

GrowXCD

Annual Report 2024-25

**Building Trust.
Delivering Impact.**

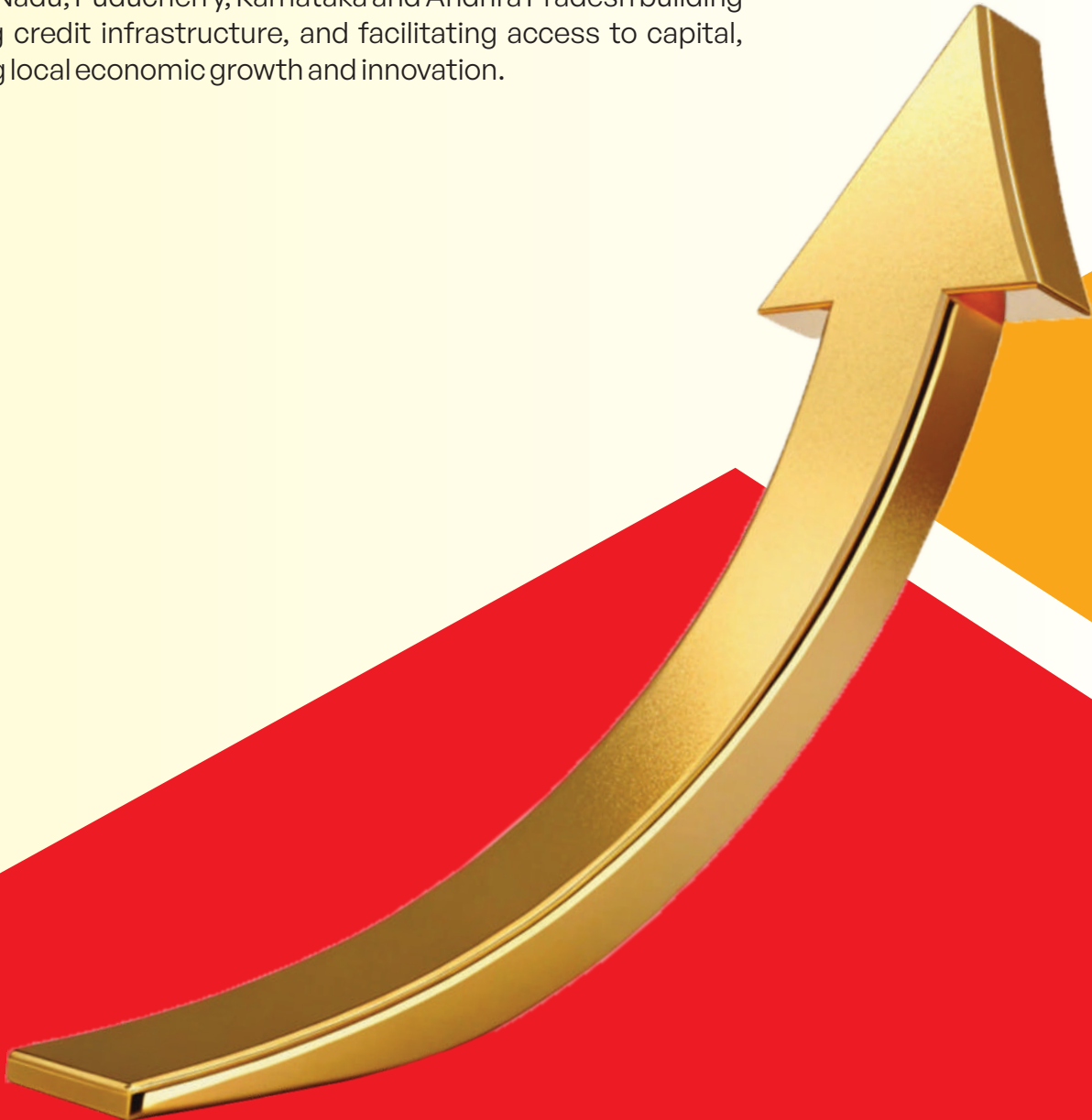


GrowXCD Finance Private Limited

Milestones Reached, Horizons Expanded



GrowXCD Finance Private Limited has empowered MSMEs and low -income households by establishing forty one branches in Tamil Nadu, Puducherry, Karnataka and Andhra Pradesh building strong credit infrastructure, and facilitating access to capital, driving localeconomic growth and innovation.



Reflecting on Our Previous Year

Our second year since obtaining the Certificate of Registration (CoR) from the RBI on April 27, 2023, has been marked by significant growth, strategic expansion, and operational milestones. Building on our foundation, we have made substantial progress in scaling our presence and strengthening our financial standing.

Key Achievements

Branch Expansion: Opened 29 new branches across 4 states / union territory, increasing our total branch network to 41.

Collections Performance: Maintained 99%+ Collection Efficiency.

Customer Growth: Continued robust growth in customer acquisition, significantly expanding our customer base to 4172.

Credit Rating: Received an IND BBB-/Stable rating, providing a strong impetus to our borrowing capabilities with banks and financial institutions.

Strategic and Financial Highlights

Funding: Successfully raised Rs. 69 crores from institutional investors, including Rs. 50 crores in Pre-Series B funding from Lok Capital and UC Impower, fortifying our financial base.

Networth: Increased from Rs. 43.09 crores to Rs. 109.42 crores reflecting substantial capital infusion and business growth.

AUM: Grew from Rs. 30 crores to Rs. 190 crores underlining our expanding operational footprint.

Looking Forward

With a clear strategy and a dedicated team, we are well-positioned to sustain strong growth. In the year ahead, we will scale our operations, explore new avenues for expansion, and further enhance our focus on customer satisfaction and operational excellence. Confident in our ability to navigate change, we look forward to seizing opportunities and achieving our goals.

Gratitude

We extend our heartfelt thanks to our Board, Investors, Lenders & Bankers, Staff Members and each one of our Customers. Your support has been pivotal in our journey from concept to a thriving organization. With your continued backing, GrowXCD is poised for even greater success.

Table of Content

BUSINESS OVERVIEW

Vision and Mission	07
Corporate Information	09
MD & CEO’s Message	10
Profile of Directors	12
Profile of Senior Management Team	15

STATUTORY REPORTS

Directors' Report	18
Annexure A – Management Discussion & Analysis Report	27
Annexure B – FORM AOC 2	35
Annexure C – Report on Corporate Governance	36
Annexure D – Disclosure on GrowXCD ESOP Scheme, 2023	42
Impact and ESG at GrowXCD	43

FINANCIAL STATEMENTS

Independent Auditors' Report	46
Balance Sheet	58
Statement of Profit and Loss	59
Cash Flow Statement	60
Notes Forming Part of the Financial Statements	62
AGM NOTICE	109



Partners in Progress,
Shaping the Future



Responsible Finance, Sustainable Growth

Assessing needs, evaluating capacity,
enabling growth, safeguarding the future.

Vision & Mission

Vision

Our vision is to drive economic growth for MSMEs and low-income households by providing them with access to capital. We focus on developing robust credit infrastructure that allows institutional capital to flow seamlessly into retail assets secured by mortgages. By establishing these credit rails, GrowXCD aims to facilitate efficient fund allocation and promote economic development in our target segments.

Mission

Our mission is to create a future where low-income households have equal access to credit facilities, fostering financial empowerment, resilience, and upward mobility for every member of our community.

Corporate Information

Board of Directors

Mr. Arjun Muralidharan
Managing Director & CEO

Mr. Jayaraman Chandrasekaran
Independent Director

Dr. J. Sadakkadulla
Additional Director (Independent Director)

Mr. G. S. Sundararajan
Nominee Director

Mr. Rajat Bansal
Nominee Director

Ms. Mona Kachhwaha
Non-Executive Director

Mr. HKN Raghavan
Non-Executive Director

Company Secretary

Mr. B. Sanjeev Anand

Banks & Financial Institutions

IDFC First Bank Limited
AU Small Finance Bank Limited
Suryoday Small Finance Bank Limited

Northern Arc Capital Limited
MAS Financial Services Limited
Vivriti Capital Limited
Caspian Impact Investments Private Limited
Ambium Finserve Private Limited
Oxyzo Financial Services Limited
Ambit Finvest Private Limited
Profectus Capital Private Limited
Incred Financial Services Limited
RAR Fincare Limited

Registrar and Share Transfer Agent (RTA)

Cameo Corporate Services Limited
Subramanian Building
1, Club House Road, Chennai 600 002.

Credit Rating Agency

India Ratings and Research Private Limited
Wockhardt Towers, 4th Floor, West Wing,
Bandra Kurla Complex, Bandra East,
Mumbai - 400051, Maharashtra, INDIA.

Statutory Auditor

PKF Sridhar & Santhanam LLP, Chennai

Tax Auditor

CRBS & Associates, Chennai

Registered Office

First Floor, G R Complex Annexe,
(Stag Business Centre), 408 Anna Salai,
Nandanam, Chennai – 600 035,
Tamil Nadu, INDIA.

CIN : U64990TN2022PTC149101
RBI Regn No. : N-07-00898

Contact Details

Phone : +91-44-48136918
Email: hello@growxcd.com
Website: www.growxcd.com

Driving Progress, Strengthening Communities

Balancing risk, creating opportunity, fostering growth,
strengthening communities.



MD & CEO's Message

Dear Shareholders,

As we complete our third year of operations, we reflect on a phase marked by purposeful growth, disciplined execution, and deep learning. Building on the foundation laid last year, we have scaled our impact, strengthened our systems, deepened our presence and credibility in the market. In a dynamic and evolving landscape, our focus has remained clear—building a resilient organization, and staying true to our mission.

We witnessed significant all-round growth this year. Our AUM scaled to ₹190 crores, driven by disbursements of ₹174 crores. After launching operations in Tamil Nadu last year, we expanded into Karnataka and Andhra Pradesh this year, closing FY25 with 41 branches. We expect to double our branch network and triple our AUM by the end of the next financial year. Even amid accelerated growth, our focus on asset quality remains unwavering—reflected in our low delinquency levels of 0.18% for 90+ DPD in our secured portfolio.

We have impacted 4,249 households, including 1,480 MSMEs and 1,311 women applicants. Our strong impact metrics have attracted like-minded investors such as Lok Capital and UC Impower, who share our commitment to bridging the rural credit gap. Together, they invested ₹69 crores during the year, taking our net worth to ₹109 crores as of March 31, 2025.

On the liability franchise, we successfully secured Rs. 163 crores in debt during the year, notably from Banks such as IDFC First Bank, AU Small Finance Bank, and Suryoday Small Finance Bank. In total, we established lending partnerships with 13 institutions, including NBFC's such as Northern Arc Capital, MAS Financial Services, and Vivriti Capital.

Our emphasis on data democratization—empowering data-driven decision-making at every level—has positioned us as a tech-enabled company in the eyes of the market. We have built robust internal systems, enabled seamless end-to-end digital workflows, and leveraged real-time analytics to enhance operational efficiency and customer experience. Technology is not just a support function for us; it is a core enabler of scale, agility, and intelligence across the organization.

We began the year with a team of 132 and grew to 401 by March, 2025. This momentum is powered by a passionate, inclusive, and mission-aligned workforce, and led by a visionary leadership team committed to fostering a culture of ownership, innovation, and impact. Our people remain at the heart of everything we do, as we scale with purpose and build an organization that empowers talent at every level.

Loan Against Property (LAP) stands at the intersection of untapped real estate value and the growing demand for affordable credit. As households and small businesses seek more accessible financing solutions, LAP is emerging as a strategic growth lever. With increasing formalization of the credit ecosystem and improved data infrastructure, we believe LAP will play a pivotal role in expanding financial inclusion and unlocking capital over the next decade.

I extend my sincere gratitude to all our stakeholders—customers, employees, investors, lenders, and regulators—for their continued trust and support. Your confidence in our vision and commitment fuels our journey forward. As we continue to grow and evolve, we remain focused on creating lasting value, driving impact, and building a future-ready organization together.

ARJUN MURALIDHARAN

Managing Director & CEO

Profile of Directors

Mr. ARJUN MURALIDHARAN, FOUNDER, MANAGING DIRECTOR & CEO

Mr. Arjun has over 20 years of hands-on experience in the lending to rural and micro segment. As the CEO of Grama Vidiyal Micro Finance, he transformed the company from a non-profit to an NBFC. He had scaled the business from 20 Cr to 1500 Cr from 2005 to 2015 and later the company was acquired by IDFC FIRST Bank.

Post-acquisition, as the MD of the merged entity (IDFC FIRST Bharat), he spearheaded the integration and growth of the new entity. Over the course of his tenure, the business grew to 390 branches and Rs. 6800 Cr AUM as a banking subsidiary delivering rural retail financial products to 2 million customers. Leading a 9500-member strong team and ensuring 99% collections was a milestone during his tenure. Products managed during his tenure included microfinance, micro enterprise loans, LAP, affordable housing, two wheeler finance and consumer durable finance.

Mr. Arjun is an active supporter of startups and entrepreneurs and is a mentor at IIT Madras Incubation cell and provided inputs towards strategy and growth for deep tech startups. Mr. Arjun has a B.Tech from IIT Madras and a MS (Industrial Engineering and Operations Research) from University of California, Berkeley.



Mr. JAYARAMAN CHANDRASEKARAN, INDEPENDENT DIRECTOR

Mr. Jayaraman Chandrasekaran, a career banker, comes with an illustrious career spanning over three and a half decades at SBI and retired as Chief General Manager in September 2011. He was SBI's nominee director on the Board of SIDBI for 6 years, from June 2012 till June 2018.

During his career Mr. Jayaraman Chandrasekaran was involved in the areas of Mid Corporate, SME lending and Treasury. He headed SME the SME lending unit from 2002 to 2007, positioning SBI as thought leader in SME. Mr. Jayaraman Chandrasekaran was a member of various RBI technical committees on the money and bond markets. He was a member of the RBI appointed Chakravarty Committee on restructuring and rehabilitation of distressed SME units, the recommendations of which were accepted and implemented by RBI. He holds a Bachelor's degree in Technology specializing in Chemical Engineering from Indian Institute of Technology, Madras.

He was an Independent Director in Equitas Holdings Co Ltd., Independent Director in Mahaveer Finance India Ltd. and Nominee Director in SBI CAP Trustee Co Ltd.



Dr. J. SADAKKADULLA, ADDITIONAL DIRECTOR (INDEPENDENT DIRECTOR)

Dr. J. Sadakkadulla is a former senior official of the Reserve Bank of India (RBI) with an extensive experience in banking, finance, and education. He served as the Regional Director, RBI Chennai from 2013 to 2016, overseeing the regions of Tamil Nadu and Pondicherry, as well as the Southern Zone, which included Kerala, Karnataka, and Andhra Pradesh.

Previously, Dr. Sadakkadulla held multiple leadership roles within RBI, including serving as the Regional Director for Punjab, Haryana, Himachal Pradesh, and Chandigarh (2007-2010), and as



the Principal of the Reserve Bank Staff College, Chennai (2010-2013), and was deputed to UAE Central Bank (2002-2007) as Head of the Banking Diploma Department at the Emirates Institute for Banking & Financial Studies. He has also completed six research projects and published 25 papers in national and international banking journals. During his Tenure in RBI, he was also a Nominee Director from RBI on the board of State Bank of Travancore (6 years from 2012-2017).

