Company. Minimum security cover of 1.10 times is required to be maintained throughout the term of the debentures.

iii. Rs. Nil (March 31, 2024: Rs. 8,804.49 lakhs) of the non-convertible debentures are guaranteed by an entity with common directors, Finnovation Tech Solutions Private Limited.

iv. The Company has not defaulted in the repayment of dues to its lenders during the year.

v. **Maturity pattern as at March 31, 2025:**

Particulars	0 - 1 Year	1 - 3 years	3 - 5 years	> 5 years	Total
Redeemable at par	9,700.00	-	-	-	9,700.00
Discount on CP	(228.70)	-	-	-	(228.70)
Impact of EIR					(21.61)
TOTAL	9,471.30	-	-	-	9,449.69

Key repayment terms as at March 31, 2025:

Interest rates	Ranging from 10.75% to 11.85%
Principal and Interest	Securities comprising bullet repayment schedules
No. of installments	5

Maturity pattern as at March 31, 2024:

Particulars	0 - 1 Year	1 - 3 years	3 - 5 years	> 5 years	Total
Redeemable at par	15,725.00	-	-	-	15,725.00
Discount on CP	(498.05)	-	-	-	(498.05)
Impact of EIR					(55.55)
TOTAL	15,226.95	-	-	-	15,171.40

Key repayment terms as at March 31, 2024:

Interest rates	Ranging from 10.65% to 11.75%
Principal and Interest	Securities comprising bullet repayment schedules
No. of installments	5

		March 31, 2025	March 31, 2024
15	**Borrowings (other than debt securities)**		
	At amortized cost, secured		
	Term loans		
	i. From Banks	44,465.74	27,560.27
	ii. From others	69,056.72	74,010.16
	Working capital loans	24,523.75	15,505.60
	Inter corporate deposits	1,248.60	-
	Securitization liabilities	24,694.98	17,251.94
	At amortized cost, unsecured		
	Working capital loans	8,000.00	2,999.28
	Bank overdraft	26,715.84	16,460.11
	Total	**198,705.63**	**153,787.36**
	Borrowings in India	198,705.63	153,787.36
	Borrowings outside India	-	-

Notes:

Maturity pattern as at March 31, 2025 for term loans from banks:

Particulars	0 - 1 Year	1 - 3 years	3 - 5 years	> 5 years	Total
Redeemable at par	37,872.90	5,024.00	1,666.67	-	44,563.57
Interest accrued	158.43	-	-	-	158.43
Impact of EIR					(256.26)
TOTAL	38,031.33	5,024.00	1,666.67	-	44,465.74

Key repayment terms as at March 31, 2025:

Interest rates	Ranging from 9.45% to 12.50%
Principal and Interest	Various loans comprising of monthly and quarterly repayments
No. of installments	Principal: 167 installments, Interest: 199 installments

Maturity pattern as at March 31, 2024 for term loans from banks:

Particulars	0 - 1 Year	1 - 3 years	3 - 5 years	> 5 years	Total
Redeemable at par	24,535.44	3,062.77	-	-	27,598.21
Interest accrued	75.68	-	-	-	75.68
Impact of EIR					(113.62)
TOTAL	24,611.12	3,062.77	-	-	27,560.27

Key repayment terms as at March 31, 2024:

Interest rates	Ranging from 8.85% to 12.50%
Principal and Interest	Various loans comprising of equated monthly installments, quarterly installments and bullet repayment schedules
No. of installments	Principal: 101 installments, Interest: 116 installments

Maturity pattern as at March 31, 2025 for term loans from others:

Particulars	0 - 1 Year	1 - 3 years	3 - 5 years	> 5 years	Total
Redeemable at par	59,028.68	9,859.96	-	-	68,888.64
Interest accrued	341.25	-	-	-	341.25
Impact of EIR					(173.17)
TOTAL	59,369.93	9,859.96	-	-	69,056.72

Key repayment terms as at March 31, 2025:

Interest rates	Ranging from 10.85% to 12.60%
Principal and Interest	Various loans comprising of monthly, quarterly and semi-annual repayments
No. of installments	Principal: 331 installments, Interest: 377 installments

Maturity pattern as at March 31, 2024 for term loans from others:

Particulars	0 - 1 Year	1 - 3 years	3 - 5 years	> 5 years	Total
Redeemable at par	71,651.09	1,935.76	-	-	73,586.85
Interest accrued	555.62	-	-	-	555.62
Impact of EIR					(132.31)
TOTAL	72,206.71	1,935.76	-	-	74,010.16

Key repayment terms as at March 31, 2024:

Interest rates	Ranging from 10.00% to 13.50%
Principal and Interest	Various loans comprising of equated monthly installments, quarterly installments and semi-annual repayment schedules
No. of installments	Principal: 244 installments, Interest: 287 installments

15 **Borrowings (other than debt securities) (contd.)**

Maturity pattern as at March 31, 2025 for working capital loans:

Particulars	0 - 1 Year	1 - 3 years	3 - 5 years	> 5 years	Total
Redeemable at par	32,500.00	-	-	-	32,500.00
Interest accrued	77.74	-	-	-	77.74
Impact of EIR					(53.99)
TOTAL	32,577.74	-	-	-	32,523.75

Key repayment terms as at March 31, 2025:

Interest rates	Ranging from 7.75% to 11.25%.
Principal and Interest	Bullet principal and monthly interest repayments.
No. of installments	Principal: 8 installments, Interest: 26 installments

Maturity pattern as at March 31, 2024 for working capital loans:

Particulars	0 - 1 Year	1 - 3 years	3 - 5 years	> 5 years	Total
Redeemable at par	18,500.00	-	-	-	18,500.00
Interest accrued	77.26	-	-	-	77.26
Impact of EIR					(72.38)
TOTAL	18,577.26	-	-	-	18,504.88

Key repayment terms as at March 31, 2024:

Interest rates	Ranging from 7.97% to 10.85%
Principal and Interest	Bullet principal and monthly interest repayments
No. of installments	Principal: 5 installments, Interest: 15 installments

Maturity pattern as at March 31, 2025 for inter-corporate deposits:

Particulars	0 - 1 Year	1 - 3 years	3 - 5 years	> 5 years	Total
Redeemable at par	1,250.00	-	-	-	1,250.00
Interest accrued	-	-	-	-	-
Impact of EIR					(1.40)
TOTAL	1,250.00	-	-	-	1,248.60

Key repayment terms as at March 31, 2025:

Interest rates	12.00%
Principal and Interest	Monthly repayments
No. of installments	Principal: 10 installments, Interest: 10 installments

Maturity pattern as at March 31, 2024 for inter-corporate deposits: Not Applicable

Key repayment terms as at March 31, 2024: Not Applicable

Maturity pattern as at March 31, 2025 for Securitization liabilities:

Particulars	0 - 1 Year	1 - 3 years	3 - 5 years	> 5 years	Total
Redeemable at par	22,563.03	2,148.43	-	-	24,711.46
Interest accrued	84.96	-	-	-	84.96
Impact of EIR					(101.44)
TOTAL	22,647.99	2,148.43	-	-	24,694.98

Key repayment terms as at March 31, 2025:

Interest rates	Ranging from 9.94% to 11.35%
Principal and Interest	Basis repayment trends of the underlying pool of receivables
No. of installments	Principal: 63 installments, Interest: 68 installments

Maturity pattern as at March 31, 2024 for Securitization liabilities:

Particulars	0 - 1 Year	1 - 3 years	3 - 5 years	> 5 years	Total
Redeemable at par	12,904.19	4,390.28	-	-	17,294.47
Interest accrued	76.00	-	-	-	76.00
Impact of EIR					(118.53)
TOTAL	12,980.19	4,390.28	-	-	17,251.94

Key repayment terms as at March 31, 2024:

Interest rates	Ranging from 10.75% to 11.35%
Principal and Interest	Basis repayment trends of the underlying pool of receivables
No. of installments	Principal: 40 installments, Interest: 46 installments

15 Borrowings (other than debt securities) (contd.)

Nature of Security:

i. Securitisation liabilities are secured with a Fixed Deposit of Rs. 4,630.09 lakhs (March 31, 2024: Rs. 1,128.70 lakhs) and securitisation of specific loan receivables of the Company.

ii. Term loans are secured with Fixed Deposits of Rs. Nil (March 31, 2024: Rs. 216.72 lakhs) and hypothecation of specific loan receivables of the Company (with cover ranging from 1.10 to 1.25 times of loan outstanding).

iii. Working Capital loans are secured with Fixed Deposits of Rs. 3,328.31 lakhs (March 31, 2024: Rs. 2,351.01 lakhs) and hypothecation of specific loan receivables of the Company (with cover ranging from 1.25 to 1.40 times of loan outstanding).

iv. Overdraft facility are secured with Fixed Deposits of Rs. 1.53 lakhs (March 31, 2024: Rs. 1.26 lakhs).

Additional notes:

i. Fixed deposits of Finnovation Tech Solutions Private Limited have been provided as collateral against unsecured bank overdrafts and unsecured working capital loans of the Company.

ii. Corporate guarantees by Finnovation Tech Solutions Private Limited have been provided against sanctioned limits of bank overdrafts, term loans & working capital loans. Refer Note 37 for additional information.

iii. The Company has utilised the funds raised from banks and financial institutions for the specific purpose for which they were borrowed.

iv. There are no defaults during the year in repayment of any dues of any borrowings.

	March 31, 2025	March 31, 2024
16 Other financial liabilities		
Employee benefits payable	2,548.52	1,645.83
Lease liability	2,133.88	1,627.10
Provision for default loss guarantee	4,834.57	3,819.98
Capital creditors	11.76	3.35
Others	216.84	623.86
Total	**9,745.57**	**7,720.12**
***Others include:(Refer Note 37):**		
Payable to related party - Finnovation Tech Solutions Private Limited	185.50	405.40
Payable to related party - Finnov Private Limited	-	0.02
17 Current tax liabilities (net)		
Current tax liabilities	35.66	-
Total	**35.66**	-
18 Provisions		
Provision for gratuity	193.93	376.37
Provision for compensated absences	530.04	400.06
Total	**723.97**	**776.43**
19 Other non - financial liabilities		
Statutory dues	2,709.65	1,552.32
Interest received in advance	1,795.62	2,155.49
Total	**4,505.27**	**3,707.81**

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	March 31, 2025	March 31, 2024
20(a) Equity share capital		
The Company has only one class of equity share capital having a par value of Rs. 10 per share, referred to herein as equity shares.		
Authorized		
35,30,00,000 equity shares of Rs. 10 each (March 31, 2024: 30,00,000 equity shares of Rs. 10 each)	35,300.00	300.00
20(b) Instruments entirely equity in nature		
The Company has only one class of preference share capital having a par value of Rs. 18,000 per share, referred to herein as preference shares.		
Authorized		
5,60,000, 0.001% non-cumulative convertible preference shares (CCPS) of Rs. 18,000 each (March 31, 2024: 5,60,000, 0.001% non-cumulative convertible preference shares (CCPS) of Rs. 18,000 each)	100,800.00	100,800.00
	136,100.00	101,100.00
Issued, subscribed and paid up share capital		
11,27,314 equity shares of Rs. 10 each (March 31, 2024: 11,27,314 equity shares of Rs. 10 each)	112.73	112.73
4,77,866 0.001% CCPS of Rs. 18,000 each (March 31, 2024: 4,77,866 0.001% CCPS of Rs. 18,000 each)	86,015.88	86,015.88
Total	86,128.61	86,128.61

(a) Reconciliation of shares outstanding at the beginning and at the end of the year:

	March 31, 2025		March 31, 2024	
	Number of shares	Amount	Number of shares	Amount
Equity shares				
Outstanding at the beginning of the year	1,127,314	112.73	1,117,953	111.79
Add: Issued during the year	-	-	9,361	0.94
Outstanding at the end of the year	**1,127,314**	**112.73**	**1,127,314**	**112.73**
Compulsorily convertible preference shares				
Outstanding at the beginning of the year	477,866	86,015.88	389,649	70,136.82
Add: Issued during the year	-	-	88,217	15,879.06
Outstanding at the end of the year	**477,866**	**86,015.88**	**477,866**	**86,015.88**

(b) Rights, preferences and restrictions attached to shares

Equity shares:

The Company has only one class of equity shares having par value of Rs. 10 per share. Each shareholder is entitled to one vote per share held. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the shareholders will be entitled to participate in the distribution of the proceeds of such liquidation in the manner set out under the Articles of the Company.

Terms of Series D Compulsorily Convertible Preference Shares ("Series D CCPS")

1. Voting: Each holder of Series D CCPS shall be entitled to exercise voting rights in respect to the respective shares held by it on an "As If Converted Basis".

2. Dividend: Each Series D CCPS carries a preferential non-cumulative dividend of 0.001% per annum. The Dividends in respect of the Series D CCPS shall be declared by the Board of Directors from funds or reserves that are legally available and paid on a pari-passu basis with all other Preference Shares, prior, and in preference, to any declaration or payment of dividends in favour of any other class of share of the Company including, without limitation, the Equity Shares. In a case where dividends on any other class of shares of the Company are higher than the Series D CCPS dividend rate, such higher rate of dividends shall also be paid to the Series D CCPS holders unless such shareholders waive their right to receive such dividend.

20(b) Equity share capital (contd.)

Compulsorily Convertible Preference Shares:

3. Conversion: Each Series D CCPS shall convert into Equity shares on a 1:1 basis. The Series D CCPS can be converted at the option of the holder of the Series D CCPS by serving a prior written notice to the Company. The Series D CCPS will mandatorily convert in Equity Shares on the earlier of (i) 20 years from the date of allotment and (ii) Date preceding the Qualified Initial Public Offering of the Company.

4. Valuation Protection: The Series D CCPS holders are entitled to a valuation protection over the subscription price.

5. Liquidation Preference: The Series D CCPS carry a liquidation preference in preference to holders of Equity shares of the Company in the following manner (a) the relevant subscription price in respect of each Series D Preference Share plus any declared but unpaid dividends; and (b) in the event that there are insufficient proceeds to pay the entire preferential amount then the entire available proceeds shall be distributed among the holders of the Series D CCPS in proportion to the full amounts to which they would be entitled if there were sufficient proceeds to pay the entire preferential amount in respect of each Series D CCPS held.

(c) Shares held by holding company

	March 31, 2025	March 31, 2024
	Number	Number
Finnov Private Limited		
Nil (March 31, 2024: 11,27,313) equity shares of Rs. 10 each fully paid	-	1,127,313

(d) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company:

Name of the shareholder	March 31, 2025		March 31, 2024	
	Number of shares	% of holding in the class	Number of shares	% of holding in the class
Equity Shares of Rs. 10 each fully paid up				
Finnov Private Limited	-	-	1,127,313	100.00%
NewQuest Asia Fund IV (Singapore) Pte. Ltd.	268,134	23.79%	-	-
PI Opportunities Fund I	262,084	23.25%	-	-
PI Opportunities Fund II	14,135	1.25%	-	-
Alpine Opportunity Fund IV, L.P	163,635	14.52%	-	-
Alpine Opportunity Fund I, L.P	28,776	2.55%	-	-
Business Excellence Trust III - India Business Excellence Fund III	120,348	10.68%	-	-
India Business Excellence Fund IV	31,942	2.83%	-	-
Madhusudan Ekambaram	77,718	6.89%	-	-
Compulsorily Convertible Preference Shares of Rs. 18,000 each fully paid				
Wiseanya Limited	249,581	52.23%	249,581	52.23%
PI Opportunities Fund I	66,350	13.88%	66,350	13.88%
PI Opportunities Fund II	15,709	3.29%	15,709	3.29%
India business Excellence Fund IV	64,149	13.42%	64,149	13.42%
MUFG Bank Ltd.	31,158	6.52%	31,158	6.52%
NewQuest Asia Fund IV (Singapore) Pte. Ltd.	29,939	6.27%	29,939	6.27%

(e) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company:

As per records of the Company, including its register of shareholders and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

20(b) Equity share capital (contd.)

(f) No class of shares have been issued as bonus shares or for consideration other than cash by the Company during the period of five years immediately preceding the current year end.

(g) There are no shares reserved for issue under options or contracts and commitments.

(h) During the financial year, the shareholders of Finnov Private Limited ("Holding Company") have approved the liquidation of the Holding Company by way of voluntary winding up and as part of the liquidation process, the equity shares held by the Holding Company in the Company have been distributed to its shareholders in a manner such that there is no change in the effective shareholding of the shareholders in the Company post the in-specie distribution. Consequent to the in-specie distribution, all the shareholders of the Holding Company have now become direct shareholders of the Company. The revised shareholders, number of shares and percentage of holding immediately after giving the effect of the said event is as follows *(this does not include secondary transactions that may have occurred post this event)*:

Name of the Shareholder	Equity shares	CCPS*	Total	Shareholding %
PI Opportunities Fund (I and II)	262,084	82,059	344,143	21.44%
NewQuest Asia Fund IV (Singapore)	262,084	29,939	292,023	18.19%
Wiseanya Limited	-	249,581	249,581	15.55%
Alpine Opportunity Fund (I and IV)	208,720	-	208,720	13.00%
India Business Excellence Fund (III and IV)	120,348	64,149	184,497	11.49%
Others	70,055	-	70,055	4.36%
MUFG Bank Ltd.	-	31,158	31,158	1.94%
Madhusudan Ekambaram	110,319	-	110,319	6.87%
Mirae Asset	53,990	20,980	74,970	4.67%
Krishnaswamy Karthikeyan	39,714	-	39,714	2.47%
Total	**1,127,314**	**477,866**	**1,605,180**	**100.00%**

**CCPS are considered as equity shares for arriving revised shareholding percentage.*

The Shareholders of the Company, pursuant to the resolution passed in the Extra-Ordinary General Meeting held on March 28, 2025, have approved issue of Bonus Equity shares of 199 Equity shares for every Equity share held in the Company as on the record date March 21, 2025. The Board of Directors approved the allotment of Bonus Equity shares on April 16, 2025 and accordingly, the Company has subsequently utilized its Securities Premium balance to the tune of Rs. 22,433.55 lakhs. Consequent to this issue, the conversion ratio of the CCPS of the Company stands revised to 200:1, i.e 200 equity shares for every CCPS held.

(i) **Details of shareholding of promoters in the Company:**

	March 31, 2025		
Name of the promoter	**Number of shares**	**% of holding in the class**	**% Change during the year**
Finnov Private Limited	-	0.00%	-100.00%

	March 31, 2024		
Name of the promoter	**Number of shares**	**% of holding in the class**	**% Change during the year**
Finnov Private Limited	1,127,313	100.00%	0.00%

Note: During FY 2023-24, Mr. Madhusudan Ekambaram & Mr. Karthikeyan Krishnaswamy were categorized as Non-Promoters of the Company pursuant to resolution passed by Board of Director at its meeting held on February 9, 2024 and resolution passed by Shareholders of the Company at the Extra-Ordinary General Meeting held on February 13, 2024. The Company has made the relevant filings with regulatory authorities.

	March 31, 2025	March 31, 2024
21 Other equity		
(a) Statutory reserve u/s 45-IC of the RBI Act, 1934		
Opening balance	7,246.49	3,239.33
Add: Transferred / (utilized) during the year	4,424.33	4,007.16
Closing balance	**11,670.82**	**7,246.49**
(b) Capital Redemption Reserve		
Opening balance	0.59	0.59
Add: Transferred / (utilized) during the year	-	-
Closing balance	**0.59**	**0.59**
(c) Securities premium account		
Opening balance	79,251.80	71,894.59
Add: Securities premium credited on issue of equity shares	-	2,262.10
Add: Securities premium credited on issue of CCPS	-	5,447.51
Less: Amount (utilized) / reversed for share issue expenses	344.54	(352.40)
Closing balance	**79,596.34**	**79,251.80**
(d) Share options outstanding account		
Opening balance	6,931.36	868.39
Add: Share based payment expense for the year	8,122.62	5,200.94
Add / (Less): Transfer of liability on account of shifting of employees	(21.23)	883.37
Less: Adjustment on cancellation of ESOP	-	(21.34)
Closing balance	**15,032.75**	**6,931.36**
(e) Retained earnings		
Opening balance	25,475.09	12,802.46
Add: Net Profit for the year	22,121.67	20,035.82
Add: Other comprehensive income for the year	(19.63)	(1.47)
Less: Transfer to statutory reserves	4,424.33	4,007.16
Less: Dividend Paid	-	3,354.56
Closing balance	**43,152.80**	**25,475.09**
Total reserves and surplus	**149,453.30**	**118,905.33**

Nature and purpose of reserves:

(a) Statutory reserve u/s 45-IC of the RBI Act, 1934

The Company creates a reserve in accordance with the provisions of Section 45-IC of the Reserve Bank of India Act, 1934 and transfers therein an amount equal to or more than twenty percent of its net profit for the year, before declaration of the dividend.

(b) Securities premium account

The amount received in excess of face value of the equity shares is recognised in Securities Premium Account. The balance is utilized in accordance with the provisions of the Companies Act, 2013.

(c) Share options outstanding account

The Company provide share based payment scheme to its employees. The shares of the company were granted to the employees under the scheme. The share options outstanding account represents amount recognized over the vesting period and payments made towards such options.

(d) Retained earnings

Retained earnings represents the surplus in Profit and Loss Account. The Company recognises change on account of remeasurement of the net defined benefit liability/(asset) as part of retained earnings with separate disclosure, which comprises of actuarial gains and losses on defined benefit plans.

(e) Capital Redemption Reserve

As per Companies Act, 2013, Capital Redemption Reserve is created when the Company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to Capital Redemption Reserve. The reserve is utilised in accordance with the provisions of section 69 of the Companies Act, 2013.

(f) Payment of dividend:

No dividend has been declared during the year (March 31, 2024: Rs. 300 per equity share and Rs. 0.18 per Compulsorily Convertible Preference Share (CCPS)).

	Year ended March 31, 2025	Year ended March 31, 2024
22 Interest income		
At amortized cost		
Interest on loans	157,849.06	122,079.86
Interest on deposits with Banks	1,091.06	492.25
Other interest income	25.95	11.30
Total	**158,966.07**	**122,583.41**
23 Fees and commission income		
Fees from platform	-	-
Service Fees	45,773.60	13,052.52
Foreclosure income	13,687.41	3,826.20
Commission recovery	74.38	-
Total	**59,535.39**	**16,878.72**
**Refer Note 38 for additional disclosures as per Ind AS 115.*		
24 Net gain on fair value changes		
Net gain on financial instruments at fair value through profit or loss		
- investments	86.25	463.58
Total net gain on fair value changes	**86.25**	**463.58**
Fair value changes:		
- realised	86.25	463.58
- unrealised	-	-
Total net gain on fair value changes	**86.25**	**463.58**
25 Other income		
Net gain or loss on foreign currency transaction and translation (other than considered as finance cost)	-	0.25
Interest on Income Tax Refund	92.52	-
Miscellaneous income	3.23	106.76
Total	**95.75**	**107.01**
26 Finance costs		
On financial liabilities measured at amortized cost:		
Interest on borrowings	19,979.30	11,168.56
Interest on debt securities	17,210.98	12,072.45
Interest on lease liability	307.13	106.48
Interest on shortfall of advance tax	0.35	63.70
Other interest expense	22.56	98.95
Total	**37,520.32**	**23,510.14**
27 Fees and commission expense		
Commission to platforms	14,441.34	8,678.15
Commission to payment gateways	51.70	49.80
Credit assessment charges	2,651.68	2,379.55
Total	**17,144.72**	**11,107.50**

	Year ended March 31, 2025	Year ended March 31, 2024
28 Impairment on financial instruments		
On financial instruments measured at amortised cost:		
Loans	57,700.62	38,482.07
On financial instruments measured at fair value:		
Financial guarantee contracts	18,512.73	4,706.16
Total	**76,213.35**	**43,188.23**
29 Employee benefit expenses		
Salaries and wages	21,101.03	12,858.93
Gratuity expense	154.42	100.63
Leave benefits expense	169.06	124.95
Contribution to provident and other funds	745.10	478.30
Share based payments to employees	8,122.62	5,200.94
Staff welfare expenses	126.77	70.89
Total	**30,419.00**	**18,834.64**
30 Depreciation and amortization expense		
on tangible assets	211.53	80.15
on right of use asset	645.27	281.23
on intangible assets	26.78	3.29
Total depreciation and amortization expense	**883.58**	**364.67**
31 Other expenses		
a) Rent, rates and taxes	1,711.19	836.55
Communication Costs	126.81	162.14
Directors' fees, allowances and expenses	65.95	45.78
Auditor's fees and expenses	40.26	17.99
Legal and Professional charges	951.07	743.61
Loss on sale of fixed asset	0.01	0.04
Bank charges	309.55	191.64
Processing and Verification expenses	1,559.62	1,526.63
Technical expenses	4,647.41	3,984.57
Sales promotion expenses	3,862.46	1,986.68
Collection charges	9,864.14	3,125.91
Office expenses	1,359.09	722.27
Deficiency recovery expenses	1,977.30	2,670.27
Expenditure towards Corporate Social Responsibility (CSR) activities	293.00	118.00
Credit guarantee fee	11.78	-
Other expenditure	41.97	56.79
Total	**26,821.61**	**16,188.87**
Note : The following is the break-up of Auditors remuneration (exclusive of Goods and service tax):		
b) **As auditor:**		
Audit fee*	20.50	12.00
Limited review fees*	4.50	4.50
In other capacity:		
For certificates*	1.94	-
Other services*	10.00	-
Total	**36.94**	**16.50**

**Note: The above fees is excluding GST.*





	Year ended March 31, 2025	Year ended March 31, 2024
c) Corporate Social Responsibility (CSR)		
Pursuant to Section 135 of the Companies Act, 2013, a Company meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities identified by the Company and monitored by CSR Committee.		
Gross amount required to be spent	300.74	117.79
Excess amount spent in previous financial year carried forward	8.61	8.40
Excess amount carried forward from previous year, utlized during the period	7.74	-
Amount spent during the year		
i. construction/acquisition of any asset		
-under control of the Company for future use	-	-
-not under control of the Company for future use	-	-
ii. On purpose other than (i) above	293.00	118.00
iii. Excess/(Shortfall) for the year	-	0.21
Total of previous years excess	0.87	8.40
iv. Reason for shortfall	Not applicable	Not applicable
iv. Nature of CSR activities		
CSR activities conducted during the year was focused on promoting healthcare, rural development, women empowerment, environmental protection and promotion of sports, among other interventions.		

32 Income tax

(A) Deferred tax relates to the following:		
Deferred tax assets		
On provision for employee benefits	176.24	110.78
On financial guarantees	1,216.77	961.41
On financial assets	8,309.39	5,869.09
On leases	45.82	8.32
On property, plant and equipment and intangible assets	32.16	10.01
On others	1.75	2.79
	9,782.12	**6,962.39**
Deferred tax liabilities		
On financial liabilities	505.19	-
	505.19	-
Deferred tax on OCI	6.60	0.49
Deferred tax asset, net	**9,283.53**	**6,962.89**

(B) Reconciliation of deferred tax assets/(liabilities) (net):		
Opening balance at the beginning of the year	**6,962.89**	**2,417.75**
Tax liability recognized in Statement of Profit and Loss:		
On financial liabilities	(505.19)	-
Tax asset recognized in Statement of Profit and Loss:		
On provision for employee benefits	65.46	55.92
On property plant and equipment and intangible asset	22.15	2.82
On financial guarantees	255.35	961.41
On financial assets	2,440.31	3,510.15
On leases	37.50	3.60
On others	(1.53)	10.74
Total deferred tax assets/(liabilities) (net)	**2,314.04**	**4,544.64**
Tax liability recognized in OCI:		
On re-measurements gain/(losses) of post-employment benefit obligations	6.60	0.49
Closing balance at the end of the year	**9,283.53**	**6,962.89**

	Year ended March 31, 2025	Year ended March 31, 2024
(C) Deferred tax assets/ (liabilities) to be recognized in Statement of Profit and Loss		
Deferred tax liabilities	(505.19)	-
Deferred tax assets	2,819.23	4,544.64
Amounts recognised in Statement of Profit and Loss account	**2,314.04**	**4,544.64**
(D) Income tax expense		
- Current tax	9,895.23	11,229.53
- Adjustments in respect of current income tax of previous year	(21.98)	117.96
- Deferred tax credit	(2,314.04)	(4,544.64)
Income tax expense reported in the statement of profit or loss	**7,559.21**	**6,802.85**
(E) Income tax charged to OCI		
Net loss/(gain) on remeasurements of defined benefit plans	6.60	0.49
Income tax charged to OCI	**6.60**	**0.49**
(F) Reconciliation of tax charge		
Profit before tax	29,680.88	26,838.67
Income tax expense at tax rates applicable	25.17%	25.17%
Income tax expense	**7,470.08**	**6,754.76**
Tax effects of:		
Non tax deductible expenses	90.24	48.03
Others	(1.11)	0.06
Income tax expense	**7,559.21**	**6,802.85**
Effective tax rate	***25.47%***	***25.35%***

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33 Earnings per share

Basic earnings per share amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

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

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

	March 31, 2025	March 31, 2024
Net profit attributable to equity holders	22,121.67	20,035.82
Weighted average number of equity shares for basic EPS	1,127,314	1,121,124
Weighted average number of equity shares for diluted EPS	1,705,463	1,584,714
Basic earnings per share (Rs.)	1,962.33	1,787.12
Diluted earnings per share (Rs.)	1,297.11	1,264.32

34 Employee benefits

(A) Defined contribution plans

During the year, the Company has recognized the following amounts in the Statement of Profit and Loss:

Employers' Contribution to Provident Fund and Employee State Insurance (Refer note 29)	745.10	478.30

(B) Other plans provisions

a) Defined benefit plan: Gratuity	193.93	376.37

The Company has a gratuity plan for its employees which is governed by the Payment of Gratuity Act, 1972. The gratuity benefit payable to the employees of the Company is the greater of the provisions of the Payment of Gratuity Act, 1972 and the Company's gratuity scheme. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The level of benefits provided depends on the employee's length of service, managerial grade and salary at retirement age.

Gratuity plan is funded by the Company and payment for the present obligation of future gratuity liabilities is made to the approved gratuity fund. Any deficits in plan assets as compared to actuarial liability determined by an actuary are recognised as a liability. Actuarial liability is computed using the projected unit credit method. The calculation includes assumptions with regard to discount rate, salary escalation rate, attrition rate and mortality rate. Management determines these assumptions in consultation with an actuary and past trends.

Gains and losses through remeasurements of the net defined benefit liability/assets are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. The effect of any planned amendments is recognised in Statement of Profit and Loss. Remeasurements are not reclassified to

The amounts recognized in the balance sheet and the movement in the net defined benefit obligation over the year, and the assumptions used are as follows:

i) Actuarial assumptions

Discount rate (per annum)	6.54%	7.18%
Rate of increase in salary	9.00%	10.00%
Rate of attrition	35.00%	30.00%
Mortality Rate During Employment	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)

ii) Changes in the present value of defined benefit obligation:

Present value of obligation at the beginning of the year	**376.37**	**137.93**
Interest cost	27.02	17.36
Current service cost	139.59	83.27
Liability Transferred In/ Acquisitions	42.38	137.86
Liability Transferred Out/ Divestments	(9.10)	-
Benefit directly paid by employer	(19.99)	(2.02)
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	(40.69)	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	(4.12)	0.34
Actuarial (Gains)/Losses on Obligations - Due to Experience Adjustment	71.03	1.63
Present value of obligation at the end of the year	**582.49**	**376.37**

	March 31, 2025	March 31, 2024
Change in the Fair Value of Plan Assets:		
Fair Value of Plan Assets at the beginning of the year:	-	-
Interest Income	12.19	-
Contributions by the Employer	376.36	-
Fair Value of Plan Assets at the end of the year	**388.55**	-
Net Liability Recognized in the Balance Sheet	**193.94**	**376.37**
Category of plan assets		
Insurer managed funds	100.00%	0.00%
iii) Expense recognized in the Statement of Profit and Loss		
Current service cost	139.59	83.27
Net Interest Cost	14.83	17.36
Total expense recognized in the Statement of Profit and Loss	**154.42**	**100.63**
Expense recognized in the Statement of Other Comprehensive Income		
Actuarial (Gains)/Losses on obligation for the year	26.23	1.96
Return on Plan Assets, excluding Interest Income	-	-
Total expense recognized in the Statement of Profit and Loss	**26.23**	**1.96**
iv) Assets and liabilities recognized in the Balance Sheet:		
Present value of unfunded obligation as at the end of the year	582.49	376.37
Fair Value of Plan Assets at the end of the year	(388.55)	-
Unfunded net (asset) / liability recognized in Balance Sheet	**193.94**	**376.37**
v) Expected contribution to the fund in the next year	341.75	-
vi) A quantitative sensitivity analysis for significant assumptions is as shown below:		
Impact on defined benefit obligation:		
Change in Discount rate:		
1% increase	(14.06)	(11.61)
1% decrease	14.91	12.45
Change in Rate of Salary Increase:		
1% increase	13.63	11.73
1% decrease	(13.18)	(11.22)
Change in Rate of Employee Turnover:		
1% increase	(7.15)	(5.88)
1% decrease	7.38	6.11
vii) Maturity profile of defined benefit obligation		
Year		
1st Following Year	133.17	65.75
2nd Following Year	113.99	62.03
3rd Following Year	107.28	59.90
4th Following Year	92.14	62.24
5th Following Year	75.61	56.34
Sum of Years 6 To 10	147.21	136.53
Sum of Years 11 and above	30.18	48.11

b) Defined benefit plan: Compensated absences for Employees

Present value of unfunded obligations	530.04	400.06
Expense recognised in the Statement of Profit and Loss	169.06	124.95
Discount rate	6.54%	7.18%
Salary escalation rate	9.00%	10.00%

35 Employee Stock Option Scheme (ESOP)

The Holding Company's Board of Directors have approved ESOP plan 2016 ("Old plan") for granting Employee Stock Options in form of equity shares of the Holding Company linked to the completion of a minimum period of continued employment to the eligible employees of the Company, monitored and supervised by the Board of Directors of the Holding Company. The options granted are recorded as per the fair market value as on the date of grant. Such fair market value of the option is determined on the basis of actuarial valuation as on the date of the grant. The options vest in a graded manner over the period of four years from the date of the grant and the exercise price is Nil. During the previous Financial Year, the Holding Company's Board of Directors cancelled the ESOP plan 2016 and the Company's Board of Directors has formulated Krazybee Employee Stock Option Plan 2023 ("New plan").

The following table illustrates the number of and movement in share options during the year.

Particulars	March 31, 2025		March 31, 2024	
	Number (Old Plan)	Number (New Plan)	Number (Old Plan)	Number (New Plan)
Outstanding at beginning of the year	85,690	82,004	5,366,138	-
Add:				
Granted during the year old pool	-	-	-	52,447
Granted during the year new pool	-	61,372	-	29,730
Option transferred in	-	-	614,882	-
Less:				
Option transferred out	-	87	403	-
Forfeited/exercised during the year	85,690	490	950,529	76
Expired during the year	-	607	-	97
Transferred to Krazybee	-	-	4,944,398	-
Outstanding at the end of the year#	-	**142,192**	**85,690**	**82,004**

*During the year ended March 31, 2024, management has cancelled the ESOPs granted under Finnov ESOP Plan and implemented a new ESOP plan at India level under which equivalent value ESOP has been granted to the employees of the Company in lieu of ESOPs cancelled at Finnov level.

Accordingly, as per Ind AS 102, the cancellation of Finnov share options and grant of new stock options by the Company is considered a replacement of share awards which resulted in modification accounting for the equity settled share-based payment which has been applied in the Financial Statements of the Company. Since new ESOPs that are granted are having a longer vesting period when compared to the vesting period under the Finnov ESOP scheme, the modification is non-beneficial to employees and is ignored for accounting purposes.

The fair value of each option is estimated on the date of grant using the Black Scholes model. The following tables list the inputs to the Option pricing model used for the years ended:

	March 31, 2025	March 31, 2024
Weighted average exercise price (INR)	10.00	10.00
Weighted average fair value of the options at the grant dates (INR)	20,998.32	24,167.00
Dividend yield	0.00%	0.00%
Risk free interest rate	6.63% to 7.20%	6.96% to 7.26%
Expected volatility	28.00% to 41.50%	36.15% to 46.53%
Expected life of the options	1 to 4 years	1 to 4 years

During the current year, the Company has also issued "At the money" ESOPs, i.e the exercise price is equal to the fair value of the equity shares as at the grant date. The details of these ESOPs are separately disclosed are as under:

Weighted average exercise price (INR)	24,175.13	-
Weighted average fair value of the options at the grant dates (INR)	4,515.00	-
Dividend yield	0.00%	-
Risk free interest rate	6.90%	-
Expected volatility	37.00%	-
Expected life of the options	2 years	-

36 Leases

The Company has certain lease arrangements for premises. These lease arrangements range for a period between 12 and 60 months, which include both cancellable and non-cancellable leases. The leases are renewable for further period on mutually agreeable terms and also include escalation clauses.

Operating leases where the Company is a lessee:

(ia) Details of right-of-use assets are as follows:

	Category of ROU asset	
	Premises	
	March 31, 2025	March 31, 2024
Opening Balance at the beginning of the year	**1,637.24**	**319.84**
Additions	1,014.35	1,602.14
Adjustment with opening balance due to modification	6.62	(3.51)
Amortization (refer Note 30)	(645.27)	(281.23)
Closing balance at the end of the year	**2,012.94**	**1,637.24**

(ib) Lease liabilities

	Category of Lease Liability	
	Premises	
Opening Balance at the beginning of the year	**1,627.10**	**338.60**
Additions	970.48	1,528.82
Adjustment with opening balance due to modification	6.62	(3.45)
Lease payments	(777.45)	(343.35)
Interest on lease liabilities (refer Note 26)	307.13	106.48
Closing balance at the end of the year	**2,133.88**	**1,627.10**
(ii) Maturity analysis of lease liabilities		
Upto one year	553.25	350.55
More than one year upto 5 years	1,580.63	1,276.55
Total	**2,133.88**	**1,627.10**
(iii) Amounts recognised in Statement of Profit and Loss account		
Interest on lease liabilities (refer Note 26)	307.13	106.48
Amortization of right-of-use assets (refer Note 30)	645.27	281.23
(iv) Amounts recognised in Statement of Cash Flows		
Total cash outflow for leases	777.45	343.35

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37 Related Party Disclosures:

(A) Names of related parties and description of relationship as identified and certified by the Company:

Holding Company
Finnov Private Limited, Singapore (refer Note 20(b)(h)) (upto July 17, 2024)

Other related parties

(a) Fellow subsidiary/Entity in which Directors are interested
Finnovation Tech Solutions Private Limited (refer note below)

(b) Key Management Personnel (KMP)
Madhusudan Ekambaram, Director
(Non-executive Director upto August 31, 2024; Executive Director w.e.f. September 1, 2024)
Karthikeyan Krishnaswamy, Director
(Non-executive Director upto August 31, 2024; Executive Director w.e.f. September 1, 2024)
Vivek Veda, Director
Pallavi Lingaraju, Company secretary (w.e.f. February 7, 2025)

(c) Relatives of KMP & Entities controlled by relatives of KMP
Nutan Soudagar (Wife of Madhusudan Ekambaram)
Anil Veda (Father of Vivek Veda)
Vibha Veda (Mother of Vivek Veda)
Vani Jain (Wife of Vivek Veda)
Krishnaswamy Bhanumathi (Mother of Karthikeyan Krishnaswamy)
Marappa Krishnaswamy (Father of Karthikeyan Krishnaswamy)
Sattanathan Viswanathan (Mother-in-law of Karthikeyan Krishnaswamy)
Sreenidhi Sattanathan (Wife of of Karthikeyan Krishnaswamy)
Marappa Krishnaswamy HUF
Krishnaswamy Karthikeyan HUF
AV Consultancy Services

(d) Independent directors
Abhishek Singhvi
Adesh Gupta
Gopalakrishna Gurrappa (upto July 22, 2024)
Shashikala Ramachandra (w.e.f. July 19, 2024)

(e) Relatives of independent directors
Anish Gupta (son of Adesh Gupta)

(f) Post employment benefit plans
Krazybee Services Private Limited Group Gratuity Trust Fund

Note:
Refer Note 20(b)(h) of the Financial Statements. Pursuant to this distribution, Finnovation Tech Solutions Private Limited ceased to be a "Fellow Subsidiary" of the Company and is considered to be an "Entity with common directors" w.e.f. July 17, 2024.