After retiring from RBI, Dr. Sadakkadulla served as Independent Director of IDFC First Bharat Limited (8 years from 2017-2025), and currently serves as an Independent Director at Tamil Nadu Power Finance Corporation, supporting the Tamil Nadu Government's energy finance initiatives.

He is also a visiting faculty member at Loyola College, Chennai, and St. Joseph's College, Trichy, and holding an honorary position of Director at IKLAS IAS Academy, Chennai.

A strong advocate for social change, Dr. Sadakkadulla founded the Thiruponathar Educational Trust in his native village, Raajagambiram, Sivaganga District, with the mission to uplift underprivileged communities through education.

Mr. GS SUNDARARAJAN, NOMINEE DIRECTOR

Mr. Sundararajan holds the position of Nominee Director in our company. He earned a Bachelor of Engineering degree from Coimbatore and a Post Graduate Diploma in Management from the Indian Institute of Management (IIM), Ahmedabad. Currently, Mr. Gopalasamudram Srinivasaraghavan Sundararajan serves on the boards of several esteemed companies in the Banking and Financial Service Industry. Additionally, he actively participates in the realm of Social Entrepreneurship in an advisory role.

Mr. Sundararajan played a crucial role as the Group Director at Shriram Group until mid-2020, having initially joined as the Managing Director of Shriram Capital Ltd. This company served as the Holding Company for Shriram Group's financial services and insurance businesses across India and overseas.

His expertise in the Asian market and profound understanding of various countries and their business landscapes led to his inclusion on the Board of Sanlam Emerging Markets in South Africa in August 2013.

In his capacity as Group Director, Mr. Sundararajan served as a director on the Boards of subsidiaries, overseeing critical aspects of strategic growth opportunities. Notably, he was responsible for the Retail and MSME business at Shriram City Union Finance and the life and non-life insurance businesses in collaboration with Sanlam, South Africa.

Before joining Shriram, Mr. Sundararajan held the positions of CEO & Managing Director at Fullerton India Credit Company Ltd., a registered Non-Banking Finance Company catering to the financial services needs of retail and commercial mass markets. He also served as the Managing Director of Fullerton Enterprises Private Limited, a KPO that formed a strategic alliance with the Centurion Bank of Punjab to drive the SME business.

Mr. Sundararajan's extensive career includes roles such as being nominated to the Boards of two Financial Services investments of Temasek in China, managing Citibank's SME and Asset Based Finance business in India, and heading the captive finance arm of Eicher Mitsubishi in India after starting his career in Sales with the same company.



Mr. RAJAT BANSAL, NOMINEE DIRECTOR

Mr. Rajat holds the position of Nominee Director in our company. He has over 11 years of experience across private equity and corporate finance. He was with Lok from 2014 till 2017 and rejoined the firm as Principal in 2022. At present he is the Managing Director of Lok Capital. His focus in the current role is to build the growth stage BFSI and fintech portfolio for the fund while also leading fund raising from select investors. Prior to rejoining Lok, Mr. Rajat was an Investment Director with Sabre Partners, leading investments in financial services and healthcare. He also has experience in fund raising and corporate finance with IFMR Holdings and CEPA Ltd prior to his first stint with Lok. Mr. Rajat has an MBA from Indian Institute of Management Calcutta and Bachelors in Engineering from Delhi College of Engineering.



Mr. HKN RAGHAVAN, NON-EXECUTIVE DIRECTOR

Mr. Raghavan has over 37 years of professional experience and over 12 years in the financial services industry with Equitas. In Equitas, he scaled the MicroFinance and Commercial vehicle business. He was instrumental in launching SME, Micro LAP and Micro Housing products by leveraging the outreach. During his tenure the SME Micro Lap business scaled over 8000 cr book by 2021 which became the growth engine for Equitas. He was heading overall business at Equitas Small Finance Bank as their President and handling a business of over Rs 14,000 cr.



Apart from business, he has handled the crucial responsibility of the transition of Equitas NBFC to Small Finance Bank. He established 350 bank branches in record one year; recruited Liability Teams; developed and implemented policy and process in place for liability book management. He headed consumer banking for close to 2 years. Mr. Raghavan also was on the IPO committee for Equitas Holding. He was also official spokesperson for Equitas Small Finance Bank interacting with Media and Investors.

Mr. Raghavan has also been active in the Microfinance SRO organizations and sectoral activities. He was elected and served a Director of MFIN board in 2015. He was also part of MFIN code of conduct enforcement committee and Member of Credit Bureau enhancement committee.

Apart from his financial services experience he has wide experience with cross section of FMCG, Retail, Micro Finance, SME Lending, Affordable housing lending, Lending to Farmer Producing Organizations and Farmers.

Companies worked spanned across Hindustan Unilever, Agrotech Foods Ltd, Henkel, Dabur Foods, Subhiksha in the FMCG and retail space. He holds a B Com Osmania University 1985 and an Executive MBA from IIM Calcutta.

Ms. MONA KACHHWAHA, NON-EXECUTIVE DIRECTOR

Ms. Mona holds the position of Non-Executive director in our company. She has over 30 years of experience in the financial services industry. Ms. Mona started her career with Citibank & Caspian Impact Investment Adviser Pvt. Ltd. She is currently a partner with UC Impower and sits on the boards of Aptus, Parinaam Foundation, Ujjivan & RMBS development company as an Independent director.



Ms. Mona graduated in Mathematics (Hons.) from Delhi University (1992) and holds an MBA from XLRI, Jamshedpur (1994). She completed an executive program in Private Equity from Said Business School, Oxford University, in 2010.



Profile of Senior Management Team

Mr. ARJUN MURALIDHARAN, FOUNDER, MANAGING DIRECTOR & CEO

Mr. Arjun Muralidharan is the Founder, Managing Director and CEO of GrowXCD Finance Private Limited. He comes with 20+years of professional work experience with core expertise in rural retail lending including Microfinance, Small Business Loans, Secured MSME loans, Affordable housing, Two-Wheeler loans and Consumer Durable loans.



Mr. Arjun was the CEO of Grama Vidiyal and instrumental in transforming the business into a regulated NBFC (Grama Vidyai Micro Finance). He enabled its growth from 20 branches & Rs. 20 Cr AUM to 350 branches in 6 states, 1.2 million customers and Rs. 1500 Cr AUM through organic growth. He raised capital from reputed impact investors and forged many new banking partnerships enabling the balance sheet growth.

He spearheaded the acquisition of Grama Vidyai Micro Finance by IDFC Bank and was later appointed as the MD & CEO of IDFC FIRST Bharat (erstwhile Grama Vidyai Micro Finance). In IDFC FIRST Bharat, he expanded the operations to cater to over 2 million customers while managing over Rs. 6700 Cr AUM across multiple products and pan-India operations.

Mr. Arjun is an active support of startups and entrepreneurs and is a mentor at IIT Madras Incubation cell and provided inputs towards their strategy and growth. He is also part of the guiding team of Paripoorna Software, which is a software development company working on cutting edge mobile and web application development for customers in India and Abroad. Mr. Arjun is a B.Tech from IIT Madras and a MS (Industrial Engineering and Operations Research) from University of California, Berkeley.

Mr. SATHISH KUMAR VIJAYAN, CO-FOUNDER & COO

Mr. Sathish, has 22 years of hands-on experience in Information Technology in Banking, Financial Services, Insurance, Shipping, and Retail markets. He is a Microsoft Certified Azure Architect, comes from a strong IT Service Delivery and Product Engineering background over 2 decades, has worked closely with global clients, headed multi-cultural teams, nurturing large strategic accounts in North America, Asia Pacific, Australia, and the Middle East.



He is passionate about using his technology experience majorly in Hyper automation, Data Analytics, Cloud Computing, Cognitive technologies, and Blockchain, across various domains, enabling digital disruption. Mr. Sathish has been associated with large key strategic accounts like Canadian Imperial Bank of Commerce in Toronto, Medibank in Melbourne, and also headed technology units for various start-ups like Colive, Artha Money, etc.

Mr. Sathish has completed Post-Graduate Management Programme from the Indian Institute of Management, Lucknow, and holds a Master's degree in Computer Applications from the University of Madras.



Mr. JAYARAMAN V, CHIEF BUSINESS OFFICER

Mr. Jayaraman V is a highly experienced Senior Business Leader in the Banking and Financial Services industry, with over 25 years of expertise. Mr. Jayaraman has excelled in diverse environments, including start-ups, turnarounds, and growth scenarios. With extensive experience in both B2B and B2C markets, he has effectively applied Sales and Marketing strategies across various companies.

As a dynamic leader, Mr. Jayaraman is known for his high-energy approach, motivating teams to drive change agendas and deliver results. He has managed large teams of up to 4500 employees, catering to customers through multiple channels. Throughout his career, Mr. Jayaraman has demonstrated a comprehensive understanding of the financial sector, spanning Sales, Marketing, Product Management, Customer Services, Operations, IT, Risk, and Compliance.

Key roles in his career include EVP of Financial Services at WayCool Foods, EVP & Business Head at Vistaar Financial Services and Business Head at Fullerton India Credit Company, and other leadership positions.

Mr. Jayaraman holds executive education from Harvard Business School, an MBA from IISWBM, Calcutta, and a Bachelor's in Mechanical Engineering from IEST, Shibpur. His career reflects a dedication to driving business growth, operational excellence, and strategic leadership in BFSI.



Mr. RADHAKRISHNA SISTLA, HEAD-CREDIT RISK & UNDERWRITING

Mr. Radhakrishna Sistla is a highly accomplished professional with 26 years of diverse experience spanning Credit Analysis & Underwriting, Risk Management, and Operational Excellence in leading companies such as RBL Bank, HDFC Bank, Fullerton, Shriram, ICICI. He has experience across all products lines such as MSME, SME, Home, Affordable Home, Mortgage, Retail, Vehicle, and Business Loans.

In his long career as a credit & risk professional he has developed great hands-on experience apart from his skills in formulating operational policies, resource allocation, and achieving long-term organizational success. He is Proficient in risk management, ensuring compliance with regulatory requirements and maintaining a strong credit culture. He is known for his visionary leadership, driving business growth, and resolving complex issues to enhance performance such as successfully leading rehabilitation efforts, including restructuring and managing distressed loans. He is a Commerce Graduate from Acharya Nagarjuna University and MBA (Banking and Finance) from Sikkim Manipal University.



Mr. R. RAMESH, HEAD - FINANCE & COMPLIANCE

Mr. Ramesh's career in banking and financial services spans more than two decades, showcasing a robust journey through esteemed organizations like Veritas, Equitas Small Finance Bank, Northern Arc, RR Donnelly, and CAMS.

His roles have been diverse, encompassing financial management, accounting, auditing, compliance, and management information systems (MIS). This extensive experience has equipped him with a comprehensive understanding of the industry's intricacies and challenges.

Academically, he holds a postgraduate degree in Commerce, complemented by an MBA with a specialization in Finance. Furthermore, he has enriched his knowledge through a postgraduate program in Business Management at Great Lakes Institute.

At GrowXCD, Mr. Ramesh brings a wealth of expertise to his current role, leveraging his deep-rooted knowledge to drive financial strategies and operational efficiencies. His multifaceted background and strong educational foundation position him as a valuable asset in steering organizational growth and achieving sustainable success in the dynamic realm of banking and financial services.



Empowering Communities, Uplifting Lives

Engaging locally, nurturing potential, driving progress, uplifting lives.

Small Loans, Big Leaps

Enabling new beginnings, unlocking potential, accelerating growth, transforming lives.



Directors' Report

Dear Members,

The Directors have pleasure in presenting their 4th Report on the business and operations of GrowXCD Finance Private Limited (“**your Company**” or “**the Company**”) together with the Audited Financial Statements for the financial year ended March 31, 2025 (“**FY 2024-25**” or “**period under review**” or “**Financial Year**”).

FINANCIAL PERFORMANCE/SUMMARY

The Company's financial performance for the financial year ended March 31, 2025 as compared to the previous financial year ended March 31, 2024 are summarized below:

(Rupees in Crores)

S.No.	Particulars	Amount as on 31.03.2025	Amount as on 31.03.2024
1.	Total Revenue	28.68	3.76
2.	Total Expense	36.85	5.03
3.	Profit before tax	(8.17)	(1.27)
4.	Current tax	0.00	0.00
5.	Pertaining to loss/profit for the current period, Adjustment to tax relating to earlier period and MAT Credit Entitlement.	0.00	0.00
6.	Deferred tax liability/asset	(2.03)	(0.38)
7.	Profit / (loss) after tax (3 - 6)	(6.14)	(0.89)

BUSINESS OVERVIEW

As on March 31, 2025, the Company's Assets Under Management (AUM) stood at Rs.190 crores, with disbursements totalling Rs.174 crores and an active customer base of 4,172. Operations are spread across 41 branches in 4 states "Tamil Nadu, Puducherry, Karnataka and Andhra Pradesh" with a total strength of 401 employees.

During the year, the Company successfully raised Rs.71.31 crores in capital and Rs.128.20 crores by way of secured borrowings from banks and financial institutions. Revenue from operations for the period stood at Rs.27.08 crores, while other income amounted to Rs. 1.60 crores.

However, expenses for FY 2024-25 were relatively higher, mainly on account of the expanded scale of operations, resulting in increased debt servicing obligations, personnel expenses, and operating expenses.

RBI GUIDELINES

The Company is registered as a Non-Deposit Taking, Non-Systemically Important Non-Banking Financial Company (NBFC-ND-NSI) and has complied with, and continues to adhere to, all applicable regulations and directives issued by the Reserve Bank of India (RBI).

The RBI has introduced several guidance measures, including the Scale-Based Regulatory Framework, aimed at strengthening the NBFC sector. The Company fully supports these initiatives, recognizing their role in enhancing the sector's resilience and stability.



Under the prevailing Scale-Based Regulations, the Company falls within the 'NBFC-Base Layer (NBFC-BL)' classification. It remains committed to ensuring compliance with the applicable RBI guidelines and has taken appropriate steps to align with these regulations as and when they come into effect.

Based on the application to RBI for a CoR, the company was issued a Certificate of Registration to carry on the business of non-banking financial institution without accepting public deposits on 27th April 2023 and the Company is thankful to the Members for their trust in this Company and the Management to come forward with the investments. The Company continues to act as Business Correspondent with Suryoday Small Finance Bank (SSFB).

TRANSFER TO RESERVES

Nil

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis (MD&A) Report forms an integral part of this Board's Report, and it gives details of the overall industry structure, economic developments, performance and state of affairs of your Company and Company's business, risk management systems and other material developments during the year under review. The MD&A Report is annexed as **Annexure -A**.

DIVIDEND

The Company has decided not to recommend any dividend for the Financial Year ended March 31, 2025.

HOLDING COMPANY / SUBSIDIARY COMPANY / ASSOCIATE COMPANY

As on March 31, 2025 the company does not have any subsidiaries, joint ventures or associate companies.

COMPANIES WHICH HAVE BECOME OR CEASED TO BE SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

There were no Companies which have become or ceased to be its Subsidiaries, Joint Venture or Associate Companies.

PUBLIC DEPOSITS

During the financial year 2024-25, the Company has not accepted any public deposit.

CHANGE IN NATURE OF BUSINESS

During the financial year 2024-25, there was no change in the nature of business.

CONSOLIDATED FINANCIAL STATEMENTS

Since the Company has no Subsidiary or Associate Company, consolidation of Financial Statement is not required.

SHARE CAPITAL

During the year 2024-25, the authorised share capital of the Company was increased from Rs. 21 crores to Rs.35 crores consisting of Rs. 15 Crores Equity Shares (Face value of Rs.10/-) and Rs. 20 crores Preference Shares (Face value of Rs.10/-).



During the year 2024-25, the Company has raised capital (inclusive of share premium) as follows:

In May, 2024, the company has raised Rs. 2 Crores (0.48 crores of share capital and Rs. 1.52 crores of share premium) from directors and employees by way of allotment of equity shares.

In June 2024, the company has raised Rs. 19 Crores (3.39 crores of share capital and Rs. 15.61 crores of share premium) from Lok Capital by way of allotment of Series A IInd tranche CCCPS.

In November 2024, the company has raised Rs. 0.25 Crores (0.25 crores of share capital) from founder Mr. Arjun Muralidharan by way of allotment of partly paid equity shares.

In January 2025, the company has raised Rs. 50 Crores (Rs. 7.58 crores of share capital and Rs. 42.42 crores of share premium) from Lok Capital and UC Impower by way of allotment of Pre-Series B CCCPS.

In March 2025, the company has raised Rs. 0.06 Crores by way of allotment of shares upon exercise of stock option by our employees under the company's employees stock option scheme GrowXCDESOP, 2023.

EXTRACT OF ANNUAL RETURN

Pursuant to the provisions of Section 92(3) read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014 and Section 134 of the Companies Act, 2013, the Annual Return for the Financial Year 2024-25 is available on its website www.growxcd.com

PARTICULAR OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN OR SECURITY PROVIDED BY THE COMPANY UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Nil

COMMITTEES

Details on composition of various Committees of the Board and Management and number of Meetings of Board & Committees are given in the Corporate Governance Report.

A STATEMENT REGARDING OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE, AND EXPERIENCE (INCLUDING PROFICIENCY) OF INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR

The Board of Directors are of the opinion that the Independent Director appointed by the Company has adequate expertise to support the organization towards achieving good corporate governance and for improving the financial performance of the Company.

DECLARATION OF INDEPENDENCE

The Company has received a declaration from the Independent Directors that they meet the criteria of independence as specified under sub-section (6) of Section 149 of the Companies Act, 2013.

REGISTRATION OF INDEPENDENT DIRECTORS WITH INDEPENDENT DIRECTOR'S DATABANK

The Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019, required all existing and those aspiring to become independent directors to apply online to Indian Institute of Corporate Affairs (IICA) for inclusion of their names with the Independent Directors Databank.



Name of the Independent Director	Registration Number	Validity of Registration
Mr. Jayaraman Chandrasekaran	IDDB-DI-202001-007051	Life Time
Dr. Jainallauddeen Sadakkadulla	IDDB-DI-202002-015143	25th February, 2030

AUDITORS

i. Statutory Auditors

The Company had appointed M/s PKF Sridhar & Santhanam LLP, (Firm Registration No. 003990S / S200018) as the Statutory Auditors of the Company in the 1st Annual General Meeting ('AGM') held on 30th September, 2022, for a period of five years to hold office from the conclusion of the 1st Annual General Meeting till the conclusion of 6th Annual General Meeting.

ii. Internal Auditors

The appointment of Internal Auditors as per the provision of Section 138 of the Companies Act, 2013 was not applicable to the Company.

iii. Secretarial Auditors

The provisions of section 204 of the Companies Act 2013, relating to submission of Secretarial Audit Report were not applicable to the Company for the financial year ended 31st March, 2025.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS, IF ANY

There has been an instance of fraud reported by the Auditors under Section 143(12) of the Act where one of the customers in Mannargudi Branch had applied for a Balance Transfer loan with the company for Rs. 10,00,000/- which was approved and BT DD disbursed Rs. 7,90,000. The customer repaid his loan EMI's from Nov 2024 to Feb 2025, but had not completed the MODT / mortgage process, indicating operational delays to get the documents of the mortgaged property. It was later identified that he had transferred title of property to his brother post getting the original documents from the earlier lender.

Basis his intentional misrepresentation, a FIR has been filed on 10.04.2025 against the borrower. Currently the person has been arrested.

EXPLANATIONS OR COMMENTS BY BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE

A) BY THE STATUTORY AUDITOR

There is no qualification, reservation or adverse remark or disclaimer in audit report issued by the auditors of the Company except in respect of audit trail.

Response from Board is that the company uses three softwares for accounting the transactions namely Loan Management System, General Ledger maintenance software and HR software.

Tally, used for general ledger maintenance, includes an audit trail (edit log) feature which was enabled and operated throughout the financial year for all relevant transactions. Tally operates without a traditional database structure, using objects and collections, thereby preventing changes at the database level.



Outsourced vendor manages the Loan Management System to maintain Loan Books, ensuring the availability and continuous operation of an audit trail (edit log) facility for all relevant transactions throughout the year.

Zoho People, the HR software used by the Company, is operated by a third-party service provider. While the SOC 2 report currently does not specifically confirm the enablement or operation of an audit trail feature, the Company has evaluated this and plans to enable and operationalize the audit trail feature from the FY 2025-26.

B) BY THE COMPANY SECRETARY IN PRACTICE IN SECRETARIAL AUDIT REPORT

Not Applicable

RELATED PARTY TRANSACTIONS

During the financial year 2024-25, all contracts, arrangements and transactions entered by the Company with related parties were in the ordinary course of business and on arm's length basis.

Your directors also draw the attention of the members to the financial statement (notes to Accounts point No 29) which sets out related party disclosures. Particulars of contracts or arrangements with related parties referred to in section 188(1) of the Companies Act, 2013 in form AOC-2 is annexed as **Annexure-B** to the Board's Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of your Company is duly constituted in accordance with the Companies Act, 2013. The Company has the following 7 (Seven) Directors on the Board as on March 31, 2025.

S.No.	Name of the Director	DIN	Designation
1.	Mr. Arjun Muralidharan	02726409	Managing Director & Chief Executive Officer
2.	Mr. Jayaraman Chandrasekaran	01118392	Independent Director
3.	Mr. HKN Raghavan	02736792	Non Executive - Director
4.	Mr. G S Sundararajan	00361030	Nominee Director
5.	Mr. Rajat Bansal	08463009	Nominee Director
6.	Ms. Mona Kachhwaha	01856801	Non Executive -Director
7.	Dr. Jainalladeen Sadakkadulla	07544406	Additional Director

Further, below are the Key Managerial Personnel (KMP) as on March 31, 2025:

Name of the KMP	Designation
Mr. Arjun Muralidharan	Managing Director & Chief Executive Officer
Mr. Sathish Kumar Vijayan	Chief Operating Officer
Mr. B Sanjeev Anand	Company Secretary

Changes in the composition of Directors and KMPs

- ▶ Ms. Mona Kachhwaha was appointed as Non-Executive Director in the Extra-Ordinary General Meeting held on 09th January, 2025.
- ▶ Dr. Jainalladeen Sadakkadulla was appointed as an Additional Director in the Board Meeting held on 25th March 2025.
- ▶ Mr. Arjun Muralidharan was redesignated as MD & CEO in the Board Meeting held on 08th January, 2025.



- ▶ Mr. Sathish Kumar Vijayan was redesignated from Chief Technology Officer to Chief Operating Officer in the Board Meeting held on 07th November, 2024.
- ▶ Mr. B. Sanjeev Anand was appointed as Company secretary with effect from 03rd June 2024.

RISK MANAGEMENT

Business risk evaluation and management is an ongoing process within the Company.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The Provisions of this particular disclosure are not primarily applicable to the company hence the disclosures are either Nil or Not applicable. Company is continuously capitalising on the technology front to enhance customer experience and operational efficiency and parallelly leverage that on business level as well.

Foreign exchange Receipts and Outgo

- (i) Foreign Exchange Receipts (Reimbursement): 1.86 lakhs
- (ii) Foreign Exchange Outgo: Nil

STATEMENT INDICATING THE MANNER IN WHICH FORMAL ANNUAL EVALUATION HAS BEEN MADE BY THE BOARD OF ITS OWN PERFORMANCE, ITS DIRECTORS, AND THAT OF ITS COMMITTEES

Being a Private Company, the provisions of Section 134(3)(p) are not applicable to the Company.

ESTABLISHMENT OF CORPORATE SOCIAL RESPONSIBILITY POLICY AND RELATED DISCLOSURE / COMPLIANCES

The threshold limit provided under Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 relating to Corporate Social Responsibility has not been achieved and hence establishment of Corporate Social Responsibility Policy and related disclosure is not applicable to the Company.

DETAILS OF NON-CONVERTIBLE DEBENTURES WHICH HAVE NOT BEEN CLAIMED BY THE INVESTORS OR NOT PAID BY THE COMPANY

The company has not issued any non-convertible debentures since incorporation.

SIGNIFICANT ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL

There are no significant material orders passed by the Regulators/Courts/Tribunals which would impact the going concern status of the Company and its future operations.

CORPORATE GOVERNANCE

Your Company has a strong and committed corporate governance framework, which encompasses policies, processes and by directing, controlling and managing activities with objectivity, transparency and integrity. Your Company is committed to ensuring fair and ethical business practice, transparent disclosures and reporting. The focus of the Company is on statutory compliance, regulations and guidelines and ethical conduct of business throughout the organization with the primary objective of enhancing stakeholder's value while being a responsible corporate citizen. A report on Corporate Governance is annexed as **Annexure -C** and forms part of the Board's Report.



The Company confirms compliance with the applicable requirements of Secretarial Standards.

SEXUAL HARASSMENT POLICY FOR WOMEN UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION PROHIBITION AND REDRESSAL) ACT, 2013

Your Company is committed to creating a healthy working environment that enables employees to work without fear of prejudice, gender bias, and sexual harassment. The company has in place a Prevention of Sexual Harassment Policy as required under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (the 'said Act'). As on date of this report an Internal Complaints Committee (ICC) has been re-constituted with Ms. Harini R as Presiding Officer, along with Mr. Radhakrishna Sistla and Mr. Sam Azariah as Internal Members with Ms. Srividya Swaminathan as External Member constitute members of the committee.

The Company is strongly opposed to sexual harassment and employees are made aware about the constitution and consequence of ICC. During the year under review, no complaints were filed with the Committee under the provisions of the Act.

MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments, affecting the financial Position of the Company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

INTERNAL FINANCIAL CONTROL SYSTEMS

The Company has in place adequate systems of Internal Financial Control to ensure compliance with policies and procedures. It is being constantly assessed and strengthened with new / revised standard operating procedures and tighter Information Technology controls.

MAINTENANCE OF COST RECORDS

The provisions of section 148(1) of the Act are not applicable to our company and consequently, the company is not required to maintain cost records and accounts of the same as required by the Act.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The provisions of Section 125(2) of the Companies Act, 2013 ('the Act') do not apply to this company for the FY under review, as there was no dividend declared and paid last year.

DETAILS OF ISSUING OF EQUITY SHARES WITH DIFFERENTIAL VOTING RIGHTS

The Company has not issued any equity shares or equity shares with differential voting rights hence the information required to be furnished in terms of provision of Rule 4(4) and Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 is not applicable.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(3)(c) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, the Board of Directors of the Company hereby state and confirm that:

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;



- b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for the year under review;
- c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the directors have prepared the annual accounts on a going concern basis.
- e) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

No application has been made under the Insolvency and Bankruptcy Code by the Company; hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year, is not applicable.

THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE-TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

Not applicable to the Company.

STATEMENT OF PARTICULARS OF EMPLOYEES PURSUANT TO PROVISIONS OF SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The Company being a Private company, the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 is not applicable.

COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The Company being a Private Limited Company the provisions of Section 178 of the Companies Act, 2013 are not applicable to the Company.

EMPLOYEE STOCK OPTION SCHEME

The information pertaining to ESOS in terms of Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 is annexed with this report as **Annexure-D**.

CREDIT RATING

During the period under review, the India Ratings & Research, a Fitch Group company, has assigned a credit rating of IND BBB-/Stable to our bank loan upto Rs. 200 crores.



STATUTORY DISCLOSURES

Your directors state that no disclosure or reporting is required in respect of the following item as there were no transactions on these items during the year under review:

- ▶ Buy Back of shares
- ▶ Issue of sweat equity shares to employees of your Company except that company had previously issued 15 lakhs ESOP options / equity shares as per the terms and conditions as governed in GrowXCD Employees Stock Option Plan 2023.
- ▶ There was no instance of one-time settlement with any Bank or Financial Institution.

COMPLIANCE ON SECRETARIAL STANDARDS & OTHER DISCLOSURES

Your company has duly complied with the applicable Secretarial Standards. As per Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, the matters forming part of the Management Discussion and Analysis report have been included in this directors' report.

Other disclosure:

- i. There was no proceeding for Corporate Insolvency Resolution Process initiated under the Insolvency and Bankruptcy Code, 2016.
- ii. Since the Company has not gone through one time settlement the question of difference between the amount of the valuation done at the time of one-time settlement and valuation while taking loan from banks or Financial Institutions does not arise.

ACKNOWLEDGEMENT

We take the opportunity to express our deep sense of gratitude to Bankers and Customers for their continued guidance and support. Your directors would like to record their sincere appreciation of the dedicated efforts put in by employees across all levels in the organization, which have enabled the company to Scale operation/expand operation. And to you, our shareholders, we are deeply grateful for the confidence and faith that you have always placed in us.

For and on behalf of the board of directors of
GrowXCD Finance Private Ltd.

Arjun Muralidharan
Managing Director & CEO
DIN: 02726409

HKN Raghavan
Director
DIN: 02736792

Date : 14th July, 2025
Place : Chennai



Management Discussion & Analysis

ANNEXURE-A

GLOBAL ECONOMIC OVERVIEW

The global economy in 2024 demonstrated both resilience and uncertainty, shaped by ongoing geopolitical conflicts, shifting trade policies, and evolving market conditions. Notable influences included the Russia-Ukraine war, unrest in West Asia, and persistent trade tensions, all of which impacted investment decisions and global stability. Although inflationary pressures began to ease, they remained significant in some regions, influenced by changes in supply chains and volatility in energy markets.

Global trade saw a notable rebound, with volumes growing by 3.6% in 2024, driven by adaptive measures such as diversified trade routes and stronger supply chains. According to the International Monetary Fund (IMF), global growth is projected to stabilise at 3.3% in both 2025 and 2026. Advanced economies are expected to grow modestly—1.9% in 2025 and 1.8% in 2026—shaped by monetary easing and fiscal reforms. Emerging markets and developing economies (EMDEs), however, are forecast to grow at a healthier pace of 4.2% in 2025 and 4.3% in 2026, bolstered by robust domestic consumption and infrastructure development.

GLOBAL ECONOMIC GROWTH PROJECTIONS

Year	World (%)	Advanced Economies (%)	EMDEs (%)
2024 (Est.)	3.2	1.7	4.2
2025 (Proj.)	3.3	1.9	4.2
2026	3.3	1.8	4.3

Global headline inflation is expected to decline from 4.2% in 2025 to 3.5% in 2026. Advanced economies are likely to reach their inflation targets sooner, supported by a shift to accommodative monetary policies by major central banks such as the US Federal Reserve and European Central Bank. The Fed, which held rates at 5.25%-5.50% in early 2024, began gradual rate cuts, anticipating a total reduction of 50–75 basis points in 2025. Similarly, the ECB, with rates at 4.0%, is also expected to ease policy as Eurozone inflation stabilises.