	March 31, 2025	March 31, 2024
(B) Details of transactions with related party in the ordinary course of business for the year ended:		
(i) Particulars		
A) Transactions during the year*:		
Commission recovery		
Finnovation Tech Solutions Private Limited	68.24	-
Salary Cross Charge (income)		
Finnovation Tech Solutions Private Limited	197.99	103.05
Interest income in loan		
Anish Gupta	0.08	0.13

	March 31, 2025	March 31, 2024
37 Related Party Disclosures (contd.):		
Purchase of services		
Finnovation Tech Solutions Private Limited	35,381.63	30,414.02
Deficiency recovery expenses		
Finnovation Tech Solutions Private Limited	1,977.30	2,670.27
Salary Cross Charge (expenses)		
Finnovation Tech Solutions Private Limited	106.18	158.06
Rent Cross Charge (expenses)		
Finnovation Tech Solutions Private Limited	1,197.53	741.67
Asset Cross Charge (expenses)		
Finnovation Tech Solutions Private Limited	297.74	-
Reimbursement of expenses		
Vivek Veda	14.47	9.67
Madhusudan Ekambaram	12.15	-
Pallavi Lingaraju	0.08	-
Share based payment expenses		
Finnov Private Limited	-	27.80
Trademark Usage Fees		
Finnov Private Limited	-	0.70
Purchase of Trademark		
Finnov Private Limited	-	0.55
Remuneration to directors#		
Vivek Veda (includes Rs. 727.46 lakhs (FY24: Rs. 2,369.44 lakhs) towards share based payment expense)	1,337.54	2,590.34
Madhusudan Ekambaram (includes Rs. 5,295.10 lakhs (FY24: Nil) towards share based payment expense)	5,422.91	-
Karthikeyan Krishnaswamy (includes Rs. 1,019.66 lakhs (FY24: Nil) towards share based payment expense)	1,214.29	-
Remuneration to Key managerial personnel#		
Pallavi Lingaraju (includes Rs. 0.73 lakhs (FY24: Nil) towards share based payment expense)	8.61	-
Non-executive/Independent Director sitting fees*		
Abhishek Singhvi	21.00	15.00
Adesh Gupta	21.50	15.50
Gopalakrishna Gurrappa	6.00	11.50
Shashikala Ramachandra	12.00	-
Employee transfer arrangement (in) (Employee benefit plan balances & ESOP reserve)		
Finnovation Tech Solutions Private Limited	56.30	1,217.67
Employee transfer arrangement (out) (Employee benefit plan balances & ESOP reserve)		
Finnovation Tech Solutions Private Limited	25.76	-
Dividend paid during the year		
Finnov Private Limited	-	3,353.86
Share issued during the year (refer Note 19(a) and 19(b))		
Finnov Private Limited	-	2,263.04
Corporate gurantee fees		
Finnovation Tech Solutions Private Limited	829.68	440.38
Issue of personal loan		
Anish Gupta	-	1.60
Repayment received on personal loan		
Anish Gupta	0.74	0.86





	March 31, 2025	March 31, 2024
37 Related Party Disclosures (contd.):		
Finance cost		
Madhusudan Ekambaram	23.01	40.73
Nutan Soudagar	9.47	8.42
Anil Veda	2.29	2.23
Vani Jain	2.85	2.16
Vibha Veda	2.51	2.50
Vivek Veda	29.98	11.16
Krishnaswamy Bhanumathi	3.90	6.94
Marappa Krishnaswamy	0.97	1.73
Sattanathan Viswanathan	-	2.41
Sreenidhi Sattanathan	1.36	5.41
Marappa Krishnaswamy HUF	7.67	-
Krishnaswamy Karthikeyan HUF	15.34	-
AV Consultancy Services	0.90	-
Issue of non-convertible debentures		
Madhusudan Ekambaram	300.00	400.00
Nutan Soudagar	80.00	-
Anil Veda	20.00	20.00
Vani Jain	30.00	20.00
Vibha Veda	20.00	20.00
Vivek Veda	260.00	100.00
Krishnaswamy Bhanumathi	-	80.00
Marappa Krishnaswamy	-	20.00
Sreenidhi Sattanathan	-	50.00
Marappa Krishnaswamy HUF	100.00	-
Krishnaswamy Karthikeyan HUF	200.00	-
AV Consultancy Services	20.00	-
Redemption of non-convertible debentures		
Madhusudan Ekambaram	-	400.00
Nutan Soudagar	-	70.00
Anil Veda	20.00	10.00
Vani Jain	20.00	-
Vivek Veda	100.00	20.00
Vibha Veda	20.00	20.00
Krishnaswamy Bhanumathi	80.00	-
Marappa Krishnaswamy	20.00	-
Sattanathan Viswanathan	-	20.00
Sreenidhi Sattanathan	50.00	-
Corporate guarantees received		
Finnovation Tech Solutions Private Limited	87,578.29	61,352.40
Contribution to post employment benefit plan trust		
Krazybee Services Private Limited Group Gratuity Trust Fund	376.36	-

**Note: Transaction values are excluding taxes and duties*
#Provisions for gratuity, compensated absences and other long term service benefits are made for the Company as a whole and the amounts pertaining to the key management personnel are not specifically identified and hence are not included above.

B) Balances as at year end:

Other Receivables		
Finnovation Tech Solutions Private Limited	1,446.20	1,217.67
Trade Payables		
Finnovation Tech Solutions Private Limited	7,978.80	7,363.75
Finnov Private Limited	-	0.02

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	March 31, 2025	March 31, 2024
37 Related Party Disclosures (contd.)		
Other Payable		
Finnovation Tech Solutions Private Limited	185.50	405.40
Personal loan (including accrued interest):		
Anish Gupta	-	0.75
Non-convertible debentures (including accrued interest):		
Nutan Soudagar	80.33	-
Anil Veda	20.08	20.07
Vani Jain	30.12	20.08
Vibha Veda	20.08	20.07
Vivek Veda	261.07	100.39
Krishnaswamy Bhanumathi	-	80.27
Marappa Krishnaswamy	-	20.07
Sreenidhi Sattanathan	-	50.20
Madhusudan Ekambaram	301.23	-
Marappa Krishnaswamy HUF	100.41	-
Krishnaswamy Karthikeyan HUF	200.82	-
AV Consultancy Services	20.08	-

(c) **Terms and conditions of transactions with related parties:**
The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

(d) Rs. 22,132.69 lakhs (March 31, 2024: Rs. 22,470.13 lakhs) is in the nature of transaction costs which are included in the "Effective Interest Rate" of the loan receivables of the Company. Accordingly, the same have been classified under "Interest Income" in Note 22 and of this amount, Rs. 17,112.82 lakhs (March 31, 2024: Rs. 15,732.94 lakhs) has been recognized as effective interest income during the year. The total effective interest income recognized including amortization of prior year deferrals is Rs. 23,737.35 lakhs (March 31, 2024: Rs. 19,111.72 lakhs).

(e) The Company has Corporate Guarantees provided by Finnovation Tech Solutions Private Limited aggregating to Rs. 79,187.02 lakhs (March 31, 2024: Rs. 29,258.51 lakhs) corresponding to outstanding credit facilities as on March 31, 2025.

(f) Corporate Guarantee fees of Rs. 829.68 lakhs (March 31, 2024: Rs. 440.38 lakhs) are in the nature of transaction costs which are included in the "Effective Interest Rate" of the borrowings of the Company. Accordingly the same have been classified as "Finance cost" in Note 26 and of this amount, Rs. 319.30 lakhs (March 31, 2024: Rs. 180.15 lakhs) have been recognised as effective interest expense during the year. The total effective interest expense recognized including amortization of prior year deferrals is Rs. 577.28 lakhs (March 31, 2024: Rs. 180.15 lakhs).

	Year ended March 31, 2025	Year ended March 31, 2024
38 Revenue from contracts with customers		
Types of services:		
Service Fees	45,773.60	13,052.52
Foreclosure income	13,687.41	3,826.20
Commission recovery	74.38	-
Total	**59,535.39**	**16,878.72**
Geographical markets:		
In India	59,535.39	16,878.72
Outside India	-	-
Total	**59,535.39**	**16,878.72**
Timing of revenue recognition:		
Services transferred at a point in time	47,695.54	16,370.27
Services transferred over time	11,839.85	508.45
Total	**59,535.39**	**16,878.72**





39 Segment reporting

The Company's operations predominantly relate to providing consumer lending. The Chief Operating Decision Maker (CODM) reviews the operations of the Company as one operating segment. Additionally, the Company operates only in India, hence, no separate segment information has been furnished herewith.

40 Financial risk management objectives and policies :

The Company is exposed to various financial risks. These risks are categorized into market risk, credit risk and liquidity risk. The Company's risk management is coordinated by the Board of Directors and focuses on securing long term and short term cash flows. The Company does not engage in trading of financial assets for speculative purposes.

(A) Market risk

It is the risk that the value of on and off-balance sheet positions of the Company will be adversely affected by movements in market rates or prices such as interest rates, currency exchange rates or credit spreads resulting in a loss to earnings and capital. Market risk is monitored by assessments of fluctuation in the equity price, unhedged foreign exchange exposures, interest rate sensitivities under simulated stress test scenarios given range of probable interest rate movements on both fixed and floating assets and liabilities. This risk is managed by the Company's treasury team under the guidance of the Asset-Liability Committee.

(i) Interest rate risk

The policy of the Company is to minimise interest rate cash flow risk exposures on long-term loans and borrowings and is exposed to changes in market interest rates on borrowings at variable interest rates.

	March 31, 2025	March 31, 2024
Interest rate risk exposure		
Below is the overall exposure of the Company to interest rate risk:		
Variable rate borrowings	123,603.44	110,416.82

Interest rate sensitivity

The following table demonstrates the sensitivity to a change in interest rates on variable interest borrowings:

	Increase/ (decrease)	Effect on profit before tax
March 31, 2025		
Rs.	+50	618.02
Rs.	-50	(618.02)
March 31, 2024		
Rs.	+50	552.08
Rs.	-50	(552.08)

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company has no outstanding foreign currency exposure.

Foreign currency risk exposure:

The exposure to foreign currency risk at the end of the reporting period, translated to Rs.Nil at closing rate, is as follows:

Financial liabilities	Nil	Nil

Foreign currency sensitivity

The Company does not have exposure to any other foreign currencies.

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40 Financial risk management objectives and policies (contd.):

(B) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from the Company's loans to customers, trade receivables, other financial assets, investments in mutual funds & corporate bonds, cash and deposits held with banks and financial institutions. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing credit risk is to prevent or reduce losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

(i) Credit risk management

Credit risk management policy of the Company provides guidelines for identification, assessment, management, monitoring and control of credit risk. The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an on-going basis throughout each reporting period. In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are overdue for a period exceeding 30 days. A default on financial assets occurs when the counterparty fails to make contractual payments for a period of 90 days or more. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors. The Company evaluates credit risk of the portfolio at a borrower level and not individual facility levels in accordance with the RBI regulations.

Managing credit risk is the most important part of overall risk management function. The Company's credit risk function is headed by the Risk Head who is responsible for the key policies & processes for managing credit risk, which include formulating credit policies & risk rating frameworks, guiding the Company's appetite for credit risk exposures, undertaking independent reviews, making objective assessments of credit risk, monitoring performance & product mix and management of portfolios. The principal objectives being maintaining a strong culture of responsible lending across the Company, robust risk policies & control frameworks, implementing & continually re-evaluating the Company's risk appetite and ensuring there is adequate monitoring of credit risks, credit costs & risk mitigation.

Credit risk is measured as the amount at risk due to repayment default of a customer or counterparty to the Company. Various metrics such as installment default rate, overdue position, EMI moratorium, restructuring, collection efficiency, credit bureau information, proprietary scorecards, non-performing loans etc. are used as leading indicators to assess credit risk.
The Company remains in high vigilance mode and continues to adapt credit policy / underwriting standards in line with emerging risk metrics across the different business portfolios; and constantly monitors various external market indicators.

Macro Economic Variables:

The Company adjusts the expected credit loss model parameters for forward looking information, macro-economic variables and economic forecasts which have a reasonable correlation with the collection performance and portfolio risk. These include economic indicators such as inflation rates, unemployment index, GDP growth rates, etc. The Company recalibrates the model periodically as and when portfolios mature by:
1. using the available incremental and recent information, except where these informations do not represent the future outcome; and
2. assessing changes to its statistical techniques for a granular estimation of ECL.

Accordingly, the incremental information of the portfolio for certain period of the pandemic have not been considered in the model due to the distortion caused by the pandemic induced lockdown resulting in very low economic activity, unforeseen distortion of customers' financial position and volatile repayment behaviour, leading to RBI announcing installment moratoriums and resolutions. These distortions do not represent the current portfolio at risk & collection performance and have been considered as outliers.

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

Asset group	Basis for categorisation	Provision for expected credit loss
Low credit risk	Cash and cash equivalents, other bank balances, loans and other financial assets	12 month expected credit loss
Moderate credit risk	Loans to customers	Life time expected credit loss
High credit risk	Loans to customers	Life time expected credit loss

	March 31, 2025	March 31, 2024
40 Financial risk management objectives and policies (contd.):		
Financial assets that expose the entity to credit risk:		
Low credit risk		
Cash and cash equivalents	18,222.24	21,510.17
Bank balances other than above	21,308.96	7,347.26
Trade receivables	1,443.36	416.27
Loans to customers*	565,527.95	460,055.36
Other financial assets	4,915.03	5,307.66
Moderate credit risk		
Loans to customers*	13,676.34	11,253.23
High credit risk		
Loans to customers*	16,894.32	11,052.55

* Represents gross values of the financial assets

Cash & cash equivalents and Bank deposits
The Company limits its exposure to credit risk of cash held with banks by dealing with highly rated banks and institutions and retaining sufficient balances in bank accounts required to meet a month's operational costs. The Management reviews the bank accounts on regular basis and fund drawdowns are planned to ensure that there is minimal surplus cash in bank accounts.

Investments
For investments in mutual funds, the Company transacts with asset management companies having strong track record and invests in liquid funds and short term funds where the underlying investments are predominantly placed in government and treasury securities and highly rated corporate bonds. Investments in corporate bonds are made with companies having strong credit ratings.

Loans
The Company closely monitors the credit-worthiness of the borrower's through internal systems. The Company assesses increase in credit risk on an ongoing basis for amounts receivable that become overdue and default is considered to have occurred when amounts receivable become 90 days past due.

Trade receivables
Trade receivables represents trade receivables from fintech platforms as well as receivables for services rendered to platforms.

Other financial assets measured at amortized cost
Other financial assets measured at amortized cost includes security deposits, receivables from intermediaries and other miscellaneous receivables. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

(ii) Expected credit losses for financial assets other than loans:
The Company provides for expected credit losses on financial assets other than loans by assessing individual financial instruments for expectation of any credit losses:
- For cash and cash equivalents and other bank balances - Since the Company deals with only high-rated banks and financial institutions, credit risk in respect of cash and cash equivalents, other bank balances and bank deposits is evaluated as very low/negligible.

- For Investments in mutual funds and Corporate bonds - Credit risk is considered low/negligible because the Company deals with high quality assets and instruments with strong credit ratings.

- For Trade receivables - Credit risk is considered low because these balances are with companies with strong financial resources and the balances are held for shorter periods.

- For security deposits paid - Credit risk is considered low because the Company is in possession of the underlying asset.

- For other financial assets - Credit risk is evaluated based on Company's knowledge of the credit worthiness of those parties and loss allowance is measured for 12 month expected credit losses upon initial recognition and provide for lifetime expected credit losses upon significant increase in credit risk. The Company does not have any expected loss based impairment recognised on such assets considering their low credit risk nature. Additionally, these balances are held in escrow for onward disbursements as well as collections from customers pending settlement.

40 Financial risk management objectives and policies (contd.):

(iii) Expected credit loss for loans

Credit default risk

Considering the nature of advances, the Company believes that the quantitative criteria for setting the definition of default is appropriate and sufficient. The management has also considered other qualitative aspects in the pooling and stratification of the portfolio (i.e. sub-product structures as well as customer repeatability) to facilitate a more granular estimation of probabilities of default. The Company has therefore set out the following definition of default for all loan products:

Quantitative criteria: Exposures that have one or more installment(s) overdue for 90 days or more.

Qualitative criteria: Event specific factors that indicate either a significant increase in credit risk or credit impairment.

Expected credit loss measurement

Ind AS 109 outlines a "three stage" model for impairment based on changes in credit quality since initial recognition as summarised below:

Stage 1 - Credit risk has not increased significantly since initial recognition - Recognise 12-months ECL, and recognize interest on a gross basis;

Stage 2 - Credit risk has increased significantly since initial recognition - Recognise lifetime ECL, and recognise interest on a gross basis;

Stage 3 - Financial asset is credit impaired - Recognise lifetime ECL and present interest on a net basis (i.e. on the gross carrying amount less credit allowance).

Significant increase in credit risk

The Company believes that there is a significant increase in credit risk when days past due crosses 30 days.

Measuring ECL - explanation of inputs, assumptions and estimation techniques

Expected credit losses are the discounted product of the probability of default (PD), exposure at default (EAD) and loss given default (LGD), defined as follows:

- PD represents the likelihood of the borrower defaulting on its obligation either over next 12 months or over the remaining lifetime of the instrument.

- EAD is based on the amounts that the Company expects to be owed at the time of default over the next 12 months or remaining lifetime of the instrument.

- LGD represents the Company's expectation of loss given that a default occurs. LGD is expressed in percentage and remains unaffected from the fact that whether the financial instrument is a Stage 1, or Stage 2 or even Stage 3 asset.

Probability of default (PD) computation model

PD or default rate is an estimate of the likelihood of the default event occurring in the future. Accordingly, a lower PD signifies lower credit risk. PD is estimated by using historical data, and is done over a particular time horizon. It is arrived by using vintage analysis over the historical default data to assess how default rates change over time, factors in the current macro economic data and computes the risk of default in the next 12 months or the remaining life of the loan.

Loss given default (LGD) computation model

Loss given default (LGD) is defined as the percentage of economic loss in case of default. LGD computation is based on the lender's losses on defaulted accounts after the consideration of expected recoveries. The management believes that the LGDs depicted basis the historical data is not representative of the future for certain products with low vintage and the historical data is insufficient to make a realistic assessment of account collectibility. The management has applied an override on the LGD percentages for these specific products so as to depict the expected loss rates in the near term.

Write off policy

The Company writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. The outstanding contractual amounts of such assets written off during the year ended March 31, 2025 was Rs. 49,385.59 (March 31, 2024: Rs. 21,840.17). However, collection efforts continue on such accounts as these are legally due to the Company.

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40 Financial risk management objectives and policies (contd.):

The table below summarises the stage-wise gross carrying values and the associated allowances for expected credit loss (ECL) on the loan portfolio:

March 31, 2025				
Particulars	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Gross carrying value	565,527.95	13,676.34	16,894.32	**596,098.61**
Less: Allowance for ECL	10,108.42	8,506.00	12,563.53	**31,177.95**
Net carrying value	**555,419.53**	**5,170.34**	**4,330.79**	**564,920.66**
ECL Coverage Ratio	**1.79%**	**62.19%**	**74.37%**	**5.23%**

March 31, 2024				
Particulars	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Gross carrying value	460,055.36	11,253.23	11,052.55	**482,361.14**
Less: Allowance for ECL	10,652.57	7,088.21	7,927.17	**25,667.95**
Net carrying value	**449,402.79**	**4,165.02**	**3,125.38**	**456,693.19**
ECL Coverage Ratio	**2.32%**	**62.99%**	**71.72%**	**5.32%**

(C) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

Management of the Company monitors the liquidity position and cash & cash equivalents on the basis of expected cash flows. The Asset Liability Management Policy aims to align market risk management with overall strategic objectives, articulate current interest rate view and determine pricing, mix and maturity profile of assets and liabilities. The policy involves preparation and analysis of liquidity gap reports, stress testing based on estimates of cash inflows and also taking preventive and corrective measures to manage risk. It also addresses the interest rate risk by providing for duration gap analysis and control by providing limits to the gaps.