Financial conditions are projected to improve, enhancing credit availability and investment sentiment, though global uncertainties and geopolitical risks remain key challenges. Currency fluctuations, especially involving the US Dollar, have led to capital outflows from emerging markets, totalling US\$ 45 billion by January 2025. A stronger dollar and changing investor preferences were major contributors.

Despite these challenges, global Foreign Direct Investment (FDI) showed a 3.8% recovery, particularly in clean energy, digital infrastructure, and advanced manufacturing. Southeast Asia and India benefited from a 12% rise in manufacturing FDI, reflecting global efforts to de-risk supply chains away from China.

Sectoral trends showed strong performance in services, supported by consumer demand and a post-pandemic tourism boost. Manufacturing, however, lagged due to trade disputes, supply chain restructuring, and weak global demand. In the energy sector, oil prices are projected to decline by 2.6%, while non-fuel commodity prices are expected to rise by 2.5% in 2025.



Advanced economies are anticipated to adopt accommodative monetary policies, enhancing liquidity, while emerging markets maintain a balanced approach to support growth and contain inflation. The sharp increase in tariffs in April 2025 added to trade uncertainties. US-China relations, sanctions, and evolving trade agreements will continue to influence global investment and supply chain dynamics.

Technological advancements, particularly AI-led automation, are increasingly central to global industrial strategies. China's slower growth and internal adjustments have affected trade and commodity flows. ESG compliance and climate resilience are gaining importance in investment decisions. These combined factors—geopolitical shifts, technology, sustainability, and evolving policy frameworks—will shape long-term global economic resilience.

INDIAN ECONOMIC OVERVIEW

According to the Economic Survey 2024–25, India's GDP is projected to grow by 6.4% in FY 2024–25, positioning the country among the fastest-growing major economies despite global headwinds. Growth is being driven by strong domestic demand, increased capital expenditure, private investment, and a resilient services sector.

Agriculture is projected to grow by 3.8% in FY 2024–25, supported by favourable monsoons and higher production. Rising rural incomes are evident in increased sales of two-wheelers and tractors, higher MSPs, and reduced MGNREGA demand, all indicating strengthening rural financial conditions.

Private consumption has rebounded significantly. Private Final Consumption Expenditure (PFCE) grew by 7.3% as of January 2025, up from 4.0% the previous year. The growing middle class, higher incomes, and aspirational consumption are driving demand for premium goods and services. The new income tax exemption limit of ₹12 lakh is expected to further stimulate consumer spending.

The services sector continues to be a key growth driver, with exports expected to grow 12.8% YoY in FY 2024–25. Initiatives such as UPI and ONDC are boosting digital adoption, with UPI transactions reaching ₹23.24 lakh crore in December 2024, up from ₹707.93 crore in December 2016.

Inflation is under control. CPI-based inflation dropped to 3.16% in April 2025, aided by a decline in food prices. In response, the RBI cut the repo rate by 25 basis points to 6%, and the Monetary Policy Committee (MPC) shifted to an "accommodative" stance, signalling a supportive monetary policy going forward.

Manufacturing is receiving a boost from the Production Linked Incentive (PLI) scheme and major infrastructure investments. The Union Budget 2025–26 allocated ₹11.2 trillion for capital expenditure, focusing on transportation, energy, and digital infrastructure. Urbanisation is rising, with India's urban population expected to reach 500 million by 2025, further bolstering demand for housing and infrastructure.

MSMEs remain vital to innovation and manufacturing diversification. The 2025–26 budget introduced measures to support this sector through credit access, revised thresholds, and entrepreneurship incentives. With continued policy support, India aims to sustain 8% annual growth towards achieving the 'Viksit Bharat 2047' vision.

OUTLOOK

India's economic prospects remain robust, supported by strong consumption, infrastructure investments, and services sector momentum. The stabilisation of inflation, supportive monetary policy, and healthy banking fundamentals are expected to aid private sector growth.



The digital economy, financial inclusion, and a thriving start-up ecosystem—especially in Tier-II and Tier-III cities—are unlocking new opportunities. A young workforce, rising digital adoption, and reforms in manufacturing and taxation are likely to drive productivity and enhance global competitiveness. India is expected to play a significant role in the global economic landscape, fostering innovation, diversification, and sustainable development.

INDUSTRY OVERVIEW

The NBFC sector remains pivotal to India's financial system and economic development. From less than ₹2 trillion in AUM in 2000, the sector has grown to ₹41 trillion by FY 2023–24. Between FY 2018–19 and FY 2023–24, NBFC credit grew at a CAGR of around 11%.

AUM growth is projected to moderate to 15–17% in FY 2024–25 and FY 2025–26, down from 23% in FY 2023–24, primarily due to increasing delinquencies, funding limitations, and regulatory tightening. Nonetheless, sectors such as SME lending, LAP, and used vehicle financing are expected to maintain strong momentum. Fintech collaborations and digital finance initiatives continue to expand credit access in underserved areas.

The RBI has reinstated a 100% risk weight on bank loans to NBFCs, potentially enhancing banks' lending capacity and NBFCs' access to long-term funding. This may lead NBFCs to rely more on bank loans and less on short-term commercial papers, improving funding stability.

New limits on First Loss Default Guarantee (FLDG) arrangements—capped at 5%—are reshaping NBFC-fintech partnerships, encouraging balanced risk-sharing and responsible digital lending.

GROWTH STRATEGIES

- ▶ **Regulatory Compliance and RegTech:** Adoption of RegTech solutions will improve compliance, risk management, and reporting, supporting operational efficiency and investor confidence.
- ▶ **Technology Integration:** Leveraging analytics and digital platforms for customer acquisition, credit assessment, and fraud detection will drive efficiency and enhance customer experience.
- ▶ **Funding Diversification:** NBFCs will diversify funding via securitisation, co-lending, and longer-tenure instruments to ensure resilience amid changing market and regulatory environments.
- ▶ **Tier-II and Tier-III Expansion:** Focused growth in underserved regions with localised products and vernacular support will unlock new markets.
- ▶ **Customer-Centric Approaches:** Personalised offerings, dynamic credit scoring, and real-time data insights will strengthen customer relationships and retention.
- ▶ **ESG Integration:** Increased focus on sustainable and green financing will align NBFCs with global investment trends and boost credibility.

Despite transitional challenges, the sector is positioned for long-term strength through technology adoption, improved governance, and strategic growth initiatives. The evolving regulatory environment aims to promote structural maturity, transparency, and resilience, ensuring NBFCs continue to play a key role in India's financial inclusion and economic development.



KEY FOCUS AREAS OF THE COMPANY

GrowXCD Finance Private Limited (the "Company") is a private limited company domiciled in India and incorporated on 10th January 2022. The Company has received CoR with RBI as a NBFC-ND and the license was granted by RBI on 27th April 2023 vide COR No. N-07-00898 to commence / carry on business of Type II Non-Banking Financial Company Non-Systemically Important Non-Deposit taking company ('NBFC-NSI-ND'). The Company operates in the area of providing Loan against property finance to Economically Weaker Sections and Lower income households who do not have access to formal finance source. As on 31st March 2025, we were present in 41 branches.

Overall, we would be reaching the MSME, self-employed and salaried customers belonging to the LIG (Low Income Households) and EWS (Economically Weaker Sections) through the following products in the semiurban and rural areas:

- ▶ **Secured:** Medium to Long term – Loan against property (residential property mortgage).
- ▶ **Unsecured:** Short term – Financial inclusion loans, Micro business loans and Small Business Loans.

Our Core Strengths

- ▶ Customer Understanding – Tailoring products to the needs of rural and semi-urban customers.
- ▶ Work-force – With 401 employees comprising of 342 branch staffs and 59 HO/ Monitoring staffs as of March-25, we are touted to offer best-in-class customer experience.
- ▶ Geographical presence – 41 branches spread across 24 districts catering to tier II and III cities of Tamil Nadu, Puducherry, Karnataka and Andhra Pradesh.
- ▶ Efficient Disbursal mechanism – Powered with the help of technology we have developed in house Loan Operating Systems (LOS) digitalising end-to-end lending process to keep our turnaround time for disbursal to the minimum.

GROWXCD UNDERWRITING METHODOLOGY

As an organization that operates in providing loans to underserved segment, GrowXCD has unique credit methodologies for different customer segments. We study our customers' enterprises in detail and assess the respective business activities including their income, cashflows, ability to repay, intention to repay, business sustainability and credit behavior history reported by other Financial Institutions through credit bureaus. They are subject to scrutiny through traditional and non-traditional methods including field visits, online verification etc.. Impact Analysis is performed on the existing customer base and the customer segments are classified as High/ Medium and Low Risk.

While we do undertake income document checks with available documents and credit bureau checks, the primary credit assessment is through non-traditional income documents and reference checks. The credit assessment gets additional strength from the collateral, which is taken for moral suasion. The Company has developed and implemented a credit score-card model for appraisal of loans and for assigning risk-based pricing. This ensures an objective underwriting process and aids in achieving minimal turnaround time for approvals.

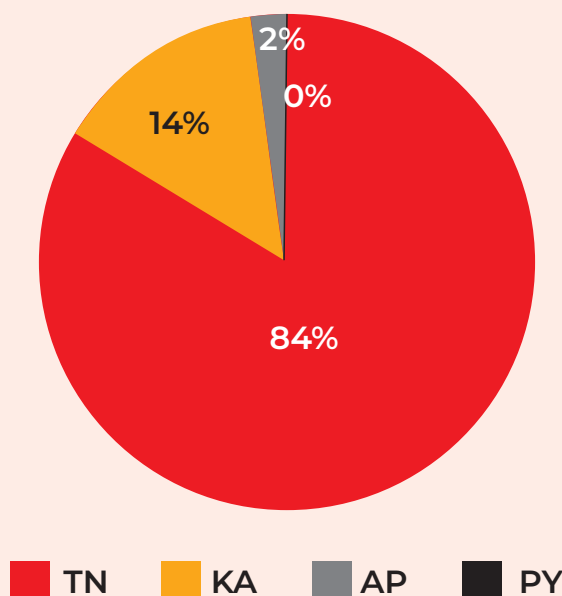


PORTFOLIO GROWTH

GrowXCD has made an impact in the lives of 4249 customers as of March 31, 2025. The Company has a loan portfolio of Rs. 188 crores (on books) as of March 31, 2025. The share of secured loan portfolio, i.e., Loan Against Property comprising of 96% of loan portfolio and unsecured loan portfolio, i.e., Micro enterprise loan stands at 4% of loan portfolio. We closed the year with a disbursement of Rs. 174 crores.

- ▶ As on March 2025, company is operating in 4 states/UT and 24 districts via 41 branches.
- ▶ Older branches have higher portfolio.

OWN BOOK PRINCIPAL OUTSTANDING



ASSET QUALITY

As on 31st March, 2025 we had 99% X bucket collection rate with 0.55% 30+DPD and 0.26% 90+DPD (Net NPA).

CAPITAL

The total amount of capital available to the Company is an important parameter to represent the strength of the institution. To present a perspective of the scale of improvement on this critical parameter, the total paidup capital and securities premium of the Company is Rs. 115.48 crores on March 31, 2025. During FY 2024-25, company received funds of Rs.71.31 crores which includes Rs. 69 crores of capital infused from Institutional Investors viz. Lok Capital and UC Impower Fund I to help build a strong capital base during challenging times which took the Net worth to Rs. 109.42 crores as of March 31, 2025. The Company has maintained a healthy capital adequacy ratio well above the levels directed by the RBI. As of March 31, 2025, the capital adequacy ratio of the Company is robust at 50%.



DIVERSIFIED FUNDING PROFILE

The funding for the business is from an optimum mix of equity and debt. The Company continues to follow the policy of diversification of funding sources. The Company has existing relationships with 13 lenders across Banks and NBFC. During the year, the company has been sanctioned fresh borrowings aggregating to Rs.163.20 crores.

During the year, the company has been glad to welcome new lenders collaborating in our growth vi., IDFC First Bank Limited, Vivriti Capital Limited, Caspian Impact Investment Private Limited, Ambium Finserve Private Limited and many others.

INVESTMENTS

The Investment Policy approved by the Board of Directors envisages deployment of temporary cash surplus, arising out of the gap between cash inflows and outflows, in Debt mutual funds of mutual funds and/or fixed deposits with Banks. The investment function ensures adequate levels of liquidity to support business requirements, maintaining a high degree of safety and optimising the level of returns, consistent with acceptable levels of risk by investing in short-term instruments. As at March 31, 2025, the investment in Mutual Funds stood at 20 crores and investment in Fixed Deposits stood at Rs. 16.73 crores which includes 6.72 crores of lien marked Fixed Deposits.

ASSET LIABILITY MANAGEMENT

The Company has a conservative and prudent policy for matching funding to assets, which translates to a robust Asset Liability stability. As a key strategy to manage healthy cash flows, the Company typically maintains two months of cash requirements in the form of undrawn limits or in cash equivalents. The strong ALM strategy is one of the key pillars of strength of the Company on a structural basis. From an interest rate sensitivity perspective, the Company has a mix of fixed and floating rate borrowings. While the Company lends on fixed rate basis for all loans, it primarily focusses on maintaining the net interest spread at optimum level.

INTERNAL CONTROL SYSTEMS

The system of internal controls in place at the company is intended to offer a high level of assurance about the efficacy and efficiency of operations, the sufficiency of asset safeguards, the dependability of financial controls, and compliance with relevant laws and regulations. All functions have access to an internal control architecture that includes internal financial controls, explicit power delegation, and standard operating procedures. There is a distinct division of labor between different functions. The Company has put in place sufficient procedures to guarantee that assets and transactions are approved, recorded, and reported in order to protect assets against losses that might result from unauthorised use or disposal. For improved management, the two main operational processes—finance and operations—are centralized at head office. The company has implemented a strong IT security system to ensure information security. By implementing robust Loan Management System and Fixed Asset Management System, the company has further strengthened its system controls. All policies are reviewed and approved by the board on a periodic basis.

INFORMATION TECHNOLOGY

GrowXCD keeps utilizing technology to meet its goals of increasing efficiency and productivity. Process automation has been used in many areas of the company to automate repetitive, labor intensive, and manual operations. In the current digital era, going digital has changed the game by revolutionizing customer journeys and making it possible for customers to interact with businesses quickly and easily throughout their lifetime. GrowXCD provides its clients with the greatest possible digital experience, and it still does.



All digital projects ultimately aim to provide decision makers with quick access to data so they can act proactively. This is achieved by having suitable data access restrictions and the capacity to impose needs driven access to data. We regularly create and improve the experience for both external and internal stakeholders. The technology backbone for the company is ready to act as catalyst for the next phase of growth.

RISK MANAGEMENT

In order to support a proactive approach in reporting, assessing, and resolving issues related to the business, the company has established a strong risk management framework. The company is dedicated to generating value for its stakeholders through sustainable business growth. In order to develop sophisticated risk management and underwriting capabilities, the company keeps investing in people, procedures, and cutting edge technologies. An independent risk governance structure was established in accordance with regulatory requirements, taking into account the division of labor and guaranteeing the independence of risk measurement, monitoring, and control tasks in order to facilitate effective risk management.

OPERATIONAL OVERVIEW

The key operational highlights of the year 2024-25 are:

- ▶ Assets under management stood at Rs. 190 crores.
- ▶ Total Income stood at Rs. 28.68 crores.
- ▶ Customer base stood at 4172.
- ▶ Employee base stood at 401.

BALANCE SHEET

The summarized version of the Company's Balance sheet is given below:

Rs. in Crores

Particulars	Mar-25	Mar-24	YOY Growth %
ASSETS			
Fixed Assets	2.29	0.71	222.54
Cash & Cash Equivalents	21.35	10.43	104.70
Short-term Investments	20.00	17.00	17.65
Loan Assets	187.96	26.59	606.88
Other Assets	6.72	1.27	429.92
TOTAL	238.32	56.10	232.81
LIABILITIES			
Net-worth	109.42	43.09	153.93
Borrowings	122.75	11.96	926.34
Other Liabilities	6.15	1.05	485.71
TOTAL	238.32	56.10	232.81



STATEMENT OF PROFIT & LOSS

The summary of financials performance for the last two financials years is as follows:

Rs. in Crores

Particulars	Mar-25	Mar-24	YOY Growth %
Revenue from operations	27.08	3.73	626.01
Other Income	1.60	0.03	5233.33
Total Income (A)	28.68	3.76	662.77
Employee cost	18.49	2.98	520.47
Finance Cost	9.46	0.25	3684.00
Depreciation	0.84	0.08	950.00
Other Operating Cost	6.25	1.45	331.03
Provisions & Losses	1.81	0.27	570.37
Total Expense (B)	36.85	5.03	632.60
Profit Before Tax (PBT) (A-B)	(8.17)	(1.27)	(543.31)
Current and Deferred Tax	2.03	0.38	434.21
Profit After Tax (PAT)	(6.15)	(0.89)	(591.01)

Key Financial Ratios are as follows:

Particulars	FY 2024-25	FY 2023-24
PBT / Total Income	(28.50)	(33.73)
NIM (Rs.)	19.22	3.51
Return on Average Total Assets (RoTA) (in %)	(4.17)	(2.61)
Return on Equity (RoE) (in %)	(8.06)	(6.43)
EPS		
Basic (Rs.)	(5.87)	(0.92)
Diluted (Rs.)	(5.87)	(0.92)
Debt/ Equity (in times)	1.12	0.28
Capital Adequacy (in %)	51	95

HUMAN RESOURCES

Our most valuable resource and the cornerstone of the company is its workforce. Our objective is to establish a welcoming and supportive work atmosphere that fosters development and learning for our staff. We periodically give our middle and senior management leadership training as part of our effort to develop future leaders. Our organization wide cultivation and emphasis of our culture is how we aim to differentiate ourselves. Our company has always placed the welfare of our workers at its core. As on March 31, 2025, the Company had 401 employees.

OUTLOOK

Our outlook for the coming year involves consolidating the existing product verticals and focus on efficiency in operation and growth.

Our main goal as the company prepares for the next stage of expansion is to make sure that we consistently show development and advancement in all three important areas: profitability, productivity, and AUM growth.

CAUTIONARY NOTE

Certain statements in this Report may be forward-looking and are stated as may be required by applicable laws and regulations. Actual results may vary from those expressed or implied, depending upon economic conditions, Government and other incidental/related factors.



Form AOC 2

ANNEXURE-B

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

[Pursuant to Section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014].

1. All contracts/arrangements/transactions entered into by the Company with related parties during the year ended March 31, 2025 were at arm's length basis.

Sl. No.	Name of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Durations of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value (Rs.)	Date of approval by the Board	Amount paid as advances
1.	Lok Capital IV LLC, Shareholder	Share capital infusion	Ongoing	Issue of 33,41,965 Cumulative Compulsorily Convertible Preference Shares (CCCPS) at Rs. 56/- per share	29.06.2024	NA
2.	Lok Capital IV LLC, Shareholder	Share capital infusion	Ongoing	Issue of 29,84,849 Cumulative Compulsorily Convertible Preference Shares (CCCPS) at Rs. 66/- per share	16.01.2025	NA
3.	Mr. Arjun Muralidharan, MD & CEO	Remuneration	Ongoing	Rs. 50,54,167 of CTC	07.11.2024	NA
4.	Mr. Sathish Kumar Vijayan, COO	Remuneration	Ongoing	Rs. 52,08,662 of CTC	07.11.2024	NA
5.	Mr. HKN Raghavan, Non Executive Director	Consultancy charges	One year	Engaged from January, 2025 total 10 lakhs including variable compensation	08.01.2025	NA
6.	Lok Capital IV LLC	Reimbursement of expenses for services availed	One time	Amount of Rs. 1,86,404.67 paid as reimbursement for attending ESG training organised by Lok Capital	14.07.2025	NA

2. Details of material contracts and arrangements or transactions not at arm's length basis: Nil

For and on behalf of the board of directors of
GrowXCD Finance Private Ltd.

Arjun Muralidharan
MD & CEO
DIN: 02726409

HKN Raghavan
Director
DIN: 02736792



Report on Corporate Governance

ANNEXURE-C

Corporate Governance signifies an organization's commitment to ethics, fairness, and transparency in its dealings with stakeholders such as Customers, Employees, Lenders, Investors, Government, Regulators, Vendors, and the Community. It is fostered through external market commitments, legislation, and a robust board culture that guides the organization's policies and principles. Your company is dedicated to upholding strong Corporate Governance across all its operations.

Corporate Governance Philosophy

GrowXCD Finance Private Limited adheres to the highest standards of accountability, transparency, and fairness in all facets of its operations and interactions with stakeholders. The Board oversees the appointment of capable management and continuously monitors to ensure responsible, ethical, and transparent conduct.

Board of Directors

In line with our Corporate Governance principles, all statutory and significant information is presented to the Board of Directors and its committees. The Board, comprising Seven directors, includes two Independent Director, two Investor Nominee Directors, Two Non-Executive Directors, and a Managing Director. The dates of the meetings of the Board of Directors which were held in FY 2024-25 are 22nd April, 2024, 24th June, 2024, 25th July, 2024, 07th November, 2024, 08th January, 2025 and 25th March, 2025.

Particulars of the Composition of the Board of Directors, Directors' attendance to the Board Meeting and particulars of their other company directorships are given below:

Sl. No.	Name of Director	Director from date	Capacity (i.e. Executive / Non-Executive / Chairman / Promoter Nominee / Independent)	DIN	No. of Board Meetings		No. of other Directorship	Remuneration		No. of shares held
					Held	Attended		Salary & other Compensation (Rs. in Lakhs)	Sitting Fee (Rs. in Lakhs)	
1.	Mr. Arjun Muralidharan	10/01/2022	Managing Director & Chief Executive Officer	02726409	6	6	1	50.54	Nil	69,50,339*
2.	Mr. Jayaraman Chandrasekaran	04/11/2022	Independent Director	01118392	6	6	1	Nil	1.95	59,524
3.	Mr. HKN Raghavan	04/11/2022	Non-Executive Director	02736792	6	6	2	7.50	Nil	12,65,874
4.	Mr. G S Sundararajan	18/11/2023	Nominee Director	00361030	6	6	5	Nil	Nil	Nil
5.	Mr. Rajat Bansal	18/11/2023	Nominee Director	08463009	6	6	1	Nil	Nil	Nil
6.	Ms. Mona Kachhwaha**	08/01/2025	Non-Executive Director	01856801	1	1	4	Nil	Nil	Nil
7.	Dr. Jainallaudeen Sadakkadulla***	25/01/2025	Additional Director (Independent Director)	07544406	0	0	3	Nil	Nil	Nil

*(including partly paid equity shares)

** Appointed in the Board Meeting held on 08th January, 2025 but did not attend the said meeting.

*** Appointed in the Board Meeting held on 25th March, 2025 but did not attend the said meeting.



Changes in Board Constitution:

During the year ended March 31, 2025, the following were the changes in the Board constitution:

S.No.	Name of Director	Capacity (i.e. Executive / Non-Executive / Chairman / Promoter nominee / Independent)	Nature of change (Resignation, appointment)	Effective date
1.	Ms. Mona Kachhwaha	Non-Executive Director	Appointment – Ms. Mona Kachhwaha was appointed as Non-Executive Director with effect from 08th January, 2025.	08th January, 2025
2.	Dr. Jainallauden Sadakkadulla	Additional Director	Appointment – Dr. Jainallauden Sadakkadulla was appointed as the Additional Director (Independent Director) in the Board Meeting with effect from 25th March 2025.	25th March, 2025

Code of Conduct

The Company has adopted a Code of Conduct for members of the Board and the Senior Management. The code aims at ensuring consistent standards of conduct and ethical business practices across the organisation. All the members of the Board and the Senior Management have duly adhered to the Code of Conduct.

Committees of the Board

The Board has constituted committees to support the Board in discharging its responsibilities. As at March 31, 2025, the Company has two (2) Committees of the Board, constituted in accordance with the provisions of the Act viz.,

1. Risk Management Committee
2. Borrowings and Investment Committee

The Board at the time of constitution of each committee fixes the terms of reference and also delegates powers from time to time. Various recommendations of the committees are submitted to the Board for approval.

Risk Management Committee**Terms of Reference**

1. To identify, monitor and measure the risk profile of the Company (including market risk, liquidity risk, operational risk, reputational risk, fraud management and credit risk).
2. To review and monitor the activities of the company in the area of Operational Risk, Information Security Risk and Fraud Risk.
3. To develop and oversee the risk management policy for approval by the Board.
4. To develop Company's operational risk, fraud management and information security risk policies for approval by the board.



5. To oversee promotion of awareness of a risk-based culture and achieving a balance between risk minimization and reward for risks accepted.
6. To monitor and review the risk management plan of the Company.
7. To review management's formulation of procedures, action plans and strategies to mitigate risks on short term as well as long term basis.
8. To liaise, as necessary, with other Board Committees, especially where there is a perceived or actual overlapping of responsibilities regarding particular risk and compliance issues.
9. To monitor compliance of various risk parameters by operating departments.
10. The Committee shall have direct access to, and complete and open communication with the Company's management and may obtain advice and assistance from legal, risk or other advisors.
11. The Company shall provide for appropriate funding, as determined by the Committee, for the payment of (i) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties and responsibilities and (ii) compensation to independent legal, risk and other advisors retained by the Committee.
12. Reviewing adequacy of insurance policies taken by Management to cover risks/ transfer risk exposures.
13. To carry out any other function as is referred by the Board from time to time or enforced by any statutory notification / amendment or modification as may be applicable.

Composition & Meetings

The composition of the committee as on March 31, 2025, and the details of the meetings of the Committee held during the year ended March 31, 2025, is given below:

S.No.	Name of the member	Member of Committee from & till date	Capacity (i.e. Executive / Non-Executive / Chairman / Promoter Nominee / Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Jayaraman Chandrasekaran (Chairman)	From May 15, 2023, till date	Independent Director	1	1	59,524
2.	Mr H K N Raghavan	From May 15, 2023, till date	Non-Executive Director	1	1	12,65,874
3.	Mr. Arjun Muralidharan	From May 15, 2023, till date	Managing Director & Chief Executive Officer	1	1	69,50,339*
4.	Mr. Rajat Bansal	From February 15, 2024 till date	Nominee Director	1	1	0

* (including partly paid equity shares)

During the year ended March 31, 2025 One (1) meeting of the Committee was held on 25th July, 2024.

Borrowings and Investment Committee Terms of Reference

1. To open, operate and close different accounts viz., Current Account, Fixed Deposit Account, etc with banks, in the name of the company and to avail internet and online banking facilities offered by the Bank and to authorise such officers/employees of the company as the Committee may deem fit to operate such accounts on behalf of the Company;



2. To invest the surplus funds of the Company up to Rs 50 crore with liberty to invest in fixed deposits / mutual funds / such other schemes as may be beneficial for the Company, however subject to the regulations under the Companies Act 2013 / as laid down by the Reserve Bank of India.
3. To open demat account in the name of the Company;
4. To avail cash management services offered by the banks / other agencies on such terms and conditions as the Committee may deem fit;
5. To borrow from time to time (including the money already borrowed by the Company apart from non-fund based facility in the form of letter of credits, bank guarantees, etc. obtained from Company's bankers in the ordinary course of business) by obtaining loans, overdraft facilities, lines of credit, commercial papers, non-convertible debentures, external commercial borrowings or by any other form(s) (collectively Debt instruments) from banks, financial institutions, insurance companies, mutual funds, or other corporates or other eligible investors, whether in India or abroad, in one or more series, and in one or more tranches, on a private placement basis or through any other mode as applicable, to eligible investors under the applicable laws, regulations, guidelines etc. on such terms and conditions as the Committee may deem fit, provided that the total outstanding amount of money to be borrowed together with the money already borrowed by the Company, shall not at any time exceed an aggregate limit of Rs.200 crore;
6. To sign, execute and submit all such documents as are necessary in connection with 1 to 5 above and to do all such acts, deeds and things as may be necessary in this connection;

Composition & Meetings

The composition of the committee as on March 31, 2025, and the details of the meetings of the Committee held during the year ended March 31, 2025, is given below:

S.No.	Name of the member	Member of Committee from & till date	Capacity (i.e. Executive / Non-Executive / Chairman / Promoter Nominee / Independent)	Number of Meetings of the Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Arjun Muralidharan	From November 18, 2023 till date	Managing Director & Chief Executive Officer	15	15	69,50,339*
2.	Mr. Jayaraman Chandrasekaran	From November 18, 2023 till date	Independent Director	15	13	59,524
3.	Mr. H K N Raghavan	From November 18, 2023 till date	Non-Executive Director	15	8	12,65,874

*(including partly paid equity shares)

During the year ended March 31, 2025 Fifteen (15) meetings of the Committee were held on 30th May, 2024, 21st June, 2024, 28th June, 2024, 14th August, 2024, 23rd August, 2024, 30th August 2024, 18th September 2024, 28th September 2024, 11th November 2024, 19th November 2024, 26th November 2024, 24th January 2025, 12th March, 2025, 18th March, 2025 and 21st March, 2025.

General Body Meetings

During the period from April 01, 2024 to March 31, 2025, apart from the Annual general meeting (AGM), four Extraordinary General Meetings (EGM) were held as per details given below:



Type of Meeting	Date	Venue	Resolutions passed
AGM	28.08.2024	Registered office of the company	<ul style="list-style-type: none"> ▶ Adoption of accounts for the year ended 31.03.2024;
EGM	03.05.2024	Registered office of the company	<ul style="list-style-type: none"> ▶ Increase in authorised share capital from Rs. 21 crores to Rs. 25 crores; ▶ To amend the ESOP 2023 by increasing the no. of ESOP options available for grant from 10 Lakhs to 15 Lakhs; ▶ Issue of 4,76,192 equity shares on a private placement basis amounting to Rs. 2 crores;
EGM	26.06.2024	Registered office of the company	<ul style="list-style-type: none"> ▶ Issue of 33,92,858 CCCPS amounting to Rs. 19 crores;
EGM	15.11.2024	Registered office of the company	<ul style="list-style-type: none"> ▶ Increase in authorised share capital from Rs. 25 crores to Rs. 33 crores; ▶ Issue of 25,00,000 Equity shares to Mr. Arjun Muralidharan through preferential allotment;
EGM	09.01.2025	Registered office of the company	<ul style="list-style-type: none"> ▶ Increasing in authorised share capital from Rs. 33 crores to Rs. 35 crores; ▶ Alteration and adoption of restated AOA; ▶ To include entrenched provisions in the AOA; ▶ Issue of 75,75,759 Pre- Series B CCCPS amounting to Rs. 50 crores; ▶ Appointment of Ms. Mona Kachhwaha (DIN: 01856801) as a Non-Executive & Non-Independent Director; ▶ Ratification of ESOPS granted in excess of 1% equity share capital;

The Annual General Meeting for the last two years were held on 29th September, 2023 and 28th August 2024.