The table below summarises the maturity profile of the undiscounted contractual cashflow of the Company's financial liabilities :

March 31, 2025	**Less than 1 year**	**1 to 3 years**	**3 to 5 years**	**Total**
Debt Securities	141,060.64	32,668.85	-	**173,729.49**
Borrowings other than debt securities	189,268.72	18,289.50	1,827.26	**209,385.48**
Trade payables	14,063.67	0.92	-	**14,064.59**
Other financial liabilities	8,164.94	1,580.63	-	**9,745.57**
	352,557.97	**52,539.90**	**1,827.26**	**406,925.13**
March 31, 2024				
Debt Securities	97,030.27	32,540.58	-	**129,570.85**
Borrowings other than debt securities	151,515.61	9,612.62	-	**161,128.23**
Trade payables	12,881.74	1.60	-	**12,883.34**
Other financial liabilities	6,443.57	1,276.55	-	**7,720.12**
	267,871.19	**43,431.35**	**-**	**311,302.54**

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40 Financial risk management objectives and policies (contd):

(D) Operational risk

Operational risk is the risk arising from inadequate or failed internal processes, people or systems, or from external events. The Company manages operational risks through comprehensive internal control systems and procedures laid down around various key activities in the Company viz. loan acquisition, customer service, IT operations, finance function etc. Internal Audit also conducts a detailed review of all the functions at least once a year, this helps to identify process gaps on timely basis. Further IT and Operations have a dedicated compliance and control units within the function who on continuous basis review internal processes. This enables the Management to evaluate key areas of operational risks and the process to adequately mitigate them on an ongoing basis. The Company has put in place a robust Disaster Recovery (DR) plan and Business Continuity Plan (BCP) to ensure continuity of operations including services to customers, if any eventuality is to happen such as natural disasters, technological outage etc. Robust periodic testing is carried, and results are analysed to address gaps in the framework, if any. DR and BCP audits are conducted on a periodical basis to provide assurance regarding the effectiveness of the Company's readiness.

(E) Analysis of changes in the gross carrying amount and corresponding ECL allowances in relation to loans:

Particulars	Stage 1		Stage 2		Stage 3		Total	
	Loans	Impairment loss allowance	Loans	Impairment loss allowance	Loans	Impairment loss allowance	Loans	Impairment loss allowance
As at March 31, 2024	**460,055.36**	**10,652.57**	**11,253.23**	**7,088.21**	**11,052.55**	**7,927.17**	**482,361.14**	**25,667.95**
Transfers during the year							-	-
- To Stage 1	23.54	14.30	(22.09)	(13.22)	(1.45)	(1.08)	-	-
- To Stage 2	(4,147.72)	(64.55)	4,149.06	65.53	(1.34)	(0.98)	-	-
- To Stage 3	(37,466.72)	(1,970.14)	(9,254.43)	(5,836.75)	46,721.15	7,806.89	-	-
	(41,590.90)	**(2,020.39)**	**(5,127.46)**	**(5,784.44)**	**46,718.36**	**7,804.83**	-	-
Impact of changes in credit risk on account of stage movements	-	(13.91)	-	1,068.89	-	39,471.23	-	**40,526.21**
Changes in opening credit exposures	(393,575.70)	(8,191.53)	(4,218.42)	(1,233.65)	(10,708.94)	(8,929.27)	**(408,503.06)**	**(18,354.45)**
New credit exposures during the year (net of repayments)	540,639.19	9,681.68	11,768.99	7,366.99	26,692.19	23,149.41	**579,100.37**	**40,198.08**
Amounts written-off	-	-	-	-	(56,859.84)	(56,859.84)	**(56,859.84)**	**(56,859.84)**
As at March 31, 2025	**565,527.95**	**10,108.42**	**13,676.34**	**8,506.00**	**16,894.32**	**12,563.53**	**596,098.61**	**31,177.95**

Particulars	Stage 1		Stage 2		Stage 3		Total	
	Loans	Impairment loss allowance	Loans	Impairment loss allowance	Loans	Impairment loss allowance	Loans	Impairment loss allowance
As at March 31, 2023	230,611.90	3,472.85	5,524.79	2,862.14	5,537.62	3,507.70	**241,674.31**	**9,842.69**
Transfers during the year							-	-
- To Stage 1	9.20	4.56	-6.52	-3.04	-2.68	-1.52	-	-
- To Stage 2	(1,870.87)	(22.19)	1,870.87	22.19	-	-	-	-
- To Stage 3	(15,184.28)	(575.31)	(4,509.76)	(2,342.83)	19,694.04	2,918.14	-	-
	(17,045.95)	**(592.94)**	**(2,645.41)**	**(2,323.68)**	**19,691.36**	**2,916.62**	-	-
Impact of changes in credit risk on account of stage movements	-	96.85	-	423.16	-	17,805.03	-	**18,325.04**
Changes in opening credit exposures	(204,345.83)	(2,777.70)	(2,118.71)	(501.66)	(5,683.39)	(5,054.03)	**(212,147.93)**	**(8,333.39)**
New credit exposures during the year (net of repayments)	450,835.24	10,453.51	10,492.56	6,628.25	18,396.36	15,641.25	**479,724.16**	**32,723.01**
Amounts written-off	-	-	-	-	(26,889.40)	(26,889.40)	**(26,889.40)**	**(26,889.40)**
As at March 31, 2024	**460,055.36**	**10,652.57**	**11,253.23**	**7,088.21**	**11,052.55**	**7,927.17**	**482,361.14**	**25,667.95**

41 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximize the shareholder value and to ensure the Company's ability to continue as a going concern. Regulatory capital related information is presented as part of the RBI mandated disclosures.

The Company monitors gearing ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

		March 31, 2025	March 31, 2024
Total equity	(i)	235,581.91	205,033.94
Debt securities	(ii)	161,635.21	120,184.10
Borrowings other than debt securities	(iii)	198,705.63	153,787.36
Total debt	**(iv)=(ii)+(iii)**	360,340.84	273,971.46
Less: Cash and bank balances & liquid investments	(v)	19,005.79	22,488.26
Net debt	**(vi) = (iv)-(v)**	**341,335.05**	**251,483.20**
Gearing ratio	**(vi)/(i)**	**1.45**	**1.23**

No changes were made in the objectives, policies or processes for managing capital during the years presented.

42 Change in liabilities arising from financing activities

Particulars	April 01, 2024	Net Cash flows	March 31, 2025
Debt securities	120,184.10	41,451.11	161,635.21
Borrowings other than debt securities	153,787.36	44,918.27	198,705.63
Total liabilities from financing activities	**273,971.46**	**86,369.38**	**360,340.84**

Particulars	April 01, 2023	Net Cash flows	March 31, 2024
Debt securities	72,050.90	48,133.20	120,184.10
Borrowings other than debt securities	57,308.37	96,478.99	153,787.36
Total liabilities from financing activities	**129,359.27**	**144,612.19**	**273,971.46**

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43 Financial instruments and fair value disclosures

The carrying value and fair value of financial assets and liabilities are as follows:

	Fair value through profit and loss	Fair value through OCI	Amortised cost	Total	Fair value
As at March 31, 2025					
Financial assets					
Cash and cash equivalents	-	-	18,222.24	**18,222.24**	18,222.24
Bank balances other than above	-	-	21,308.96	**21,308.96**	21,308.96
Trade receivables	-	-	1,443.36	**1,443.36**	1,443.36
Loans	-	-	564,920.66	**564,920.66**	564,920.66
Other financial assets	-	-	4,915.03	**4,915.03**	4,915.03
Total financial assets	-	-	**610,810.25**	**610,810.25**	**610,810.25**
Financial liabilities					
Trade payables	-	-	14,064.59	**14,064.59**	14,064.59
Debt securities	-	-	161,635.21	**161,635.21**	161,635.21
Borrowings (other than debt securities)	-	-	198,705.63	**198,705.63**	198,705.63
Other financial liabilities	-	-	9,745.57	**9,745.57**	9,745.57
Total financial liabilities	-	-	**384,151.00**	**384,151.00**	**384,151.00**
As at March 31, 2024					
Financial assets					
Cash and cash equivalents	-	-	21,510.17	21,510.17	21,510.17
Bank balances other than above	-	-	7,347.26	7,347.26	7,347.26
Trade receivables	-	-	416.27	416.27	416.27
Loans	-	-	456,693.19	456,693.19	456,693.19
Other financial assets	-	-	5,307.66	5,307.66	5,307.66
Total financial assets	-	-	**491,274.55**	**491,274.55**	**491,274.55**
Financial liabilities					
Trade payables	-	-	12,883.34	12,883.34	12,883.34
Debt securities	-	-	120,184.10	120,184.10	120,184.10
Borrowings (other than debt securities)	-	-	153,787.36	153,787.36	153,787.36
Other financial liabilities	-	-	7,720.12	7,720.12	7,720.12
Total financial liabilities	-	-	**294,574.92**	**294,574.92**	**294,574.92**

Fair value measurement of financial assets and liabilities

Financial assets and financial liabilities measured at fair value in the Statement of Balance Sheet are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: unobservable inputs for the asset or liability.

There were no financial assets or financial liabilities measured at fair value through OCI in the previous year.

The carrying amount of trade receivables, cash and cash equivalents, other bank balances, loans, other current financial assets, borrowings, debt securities, deposits, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

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 realized or paid in sale transactions as of respective dates. 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.

There have been no transfers among Level 1, Level 2 and Level 3 categories during the year.

	March 31, 2025	March 31, 2024
44 Expenditure in foreign currency (on accrual basis)		
Customer Support Expenses	92.57	-
Legal Expenses	17.31	-
Technical Expenses	23.93	-
Total	**133.81**	**-**

45 Contingencies and commitments:		
Capital commitments	85.76	-
Loan commitments*	396.51	5.32
Towards default loss guarantee	16,523.18	4,892.58
Indirect tax demands (Refer Note 2 below)	14,162.38	-
	31,167.83	4,897.90

** Represents loans which have been sanctioned and pending disbursement as at March 31, 2025.*

Notes:

1) During the FY 2022-23, as part of an industry wide investigation carried by an investigation agency ("Agency") on the digital lending applications and the financial institutions lending on such applications, cash and bank balances of Rs. 3,305.31 lakhs and Rs. 1,606.53 lakhs of balances pending settlement from intermediaries of the Company have been frozen pursuant to an order by the Agency. In response to such action, the Company had filed a petition before the Hon'ble High Court of Telangana seeking quashing of the Agency's order.

The Hon'ble High Court vide its order dated March 11, 2025 quashed the proceedings against the Company. Upon the passing of the order, the Company is waiting for the completion of the 90 day period provided under law to the Directorate of Enforcement to appeal against the order. The Company will, upon completion of the 90 days period, make a representation before the ED for releasing the amounts. Accordingly, as per the Management's assessment, no provisions are required to be created in the Financial Statements.

2) The Company has received a show cause notice vide which tax liability amounting to Rs. 7,565.32 lakhs and related interest & penalty have allegedly been ascertained with respect to applicability of Goods and Service Tax (GST) on "Deficiency Service Income" received by the Company. The Company has taken legal opinion from a reputed Senior Advocate and also an advice from a reputed Chartered Accountant firm expert on the said matter. In the opinion and the advise respectively, the Senior Advocate and the independent Chartered Accountant firm are of the view that GST is not required to be paid on the Deficiency Service Income booked by the Company. Further, the Company has filed writ petition before the Hon'ble High Court of Karnataka to issue an order/direction to quash the show cause notice and to refund the amount paid earlier under protest. The Hon'ble High Court has passed interim order dated July 15, 2024 staying the notice issued by the GST department.

In light of above and as per the management's assessment, there is no need to create any provisions in the Financial Statements. However, in line with expert opinions and applicable Ind AS, Company has disclosed the tax liability amounting to Rs. 14,162.38 Lakhs (tax amounting to Rs. 7,565.32 lakhs, interest amounting to Rs. 5,840.52 lakhs calculated till March 31, 2025 and penalty amounting to Rs. 756.53 lakhs).

46 Additional regulatory disclosure requirements pursuant to MCA Notification dated March 24, 2021:

(i) The Company does not own any immovable property as at March 31, 2025.

(ii) The Company does not own any investment property as at March 31, 2025.

(iii) The Company has not revalued its Property, Plant and equipment during the year ended March 31, 2025.

(iv) The Company has not revalued its Intangible assets during the year ended March 31, 2025.

(v) The Company has not granted any loans or advances to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person that are:
(a) repayable on demand
(b) without specifying any terms or period of repayment

(vi) The Company does not have any capital work-in-progress as at March 31, 2025.

(vii) The Company does not have any intangible assets under development as at March 31, 2025.

(viii) No proceedings have been initiated or pending against the Company under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

(ix) The Company has taken borrowings from banks on the basis of security of its loan receivables. The Company has filed all the monthly/quarterly statements/returns with the banks as per the terms and conditions of the facility agreement and no discrepancies are noted with the books of accounts & Financial Statements of the Company.

(x) The Company has not been declared a wilful defaulter by any bank or financial institution or consortium thereof.

(xi) The Company has not had any transaction with the companies struck off under section 248 of The Companies Act, 2013 or section 560 of The Companies Act, 1956.

(xii) The Company has not defaulted in registration or satisfaction of charges with the Registrar of Companies.

(xiii) The Company does not have a subsidiary and hence has complied with the number of investment layers prescribed under section 2(87) of the Companies Act, 2013.

46 Additional regulatory disclosure requirements pursuant to MCA Notification dated March 24, 2021 (contd.):

(xiv) The Company has not entered into any scheme of arrangement during the year.

(xv) The Company has neither advanced, loaned, invested or received directly or indirectly any funds to/from any entity with the understanding that such funds will be transferred to another person, i.e ultimate beneficiaries/ultimate funding parties.

(xvi) The Company has disclosed all incomes appropriately as per the Indian Accounting Standards and no adjustments are required to be made due to any tax assessments or other requirements of the Income Tax Act, 1961.

(xvii) The Company has not traded or invested in crypto currencies or virtual currencies during the year.

(xviii) The Ministry of Corporate Affairs (MCA), under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, as amended from time to time, require Companies to only use accounting softwares for maintaining its books of account that have a feature of recording audit trail of every transaction, creating an edit log of each change made in the books of account, the date when such changes were made and ensuring that the audit trail cannot be disabled.

During the current year, the Company had been using an accounting software which complied with the aforementioned regulations. However, the Company fully transitioned into another ERP from July 1, 2024 which did not have the audit trail feature at a database level as on the implementation date. The software developers subsequently released a patch update to comply with the requirement and the Company has updated its systems as at March 12, 2025.

47 The Board of Directors of the Company in the meeting dated May 21, 2025 have approved the Scheme of Arrangement between the Company ("Transferee Company") and Finnovation Tech Solutions Private Limited ("Transferor Company") in respect of:
(i) the merger of the Transferor Company into the Transferee Company and the consequent dissolution of the Transferor Company without being wound up;
(ii) the consequent issuance of the new equity shares or new Compulsorily Convertible Preference Shares, as the case may be, by the Transferee Company to the shareholders of the Transferor Company as at the Record Date (as defined in the Scheme) in accordance with the Share Entitlement Ratio defined in the Scheme;
(iii) the reduction of securities premium account of the Transferee Company; and
(iv) various other matters consequential, incidental, supplementary or otherwise integrally connected therewith.

48 The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued. The Company will assess the impact of the Code and will give appropriate impact in the Financial Statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

49 Disclosures pursuant to the RBI notification no. RBI/DoR/2023-24/105 - Master Direction DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023 - Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 (the "Master Direction") (as amended from time to time) have been provided in the "Annexures to the Financial Statements". These disclosures have been prepared based on this Ind-AS complaint Financial Statements of the Company.

50 Previous year figures have been regrouped/reclassified, where necessary, to conform to this year's classification.

As per our report of even date
For TATTVAM & Co.
Chartered Accountants
Firm Registration No: 015048N

CA Sagar Arora
Partner
Membership No.: 520999
Place: New Delhi
Date: May 28, 2025
UDIN:

For and on behalf of the Board of Directors of
KrazyBee Services Private Limited
CIN:U65100KA2016PTC086990

Madhusudan Ekambaram
Director
DIN: 07442577
Place: Bengaluru
Date: May 28, 2025

Vivek Veda
Director
DIN: 07560229
Place: Bengaluru
Date: May 28, 2025

Pallavi Lingaraju
Company Secretary
Membership No: A56733
Place: Bengaluru
Date: May 28, 2025

KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(All amounts are in Rs. Lakhs, unless otherwise stated)

Annexures to the Financial Statements

Schedule to the Balance sheet

Particulars			March 31, 2025		March 31, 2024	
Liabilities side			Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
(1)	Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:					
	(a)	Debentures:				
		Secured	152,185.52	-	105,012.70	-
		Unsecured	-	-	-	-
	(b)	Deferred Credits	-	-	-	-
	(c)	Term Loans	113,522.46	-	101,570.43	-
	(d)	Inter-corporate loans and borrowing	-	-	-	-
	(e)	Commercial Paper	9,449.69	-	15,171.40	-
	(f)	Public Deposits	-	-	-	-
	(i)	Other Loans:				
		- Securitisation liabilities	24,694.98	-	17,251.94	-
		- Bank overdraft	26,715.84	-	16,460.11	-
		- Working capital loans	32,523.75	-	18,504.88	-
		- Inter corporate deposits	1,248.60	-	-	-
(2)	Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):					
	(a)	In the form of Unsecured debentures	-	-	-	-
	(b)	In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-	-	-
	(c)	Other public deposits	-	-	-	-

Assets side				March 31, 2025	March 31, 2024
(3)	Break-up of Loans and Advances including bills receivables [other than those included in (4) below]				
	(a)	Secured		15,403.24	353.20
	(b)	Unsecured		549,517.42	456,339.99
(4)	Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities:				
	(i)	Lease assets including lease rentals under sundry debtors:			
		(a)	Financial lease	-	-
		(b)	Operating lease	-	-
	(ii)	Stock on hire including hire charges under sundry debtors:			
		(a)	Assets on hire	-	-
		(b)	Repossessed Assets	-	-
	(iii)	Other loans counting towards asset financing activities:			
		(a)	Loans where assets have been repossessed	-	-
		(b)	Loans other than (a) above	-	-
(5)	Break-up of Investments				
	Current Investments				
	1	Quoted			
		(i)	Shares		
			(a) Equity	-	-
			(b) Preference	-	-
		(ii)	Debentures and Bonds	-	-
		(iii)	Units of mutual funds	-	-
		(iv)	Government Securities	-	-
		(v)	Others (please specify)	-	-
	2	Unquoted			
		(i)	Shares		
			(a) Equity	-	-
			(b) Preference	-	-
		(ii)	Debentures and Bonds	-	-
		(iii)	Units of mutual funds	-	-
		(iv)	Government Securities	-	-
		(v)	Others (please specify)	-	-

	Long Term Investments				
1	Quoted				
	(i)	Share			
		(a) Equity	-	-	
		(b) Preference	-	-	
	(ii)	Debentures and Bonds	-	-	
	(iii)	Units of mutual funds	-	-	
	(iv)	Government Securities	-	-	
	(v)	Others (please specify)	-	-	
2	Unquoted				
	(i)	Shares			
		(a) Equity	-	-	
		(b) Preference	-	-	
	(ii)	Debentures and Bonds	-	-	
	(iii)	Units of mutual funds	-	-	
	(iv)	Government Securities	-	-	
	(v)	Others - Fixed Deposit	-	-	

(6) Borrower group-wise classification of assets financed as in (3) and (4) above:

Category			As on March 31, 2025			As on March 31, 2024		
			Amount net of provisions			Amount net of provisions		
			Secured	Unsecured	Total	Secured	Unsecured	Total
1	**Related Parties ****							
	(a)	Subsidiaries	-	-	-	-	-	-
	(b)	Companies in the same group	-	-	-	-	-	-
	(c)	Other related parties	-	-	-	-	0.75	0.75
2	Other than related parties		15,403.24	549,517.42	564,920.66	353.20	456,339.24	456,692.44
	Total		**15,403.24**	**549,517.42**	**564,920.66**	**353.20**	**456,339.99**	**456,693.19**

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

Category			March 31, 2025		March 31, 2024	
			Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1	Related Parties **					
	(a)	Subsidiaries	-	-	-	-
	(b)	Companies in the same group	-	-	-	-
	(c)	Other related parties	-	-	-	-
2	Other than related parties		-	-	-	-
	Total		-	-	-	-

(8) Other information

Particulars			March 31, 2025	March 31, 2024
(i)	Gross Non-Performing Assets			
	(a)	Related parties	-	-
	(b)	Other than related parties	16,894.32	11,052.55
(ii)	Net Non-Performing Assets			
	(a)	Related parties	-	-
	(b)	Other than related parties	4,330.79	3,125.38
(iii)	Assets acquired in satisfaction of debt		-	-

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(9) Loans to Directors, Senior Officers and Relatives of Directors

Particulars	March 31, 2025	March 31, 2024
Directors and their relatives	-	1.60
Entities associated with directors and their relatives	-	-
Senior Officers and their relatives	-	-

(10)

Capital to Risk Assets Ratio	March 31, 2025	March 31, 2024
CRAR %	29.59%	33.89%
CRAR - Tier I Capital (%)	28.34%	32.64%
CRAR - Tier II Capital (%)	1.25%	1.25%
Amount of subordinated debt raised as Tier-II Capital	-	-
Amount rasied by issue of Perpetual Debt Instruments	-	-

(11) Investments

Particulars	March 31, 2025	March 31, 2024
1) Value of Investments		
i) Gross value of investments		
- In India	-	-
- Outside India	-	-
(ii) Provisions for depreciation on investments		
- in India	-	-
- Outside India	-	-
(iii) Net value of investments		
- In India	-	-
- Outside India	-	-
2) Movement of provisions held towards depreciation on investments		
i) Opening balance	-	-
ii) Add: Provision made during the year	-	-
iii) Less: Write-off /write back of excess provision during the year	-	-
iv) Closing balance	-	-

(12)

Particulars	March 31, 2025	March 31, 2024
Unsecured Advances	578,424.22	482,006.47

(13) Ratings assigned by credit rating agencies and migration of ratings during the year

Rating Agency	Programme	Ratings assigned	Migration during the year
Crisil Ratings	Bank Loan Ratings	Crisil A- Stable	Nil
	Commercial Paper	Crisil A1	Nil
	Non Convertible Debentures	Crisil PPMLD A-/Stable	Withdrawn
	Non Convertible Debentures	Crisil A- Stable	Nil
CARE Ratings	Commercial Paper	CARE A1	Nil
	Bank Loan Ratings	CARE A- Stable	Nil
	Non Convertible Debentures	CARE A- Stable	New Rating
Acuite Ratings & Research	Bank Loan Ratings	Acuite A Stable	Rating has been upgraded from Acuite A- Stable
	Commercial Paper	Not Applicable	Withdrawn
	Non Convertible Debentures	Not Applicable	Withdrawn

(14) Provisions and Contingencies

Particulars	March 31, 2025	March 31, 2024
Provision for depreciation on Investment	-	-
Provision towards non performing assets*	12,563.53	7,927.17
Provision for standard assets**	18,614.41	17,740.77
Provision for default loss guarantee	4,834.57	3,819.98
Provision towards income tax	9,895.23	11,229.53
Provision for compensated absences	530.04	400.06
Provision for gratuity	193.93	376.37
Contingent liability on default loss guarantee	16,523.18	4,892.58
Contingent liability on indirect tax demands	14,162.38	-

* Represents provision on Stage 3 advances.
** Represents provision on Stage 1 and Stage 2 advances.