All the proposed resolutions, including special resolutions, were passed by the shareholders as set out in their respective Notices.

Separate posts of Chairperson and Managing Director/Chief Executive Officer

Mr. Arjun Muralidharan is the Managing Director & Chief Executive Officer of the Company and there is no separate Chairperson of the Company. The Chairman for the meetings of the Board and the shareholders are elected at every meeting respectively.

Risk Management

The company operates under a Board-approved Risk Management Policy, ensuring periodic updates to the Board on significant risks and mitigation strategies.

Regulatory & Statutory Compliances

The Company has complied with all the guidelines, circulars, notifications and directions issued by Reserve Bank of India and other regulators from time to time. The Company also places before the Board of Directors at regular intervals all such circulars and notifications to keep the Board informed and report on the actions initiated on the same.



The Company has also been following provisions of the Companies Act, 2013 including the applicable Secretarial Standards issued by ICSI, applicable accounting standards, the Income Tax Act 1961, and other applicable statutory requirements.

Compliance Report

The Board reviews the compliance of all applicable laws every quarter which are complied by the Company and validated by the Compliance Consultants and gives appropriate directions, wherever necessary.

Related party transactions

The particulars of transactions between the Company and its related parties, as defined in Accounting Standard 18, are set out in the financial statements. There were no material transactions with related parties i.e., transactions of the company of material nature, with its promoters, the directors or the management, their associates or relatives etc. that may have potential conflict with the interest of company at large.

General Shareholder Information

Financial year: 1st April 2024 to 31st March 2025

Shareholding pattern as on March 31, 2025:

Category	Number of Shares	% of total
Promoter & Relatives	71,44,784	21.51%
Resident Individual Investors	56,26,273	16.94%
Non-Resident Individual Investors holding shares on repatriation basis	Nil	0%
Employees & their Relatives	11,37,572	3.43%
Institutional Investors	1,93,01,951	58.12%
Total	3,32,10,580	100.00%

Address for Correspondence:

GrowXCD Finance Private Limited

First Floor G R Complex Annexe
408 Anna Salai, Nandanam, Chennai-35
Tel.: 044-48136918
E-mail: hello@growxcd.com
Website: <https://www.growxcd.com>

For and on behalf of the board of directors of
GrowXCD Finance Private Limited

Arjun Muralidharan
MD & CEO
DIN: 02726409

HKN Raghavan
Director
DIN: 02736792

Date : 14th July, 2025
Place : Chennai



ANNEXURE-D

GrowXCD Employees Stock Option Scheme, 2023

	Nature of Disclosures	Particulars			
a.	Options approved to be issued as ESOPs	15,00,000			
b.	Options Granted	14,40,000			
c.	Options Vested	70,000			
d.	Options Exercised	59,000			
e.	The total no. of shares arising as a result of exercise of option	59,000			
f.	Options Lapsed / Surrendered	NIL			
g.	Variation of terms of option	NIL			
h.	Total number of options in force	14,40,000			
i.	Options available for grant	60,000			
j.	Money realized by exercise of options	5,90,000			
k.	a. Details of options granted to Key Managerial Personnel (KMP).	3,20,000 options granted to Mr. Sathish Kumar Vijayan, Chief Operating Officer. 15,000 options granted to Mr. B. Sanjeev Anand, Company Secretary.			
	b. Any other employee who received a grant of Option amounting to 5% or more of Options granted during the period ended 31.03.2025.	Mr. Jayaraman Vaithinathan - 3,50,000 Mr. Sathish Kumar Vijayan - 2,00,000 Mr. Ramesh Ratnadoss - 1,20,000 Mr. Sivarajapathi V - 1,00,000			
	c. Identified employees who were granted Options, during the period ended 31.03.2025, equal or exceeding 1% of the issued capital of the Company at the time of grant.	Name of the employee	Date of grant of option in the Board Meeting	Options granted	1% of Issued Equity Capital at the time of grant of option
		Mr. Sathish Kumar Vijayan	15.02.2024	1,20,000	1,08,734
		Mr. Jayaraman Vaithinathan	22.04.2024	3,00,000	1,08,734
		Mr. Sathish Kumar Vijayan	07.11.2024	1,50,000	1,13,496
l.	Diluted Earnings per Share (EPS) pursuant to issue of shares on exercise of Option calculated in accordance with Accounting Standard – 20	(5.87)			
m.	The exercise price of Options	Exercise Price was Rs.10 for Options granted			



Impact and ESG at GrowXCD

*“Sustainability is no longer about doing less harm.
It’s about doing more good.” — Jochen Zeitz*

Commitment to ESG

GrowXCD adopted ESG Management Standard as a policy in December 2024 in alignment to its commitment to excellence and sustainability. This systematic framework is designed to comprehensively address ESG risks and opportunities inherent in our operations and those of our borrowers. Our dedication to sustainability stems from our belief that responsible business practices are essential for long-term value creation and the well-being of society and the environment. We are also dedicated to upholding the Client Protection Principles to serve our customers in a responsible manner.

We recognize the importance of preserving natural resources, minimizing our environmental impact, and promoting energy efficiency across our operations. Upholding human rights, fostering diversity and inclusion, and ensuring fair labor practices are integral to our approach to social responsibility. We are committed to maintaining the highest standards of corporate governance, transparency, and ethical conduct, fostering accountability, integrity, and compliance with laws and regulations.

Engaging with stakeholders, including customers, employees, investors, suppliers, and communities, is fundamental to understanding and addressing their expectations and concerns regarding ESG matters. We continuously strive to improve our ESG performance through rigorous assessment, monitoring, and reporting, seeking opportunities for innovation and efficiency that align with our values and contribute to sustainable growth for all stakeholders.

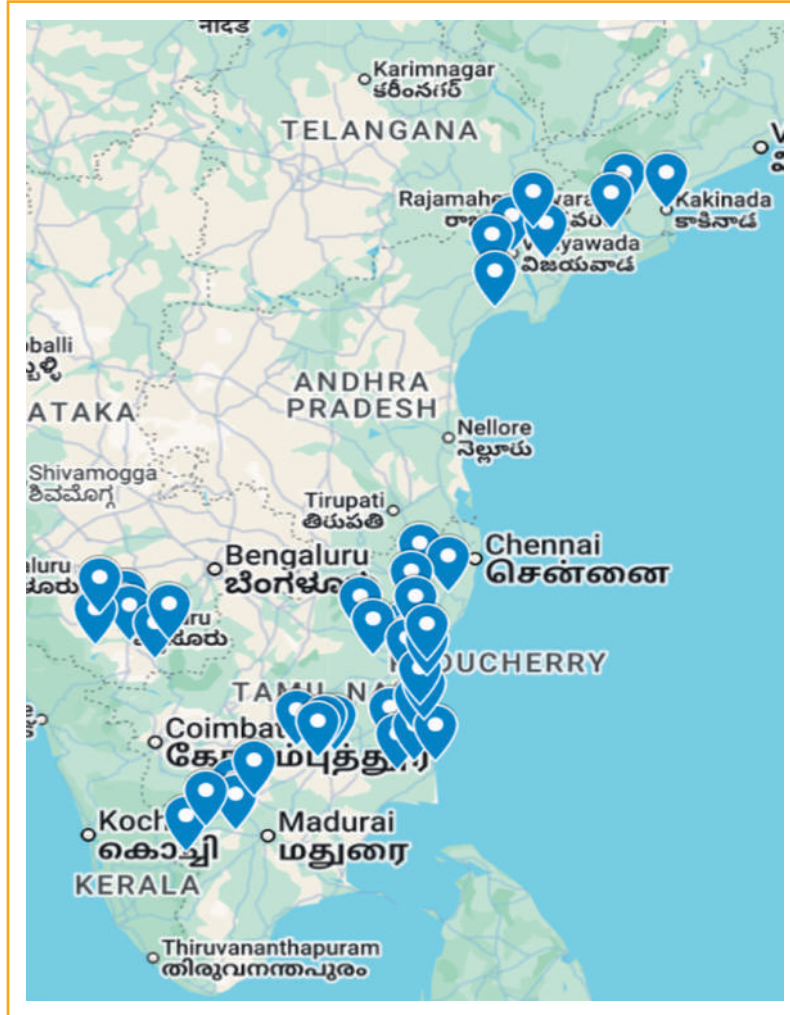
FY 2024-25 marks GrowXCD's second ESG report. As a startup, we embedded Environmental, Social, and Governance (ESG) principles early to demonstrate our commitment to sustainable and responsible growth to drive a long-term business success.

Empowering MSMEs in driving Financial Inclusion

MSMEs are the backbone of India's economy, especially in underbanked Tier II and III towns. GrowXCD is bridging the credit gap through localized solutions, combining branch networks, tech-enabled processes, and field support. With operations now across 41 towns in South India, we offer flexible loans tailored to the needs of micro-markets, helping small businesses grow and create jobs.



Our Branch Network



Our MSME customers typically earn median income of Rs. 43,389 per month and borrow for business improvement, home improvement, invest in machinery, or purchase livestock and debt consolidation. Our credit enables income enhancement and business productivity. Backed by robust SOPs, continuous training, and technology adoption, we deliver a seamless, transparent lending experience.

"What I liked most was the fully loan digital processing—no hidden charges, clearly explained terms and excellent customer support. The speed at which the loan was approved helped me quickly scale up my business and stock up in time for the festive season."

— Grocery shop owner in Tiruvannamalai

"I took a loan to purchase two high-yield cows, and it has transformed my dairy business. The application process was simple, fully digital, and the loan was disbursed quickly. With better cattle and improved milk output, my daily income has increased, and I now supply to more local customers. This has helped my family become financially stable."

— Dairy farmer in Kulithalai



Focus on Women Entrepreneurs

Over 50% of our loans involve women as primary or co-borrowers. This underscores our commitment to gender equity and inclusive development, recognizing women's role in community upliftment and economic resilience.

Environmental Responsibility

We follow global standards in GHG accounting (Scope 1, 2, and 3), actively reducing our carbon footprint through energy-efficient operations and digital processes. Sustainability is core to our strategy and stakeholder engagement.

Strong Governance

Led by a seasoned management team and guided by an experienced board, GrowXCD upholds best-in-class governance. Our ESG Management System ensures compliance, transparency, and ethical conduct.

Client Protection Alignment

Though not a microfinance institution, we align with the globally recognized Client Protection Principles. We at GrowXCD ensure appropriate product design, prevention of over-indebtedness to the customers, transparency, responsible pricing, fair and respectful treatment of clients, privacy of client data, mechanisms for complaint resolution and support is accessible in local languages.

At GrowXCD, we believe that sustainable finance goes beyond profitability—it is about empowering communities, protecting the environment, and upholding the highest standards of governance. Through this ESG report, we reaffirm our commitment to integrating environmental, social, and governance principles into every aspect of our operations.

We are proud of the progress made in advancing financial inclusion, promoting responsible lending and investing in the well-being of our stakeholders. While challenges persist, we view them as opportunities to innovate and lead by example in the evolving financial ecosystem.

As we look ahead, we remain focused on enhancing transparency, reducing our environmental footprint, expanding our social impact, and strengthening our governance frameworks. We are committed to creating long-term value for all stakeholders and contributing meaningfully to India's sustainable development goals.

We thank our employees, customers, investors, regulators, and partners for their continued trust and support on this journey towards responsible growth.

For GrowXCD Finance Private Limited**Arjun Muralidharan**

MD & CEO

DIN: 02726409



Independent Auditors' Report

To the Members of GrowXCD Finance Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **GrowXCD Finance Private Limited** ("the Company"), which comprise the balance sheet as at 31 March 2025, and the statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "financial statements").

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 Accounting Principles generally accepted in India, of the state of affairs of the Company as at 31 March 2025, its loss and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs 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 obtained by us is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Information Other than the Financial Statements and Auditors' Report Thereon

The Company's Management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Company's annual report / Directors report but does not include the financial statements and our auditors' report thereon. The annual report / Director's report is expected to be made available to us after the date of auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the audit or otherwise appears to be materially misstated.

When we read the annual report / Director's report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.



Responsibilities of the Management and Board of Directors for Financial Statements

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

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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



- ▶ Conclude on the appropriateness of Management and 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 auditors' 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 auditors' 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.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' 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.
2. 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 accounts as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 2(h)(vi) below on reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014.
 - (c) The Balance Sheet, the Statement of Profit and Loss and the statement of cash flows dealt with by this report are in agreement with the books of accounts.
 - (d) In our opinion, the aforesaid financial statements comply with the AS specified under Section 133 of the Act.
 - (e) There are no qualification, adverse remarks or reservation relating maintenance of books of accounts except for matter stated in paragraph 2(h)(vi) below on audit trail.
 - (f) On the basis of the written representations received from the directors as on 31 March 2025 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.
 - (g) With respect to the adequacy of the internal financial controls with reference to the financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".



- (h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 as at 31 March 2025 which would impact its financial position.
 - 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 during the year ended 31 March 2025; and
 - iv.
 - (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(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, as disclosed in the notes to the accounts, 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
 - (c) Based on such audit procedures that we have 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 mis-statement.
 - v. The Company has not paid/declared any dividend during the financial year. Accordingly, reporting on compliance with the provisions of Section 123 of the Act are not applicable.
 - vi. Relying on representations/explanations from the company and software vendor, and based on our examination which included test checks, and according to the information and explanations given the Company has used three accounting softwares; a general ledger maintenance software (Tally), loan management software (LMS) and HR software (Zoho people) for maintaining its books of accounts.



Tally has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Moreover, the software is such that it has no database, but only objects and collections as explained in Note No 55, and hence no changes are possible at database level. The Company has preserved the audit trail in accordance with the applicable statutory record retention requirements.

The LMS belongs to an outsourced vendor who has confirmed the existence of an audit trail (edit log) facility both at transactional level and database levels, and that it has operated throughout the year for all relevant transactions. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

Zoho People software, is operated by a third party software service provider and in the absence of mention of audit trail feature in the System and organisation controls (SOC 2) report, we are unable to comment whether audit trail feature was enabled and operated throughout the year for all the relevant transactions recorded in the software.

3. With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:

Since the Company is a private limited company, the provisions of Section 197 of the Act are not applicable to it. Accordingly, reporting on the compliance with the provisions of Section 197 of the Act is not applicable.

For **PKF Sridhar & Santhanam LLP**

Chartered Accountants

Firm's Registration No.003990S/S200018

S Rajeshwari

Partner

Membership No. 024105

UDIN: 25024105BMMHKE8840

Date: 14th July, 2025

Place: Chennai



ANNEXURE A

Referred to in paragraph 1 on 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of GrowXCD Finance Private Limited ("the Company") on the financial statements as of and for the year ended 31 March 2025.

(i) (a)

(A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.

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

(b) The Company has not conducted any physical verification of its Property, Plant and Equipment during the year as majority of the assets have been acquired only during this year and the assets have been verified at the time of installation. For the future, the company has a plan of verifying the Property, Plant and Equipment over a period of 3 years and in our opinion the periodicity of verification planned is reasonable.