(15) a) Concentration of assets

i. Concentration of Advances

Particulars	March 31, 2025	March 31, 2024
Total Advances to twenty largest borrowers	1,605.33	437.54
Percentage of Advances of twenty largest borrowers to Total Advances of the Company	0.27%	0.09%

ii. Concentration of exposures

Particulars	March 31, 2025	March 31, 2024
Total exposure to twenty largest borrowers	1,605.33	437.54
Percentage of exposure of twenty largest borrowers to total exposure of the Company on borrowers	0.27%	0.09%

iii. Concentration of NPA

Particulars	March 31, 2025	March 31, 2024
Total Exposure to top four NPA accounts	74.76	17.48

iv. Sector wise NPAs

Sector	Percentage of NPA to Total Advances in that sector	
	March 31, 2025	March 31, 2024
Agriculture and allied activities	0.00%	0.00%
Industry	3.71%	0.80%
Corporate borrowers	-	-
Services	4.11%	0.99%
Unsecured personal loans	2.78%	2.35%
Loan against property	0.02%	-
Auto Loans	-	-
Other Personal Loans	-	-
Total	2.83%	2.29%

b) Concentration of liabilities

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

Number of Significant Counterparties*	Amount	% of Total Deposits	% of Total Liabilities
1	26,773.73	N/A	6.88%

** Based on no. of parties forming greater than 5% of the total liabilities individually.*

(ii) Top 20 large deposits (amount in Rs. crore and % of total deposits)

The Company has not raised any deposits. Accordingly, this disclosure is not applicable.

(iii) Top 10 borrowings (amount in Rs. lakhs and % of total borrowings)

Amount	% of Total Borrowings
106,082.29	29.44%

(iv) Funding Concentration based on significant instrument/product

Name of the Instrument	Amount	% of Total Liabilities
Non-convertible debentures	152,185.52	39.08%
Commercial papers	9,449.69	2.43%
Term loans from bank	44,465.74	11.42%
Term loans from others	69,056.72	17.73%
Working capital loans	32,523.75	8.35%
Bank overdraft	26,715.84	6.86%
Inter corporate deposits	1,248.60	0.32%
Securitisation liabilities	24,694.98	6.34%

(15) a) Concentration of assets (contd)

(v) Stock Ratios

Particulars	Total Public Funds %	Total Liabilities %	Total Assets %
Commercial papers as a % of total public funds, total liabilities and total assets	2.62%	2.43%	1.51%
Non-convertible debentures (original maturity of less than one year) as a % of total public funds, total liabilities and total assets	0.00%	0.00%	0.00%
Other short-term liabilities, if any as a % of total public funds, total liabilities and total assets	7.46%	6.91%	4.30%

(vi) Institutional set-up for liquidity risk management: Refer Note 41(C).

(16) Movement of credit impaired loans

Particulars	March 31, 2025	March 31, 2024
(i) Net NPAs to Net Advances (%)	0.74%	0.66%
(ii) Movement of NPAs (Gross)		
(a) Opening balance	11,052.55	5,537.62
(b) Additions during the year	70,729.47	35,527.42
(c) Reductions during the year	(64,887.71)	(30,012.49)
(d) Closing balance	**16,894.31**	**11,052.55**
(iii) Movement of Net NPAs		
(a) Opening balance	3,125.38	2,029.92
(b) Additions during the year	16,707.52	9,267.78
(c) Reductions during the year	(15,502.12)	(8,172.32)
(d) Closing balance	**4,330.77**	**3,125.38**
(iv) Movement of Provision for NPAs		
(a) Opening balance	7,927.17	3,507.70
(b) Impairment loss allowance made during the year	54,021.95	26,259.64
(c) Write off/ write back of excess allowance	(49,385.59)	(21,840.17)
(d) Closing balance	**12,563.53**	**7,927.17**

(17) Disclosure of frauds as per Master Direction - Monitoring of Frauds in NBFCs (Reserve Bank) Directions, 2016. circular no. RBI/DNBS/2016-17/49 Master Direction DNBS. PPD.01/66.15.001/2016-17 dated 29 September 2016.

Particulars	March 31, 2025	March 31, 2024
a. Persons involved		
Customers	-	-
Total	-	-
b. Type of fraud		
Others	-	-
Total	-	-





(18) Derivatives

Disclosure with respect to outstanding Cross Currency Interest Rate Swap (CCIRS)

a) Cross Currency Interest Rate Swap

Particulars	March 31, 2025	March 31, 2024
i) The notional principal of swap agreements (USD)	-	-
ii) Losses which would be incurred if counter parties failed to fulfil their obligation under the agreements	-	-
iii) collateral required by the Bank upon entering into swaps	-	-
iv) concentration of credit risk arising from the swaps	-	-
v) fair value of the swap book	-	-

The nature and terms of the Cross Currency Interest Rate Swap

Nature	Terms	Benchmark
Hedging	Not Applicable	Not Applicable

b) Exchange Traded Interest Rate Derivatives - Not applicable

c) Disclosures on Risk Exposure in Derivatives

Qualitative Disclosure

The Company's treasury function is responsible for company's access to financial markets. Further, treasury function monitors and manages various risks relating to treasury operations of the Company including currency risk, market risk and liquidity risk. In course of managing these risks, the Company may use various market instruments as permissible for the company based on RBI guidelines and internal approvals. Further, compliance with various policies and exposure limits is reviewed by the Management. The Company does not enter into any trade in financial instruments including derivative financial instruments for speculative purposes.

Quantitative Disclosure

Sr. No.	Particulars	March 31, 2025		March 31, 2024	
		Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
(i)	Derivatives (Notional Principal Amount) (USD)	-	-	-	-
	a) For hedging*	-	-	-	-
	b) For trading	-	-	-	-
(ii)	Marked to Market Positions	-	-	-	-
	a) Asset (+)	-	-	-	-
	b) Liability (-)	-	-	-	-
(iii)	Credit Exposure	-	-	-	-
(iv)	Unhedged Exposure (USD Million)	-	-	-	-

* Pertains to cross currency interest rate swap

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(19) Asset Liability Management (ALM)

Maturity pattern of assets and liabilities as on March 31, 2025

Sr. No.	Particulars	0 day to 7 days	8 days to 14 days	15 days to 30/31 days (One month)	Over one month and upto 2 months	Over two months and upto 3 months	Over 3 months and upto 6 months	Over 6 months and upto 1 year	Over 1 year and upto 3 years	Over 3 years and upto 5 years	Over 5 years	Total
1	Deposits	-	-	-	-	-	-	-	-	-	-	-
2	Advances (Loan to customers)	23,945.14	18,511.85	11,256.84	63,623.09	62,362.90	170,229.77	144,697.24	70,941.26	18,691.61	11,838.91	596,098.61
3	Investments	-	-	-	-	-	-	-	-	-	-	-
	Total Inflows	**23,945.14**	**18,511.85**	**11,256.84**	**63,623.09**	**62,362.90**	**170,229.77**	**144,697.24**	**70,941.26**	**18,691.61**	**11,838.91**	**596,098.61**
4	Debt Securities	-	273.74	3,247.45	27,229.79	19,070.96	29,225.13	51,229.78	31,358.36	-	-	161,635.21
5	Borrowings (Other than debt securities)	4,972.36	1,026.45	6,151.35	13,251.12	34,531.36	36,826.24	83,254.70	17,035.07	1,656.98	-	198,705.63
6	Foreign Currency Liabilities	-	-	-	-	-	-	-	-	-	-	-
7	Loan Commitments pending disbursal	396.51	-	-	-	-	-	-	-	-	-	396.51
	Total Outflows	**5,368.87**	**1,300.19**	**9,398.80**	**40,480.91**	**53,602.32**	**66,051.37**	**134,484.48**	**48,393.43**	**1,656.98**	**-**	**360,737.35**

Maturity pattern of assets and liabilities as on March 31, 2024

Sr. No.	Particulars	0 day to 7 days	8 days to 14 days	15 days to 30/31 days (One month)	Over one month and upto 2 months	Over two months and upto 3 months	Over 3 months and upto 6 months	Over 6 months and upto 1 year	Over 1 year and upto 3 years	Over 3 years and upto 5 years	Over 5 years	Total
1	Deposits	-	-	-	-	-	-	-	-	-	-	-
2	Advances (Loan to Customer)	17,404.40	18,081.49	19,053.90	61,906.04	57,504.19	137,809.76	107,696.70	50,879.29	11,921.92	103.45	482,361.14
3	Investments	-	-	-	-	-	-	-	-	-	-	-
	Total Inflows	**17,404.40**	**18,081.49**	**19,053.90**	**61,906.04**	**57,504.19**	**137,809.76**	**107,696.70**	**50,879.29**	**11,921.92**	**103.45**	**482,361.14**
4	Debt Securities	2,567.29	99.37	8,575.28	13,082.29	12,144.90	13,990.64	38,461.05	31,263.28	-	-	120,184.10
5	Borrowings (Other than Debt Securities)	21,843.55	3,121.82	6,660.46	12,668.00	23,219.17	35,814.49	41,055.19	9,404.68	-	-	153,787.36
6	Foreign Currency Liabilities	-	-	-	-	-	-	-	-	-	-	-
7	Loan Commitments pending disbursal	5.32	-	-	-	-	-	-	-	-	-	5.32
	Total Outflows	**24,416.16**	**3,221.19**	**15,235.74**	**25,750.29**	**35,364.07**	**49,805.13**	**79,516.24**	**40,667.96**	**-**	**-**	**273,976.78**

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KRAZYBEE SERVICES PVT. LTD. Bangalore

TAYAL AM & CO FRN-036048N NEW DELHI Chartered Accountants

(20) Disclosure as per Circular no. RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 issued by Reserve Bank of India (RBI) dated March 13, 2020:

As on March 31, 2025:

Asset classification as per RBI Norms	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss allowance as required under Ind AS 109	Net carrying amount	Provisions as required under IRACP norms	Difference between Ind AS and IRACP norms
(1)	(2)	(3)	(4)	(5)	(6)	(7)
(a) Performing assets						
Standard	Stage 1	565,527.95	10,108.42	555,419.53	2,262.11	7,846.30
	Stage 2	13,676.34	8,506.00	5,170.34	54.71	8,451.29
	Stage 3	39.66	29.66	10.00	0.16	29.50
Subtotal		**579,243.95**	**18,644.08**	**560,599.87**	**2,316.98**	**16,327.09**
(b) Non performing assets (NPA)						
(i) Sub standard	Stage 3	16,854.66	12,533.87	4,320.79	1,685.47	10,848.40
(ii) Doubtful						
Upto 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		-	-	-	-	-
(iii) Loss	Stage 3	-	-	-	-	-
Subtotal (b)		**16,854.66**	**12,533.87**	**4,320.79**	**1,685.47**	**10,848.40**
(c) Other items	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
	Subtotal	-	-	-	-	-
Total (a+b+c)	Stage 1	565,527.95	10,108.42	555,419.53	2,262.11	7,846.30
	Stage 2	13,676.34	8,506.00	5,170.34	54.71	8,451.29
	Stage 3	16,894.32	12,563.53	4,330.79	1,685.62	10,877.90
	Subtotal	**596,098.61**	**31,177.95**	**564,920.66**	**4,002.44**	**27,175.49**

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(20) Disclosure as per Circular no. RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 issued by Reserve Bank of India (RBI) dated March 13, 2020 (contd.):

As on March 31, 2024:

Asset classification as per RBI Norms	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss allowance as required under Ind AS 109	Net carrying amount	Provisions as required under IRACP norms	Difference between Ind AS and IRACP norms
(1)	(2)	(3)	(4)	(5)	(6)	(7)
(a) Performing assets						
Standard	Stage 1	460,055.36	10,652.57	449,402.79	1,840.22	8,812.34
	Stage 2	11,253.23	7,088.21	4,165.02	45.01	7,043.19
Subtotal		**471,308.59**	**17,740.78**	**453,567.81**	**1,885.23**	**15,855.53**
(b) Non performing assets (NPA)						
(i) Sub standard	Stage 3	11,052.55	7,927.17	3,125.38	1,105.26	6,821.92
(ii) Doubtful						
Upto 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		-	-	-	-	-
(iii) Loss	Stage 3	-	-	-	-	-
Subtotal (b)		**11,052.55**	**7,927.17**	**3,125.38**	**1,105.26**	**6,821.92**
(c) Other items	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
	Subtotal	-	-	-	-	-
Total (a+b+c)	Stage 1	460,055.36	10,652.57	449,402.79	1,840.22	8,812.34
	Stage 2	11,253.23	7,088.21	4,165.02	45.01	7,043.19
	Stage 3	11,052.55	7,927.17	3,125.38	1,105.26	6,821.92
	Subtotal	**482,361.14**	**25,667.95**	**456,693.19**	**2,990.49**	**22,677.45**

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(21) Disclosure on accounts subjected to restructuring

For year ended March 31, 2025
No loans have been restructured during the year ended March 31, 2025.

For year ended March 31, 2024
No loans have been restructured during the year ended March 31, 2024.

(22) Disclosure of complaint

(1) Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman

S. No.		Particulars	March 31, 2025	March 31, 2024
	Complaints received by NBFC from its customers			
1.		No. of complaints pending at the beginning of the year	5	2
2.		No. of complaints received during the year	789	675
3.		No. of complaints disposed during the year	788	672
	3.1	Of which No. of complaints rejected by the NBFC	81	0
4.		No. of complaints pending at the end of the year	6	5
	Maintainable complaints received by the NBFC from the office of the ombudsman			
5.		No. of maintainable complaints received by the NBFC from Office of Ombudsman	75	74
	5.1	Of 5, No. of complaints resolved in favour of the NBFC by Office of Ombudsman	19	7
	5.2	Of 5, No. of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	35	54
	5.3	Of 5, No. of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	21	13
6.		Number of Awards unimplemented within the stipulated time (other than those appealed)	0	0

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(2) Top five grounds of complaints received by the NBFCs from customers

Grounds of complaints	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
Year ended March 31, 2025					
Account related issues	1	564	22%	1	0
Repayment Delay Related	4	202	41%	5	0
Non customer issue	0	14	-75%	0	0
Transaction related issue	0	7	-22%	0	0
Product Related Issue	0	2	-67%	0	0
Total	**5**	**789**		**6**	**0**
Year ended March 31, 2024					
Account related issues	2	461	455%	1	0
Repayment Delay Related	0	143	134%	4	0
Non customer issue	0	56	115%	0	0
Transaction related issue	0	9	-71%	0	0
Product Related Issue	0	6	50%	0	0
Total	**2**	**675**		**5**	**0**

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(23) Exposure

(1) Exposure to real estate sector
Not applicable

(2) Exposure to capital market
Not applicable

(3) Sectoral exposure

Sectors	As on March 31, 2025			As on March 31, 2024		
	Total exposure (includes on balance sheet and off balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total exposure (includes on balance sheet and off balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and allied activities	-	-	-	-	-	-
2. Industry						
Manufacturing*	8,972.65	346.78	3.86%	3,089.61	24.64	0.80%
Retail & Wholesale trade	25,306.92	936.74	3.70%	-	-	-
Others	2,024.35	63.85	3.15%	-	-	-
3. Services						
Other services*	32,592.13	1,340.24	4.11%	16,535.31	163.79	0.99%
4. Personal Loans						
i) Unsecured	511,574.68	14,203.10	2.78%	462,381.56	10,864.12	2.35%
ii) Secured	Not applicable					
4. Loan against Property						
i) Unsecured	Not Applicable					
ii) Secured	15,859.44	3.61	0.02%	359.99	-	0.00%
5. Auto / 2 Wheeler loans						
i) Unsecured	Not Applicable					
ii) Secured	164.94	-	0.00%	-	-	0.00%

All loans classified under manufacturing and other services are MSME loans

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KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(All amounts are in Rs. Lakhs, unless otherwise stated)

(24) Related party disclosure

Particulars	Parent		Fellow Subsidiaries		Subsidiaries/Associates		Key managerial persons		Relatives of KMP & Entities controlled by relatives of KMP		Independent Directors		Relatives of Independent director		Entities under common directorship		Total	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Purchase of trademark	-	0.55	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.55
Non-convertible debentures (Outstanding)	-	-	-	-	-	-	562.30	100.39	471.92	210.76	-	-	-	-	-	-	1,034.22	311.15
Issue of Non - covertible debentures(NCD)	-	-	-	-	-	-	560.00	500.00	470.00	210.00	-	-	-	-	-	-	1,030.00	710.00
Redemption of NCD	-	-	-	-	-	-	100.00	420.00	210.00	120.00	-	-	-	-	-	-	310.00	540.00
Interest paid	-	-	-	-	-	-	52.99	51.89	47.26	31.80	-	-	-	-	-	-	100.25	83.69
Shares issued (including premium)	-	2,263.04	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,263.04
Deficiency recovery expenses	-	-	-	2,670.27	-	-	-	-	-	-	-	-	-	-	1,977.30	-	1,977.30	2,670.27
Rent cross charge	-	-	-	741.67	-	-	-	-	-	-	-	-	-	-	1,197.53	-	1,197.53	741.67
Asset cross charge	-	-	-	-	-	-	-	-	-	-	-	-	-	-	297.74	-	297.74	-
Sitting fees	-	-	-	-	-	-	-	-	-	-	60.50	42.00	-	-	-	-	60.50	42.00
Loan issued	-	-	-	-	-	-	-	-	-	-	-	-	-	1.60	-	-	-	1.60
Interest income on loan	-	-	-	-	-	-	-	-	-	-	-	-	0.08	0.13	-	-	0.08	0.13
Repayment of loan	-	-	-	-	-	-	-	-	-	-	-	-	0.74	0.86	-	-	0.74	0.86
Closing balance of loan receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	0.75	-	-	-	0.75
Trade mark usage fees	-	0.70	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.70
Trade mark	#REF!	#REF!	-	-	-	-	-	-	-	-	-	-	-	-	-	-	#REF!	#REF!
Dividend paid	-	3,353.86	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,353.86
Employee liabilities transferred in	-	-	-	1,217.67	-	-	-	-	-	-	-	-	-	-	56.30	-	56.30	1,217.67
Employee liabilities transferred out	-	-	-	-	-	-	-	-	-	-	-	-	-	-	25.76	-	25.76	-
Share based expense during the year	-	27.80	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	27.80
Sale of services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	68.24	-	68.24	-
Business support Service (income)	-	-	-	103.05	-	-	-	-	-	-	-	-	-	-	197.99	-	197.99	103.05

KRAZYBEE SERVICES PVT. LTD. Bangalore

TAYYAM & CO. Chartered Accountants FRN 0[illegible]48N NEW DELHI

(24) Related party disclosure

Particulars	Parent		Fellow Subsidiaries		Subsidiaries/Associates		Key managerial persons		Relatives of KMP & Entities controlled by relatives of KMP		Independent Directors		Relatives of Independent director		Entities under common directorship		Total	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Purchase of services	-	-	-	30,414.02	-	-	-	-	-	-	-	-	-	-	35,381.63	-	35,381.63	30,414.02
Business support Service (expense)	-	-	-	158.06	-	-	-	-	-	-	-	-	-	-	106.18	-	106.18	158.06
Corporate gurantee fees	-	-	-	440.38	-	-	-	-	-	-	-	-	-	-	829.68	-	829.68	440.38
Remuneration and expense reimbursements	-	-	-	-	-	-	8,010.07	2,600.01	-	-	-	-	-	-	-	-	8,010.07	2,600.01
Corporate gurantee given during the year	-	-	-	61,352.40	-	-	-	-	-	-	-	-	-	-	87,578.29	-	87,578.29	61,352.40
Corporate gurantee on outstanding balance of debt	-	-	-	29,258.51	-	-	-	-	-	-	-	-	-	-	79,187.02	-	79,187.02	29,258.51
Trade and other receivables	-	-	-	1,217.67	-	-	-	-	-	-	-	-	-	-	1,446.20	-	1,446.20	1,217.67
Trade and other payables	-	0.02	-	7,769.15	-	-	-	-	-	-	-	-	-	-	8,164.30	-	8,164.30	7,769.17
Contribution to post employment benefit plan trust	-	-	-	-	-	-	-	-	-	-	-	-	-	-	376.36	-	376.36	-

Note
Refer Note 20(h) of the Financial Statements. Pursuant to this distribution, Finnovation Tech Solutions Private Limited ceased to be a "Fellow Subsidiary" of the Company and is considered to be an "Entity with common directors".

(25) Breach of covenant
No covenants have been breached during the year.

(26) Divergence in asset classification and provisioning
The Company's asset classification policy is in accordance with RBI's asset classification norms.





KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(All amounts are in Rs. Lakhs, unless otherwise stated)

(27) Disclosure relating to Securitization

1 (i) Outstanding amount of Securitised assets as per books of the SPVs #

		As at March 31, 2025	As at March 31, 2024
1	No of SPEs holding assets for securitisation transactions originated by the originator (Count)	8	3
2	Total amount of securitised assets as per books of the SPEs	34,598.96	20,389.00
3	Total amount of exposures retained by the originator to comply with MRR as on the date of balance sheet		
	a) Off-balance sheet exposures		
	First loss	-	-
	Others	-	-
	b) On-balance sheet exposures		
	First loss	3,932.66	1,123.64
	Others	1,440.71	-
4	Amount of exposures to securitisation transactions other than MRR		
	a) Off-balance sheet exposures		
	(i) Exposure to own securitisation		
	First loss	-	-
	Others	-	-
	(ii) Exposure to third party securitisations		
	First loss	-	-
	Others	-	-
	b) On-balance sheet exposures		
	(i) Exposure to own securitisation		
	First loss	-	-
	Others	8,446.79	3,094.52
	(ii) Exposure to third party securitisations		-
	First loss	-	-
	Others	-	-
5	Sale consideration received for the securitised assets	53,077.39	17,981.01
	Gain/loss on sale on account of securitisation		
6	Form and quantum of services provided:		
	(i) Servicer fee	3.20	2.00
7	Performance of facility provided.		
	(a) Credit enhancement	3,932.66	1,123.64
	(b) Servicer fee	3.20	2.00
8	Average default rate of portfolios observed in the past - Personal loans	1.89%*	3.55%*
9	Amount and number of additional/top up loan given on same underlying asset. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc		-
10	Investor complaints		
	(a) Directly/Indirectly received	-	-
	(b) Complaints outstanding	-	-

*Note: As per internal estimates of PAR90

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KRAZYBEE SERVICES PRIVATE LIMITED
Notes forming part of the Financial Statements
(All amounts are in Rs. Lakhs, unless otherwise stated)

(28) Quarter on quarter Liquidity Coverage Ratio for the Financial Year ended March 31, 2025:

		Q1 FY 24-25		Q2 FY 24-25		Q3 FY 24-25		Q4 FY 24-25	
		Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
	High Quality Liquid Assets								
1	Total High Quality Liquid Assets (HQLA)	22,213.29	22,213.29	30,490.06	30,490.06	27,218.15	27,218.15	14,853.04	14,853.04
	Cash Outflows								
2	Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-
3	Unsecured wholesale funding	-	-	5,500.00	6,325.00	-	-	-	-
4	Secured wholesale funding	22,370.70	25,726.30	30,046.30	34,553.25	29,722.37	34,180.73	17,628.75	20,273.06
5	Additional requirements, of which	-	-	-	-	-	-	-	-
	(i) Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-	-	-
	(ii) Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
	(iii) Credit and liquidity facilities	-	-	-	-	-	-	-	-
6	Other contractual funding obligations	15,071.60	17,332.34	18,996.85	21,846.38	15,377.30	17,683.90	16,883.29	19,415.78
7	Other contingent funding obligations	25.02	28.78	215.22	247.51	311.66	358.41	396.51	455.99
8	**TOTAL CASH OUTFLOWS**	**37,467.32**	**43,087.42**	**54,758.37**	**62,972.14**	**45,411.33**	**52,223.04**	**34,908.55**	**40,144.83**
	Cash Inflows								
9	Secured lending	31,920.00	23,940.00	28,815.00	21,611.25	15,000.00	11,250.00	37,231.89	27,923.92
10	Inflows from fully performing exposures	56,882.00	42,661.50	59,460.74	44,595.56	58,962.77	44,222.08	61,538.00	46,153.50
11	Other cash inflows	7,155.44	5,366.58	5,633.00	4,224.75	2,678.33	2,008.75	2,296.84	1,722.63
12	**TOTAL CASH INFLOWS**	**95,957.44**	**71,968.08**	**93,908.74**	**70,431.56**	**76,641.10**	**57,480.83**	**101,066.73**	**75,800.05**
		Total Adjusted Value		Total Adjusted Value		Total Adjusted Value		Total Adjusted Value	
13	TOTAL HQLA		22,213.29		30,490.06		27,218.15		14,853.04
14	TOTAL NET CASH OUTFLOWS		10,771.85		15,743.04		13,055.76		10,036.21
15	LIQUIDITY COVERAGE RATIO (%)		206.22%		193.67%		208.48%		147.99%

	Components of HQLA:								
1	Assets to be included as HQLA without any haircut	**22,213.29**	**22,213.29**	**30,490.06**	**30,490.06**	**27,218.15**	**27,218.15**	**14,853.04**	**14,853.04**
	(a) T-Bills	-	-	-	-	-	-	-	-
	(b) Bank balance	*22,213.29*	*22,213.29*	*30,490.06*	*30,490.06*	*27,218.15*	*27,218.15*	*14,853.04*	*14,853.04*
2	Assets to be considered for HQLA with a minimum haircut of 15%	-	-	-	-	-	-	-	-
3	Assets to be considered for HQLA with a minimum haircut of 50%	-	-	-	-	-	-	-	-
4	Approved securities held as per the provisions of section 45 IB of RBI Act - Government Securities	-		-	-	-		-	
	Total HQLA	**22,213.29**	**22,213.29**	**30,490.06**	**30,490.06**	**27,218.15**	**27,218.15**	**14,853.04**	**14,853.04**

The Liquidity Risk Management of the Company is managed by the Asset Liability Committee (ALCO) under the governance of Board approved Liquidity Risk Framework and Asset Liability Management policy. The Company maintains adequate liquidity buffers considering its operating requirements, growth needs as well as funding obligations.

The LCR levels for the Balance Sheet date is derived by arriving at the stressed expected cash inflows and outflows for the next calendar month. To compute stressed cash outflow, all expected and contracted cash outflows are considered by applying a stress of 15% (i.e 115% of expected and contracted cash outflows). Similarly, inflows for the Company is arrived at by considering all expected and contracted inflows by applying a haircut of 25% (i.e 75% of expected and contracted cash inflows).

The Company for purpose of computing outflows, has considered: (1) all the contractual debt repayments, (2) committed credit facilities contracted with it's customers, and (3) other expected or contracted cash outflows. Inflows comprises of: (1) expected receipt from all performing loans, and (2) liquid investment which are unencumbered and have not been considered as part of HQLA.

As prescribed by the RBI Regulations, for the purpose of HQLA, the Company considers cash and cash equivalents without any haircut and other high-quality liquid assets with the prescribed haircuts. The LCR is computed by dividing the stock of HQLA by its total net cash outflows over one-month stress period.

(29) Details of penalties imposed by RBI and other regulators

Year ended March 31, 2025:

There was no monetary penalty imposed by the Reserve Bank of India or any other regulator for the FY 2024-25.

Year ended March 31, 2024:

There was no monetary penalty imposed by the Reserve Bank of India or any other regulator for the FY 2023-24.

(30) Remuneration of non-executive directors

Particulars	For the year ended March 31, 2025	March 31, 2024
Abhishek Singhvi	21.00	15.00
Adesh Gupta	21.50	15.50
Gopalakrishna Gurrappa (Upto July 22, 2024)	6.00	11.50
Shashikala Ramachandra (w.e.f. July 19, 2024)	12.00	-

***Note:** The above numbers are excluding GST.*

(31) Others

(a) Details of Assignment transactions undertaken by applicable NBFCs:
There are no such transactions during the current year and previous year.

(b) Details of non-performing financial assets purchased / sold - Not Applicable:
There are no such transactions during the current year and previous year.

(c) Exposure to Real estate sector:
There are no such transactions during the current year and previous year.

(d) Exposure to Capital market:
There are no such transactions during the current year and previous year.

(e) Details of financing of parent company products:
There are no such transactions during the current year and previous year.

(f) Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the applicable NBFC - Nil.

(g) Registration obtained from other financial sector regulators - None.

(h) Remuneration of non executive directors - Refer Point 24 of the Annexures to the Financial Statements.

(i) There are no prior period items in the current year. The Financial Statements for the current year have been prepared in accordance with Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

(j) There is no postponement of revenue recognition during the year which is subjected to resolution of significant uncertainties.

(k) Draw Down from Reserves:
There has been no draw down from reserves during the year.

(l) Overseas Assets (for those with Joint Ventures and Subsidiaries abroad):
There are no overseas assets owned by the Company.

(m) Off-balance Sheet SPVs sponsored:
There are no off-balance sheet SPVs sponsored.

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Finnovation Tech Solutions Private Limited
Provisional Unaudited Balance Sheet as at 30 September 2025
(All amounts are in Indian rupees (₹), unless otherwise stated)

	Note	As at 30 September 2025	As at 31 March 2025
Assets			
Non-current assets			
Property, plant and equipment		5,56,65,897	7,22,30,480
Intangible assets		1,42,44,213	1,98,97,191
Right of use assets		6,35,81,466	14,63,67,473
Financial assets			
- Bank balances	1	7,80,56,66,283	7,56,50,16,091
- Other financial assets	2	1,36,15,052	3,76,47,010
Income tax assets (net)	3	12,11,52,877	12,11,91,918
Deferred tax assets (net)	4	2,22,90,210	3,27,45,165
		8,09,62,16,000	**7,99,50,95,327**
Current assets			
Financial assets			
- Investments	5	35,03,52,989	-
- Trade receivables	6	1,63,55,60,908	65,46,59,429
- Cash and cash equivalents	7	5,13,63,590	71,64,11,364
- Bank balances other than cash and cash equivalents	7	61,90,226	-
- Other financial assets	8	46,98,04,919	58,62,22,682
Other current assets	9	7,16,44,640	6,11,97,467
		2,58,49,17,272	**2,01,84,90,942**
Total assets		**10,68,11,33,272**	**10,01,35,86,269**
Equity and liabilities			
Equity			
Equity share capital	10	1,19,11,050	1,17,97,770
Instruments entirely equity in nature	10	50,01,050	50,01,050
Other equity	11	9,69,34,50,885	8,96,92,81,345
Total equity		**9,71,03,62,985**	**8,98,60,80,165**
Liabilities			
Non-current liabilities			
Financial liabilities			
- Lease liabilities	12	3,23,91,369	8,69,49,127
		3,23,91,369	**8,69,49,127**
Current liabilities			
Financial Liabilities			
- Lease liabilities	12	4,27,61,659	7,77,19,318
- Trade payables	14		
i) Total outstanding dues of micro and small enterprises		77,67,361	1,31,99,749
ii) Total outstanding dues of creditors other than micro and small enterprises		11,49,72,417	11,45,17,090
- Other financial liabilities	15	66,97,49,367	52,97,99,310
Other current liabilities	16	7,39,38,158	17,63,36,187
Provisions	13	2,91,89,956	2,89,85,322
		93,83,78,917	**94,05,56,977**
Total liabilities		**97,07,70,287**	**1,02,75,06,104**
Total equity and liabilities		**10,68,11,33,272**	**10,01,35,86,269**

For and on behalf of the Board of Directors of
Finnovation Tech Solutions Private Limited
CIN: U74900KA2016PTC086953

Karthikeyan Krishnaswamy
Director
DIN : 07449376

FINNOVATION TECH SOLUTIONS PVT. LTD. Bangalore

Finnovation Tech Solutions Private Limited
Provisional Unaudited Statement of profit and loss for the half year ended 30 September 2025
(All amounts are in Indian rupees (₹), unless otherwise stated)

	Note	Half year ended 30 September 2025	Year ended 31 March 2025
Income			
Revenue from operations	17	2,21,94,31,274	5,89,74,66,483
Other income	18	52,04,64,957	92,37,23,669
Total income		**2,73,98,96,231**	**6,82,11,90,152**
Expenses:			
Fees and commission expense	19	59,59,814	2,58,37,715
Employee benefits expense	20	32,62,55,902	90,05,60,924
Depreciation and amortisation expense	21	5,83,43,743	14,12,96,045
Finance cost	22	66,57,911	2,66,15,653
Other expenses	23	1,42,68,36,101	2,55,58,11,532
Total expenses		**1,82,40,53,471**	**3,65,01,21,868**
Profit before tax		**91,58,42,760**	**3,17,10,68,283**
Tax expense:			
Current tax		23,42,60,467	80,31,72,851
Tax in relation to previous year		(96,81,021)	11,31,273
Deferred tax		1,05,25,557	(34,50,383)
		23,51,05,003	**80,08,53,740**
Profit for the year		**68,07,37,757**	**2,37,02,14,543**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
- Remeasurement of defined benefit plans		(2,80,524)	(5,61,047)
- Income tax relating to items that will not be reclassified to profit or loss		70,602	1,41,204
Total other comprehensive loss for the period/year (net of tax)		**(2,09,921)**	**(4,19,843)**
Total comprehensive income for the period/year		**68,05,27,835**	**2,36,97,94,701**

For and on behalf of the Board of Directors of
Finnovation Tech Solutions Private Limited
CIN: U74900KA2016PTC086953

Karthikeyan Krishnaswamy
Director
DIN : 07449376

FINNOVATION TECH SOLUTIONS PVT. LTD. Bangalore

Finnovation Tech Solutions Private Limited
Provisional Unaudited Statement of changes in equity for the half year ended 30 September 2025
(All amounts are in Indian rupees (₹), unless otherwise stated)

A. Equity share capital

Equity shares of ₹ 10 each issued, subscribed and fully paid

Particulars	Note no	Amount
Balance as at 01 April 2024	*10*	**1,17,97,770**
Shares issued during the year		-
Balance as at 31 March 2025		**1,17,97,770**
Shares issued during the period		1,13,280
Balance as at 30 September 2025		**1,19,11,050**

B. Instruments entirely equity in nature

0.001% non-cumulative convertible preference shares (CCPS) of ₹ 10 each

Particulars	Note no	Amount
Balance as at 01 April 2024	*10*	**50,01,050**
Shares issued during the year		-
Balance as at 31 March 2025		**50,01,050**
Shares issued during the period		-
Balance as at 30 September 2025		**50,01,050**

C. Other equity

Particulars	Retained earnings	Securities premium	Share options outstanding account	Capital Reserve	Other comprehensive income	Total other equity
Balance as at 01 April 2024	**1,41,33,01,613**	**4,72,63,55,522**	**15,65,81,427**	**9,920**	**(14,59,921)**	**6,29,47,88,560**
Expenses related to issue of 0.001% non-cumulative CCPS	-	2,53,11,915	-	-	-	2,53,11,915
Profit for the year	2,37,02,14,543	-	-	-	-	2,37,02,14,543
Additions during the year on account of Share based payments	-	-	27,72,63,096	-	-	27,72,63,096
Addition on transfer of employees	-	-	21,23,074			21,23,074
Remeasurement of defined benefit plans, net of tax	-	-	-	-	(4,19,843)	(4,19,843)
Balance as at 31 March 2025	**3,78,35,16,156**	**4,75,16,67,437**	**43,59,67,597**	**9,920**	**(18,79,764)**	**8,96,92,81,345**
Profit for the period	68,07,37,757	-	-	-	-	68,07,37,757
Additions during the year on account of Share based payments	-		4,36,41,704	-	-	4,36,41,704
Transfer to Securities premium		2,64,10,377	(2,64,10,377)			-
Remeasurement of defined benefit plans, net of tax	-	-	-	-	(2,09,921)	(2,09,921)
Balance as at 30 September 2025	**4,46,42,53,913**	**4,77,80,77,814**	**45,31,98,924**	**9,920**	**(20,89,685)**	**9,69,34,50,885**

Finnovation Tech Solutions Private Limited
CIN: U74900KA2016PTC086953

Karthikeyan Krishnaswamy
Director
DIN : 07449376



	As at 30 September 2025	As at 31 March 2025
1 Bank balances		
Balances with banks in restricted accounts	7,80,56,66,283	7,56,50,16,091
	7,80,56,66,283	**7,56,50,16,091**

2 Other non-current financial assets	As at 30 September 2025	As at 31 March 2025
(Unsecured, considered good unless otherwise stated)		
Security deposits	1,19,66,275	3,76,47,010
Gratuity	16,48,778	-
	1,36,15,052	**3,76,47,010**

3 Income tax assets (net)		
Advance tax (net of provision for tax)	12,11,52,877	12,11,91,918
	12,11,52,877	**12,11,91,918**
4 Deferred tax assets (net)		
Deferred tax asset arising on account of:		
Provision for employee benefits	1,10,64,514	2,09,81,116
Provision for loyalty points	18,37,170	18,37,170
Others	10,58,062	11,28,664
Fair valuation of security deposits	9,81,057	19,43,384
Lease liabilities	1,89,14,514	4,14,43,754
Deferred tax liabilities arising on account of:		
Timing difference on account of depreciation/ amortization	44,37,075	22,48,841
Right of use assets	(1,60,02,183)	(3,68,37,766)
	2,22,90,210	**3,27,45,165**

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	As at 30 September 2025	As at 31 March 2025
5 Current investments		
Measured at fair value through profit and loss		
Investment in Liquid mutual funds (quoted)	35,03,52,989	-
	35,03,52,989	**-**

	As at 30 September 2025	As at 31 March 2025
6 Trade receivables		
Unsecured considered good		
- Related parties	1,47,00,89,966	37,16,09,031
- Others	16,54,70,942	28,30,50,398
	1,63,55,60,908	**65,46,59,429**
Allowances for expected credit loss		
Allowance for credit loss	-	-
	1,63,55,60,908	**65,46,59,429**

		As at 30 September 2025	As at 31 March 2025
7 Cash and bank balances			
Cash and cash equivalents			
Cash in hand		2,55,876	2,55,876
Balances with banks in current accounts		5,11,07,714	11,58,41,844
Deposits original maturity of less than 3 months		-	60,03,13,643
	(A)	**5,13,63,590**	**71,64,11,364**
Other bank balances			
- Deposits with remaining maturity of more than 3 months but less than 12 months		61,90,226	-
- Balances with banks in restricted accounts		7,80,56,66,283	7,56,50,16,091
		7,81,18,56,509	**7,56,50,16,091**
Less : Amounts disclosed as non-current bank balance		(7,80,56,66,283)	(7,56,50,16,091)
	(B)	**61,90,226**	**-**
	Total (A)+(B)	**5,75,53,816**	**71,64,11,364**