(c) There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour 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 or intangible assets during the year and hence this clause is not applicable to the Company.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and rules made thereunder.

(ii) (a) The Company does not have any tangible inventory. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.

(b) The Company has been sanctioned working capital limits in excess of Rs. 5 crores by banks and financial institutions. However, these have not been granted based on the security of current assets. Hence, the question of filing quarterly returns or statements by the company with banks or financial institutions is not applicable. Accordingly, reporting under para 3(ii)(b) is not applicable to the company.

(iii)

(a) The provisions of paragraph 3(iii)(a) of the Order are not applicable to the Company as its principal business is to give loans;

(b) Based on our audit procedures and according to the information and explanation given to us, securities given and the terms and conditions of all loans granted during the year are not prejudicial to the Company's interest. The Company has not provided any guarantee or made any investment or granted any advances in the nature of loans during the year.



- (c) Based on our audit procedures and according to the information and explanation given to us, in respect of loans and advances in the nature of loan, the schedule of repayment of principal and payment of interest has been stipulated, and the parties are repaying the principal amounts, as stipulated, and also regular in payment of interest as applicable except for loans amounting to Rs. 13.89 Lakhs for which repayment of principal and payment of interest including penal charges are not regular.
- (d) The principal repayment amounts overdue for more than 90 days is given below. In our opinion, reasonable steps have been taken by the company for recovery of the total amount due.

Number of cases	Amounts overdue
20	Rs. 6.85 Lakhs

- (e) The provisions of paragraph 3(iii)(e) of the Order are not applicable to the Company as its principal business is to give loans.
- (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 and hence the question of aggregate amount, percentage thereof to the total loans granted, aggregate amount of loans granted to Promoters, related parties as defined in clause 76 of section 2 of the Act does not arise. Accordingly, paragraph 3(iii)(f) of the Order is not applicable.
- (iv) Based on our audit procedures and according to the information and explanation given to us, the Company has neither given any loan, guarantees and security nor made any investment during the year covered under section 185 and 186 of the Act. Therefore paragraph 3(iv) of the Order is not applicable to the Company.
- (v) Being a Non-Banking Finance Company registered with Reserve Bank of India, the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Rules framed thereunder regarding acceptance of deposits are not applicable. The Company has not accepted any deposits from the public or amounts which are deemed to be deposits during the year as defined by the RBI Act, 1934. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- (vi) The Company is not required to maintain cost records specified by the Central Government under sub section (1) of section 148 of the Act. Accordingly, paragraph 3(vi) of the Order is not applicable to the Company.
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, the Company has been regular in depositing undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service tax, Duty of Customs, Duty of Excise, Value added tax, Cess and any other material statutory dues as applicable with the appropriate authorities, though there has been a slight delay in a few cases of Employees' State Insurance and Professional Tax. According to the information and explanation given to us and the records of the Company examined by us, no undisputed amounts payable in respect of statutory dues were in arrears, as at 31 March 2025 for a period of more than six months from the date they became payable except as follows.



Nature of the Statute	Nature of the Dues	Amount (in Rs.)	Period to which it relates	Due date	Date of payment	Remarks, if any
The Tamil Nadu Tax on Professions, Trades, Callings and Employments Act, 1992	Professional Tax	10,617	Apr - Sep 2024	01-10-2024	NA	Cheques issued not processed
The Tamil Nadu Tax on Professions, Trades, Callings and Employments Act, 1992	Professional Tax	6,625	Apr - Sep 2024	01-10-2024	NA	Cheques issued not processed
Karnataka Tax on Professions, Trades, Callings and Employments Act, 1976	Professional Tax	200	August 2024	10-09-2024	NA	Short remittance

(b) There are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute.

(viii) As per the information and explanations given by the management and on the basis of our examination of the records of the Company, no amount has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Accordingly, paragraph 3(viii) of the order is not applicable to the Company.

(ix) (a) Based on our audit procedures and as per the information and explanations given by the management, the Company has not defaulted in repayment of loans or other borrowings or in payment of interest thereon to any lender.

(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 been declared willful defaulter by any bank or financial institution or government authority.

(c) According to the information and explanations given to us and the records of the Company examined by us, term loans were applied for the purpose for which the loans were obtained.

(d) According to information and explanations given to us and the records of the Company examined by us, funds raised on short-term basis were not used for long-term purposes.

(e) According to the information and explanations given to us and the records of the Company examined by us, the Company does not have any subsidiary, associate or joint venture and hence the question of the Company taking loan from any entity or person on account of or to meet the obligations of its subsidiaries, joint ventures or associate companies does not arise. Accordingly, paragraph 3(ix)(e) of the Order is not applicable to the Company.

(f) According to the information and explanations given to us and the records of the Company examined by us, the Company does not have any subsidiary, associate or joint venture and hence the question of the Company raising any loans during the year on pledge of securities held in its subsidiaries, joint ventures or associate companies does not arise. Accordingly, paragraph 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money during the year by way of initial public offer/further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.



- (b) According to the information and explanations given to us, the Company has made private placement of equity shares and fully convertible preference shares during the year and requirements of section 42 and section 62 of the Companies Act, 2013 have been complied with and the funds raised have been used for the purposes for which the funds were raised.
- (xi) (a) We have been informed that one of the borrowers had transferred the title of the property against which loan had been disbursed, to his brother, thereby violating the sanction terms of his loan, the balance of which is Rs.8.35 Lakhs as at year end. The Company has filed an FIR against the borrower and has fully provided for the outstanding amount in its books.
- (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 Secretarial Auditor or by Cost Auditor or by us in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government of India for the period covered by our audit.
- (c) As represented to us by the management, there are no whistle blower complaints received during the year by the Company.
- (xii) The Company is not a Nidhi company in accordance with Nidhi Rules 2014. Accordingly, paragraph 3(xii)(a) to (c) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable accounting standards Related Party Disclosures (AS 18).
- (xiv) In our Opinion and based on our examination, the Company does not have an Internal Audit system and is also not required to have an Internal Audit System as per Companies Act, 2013. Accordingly, paragraph 3(xv)(a) and (b) of the Order is not applicable.
- (xv) On the basis of information and explanations given to us, in our opinion, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) Based on our audit procedures and according to the information and explanations given to us, the Company is required to be registered under Section 45-IA of Reserve Bank of India Act, 1934 (2 of 1934) and the registration has been obtained.
- (b) Based on our audit procedures and according to the information and explanations given to us, the Company has conducted Non-Banking Financial / Housing Finance activities with a valid Certificate of Registration (COR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) Based on our audit procedures and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and hence the questions of fulfilling criteria of a CIC, and in case the Company is an exempted or unregistered CIC, whether it continues to fulfill such criteria, do not arise. Accordingly, paragraph 3(xvi)(c) of the Order is not applicable to the Company.



- (d) Based on our audit procedures and according to the information and explanations given to us, none of the group companies are Core Investment Company (CIC) and hence the question of number of CICs which are part of the Group does not arise. Accordingly, paragraph 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The Company has incurred cash losses in the financial year of Rs.732.89 Lakhs and in the immediately preceding financial year of Rs.117.97 Lakhs.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly this clause is not applicable.
- (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 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 the 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. Also refer to the Other Information paragraph of our main audit report which explains that the other information comprising the information included in the Directors' report is expected to be made available to us after the date of this auditors' report.
- (xx) Based on our audit procedures and according to the information and explanations given to us, the Company is not required to spend any amount towards Corporate Social Responsibility. According, reporting under Clause 3(xx) (a) and 3 (xx) (b) of the Order is not applicable to the Company.

For **PKF Sridhar & Santhanam LLP**

Chartered Accountants

Firm's Registration No.003990S/S200018

S Rajeshwari

Partner

Membership No. 024105

UDIN: 25024105BMMHKE8840

Date: 14th July, 2025

Place: Chennai



ANNEXURE B

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

Report on the Internal Financial Controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

We have audited the internal financial controls with reference to financial statements of GrowXCD Finance Private Limited ("the Company") as of 31 March 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's and Board of Directors' Responsibility for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of 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 Act.

Auditors' Responsibility

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 Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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.

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 included obtaining an understanding of 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.

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

A Company's internal financial control 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 control with reference to 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 authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

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 control 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

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

For **PKF Sridhar & Santhanam LLP**

Chartered Accountants

Firm's Registration No.003990S/S200018

S Rajeshwari

Partner

Membership No. 024105

UDIN: 25024105BMMHKE8840

Date: 14th July, 2025

Place: Chennai



Balance Sheet as at 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

Particulars	Note	As at 31 March 2025	As at 31 March 2024
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	3,005.13	1,829.74
Reserves and surplus	4	7,936.59	2,478.99
		10,941.72	4,308.73
Non-Current Liabilities			
Long-term borrowings	5	7,777.02	851.78
Long-term provisions	6	229.50	27.11
		8,006.52	878.89
Current Liabilities			
Short-term borrowings	7	4,498.36	344.02
Trade payables	8		
a. Total outstanding dues of micro enterprises and small enterprises		9.61	4.70
b. Total outstanding dues of creditors other than micro enterprises and small enterprises		28.10	3.29
Other current liabilities	9	255.27	53.51
Short-term provisions	10	92.72	16.72
		4,884.06	422.24
Total		23,832.30	5,609.86
ASSETS			
Non-current assets			
Fixed assets			
Property, Plant and Equipment	11.1	185.16	9.78
Intangible Assets	11.2	44.08	61.10
Deferred tax asset (Net)	12	240.99	38.23
Long-term loans and advances	13	16,327.18	2,131.28
Other non-current assets	14	72.54	28.91
		16,869.95	2,269.30
Current assets			
Investments	15	2,000.00	1,700.00
Trade Receivables	16	3.16	2.46
Cash & Bank Balances	17	2,134.49	1,043.97
Short term loans and advances	18	2,468.42	536.82
Other current assets	19	356.28	57.31
		6,962.35	3,340.56
Total		23,832.30	5,609.86

Significant accounting policies

2

The accompanying notes are an integral part of these financial statements

As per our report of even date attached
For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm Registration No. 003990S/S200018

S. Rajeshwari
Partner
Membership No.: 024105

Date : 14th July, 2025
Place : Chennai

For and on behalf of the Board of Directors
GrowXCD Finance Private Ltd.
CIN: U64990TN2022PTC149101

Arjun Muralidharan
Managing Director & CEO
DIN: 02726409

Sanjeev Anand B
Company Secretary
M. No. A55149

HKN Raghavan
Director
DIN: 02736792

Date : 14th July, 2025
Place : Chennai



Statement of Profit and Loss as at 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

Particulars	Note	Year ended 31 March 2025	Year ended 31 March 2024
Revenue			
Revenue from operations	20	2,707.63	373.16
Other income	21	160.12	2.72
Total Revenue (I)		2,867.75	375.88
Expenses			
Employee benefit expenses	22	1,848.50	297.97
Finance Cost	23	946.21	25.33
Depreciation	11	84.36	8.82
Provision and loan losses	24	181.19	26.59
Other Expenses	25	624.74	143.96
Total Expenses (II)		3,685.00	502.67
Profit/(Loss) before exceptional and extraordinary items and tax		(817.25)	(126.79)
Exceptional items		-	-
Profit/(Loss) before extraordinary items and tax		(817.25)	(126.79)
Exceptional items		-	-
Profit/(Loss) before tax III = I - II		(817.25)	(126.79)
Tax Expense			
Current Tax			
Current year		-	-
Earlier years		-	-
Deferred Tax			
Current year	38	(202.76)	(38.23)
Earlier years		-	-
Total Tax Expense/(Income) IV		(202.76)	(38.23)
Profit / (Loss) after tax for the year (V = III - IV)		(614.49)	(88.56)
Earnings per equity share of Rs. 10 each	31		
Basic		(5.87)	(0.92)
Diluted		(5.87)	(0.92)

Significant accounting policies

2

The accompanying notes are an integral part of these financial statements

As per our report of even date attached
For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm Registration No. 003990S/S200018

S. Rajeshwari
Partner
Membership No.: 024105

Date : 14th July, 2025
Place : Chennai

For and on behalf of the Board of Directors
GrowXCD Finance Private Ltd.
CIN: U64990TN2022PTC149101

Arjun Muralidharan
Managing Director & CEO
DIN: 02726409

Sanjeev Anand B
Company Secretary
M. No. A55149

HKN Raghavan
Director
DIN: 02736792

Date : 14th July, 2025
Place : Chennai



Cash Flow Statement for the Year Ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
A. Cash flows from Operating activities:		
Net Profit/(loss) before taxation	(817.25)	(126.79)
Adjustments for non cash and non operating items		
ESOP Expense	134.89	5.42
Profit on Sale of Investment	(159.68)	(2.02)
Provision for standard assets, NPA & Loss Assets	181.19	26.59
Interest Expenses for borrowings & other finance cost	946.21	25.33
Interest Income on Bank Deposits	(93.86)	(111.62)
Interest on Income Tax Refund	(0.44)	(0.70)
Bad Debts written off	0.34	-
Depreciation	84.36	8.82
Operating profit before working capital changes	275.76	(174.97)
Adjustments for changes in working capital		
(Increase)/Decrease in Long term Loans and Advances	(14,196.24)	(2,131.28)
(Increase)/Decrease in Other Non Current assets	(43.63)	(26.91)
(Increase)/Decrease in Trade Receivables	(0.70)	2.53
(Increase)/Decrease in Short term Loans and Advances	(1,931.57)	(536.82)
(Increase)/Decrease in Other Current assets	(297.15)	(50.54)
Increase/(Decrease) in Long term Provision	52.44	5.11
Increase/(Decrease) in Trade Payables	29.71	7.99
Increase/(Decrease) in Short term Provision	44.74	11.32
Increase/(Decrease) in Other Current liabilities	132.96	50.08
Operating cash flows before taxes	(15,933.68)	(2,843.49)
Taxes paid	-	-
Interest on Income Tax Refund	0.44	0.70
Net Cash generated from / (used in) operating activities	(15,933.24)	(2,842.79)
B. Cash flow from Investing Activities		
Addition to fixed assets	(242.71)	(78.77)
Investment in Bank Deposits	(4,320.10)	(6,783.71)
Amount received on maturity of Bank Deposits	3,964.10	7,108.92
Interest Income on Bank Deposit	92.03	111.62
Purchase of Investments (Mutual Funds)	(23,450.00)	(1,900.84)
Proceeds from sale of Investments (Mutual Funds)	23,309.68	202.86
Net Cash generated from / (used in) investing activities	(647.00)	(1,339.92)

Contd.