	As at 30 September 2025	As at 31 March 2025
8 Other current financial assets		
(Unsecured, considered good)		
Security deposits	4,48,61,000	2,47,40,929
Unbilled revenue	39,79,05,298	51,38,22,110
Other receivables	2,70,38,620	4,76,59,642
	46,98,04,919	**58,62,22,682**

	As at 30 September 2025	As at 31 March 2025
9 Other current assets		
(Unsecured, considered good)		
Prepaid expenses	3,06,56,084	3,63,11,052
Advances to employees	22,09,727	18,47,330
Advance to suppliers	40,37,625	32,79,243
Capital Advance	-	1,03,500
Other advances	3,25,37,018	1,73,75,357
Balance with government authorities	22,04,186	22,80,986
	7,16,44,640	**6,11,97,467**



	As at 30 September 2025		As at 31 March 2025	
	Number*	Amount	Number*	Amount
10 Share capital				
(i) Authorised shares				
Equity shares of ₹ 10 each	40,00,000	4,00,00,000	40,00,000	4,00,00,000
0.001% non-cumulative convertible preference shares (CCPS) of ₹ 10 each	5,50,000	55,00,000	5,50,000	55,00,000
	45,50,000	**4,55,00,000**	**45,50,000**	**4,55,00,000**
(ii) Issued, subscribed and fully paid up				
11,69,981 equity shares of ₹ 10 each	11,69,981	1,16,99,810	11,69,981	1,16,99,810
9,796 equity shares of ₹ 10 each	9,796.00	97,960	9,796	97,960
11,328 equity shares of ₹ 10 each	11,328.00	1,13,280	-	-
4,07,783 0.001% non cummulative CCPS of ₹ 10 each	4,07,783	40,77,830	4,07,783	40,77,830
92,322 0.001% non cummulative CCPS of ₹ 10 each	92,322	9,23,220	92,322	9,23,220
	16,91,210	**1,69,12,100**	**16,79,882**	**1,67,98,820**

		As at 30 September 2025	As at 31 March 2025
11 Other equity			
Capital reserve			
Balance at the beginning of the year		9,920	9,920
Add: Pursuant to the scheme of amalgamation		-	-
Balance at the end of the period/year	**(A)**	**9,920**	**9,920**
Securities premium			
Balance at the beginning of the year		4,75,16,67,437	4,72,63,55,522
Add : Additions during the period on Share options		2,64,10,377	-
Less: Expenses related to issue of 0.001% non-cumulative CCPS		-	2,53,11,915
Balance at the end of the period/year	**(B)**	**4,77,80,77,814**	**4,75,16,67,437**
Share options outstanding account			
Balance at the beginning of the year		43,59,67,597	15,65,81,427
Add : Additions during the period/year		4,36,41,704	27,72,63,096
Add: Addition on transfer of employees		-	21,23,074
Less: Transfer to Securities premium		(2,64,10,377)	-
Balance at the end of the period/year	**(C)**	**45,31,98,924**	**43,59,67,597**
Surplus in the statement of profit and loss			
Balance at the beginning of the year		3,78,35,16,156	1,41,33,01,613
Add : Transferred from the statement of profit and loss		68,07,37,757	2,37,02,14,543
Balance at the end of the period/year	**(D)**	**4,46,42,53,913**	**3,78,35,16,156**
Accumulated other comprehensive income			
Balance at the beginning of the year		(18,79,764)	(14,59,921)
Add : Transfer from other comprehensive income		(2,09,921)	(4,19,843)
Balance at the end of the period/year	**(E)**	**(20,89,685)**	**(18,79,764)**
Total other equity	**(A)+(B)+(C)+(D)+(E)**	**9,69,34,50,885**	**8,96,92,81,345**

	As at 30 September 2025		As at 31 March 2025	
	Non-current	Current	Non-current	Current
12 Lease Liabilities				
Lease liabilities	3,23,91,369	4,27,61,659	8,69,49,127	7,77,19,318
	3,23,91,369	**4,27,61,659**	**8,69,49,127**	**7,77,19,318**

FINNOVATION TECH SOLUTIONS PVT. LTD. Bangalore

	As at 30 September 2025		As at 31 March 2025	
	Non-Current	Current	Non-Current	Current
13 Provisions				
Provisions for employee benefits				
Provision for gratuity	-	-	-	20,99,661
Provision for compensated absences	-	2,18,90,328	-	1,95,86,033
Provision for loyalty points	-	72,99,628	-	72,99,628
	-	**2,91,89,956**	-	**2,89,85,322**

	As at 30 September 2025	As at 31 March 2025
14 Trade payables		
Total outstanding dues of micro and small enterprises	77,67,361	1,31,99,749
Total outstanding dues of creditors other than micro and small enterprises	11,49,72,417	11,45,17,090
	12,27,39,777	**12,77,16,839**

Trade payables ageing

	As at 30 September 2025	As at 31 March 2025
15 Other current financial liabilities		
Employee related payables	4,54,18,484	5,95,02,205
Other payables	12,40,65,170	13,29,69,218
Accrued expenses	50,02,65,712	33,73,27,888
	66,97,49,367	**52,97,99,310**
16 Other current liabilities		
Statutory dues payable	4,55,77,056	12,50,72,847
Deferred corporate gurantee fees	2,83,61,102	5,12,63,339
	7,39,38,158	**17,63,36,187**

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	Half year ended 30 September 2025	Year ended 31 March 2025
17 Revenue from operations		
Revenue from services		
i) Service fees	1,22,60,137	5,43,32,833
ii) Processing and other service fees	1,75,30,50,629	4,80,52,03,166
Other operating revenue		
Income from marketing activities	45,41,20,508	1,03,79,30,484
	2,21,94,31,274	5,89,74,66,483

	Half year ended 30 September 2025	Year ended 31 March 2025
18 Other income		
Recoveries from deficiency compensation expense	9,35,63,239	28,70,10,307
Interest on fixed deposits	29,20,43,949	43,24,74,204
Income from business support services	12,00,98,592	16,60,30,976
Income on investments carried at fair value through profit or loss	77,88,640	1,06,95,184
Interest on Income Tax Refund	-	2,06,59,050
Other interest Income	17,70,192	49,60,899
Miscellaneous income	52,00,346	18,93,049
	52,04,64,957	92,37,23,669
19 Fees and commission expense		
Commission expenses	28,680	88,69,564
Credit verification charges	-	11,72,546
Processing and maintenance charges	59,31,134	1,57,95,605
	59,59,814	2,58,37,715
20 Employee benefits expense		
Salaries and wages	26,78,91,600	59,71,48,509
Contribution to provident and other funds	67,32,111	1,65,24,511
Gratuity expenses	42,98,274	63,44,923
Compensated absences	36,92,213	32,79,885
Share based payment to employees	4,36,41,704	27,72,63,096
	32,62,55,902	90,05,60,924
21 Depreciation and amortisation expense		
Depreciation of property, plant and equipment	1,68,07,716	4,10,33,166
Amortisation of intangible assets	56,52,977	1,18,51,583
Depreciation of rights of use assets	3,58,83,050	8,84,11,296
	5,83,43,743	14,12,96,045
22 Finance costs		
Interest expenses on remeasurement of lease liabilities	66,57,911	2,66,15,653
	66,57,911	2,66,15,653
23 Other expenses		
Sales promotion expenses	1,06,65,52,033	2,11,66,10,094
Collection agency charges	6,63,29,683	20,98,59,418
Technical expenses	4,35,21,627	7,66,30,305
Office expenses	5,01,20,127	4,51,63,997
Legal and professional charges	14,94,29,733	3,14,89,282
Communication costs	82,91,355	2,91,48,411
Rent	64,02,667	47,97,103
Business support services	1,47,60,510	1,97,99,278
Bank charges	9,05,943	34,30,207
Travel and conveyance	8,26,317	55,97,128
Rates and taxes	4,94,314	32,57,316
Payment to auditors	11,52,000	28,50,000
Loss on sale of property, plant and equipment	-	13,183
Corporate social responsibility expense	1,72,64,397	56,00,000
Miscellaneous expenses	7,85,394	15,65,809
	1,42,68,36,101	2,55,58,11,532

Finnovation Tech Solutions Private Limited
CIN: U74900KA2016PTC086953

Karthikeyan Krishnaswamy
Director
DIN : 07449376

FINNOVATION TECH SOLUTIONS PVT. LTD. Bangalore

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Independent Auditor's Review Report on Unaudited Quarterly Financial Results and Year to Date Results of the Krazybee Services Limited *(formerly known as Krazybee Services Private Limited)* pursuant to Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Krazybee Services Limited *(formerly known as Krazybee Services Private Limited)*

1. We have reviewed the accompanying statement of unaudited financial results ('the Statement') of Krazybee Services Limited *(formerly known as Krazybee Services Private Limited)* ('the NBFC') for the quarter ended 30 September 2025 and the year to date results for the period 01 April 2025 to 30 September 2025, being submitted by the NBFC pursuant to the requirements of Regulation 52 of ('the SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations').

2. The Statement, which is the responsibility of the NBFC's management and approved by the NBFC's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), the circulars, guidelines and directions issued by the Reserve Bank of India ('the RBI') from time to time, applicable to NBFCs ('the RBI guidelines'), and other accounting principles generally accepted in India, and is in compliance with the presentation and disclosure requirements of Regulation 52 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under section 133 of the Act, the RBI guidelines, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 52 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement, or that it has not been prepared in accordance with the relevant prudential norms issued by the RBI in respect of income recognition, asset classification, provisioning and other related matters.

5. The review of unaudited financial results for the quarter ended 30 June 2025, included in the Statement was carried out and reported by M/s Tattvam & Co. who have expressed unmodified conclusion vide their review report dated 13 August 2025, whose review report has been furnished to us and which has been relied upon by us for the purpose of our review of the Statement. Our conclusion is not modified in respect of this matter.

6. The review of unaudited quarterly and year-to-date financial results for the period ended 30 September 2024 and audit of financial results for the year ended 31 March 2025 included in the Statement was carried out and reported by M/s Tattvam & Co. who have expressed unmodified conclusion vide their review report dated 08 November 2024 and unmodified opinion vide their audit report dated 28 May 2025, respectively, whose reports have been furnished to us and which have been relied upon by us for the purpose of our review of the Statement. Our conclusion is not modified in respect of this matter.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No: 001076N/N500013

Varun R S
Partner
Membership No. 238900

UDIN: 25238900BOENTN2622

Bengaluru
13 November 2025

KRAZYBEE SERVICES LIMITED

(Formerly known as Krazybee Services Private Limited)

CIN: U65100KA2016PLC086990

Registered office: 3rd Floor, No.128/9, Maruthi Sapphire, HAL Airport Road, Murgesh Palya, Bangalore – 560017

Tel. No. 080 - 4130 8395

Website: www.kbnbfc.in ; Email : reachus@kbnbfc.in

Statement of unaudited financial results for the quarter and half year ended September 30, 2025

(₹ In lakhs)

Sl. No.	Particulars	Quarter ended			Half year ended		Year ended
		September 30, 2025 (Unaudited)	June 30, 2025 (Unaudited)	September 30, 2024 (Unaudited)	September 30, 2025 (Unaudited)	September 30, 2024 (Unaudited)	March 31,2025 (Audited)
1	**Revenue from operations**						
	Interest income	44,761.39	39,348.36	39,813.03	84,109.75	83,499.36	1,58,966.07
	Fees and commission income	25,082.14	23,397.14	11,976.42	48,479.28	19,238.45	59,535.39
	Net gain on fair value changes	13.12	1.19	83.11	14.31	83.11	86.25
	Total revenue from operations	**69,856.65**	**62,746.69**	**51,872.56**	**1,32,603.34**	**1,02,820.92**	**2,18,587.71**
2	Other income	77.05	0.15	0.05	77.20	23.36	95.75
3	**Total income (1 + 2)**	**69,933.70**	**62,746.84**	**51,872.61**	**1,32,680.54**	**1,02,844.28**	**2,18,683.46**
	Expenses						
	Finance costs	13,042.68	11,155.51	9,293.72	24,198.19	17,786.54	37,520.32
	Fees and commission expense	5,189.46	4,835.37	5,188.98	10,024.83	8,135.45	17,144.72
	Impairment on financial instruments	20,758.57	19,294.89	19,972.23	40,053.46	38,504.36	76,213.35
	Employee benefits expenses	6,892.49	7,135.59	7,678.42	14,028.08	14,711.49	30,419.00
	Depreciation and amortization expense	327.06	270.90	227.10	597.96	395.98	883.58
	Other expenses	8,768.20	7,750.53	6,716.43	16,518.73	12,812.52	26,821.61
4	**Total Expenses**	**54,978.46**	**50,442.79**	**49,076.88**	**1,05,421.25**	**92,346.34**	**1,89,002.58**
5	**Profit before tax for the period/year (3 - 4)**	**14,955.24**	**12,304.05**	**2,795.73**	**27,259.29**	**10,497.94**	**29,680.88**
	Tax expense:						
	(1) Current tax	4,039.04	3,816.57	996.75	7,855.61	5,179.22	9,895.24
	(2) Deferred tax	(148.84)	(689.51)	(275.79)	(838.35)	(2,501.35)	(2,314.05)
	(3) Tax for earlier years	(96.93)	-	-	(96.93)	-	(21.98)
6	**Total tax expense**	**3,793.27**	**3,127.06**	**720.96**	**6,920.33**	**2,677.87**	**7,559.21**
7	**Profit after tax for the period/year (5 - 6)**	**11,161.97**	**9,176.99**	**2,074.77**	**20,338.96**	**7,820.07**	**22,121.67**
8	**Other comprehensive income**						
	(i) Items that will not be reclassified to profit or loss	24.24	(44.92)	(73.95)	(20.68)	(74.44)	(26.23)
	(I) Income tax relating to items that will not be reclassified to profit or loss	(6.11)	11.31	18.61	5.20	18.74	6.60
	Total other comprehensive income/(loss), net of tax	**18.13**	**(33.61)**	**(55.34)**	**(15.48)**	**(55.70)**	**(19.63)**
9	**Total comprehensive income for the period/year (7 + 8)**	**11,180.10**	**9,143.38**	**2,019.43**	**20,323.48**	**7,764.37**	**22,102.04**
10	**Earnings per share [face value of ₹ 10 each]***						
	Basic (₹)	3.46	2.86	0.65	6.32	2.44	6.89
	Diluted (₹)	3.27	2.68	0.61	5.97	2.31	6.49

*earnings per share for the quarters are not annualized

KRAZYBEE SERVICES LIMITED

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Tel. No. 080 - 4130 8395

Website: www.kbnbfc.in ; Email : reachus@kbnbfc.in

Statement of unaudited assets and liabilities as on September 30, 2025

(₹ In lakhs)

Sl. No.	Particulars	As at September 30, 2025 (Unaudited)	As at September 30, 2024 (Unaudited)	As at March 31, 2025 (Audited)
	ASSETS			
1	**Financial assets**			
(a)	Cash and cash equivalents	25,387.26	33,773.98	18,222.24
(b)	Bank balance other than (a) above	25,226.71	16,921.85	21,308.96
(c)	Trade receivables	3,783.96	2,294.93	1,443.36
(d)	Loans	7,24,018.64	5,21,916.05	5,64,920.66
(e)	Other financial assets	6,966.52	5,675.05	4,915.03
		7,85,383.11	**5,80,581.86**	**6,10,810.25**
2	**Non-financial assets**			
(a)	Current tax assets (net)	301.13	477.21	10.34
(b)	Deferred tax assets (net)	10,127.09	9,482.97	9,283.53
(c)	Property, plant and equipment	605.89	356.78	469.02
(d)	Right of use assets	3,014.74	2,344.50	2,012.94
(e)	Other intangible assets	66.14	86.43	66.04
(f)	Other non-financial assets	2,101.64	1,488.00	2,345.69
		16,216.63	**14,235.89**	**14,187.56**
	Total assets	**8,01,599.74**	**5,94,817.75**	**6,24,997.81**
	LIABILITIES AND EQUITY			
	LIABILITIES			
1	**Financial liabilities**			
(a)	Trade payables			
	(i) total outstanding dues of micro enterprises and small enterprises	1,016.91	952.53	987.59
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	25,667.45	30,738.88	13,077.00
(b)	Debt securities	2,67,313.00	1,44,520.82	1,61,635.21
(c)	Borrowings (other than debt securities)	2,33,820.96	1,86,264.93	1,98,705.53
(d)	Other financial liabilities	11,651.62	10,907.64	9,745.57
		5,39,469.94	**3,73,384.80**	**3,84,151.00**
2	**Non-financial liabilities**			
(a)	Current tax liabilities (net)	-	504.23	35.66
(b)	Provisions	588.31	677.06	723.97
(c)	Other non-financial liabilities	4,553.84	3,508.11	4,505.27
		5,142.15	**4,689.40**	**5,264.90**
3	**EQUITY**			
(a)	Equity share capital	22,762.80	112.73	112.73
(b)	Instruments entirely equity in nature	86,015.88	86,015.88	86,015.88
(c)	Other equity	1,48,208.97	1,30,614.94	1,49,453.30
		2,56,987.65	**2,16,743.55**	**2,35,581.91**
	Total liabilities and equity	**8,01,599.74**	**5,94,817.75**	**6,24,997.81**

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS * BENGALURU

KRAZYBEE SERVICES LIMITED BENGALURU

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Statement of unaudited cash flow statement for the half year ended September 30, 2025

(₹ In lakhs)

Particulars	Half year ended		Year Ended
	September 30, 2025 (Unaudited)	September 30, 2024 (Unaudited)	March 31, 2025 (Audited)
Cash flow from operating activities:			
Profit before tax	**27,259.29**	**10,497.94**	**29,680.88**
Adjustments for:			
Interest income on loans	(83,283.01)	(83,073.62)	(1,57,849.06)
Interest on deposits with banks	(809.59)	(425.74)	(1,091.06)
Interest income on security deposits	(17.15)	(12.27)	(25.95)
Realised gain on sale of investments	(14.31)	(83.11)	(86.25)
Depreciation and amortization expense	597.96	395.98	883.58
Impairment on financial instruments	40,053.46	38,504.36	76,213.35
Share-based payment expense	1,081.03	3,945.05	8,101.39
Finance cost	24,010.84	17,633.88	37,213.19
Interest on lease liabilities	187.35	152.66	307.13
Cash inflow from interest on loans	83,426.78	82,200.41	1,59,367.82
Cash outflow towards finance cost	(25,579.47)	(18,041.13)	(38,018.97)
Cash generated from operations before working capital changes	**66,913.18**	**51,694.41**	**1,14,696.05**
Working capital changes:			
Changes in loans	(1,99,096.54)	(1,03,220.58)	(1,86,319.45)
Changes in trade receivables	(2,340.60)	(1,878.66)	(1,027.09)
Changes in other financial assets	(2,088.90)	(354.99)	374.71
Changes in other non-financial assets	325.28	1,313.35	499.53
Changes in trade payables	12,619.76	18,843.20	1,525.79
Changes in provisions	(156.35)	(173.79)	(78.69)
Changes in other financial liabilities	892.10	2,429.54	1,516.67
Changes in other non-financial liabilities	(150.10)	131.78	1,157.33
Cash (used in) operations	**(1,23,082.17)**	**(31,215.74)**	**(67,653.15)**
Income tax paid (net)	(8,085.14)	(4,158.00)	(8,853.75)
Net cash (used in) operating activities (A)	**(1,31,167.31)**	**(35,373.74)**	**(76,506.90)**
Cash flow from investing activities:			
Purchase of property, plant and equipment and intangible assets including capital advances and capital creditors	(400.25)	(153.18)	(394.42)
Proceeds form sale of property, plant and equipment and intangible assets	-	0.05	0.05
Investments in mutual funds	(58,500.00)	(1,00,000.00)	(1,14,000.00)
Proceeds from sale of investments in mutual funds	58,514.31	1,00,083.11	1,14,086.25
Net investments in fixed deposits	(3,402.52)	(9,280.28)	(13,986.30)
Interest on deposits with banks	294.36	131.42	1,115.66
Net cash (used in) from investing activities (B)	**(3,494.10)**	**(9,218.88)**	**(13,178.74)**
Cash flow from financing activities:			
Proceeds from issue of equity share capital (including securities premium)	1.08	-	-
Proceeds from issue of debt securities	1,86,750.00	81,020.00	1,56,037.54
Repayment of debt securities	(79,962.62)	(56,333.41)	(1,13,902.82)
Proceeds from borrowings (other than debt securities)	2,06,470.01	1,59,900.41	2,90,834.95
Repayment of borrowings (other than debt securities)	(1,47,206.82)	(1,25,776.22)	(2,56,050.24)
Movement in overdraft (net)	(23,688.77)	(1,589.24)	10,255.73
Payment of lease liability	(536.43)	(365.16)	(777.45)
Net cash generated from financing activities (C)	**1,41,826.45**	**56,856.39**	**86,397.71**
Net change in cash and cash equivalents (A + B + C)	**7,165.04**	**12,263.77**	**(3,287.93)**
Cash and cash equivalents at the beginning of the period/year	18,222.24	21,510.21	21,510.17
Cash and cash equivalents at the end of the period/year*	**25,387.28**	**33,773.98**	**18,222.24**

*Cash and cash equivalents presented in the cash flow statement consist of cash on hand and unencumbered and highly liquid bank balances.

Notes:

1 The above results for the quarter and half year ended September 30, 2025 have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on November 13, 2025 is In accordance with the requirement of Regulation 52 of the Securities Exchange Board of India ('SEBI') (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the 'Listing Regulations') and have been subjected to limited review by the statutory auditors of the Company.

2 The financial results (the 'Statement' or 'Results') together with the results for the comparative reporting periods have been prepared In accordance with the recognition and measurement principles laid down In the Indian Accounting Standards (Ind AS) as prescribed under section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, the circulars, directions and guidelines issued by the Reserve Bank of India ("RBI Guidelines") and other accounting principles generally accepted in India, and is in compliance with the Listing Regulations.

3 The Company operates only in one Operating Segment i.e. lending to borrowers - Financial Services and all other activities are incidental to the main business activity, hence have only one reportable Segment as per Indian Accounting Standard 108 "Operating Segments".

4 The shareholders of the Company, pursuant to the resolution passed in the Extra-Ordinary General Meeting held on March 28, 2025, had approved the issue of bonus equity shares of 199 equity shares for every equity share held in the Company as on the record date March 21, 2025. The Board of Directors approved the allotment of bonus equity shares on April 16, 2025 and accordingly, the Company has utilized its securities premium balance to the tune of ₹ 22,433.55 lakhs.

Consequent to the bonus Issue, the conversion ratio of the CCPS of the Company stands revised to 200:1, i.e 200 equity shares for every CCPS held. Further, the terms of Employee Stock Option Scheme, 2016 ("Old plan") and Employee Stock Option Plan 2023 ("New plan") of the Company, the grant price and the number of outstanding stock options in respect of stock options granted under these plans have been proportionately adjusted.

Further, during the period ended September 30, 2025, pursuant to "New plan", the Board of Directors has allotted 10,826 fully paid-up equity shares of ₹ 10 each. Consequent to the above said bonus issue, the Stakeholders Relationship Committee has approved the allotment of 21,54,374 equity shares, each having a nominal value of ₹ 10, to the allottees in the form of bonus shares, in the ratio of 199:1 (i.e. 199 bonus shares for every 1 option exercised), accordingly, the Company has utilized its securities premium balance to the lune of ₹ 215.44 lakhs.

5 The Board of Directors of the Company in the meeting held on May 21, 2025 have approved the scheme of arrangement ("Scheme") between Finnovation Tech Solutions Private Limited (the 'Transferor Company') and the Company (the 'Transferee Company') under Sections 230 to 232 and other applicable provisions of the Companies Act 2013 and Securities and Exchange Board Of India (Listing Obligation and Disclosure Requirements) Regulations, 2015. The appointed date of the Scheme is proposed as April 01, 2024, and is subject to the requisite approvals, consents, sanctions and/or no-objection of several regulatory authorities. The RBI has given its approval in respect of the Scheme vide its letter/ email dated July 09, 2025. Further, the Bombay Stock Exchange (BSE) has given its approval in respect of the Scheme vide its letter/ email dated August 14, 2025.

The Company has filed an application before the National Company Law Tribunal, Bengaluru (NCLT) on August 28, 2025, In the matter of amalgamation of the Transferor Company and the Transferee Company under section 230 of the Companies Act 2013 read with companies (Compromises, arrangements and amalgamations) rules, 2016 seeking for dispensation of convening the meeting of shareholders, secured and unsecured creditors of both the Transferor and Transferee company. The aforementioned application is currently pending adjudication before the NCLT.

6 The Board of Directors and Shareholders In their meetings held on June 25, 2025 and June 27, 2025, respectively, approved the conversion of the Company from Private Limited Company to Public Limited Company. The Company also received a No-objection Certificate (NOC) from RBI on May 14, 2025. With effect from September 8, 2025, Registrar of Companies (ROC's) has approved the conversion of the Company from Private Limited Company to Public Limited Company.

7 In relation to the investigations conducted by the Directorate of Enforcement ('Investigating Agency') on various NBFC and related fintech companies associated with such NBFCs under the Prevention of Money Laundering Act, 2002 (PMLA), summons were issued to the Company's management to provide certain information which was provided by the Company. Subsequently, a provisional attachment order dated February 28, 2023 was issued by the Investigating Agency for attaching balances In the Company's bank accounts amounting to ₹ 3,305.31 lakhs and balances pending settlement from intermediaries of ₹ 1,606.53 lakhs, based on the investigation carried out pursuant to the FIRs filed against the Company and certain other related parties. No charges have been established against the Company In the chargesheet filed In relation to the aforementioned FIRs, and accordingly, the Company filed a petition with the High Court for the State of Telangana ('the High Court'), to quash all proceedings initiated against the Company. Consequent to such petition, the High Court quashed all the proceedings initiated against the company vide order dated March 11, 2025. Subsequently, cash and bank balances of ₹ 3,305.31 lakhs and balances pending settlement from intermediaries of ₹ 1,523.63 lakhs have been released during the current period.

8 Earnings per share in respect of the prior periods has been restated considering the aforesaid allotment of bonus shares, in accordance with Ind AS 33 'Earnings per share'.

9 All outstanding non-convertible debt securities are secured by way of an exclusive charge on identified loan receivables of the Company with security cover of 1.10 times of the outstanding amount on such securities at any point in time. Disclosures pursuant to Regulation 54 of Securities And Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 (as amended from time to time) on security cover are given in Annexure I.

10 Pursuant to Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Operational Circular dated August 10, 2021 and as amended from time to time, the Company has listed its Commercial Papers on the Bombay Stock Exchange (BSE).

11 The Company had received a Show Cause Notice dated April 25, 2024 ("Notice") in relation to applicability of Goods and Service Tax (GST) on "Deficiency Service Income" and tax liabilities on such Deficiency Service Income aggregating ₹ 14,845.12 lakhs (including related Interest and penalty). The Company has obtained a legal opinion and an advice from an expert on the said matter that GST is not required to be paid on deficiency service Income earned by the Company.

Further, the Company has filed a Writ Petition before the Hon'ble High Court of Karnataka seeking the quashing of the Notice and to refund the amount paid by the Company under protest. The Hon'ble High Court of Karnataka has passed an interim order dated July 15, 2024 staying the Notice. In light of above and as per the management's assessment, there is no adjustments are required to these unaudited financial results.

12 The information pursuant to Regulation 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are given in Annexure A.

13 The figures of the previous periods have been regrouped and/or reclassified to conform to the current period's classification. Such regrouping and/or reclassification are not material to the financial results.

For and on behalf of the Board of Directors of
Krazybee Services Limited
(formerly known as Krazybee Services Private Limited)

Vivek Veda
Director
DIN: 07560229

Bengaluru
November 13, 2025

Annexure A

Disclosures pursuant to Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter and half year ended September 30, 2025 are as under:

Particulars	Ref	Quarter ended			Half year ended		Year ended
		September 30, 2025 (Unaudited)	June 30, 2025 (Unaudited)	September 30, 2024 (Unaudited)	September 30, 2025 (Unaudited)	September 30, 2024 (Unaudited)	March 31, 2025 (Audited)
1. Debt-equity ratio	1.1	1.96	1.60	1.53	1.95	1.53	1.53
2. Outstanding redeemable preference shares		Nil	Nil	Nil	Nil	Nil	Nil
3. Capital redemption reserve (₹ In lakhs)*		0.59	0.59	0.59	0.59	0.59	0.59
4. Debenture redemption reserve*		Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
5. Net worth (₹ In lakhs)	1.2	2,56,187.86	2,44,871.70	2,16,162.56	2,56,187.86	2,16,162.56	2,34,686.67
6. Net profit after tax (₹ In lakhs)		11,161.97	9,176.99	2,074.77	20,338.96	7,820.07	22,121.67
7. Earnings per share (not annualised) [face value of ₹10 each]							
a) Basic (₹)		3.46	2.86	0.65	6.32	2.44	6.89
b) Diluted (₹)		3.27	2.68	0.61	5.97	2.31	6.49
8. Total debts to Total assets ratio	1.3	62.52%	57.92%	55.61%	62.52%	55.61%	57.65%
9. Net profit margin %	1.4	15.96%	14.63%	4.00%	15.33%	7.60%	10.12%
10. Sector specific equivalent ratios:							
a) Gross Non-Performing Assets %	1.5	2.07%	2.59%	3.42%	2.07%	3.42%	2.83%
b) Net Non-Performing Assets %	1.6	0.50%	0.65%	1.05%	0.50%	1.05%	0.74%
c) Provision coverage ratio	1.7	76.25%	75.60%	69.89%	76.25%	69.89%	74.37%

Notes :-

1.1 Debt-equity ratio is (debt securities+borrowings (other than debt securities)) / net worth i.e. total equity.

1.2 Net worth is equal to equity share capital + other equity - prepaid expense.

1.3 Total debts to total assets is debt securities, borrowings (other than debt securities)/ total assets.

1.4 Net profit margin (%) is profit after tax for the period/ total income.

1.5 Gross Non-Performing Assets % is gross stage 3 loans / gross loans.

1.6 Net Non-Performing Assets % is gross stage 3 loans less impairment loss allowance for stage 3 loans /gross loans less impairment loss allowance for stage 3 loans.

1.7 Provision coverage ratio is impairment loss allowance for stage 3 loans/ stage 3 gross loans.

*Debenture redemption reserve is not required to be maintained in respect of privately placed debentures in accordance with the Companies (Share Capital and Debenture) Rules, 2014. The Company has created Capital redemption reserve on buy back of equity shares from its Security premium reserve. The amount in Capital redemption reserve is equal to nominal amount of equity shares bought-back.

Debt service coverage ratio, interest service coverage ratio, current ratio, long term debt to working capital, bad debts to accounts receivable ratio, current liability ratio, debtors turnover, inventory turnover and operating margin ratio are not relevant as the Company is engaged in financing activities.



Annexure I

Computation of security cover ratio as on 30 September 2025

₹ In Lakhs

Column A	Column B	Column C [i]	Column [Dii]	Column [Eiii]	Column F[iv]	Column G[v]	Column H[vi]	Column I [vii]	Column J	Column K	Column L	Column M	Column N	Column O
Particulars		Exclusive Charge	Exclusive Charge	Pari- Passu Charge	Pari- Passu Charge	Pari- Passu Charge	Assets not offered as Security	Elimination (amount in negative)	(Total C to H)	Related to only those items covered by this certificate				
	Description of asset for which this certificate relate	Debt for which this certificate being issued	Other Secured Debt	Debt for which this certificate being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari-passu charge)	Other assets on which there is pari- Passu charge (excluding items covered in column "F")		Debt amount considered more than once (due to exclusive plus pari passu charge)		Market Value for Assets charged on Exclusive basis	Carrying /book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Market Value for Pari passu charge Assets viii	Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Total Value (=K+L+M+ N)
												Relating to Column F		
		Book Value	Book Value	Yes/No	Book Value	Book Value								
ASSETS														
Property, Plant and Equipment		-	-	-	-	-	605.89	-	605.89	-	-	-	-	-
Capital Work-in- Progress		-	-	-	-	-	-	-	-	-	-	-	-	-
Right of Use Assets		-	-	-	-	-	3,014.74	-	3,014.74	-	-	-	-	-
Goodwill		-	-	-	-	-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	66.14	-	66.14	-	-	-	-	-
Intangible Assets under Development		-	-	-	-	-	-	-	-	-	-	-	-	-
Investments		-	-	-	-	-	-	-	-	-	-	-	-	-
Loans (Refer note 4)	Book debt receivables	2,60,423.56	2,21,260.34	-	-	-	2,42,334.74	-	7,24,018.64	-	2,60,423.56	-	-	2,60,423.56
Inventories		-	-	-	-	-	-	-	-	-	-	-	-	-
Trade Receivables		-	-	-	-	-	3,783.96	-	3,783.96	-	-	-	-	-
Cash and Cash Equivalents		-	-	-	-	-	25,387.28	-	25,387.28	-	-	-	-	-
Bank Balances other than Cash and Cash Equivalents (Refer note 1 & 2)		-	3,327.84	-	-	-	21,898.87	-	25,226.71	-	-	-	-	-
Others (Refer note 3)		-	-	-	-	-	19,496.38	-	19,496.38	-	-	-	-	-
Total		2,60,423.56	2,24,588.18	-	-	-	3,16,588.00	-	8,01,599.74	-	2,60,423.56	-	-	2,60,423.56
LIABILITIES														
Debt securities to which this certificate pertains	Non-convertible debentures	2,34,046.46	-	-	-	-	-	-	2,34,046.46	-	-	-	-	-
Other debt sharing pari-passu charge with above debt		-	-	-	-	-	-	-	-	-	-	-	-	-
Other Debt		-	-	-	-	-	-	-	-	-	-	-	-	-
Subordinated debt		-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowings from other than bank		-	77,423.01	-	-	-	364.19	-	77,787.20	-	-	-	-	-
Borrowings from bank - (OD, TL, WCL)		-	1,10,087.45	-	-	-	3,220.34	-	1,13,307.82	-	-	-	-	-
Debt Securities- Commercial Papers		-	-	-	-	-	33,266.54	-	33,266.54	-	-	-	-	-
Others - NCD		-	1,499.03	-	-	-	6.90	-	1,505.93	-	-	-	-	-
Others (Securitization liabilities)			-	-	-	-	41,220.00	-	41,220.00	-	-	-	-	-
Trade payables	-	-	-	-	-	-	26,684.37	-	26,684.37	-	-	-	-	-
Lease Liabilities	-	-	-	-	-	-	3,159.57	-	3,159.57	-	-	-	-	-
Provisions	-	-	-	-	-	-	588.30	-	588.30	-	-	-	-	-
Others	-	-	-	-	-	-	13,045.90	-	13,045.90	-	-	-	-	-
Total		2,34,046.46	1,89,009.52	-	-	-	1,21,556.10	-	5,44,612.09	-	-	-	-	-
Cover on BookValue		1.11	1.19	0.00	0.00	0.00								
Cover on MarketValue														
		Exclusive Security Cover Ratio	1.15		Pari-Passu Security	0.00								

Notes:

1. The amount disclosed under "Bank Balances other than Cash and Cash Equivalents" in Column H includes assets of ₹ 14,915.32 lakhs which have been provided as security other than for borrowing/securitization liabilities.
2. The amount disclosed under "Bank Balances other than Cash and Cash Equivalents" in Column H includes assets of ₹ 3,256.20 lakhs which have been provided as security for securitization liabilities.
3. The amount disclosed under "Others" in Column H includes assets of ₹ 1101.18 lakhs which have been provided as security for securitization liabilities.
4. The amount disclosed under "Loans" in Column H includes assets of ₹ 48,569.49 lakhs which have been securitized.
5. We confirm that the Company has complied with the financial covenants mentioned in the Offer Document/Information Memorandums and/or Debenture Trust Deeds of the Secured Redeemable Non-Convertible debentures outstanding as at September 30, 2025.
6. The amount disclosed in "Columns K to O" have been certified by the Management and have not been reviewed by the statutory auditor.

KFIN TECHNOLOGIES LIMITED BENGALURU

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS BENGALURU

Annexure 9A

Details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Transferor Company, its promoters and directors and details of regulatory actions against the Transferor Company

A. Details of ongoing adjudication and recovery proceedings, prosecution initiated and all other enforcement action taken against the Company and details of other regulatory actions against the Transferor Company as on 30 September 2025

Sr. No.	Court/Tribunal	Parties	Brief Summary	Amount (in Rupees)	Current Status
1	Commissioner of Central Tax (Appeals - I)	Finnovation Tech Solutions Private Limited Vs. Assistant Commissioner of Central Tax	A Show Cause Notice dated 27.11.2024 bearing reference SCN 86/2024-25 was issued by the Assistant Commissioner of Central Tax, East Division-2, Bengaluru under Section 73 of the CGST Act, 2017 demanding the tax amounting to Rs. 19,36,737 along with applicable interest and penalty on excess availment of ITC in GSTR-3B compared to ITC available in GSTR-2A. The Company has filed an appeal against adjudication order before the Commissioner of central tax (Appeals-I).	19,36,737	Appeal filed and pending adjudication.

Note

There are certain proceedings currently ongoing against the Transferor Company which are in the ordinary course of business and have no material adverse effect on the business of the Transferor Company.

Pre-litigation matters have not been considered as litigation until such time that the Transferor Company is not impleaded as a defendant in the litigation proceedings before any judicial/ arbitral forum.

B. Details of ongoing adjudication and recovery proceedings, prosecution initiated and all other enforcement action taken against the Directors of Transferor Company as on 30 September 2025

Sr. No.	Court/Tribunal	Parties	Brief Summary	Amount (in Rupees)	Current Status
NIL					

For Finnovation Tech Solutions Private Limited

K Karthikeyan

Digitally signed by K Karthikeyan
Date: 2025.12.08 19:27:04 +05'30'

Karthikeyan Krishnaswamy
Director

DIN: 07449376
Place: Bangalore
Date: 08.12.2025

Annexure 9B

Details of ongoing adjudication and recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Transferee Company, its promoters and directors and details of regulatory actions against the Transferee Company

A. Details of ongoing adjudication and recovery proceedings, prosecution initiated and all other enforcement action taken against the Company and details of other regulatory actions against the Transferee Company as on 30 September 2025

Sr. No.	Court/Tribunal	Parties	Brief Summary	Amount (in Rupees)	Current Status
1	High Court of Karnataka, Bengaluru	Krazybee Services Private Limited Vs. Additional Director, DGGI, Bzu and Additional / Joint Commissioner Of Central Tax	The Company received a show cause notice vide which tax liability cumulatively amounting to INR 7,565.32 lakhs along with penalty and applicable interest has allegedly been ascertained with respect to applicability of Goods and Service Tax (GST) on "Deficiency Service Income" received by the Company. The Company has filed a writ petition before the Hon'ble High Court of Karnataka, seeking quashing of the show cause notice.	75,65,32,458.00	The Hon'ble High Court has vide its order dated June 26, 2024 passed an interim order of stay against the show cause notice until further orders.

Note

There are certain proceedings currently ongoing against the Transferee Company which are in the ordinary course of business and have no material adverse effect on the business of the Transferee Company.

Pre-litigation matters have not been considered as litigation until such time that the Transferee Company is not impleaded as a defendant in the litigation proceedings before any judicial/ arbitral forum.

B. Details of ongoing adjudication and recovery proceedings, prosecution initiated and all other enforcement action taken against the Directors of Transferee Company as on 30 September 2025

Sr. No.	Court/Tribunal	Parties	Brief Summary	Amount (in Rupees)	Current Status
1	Metropolitan Sessions Judge, Hyderabad	Enforcement Directorate vs A1 M/s. Kudos Finance and Investments Pvt. Ltd. and others	Vide ECIR/HYZO/04/2021, the Enforcement Directorate ("ED") issued notices to various companies engaged in the business of digital lending applications and the financial institutions lending on such applications including the Transferor Company, the Transferee Company and Mr. Vivek Veda (Director and CFO of the Transferee Company and the authorized representative of the Transferor Company), amongst others. It is to be noted that the aforementioned case has already been quashed by the High Court of Telangana (Hyderabad) vide order dated March 11, 2025 for the Transferor Company and the Transferee Company pursuant to a writ petition filed before the High Court of Telangana (Hyderabad).	NA	Since the aforementioned matter has already been quashed in relation to the Transferor Company and the Transferee Company, Mr. Vivek Veda (the Director) will also take necessary actions for quashing the proceedings in relation to the aforesaid matter pending in Sessions Case (SC) 683/2024 before Metropolitan Sessions Judge, Hyderabad.

For Krazybee Services Limited (Formerly known as Krazybee Services Private Limited)

PALLAVI LINGARAJU

Digitally signed by PALLAVI LINGARAJU
Date: 2025.12.08 19:27:58 +05'30'

Pallavi Lingaraju
Company Secretary and Compliance Officer
M. No. A56733
Place: Bangalore
Date: 08.12.2025