Particulars	Year ended 31 March 2025	Year ended 31 March 2024
C. Cash flow from Finance Activities		
Proceeds from issue of Equity Shares including share premium	230.90	3,220.01
Proceeds from issue of Preference Shares including share premium	6,900.00	-
Share issue expenses	(18.32)	-
Proceeds from borrowings	12,820.00	1,200.00
Repayments of borrowings	(1,740.42)	(4.20)
Interest Expenses for borrowings & other finance cost	(877.41)	(25.33)
Net Cash generated from / (used in) financing activities	17,314.76	4,390.48
Net Increase in cash and cash equivalents (A+B+C)	734.52	207.77
Cash and Cash equivalent at the beginning of the year	228.18	20.41
Cash and Cash equivalent at the end of the year	962.70	228.18
Adjustment for unrealized gain on reinstatement of cash	-	-
Net Increase in cash and cash equivalents	734.52	207.77

Significant accounting policies

2

The accompanying notes are an integral part of these financial statements

As per our report of even date attached
For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm Registration No. 003990S/S200018

S. Rajeshwari
Partner
Membership No.: 024105

Date : 14th July, 2025
Place : Chennai

For and on behalf of the Board of Directors
GrowXCD Finance Private Ltd.
CIN: U64990TN2022PTC149101

Arjun Muralidharan
Managing Director & CEO
DIN: 02726409

Sanjeev Anand B
Company Secretary
M. No. A55149

HKR Raghavan
Director
DIN: 02736792

Date : 14th July, 2025
Place : Chennai



Notes Forming Part of the Financial Statements for the Year Ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

1 Company Information

GrowXCD Finance Private Limited (the "Company") is a private limited company domiciled in India and incorporated on 10th January 2022 under the provisions of the Companies Act, 2013. The Company has received Certificate of Registration (CoR) with RBI as a NBFC-ND and the license was granted by RBI on 27th April 2023 vide COR No. N-07-00898 to commence / carry on business of Type II Non Banking Financial Company-Non systematically important-non deposit taking company ('NBFC-NSI-ND').

The Company operates in the area of providing Loan against property finance and MSME finance to Economically Weaker Sections and Lower income households as well as micro, small, and medium enterprises in India who do not have access to formal finance source.

2 Significant accounting policies

The accounting policies set out below have been applied consistently to the year presented in the financial statements.

2.1 Basis of preparation of Financial Statements

The Financial Statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Rules, 2021, Master Directions - Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 (as amended) and other guidelines issued by RBI in respect of NBFCs and other accounting principles generally accepted in India (IGAAP) to the extent applicable.

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of the products and services and the time between acquisition of assets for processing and their realization, in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

The Financial Statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the Financial Statements are consistent with those followed in the previous year.

2.2 Use of estimates

The preparation of the Financial Statements in conformity with Indian GAAP requires the Management to make estimates and assumptions which are considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. 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.



2.3 Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

- (i) Interest Income from financing activity is recognised on accrual basis. Income on Non Performing Assets is recognized only when realized and any interest accrued until such asset became a non performing asset and remaining overdue, is de-recognized totally by reversing the interest income.
- (ii) Loan Processing fee Income is recognised upfront as and when the certainty of income is established which is generally at the time of disbursement of loan to borrower.
- (iii) Revenue from service is recognised in accordance with specific terms of the contract with the customer.
- (iv) Additional Finance Charges, Cheque bounce charges, Documentation fee, Field visit charges and other penal / servicing charges are recognised as income only on realisation due to uncertainty in its collection.
- (v) Profit / loss on sale of investments is recognised at the time of sale or redemption.

(All other income is recognized on an accrual basis, when there is no uncertainty in the ultimate realisation / collection.)

2.4 Property Plant and Equipment

2.4.1 Tangible Fixed Assets

Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. The cost of a tangible asset comprises its purchase price net of any trade discounts and rebates, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities) and any directly attributable expenditure on making the asset ready for its intended use.

Subsequent expenditure related to an item of tangible asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing tangible assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the year during which such expenses are incurred.

Gain or losses arising from derecognition of tangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss when the asset is derecognised.

Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost and related incidental expenses. Advances paid towards acquisition of Fixed Assets are included under long term loans and advances.

2.4.2 Intangible Fixed Assets

Intangible assets both internally developed and acquired separately are measured on initial recognition at cost. Subsequently, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a straight-line basis over the estimated useful economic life. The Company uses a rebuttable presumption that the useful life of an intangible asset will not exceed 3 years from the date when the asset is available for use. If the persuasive evidence



Notes Forming Part of the Financial Statements for the Year Ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

exists to the affect that useful life of an intangible asset exceeds 3 years, the Company amortizes the intangible asset over the best estimate of its useful life. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset need to be impaired.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset, and such differences are recognized in the statement of profit and loss when the asset is derecognized.

2.4.3 Depreciation and Amortization

Depreciable amount of an asset is the cost of the asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013, except in respect of certain categories of assets, in whose case the life of the assets has been assessed as under, taking into account the nature of the asset, its estimated usage and its operating conditions:

Asset	Estimated Useful life as assessed by the Company	Rate of Depreciation
Office Equipment	5 Years	20%
Furniture and Fixtures	5 Years	20%
Computers	3 Years	33%
Vehicles	5 Years	20%

Leasehold Improvements in Head office are depreciated over the remaining primary lease period or 5 years, whichever is lower. Lease hold improvements at branches, are depreciated over the remaining Lease period or 3 years whichever is lower.

Assets individually costing less than Rs.5,000 each are fully depreciated in the year of capitalization.

The amortization period and the amortization method are reviewed at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization year is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern. Such changes are accounted for in accordance with AS - 5 Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies.

2.5 Impairment of Assets

The carrying amount of assets are reviewed at each balance sheet date if there is any indication of impairment, based on internal/external factors. If such an indication exists, the Company estimates the recoverable amount of the asset. An impairment loss is recognised in the Statement of Profit and Loss, wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market



assessments of the time value of money and risk specific to the asset. After impairment, depreciation/ amortization is provided on the revised carrying amount of the asset over its remaining useful life.

A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment. The reversal of impairment is recognized in the Statement of Profit and Loss, unless the same is carried at revalued amount and treated as a revaluation reserve.

2.6. Investments

Transactions for purchase and sale of investments are recorded as at the trade date. Investments are accounted at cost inclusive of brokerage, fees and stamp charges. Investments which are readily realisable and intended to be held for not more than one year from the date of reporting are classified as current investments. All other investments are classified as long term investments.

(Investments which are long term in nature, are stated at cost, net of provision, if any, for diminution, other than temporary, in the value of investments. Current investments are valued at lower of cost and fair value.

Investments in units of mutual funds are carried at lower of cost or market value/net asset value.)

2.7 Employee Benefits

Defined contribution plan - Provident fund

The Company's contribution to provident fund is considered as defined contribution plan and is charged as an expense as it falls due based on the amount of contribution required to be made and when the services are rendered by the employees. The Company has no other obligation, other than the contribution payable to the provident fund.

Defined benefit plans - Gratuity

The Company provides for Gratuity, being a defined benefit retirement plan covering all employees and forming part of employee's overall CTC. The plan provides for lump sum payments to employees upon death while in employment or on separation from employment after serving for the stipulated year mentioned under 'The Payment of Gratuity Act, 1972'. The Company accounts for liability of future gratuity benefits based on an external actuarial valuation on projected unit credit method carried out, for assessing liability as at the reporting date.

Actuarial gains and losses arising from experience adjustments and change in actuarial assumptions are recognized in the statement of profit and loss in the period in which they arise.

Compensated Absences

The employees can carry forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Compensated leave of absence is classified as a long-term employee benefit if it is expected to be settled beyond 12 months after the end of the reporting period; otherwise, it is treated as a short-term compensated absence.. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

Short-term employee benefits

The amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service.

These benefits include performance incentive which are expected to occur within twelve months after the end of the period in which the employee renders the related service and earned leave encashment.



Notes Forming Part of the Financial Statements for the Year Ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

2.8 Employee stock option Scheme

Employees (including senior executives) of the Company also receive entitlement in the form of share-based payment transactions, whereby employees render services as consideration for equity instruments (equity-settled transactions).

In accordance with the Guidance Note on Accounting for Employee Share-based Payments, the cost of equity-settled transactions is measured using the intrinsic value method. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting year has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit recognized in the statement of profit and loss for a year represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefits expense.

2.9 Taxes on Income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items, other than unabsorbed depreciation and carry forward losses, only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.



2.10 GST Input Tax Credit

GST input tax credit input is accounted for in the books in the year in which the underlying service is received. The Company can avail 50% of GST credit on input and input services each month. In line with this, reversal of GST input credit to the extent of 50% of the total credit is expensed to the statement of profit and loss.

2.11 Leases

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vests with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis.

2.12 Earning Per Share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of equity share to the extent that they were entitled to participate in dividend related to a fully paid equity share during the reporting period. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations and considered to be anti dilutive if their conversion to equity shares would decrease the net loss per share. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

2.13 Provisions and Contingencies, contingent liabilities and assets

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed in the Notes to the Financial Statements. 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 beyond 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. A contingent liability also arises in extremely rare cases where there is a liability that



Notes Forming Part of the Financial Statements for the Year Ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

Contingent assets are neither recognised nor disclosed in the financial statements.

2.14 Asset classification and Provisioning for loans and advances

The company classifies loans and advances as per the "Master Direction - Non-Banking Financial Company-Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 and Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023".

Provision for Non-Performing Assets is made as per the provisioning norms approved by the Board for each type of lending activity subject to minimum provisioning specified under prudential norms for Income Recognition and Asset Classification and provisioning norms prescribed by the "Master Direction - Non-Banking Financial Company-Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 and Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023".

Provision for Standard Assets is made as per internal estimates, based on past experience, realization of security, and relevant factors, on the outstanding amount of standard assets for all type of lending subject to minimum provisioning requirements prescribed by the "Master Direction - Non-Banking Financial Company-Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 and Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023".

Category of Assets	Period	Provision
Standard Assets	No Overdue and Overdue less than 90 days	1.00%
Sub-standard Assets	Overdue for 90 days and up to 18 months	10.00%
Doubtful Assets	Having remained sub-standard for a period of more than 18 months	
	Assets remaining doubtful - Up to 1 year	20.00% (100% for unsecured)
	Assets remaining doubtful - More than 1 year up to 3 years	30.00% (100% for unsecured)
	Assets remaining doubtful - More than 3 years	50.00% (100% for unsecured)
Loss Assets		100%

2.15 Share issue expenses

Share issue expenses are debited to securities premium account in accordance with the provisions of section 52 of the Companies Act, 2013.



2.16 Trade Receivables

Trade receivables are stated net of provisions, if any, held in accounts for bad and doubtful debts.

2.17 Receivables under Financing Activity

All loan exposures are stated at the full agreement value after netting off repayments appropriated up to the balance sheet date. Accrued finance charges outstanding at the reporting date will be shown separately as current asset.

2.18 Cash and Cash Equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.19 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 non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on available information.

2.20 Borrowing Cost

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Ancillary borrowing costs incurred in connection with the arrangement of borrowing including upfront interest costs are recognised in the period in which they are incurred.

2.21 Foreign Currency Transactions

Initial Recognition:

All transactions in foreign currency are recorded by applying to the foreign currency the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Subsequent Recognition:

At the reporting date, non-monetary items carried at historical cost denominated in the foreign currency are reported using the exchange rate at the date of the transaction.

All monetary assets and liabilities in foreign currency are restated at the end of their accounting period. Exchange differences on restatement of all other monetary items are recognized in the statement of profit and loss.



Notes Forming Part of the Financial Statements for the Year Ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

3 Share Capital

Particulars	As at 31 March 2025	As at 31 March 2024
Authorised Share Capital		
1,50,00,000 Equity Shares of Rs.10 each [31-Mar-2024 1,20,00,000 Equity Shares of Rs.10 each]	1,500.00	1,200.00
2,00,00,000 Preference Shares of Rs.10 each [31-Mar-2024 90,00,000 Preference Shares of Rs. 10 each]	2,000.00	900.00
Issued, subscribed and fully paid up Share Capital		
1,03,98,290 Equity Shares of Rs.10 each [31-Mar-2024 98,63,098 Equity Shares of Rs.10 each]	1,039.83	986.31
1,93,01,951 Compulsory Convertible Cumulative Preference Share Capital of Rs. 10 each [31-Mar-2024 - 83,33,334 Compulsory Convertible Cumulative Preference Shares of Rs.10 each]	1,930.20	833.33
Issued, subscribed but not fully paid up Share Capital		
35,10,339 Equity Shares of Rs.10 each, Re.1 paid up [31-Mar-2024 - 10,10,339 Equity Shares of Rs.10 each, Re.1 paid up]	35.10	10.10
Total	3,005.13	1,829.74

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

Particulars	As at 31 March 2025		As at 31 March 2024	
	No. of Shares	Amount	No. of Shares	Amount
At the commencement of the year	1,08,73,437	996.41	92,38,096	923.81
Issued during the year*	30,35,192	78.52	16,35,341	72.60
At the end of the year	1,39,08,629	1,074.93	1,08,73,437	996.41

* includes partly paid share of 25,00,000 [31-Mar-2024 10,10,339]

Reconciliation of number of preference shares outstanding at the beginning and at the end of the reporting year

Particulars	As at 31 March 2025		As at 31 March 2024	
	No. of Shares	Amount	No. of Shares	Amount
At the commencement of the year	83,33,334	833.33	-	-
Issued during the year	1,09,68,617	1096.86	83,33,334	833.33
At the end of the year	1,93,01,951	1930.19	83,33,334	833.33



b. Terms and rights attached to equity shares

The company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of declaration of dividend the same will be declared in Indian Rupees (₹). In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

During the year, company has issued 25,00,000 Partly paid equity share whose paid up value is Re. 1 per share. Terms attached ranks pari passu with other equity shares mentioned above.

Terms and rights attached to Preference shares

The company has only one class of cumulative compulsory convertible preference shares (CCCPS) having a par value of ₹ 10 per share. The company has raised CCCPS by Series A and Pre-Series B Round.

The holders of the Series A CCCPS shall be entitled to receive cash dividends at the rate of 0.01% p.a. Each preference share is entitled to convert into 1 equity share of the company (equity settled transaction). The CCCPS shall be convertible at any time before the expiry of 19 years from the Closing Date at the option of the holders of the CCCPS.

The holders of the Pre-Series B CCCPS shall be entitled to receive cash dividends at the rate of 0.01% p.a. Each preference share is entitled to convert into equity share of the company (equity settled transaction) based on pre-determined formula subject to Cap and Floor Valuation. The CCCPS shall be convertible at any time before the expiry of 19 years from the Closing Date at the option of the holders of the CCCPS.

c. Shares held by holding company and its associates

Particulars	As at 31 March 2025		As at 31 March 2024	
	No. of Shares	Amount	No. of Shares	Amount
Holding Company	-	-	-	-
Associate company	-	-	-	-
	-	-	-	-

d. (i) Particulars of shareholders holding more than 5% of equity shares of Rs. 10/- each fully paid

Particulars	As at 31 March 2025		As at 31 March 2024	
	No. of Shares	% Holding	No. of Shares	% Holding
Mr. Arjun Muralidharan	34,40,000	33.08%	34,40,000	34.88%
Mr. KR Ganesh	20,73,889	19.94%	20,73,889	21.03%
Mr. Sathish Kumar Vijayan	9,24,000	8.89%	9,00,000	9.12%
Mr. HKN Raghavan	12,65,874	12.17%	10,27,778	10.42%
Mr. Janarthanan B	7,38,096	7.10%	7,38,096	7.48%
Ms. Shirley Devaraj	5,00,000	4.81%	5,00,000	5.07%

(ii) Particulars of shareholders holding more than 5% of equity shares of Rs. 10/- each, Re. 1 paid up

Particulars	As at 31 March 2025		As at 31 March 2024	
	No. of Shares	% Holding	No. of Shares	% Holding
Mr. Arjun Muralidharan	35,10,339	100.00%	10,10,339	100.00%



Notes Forming Part of the Financial Statements for the Year Ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

(iii) Particulars of shareholders holding more than 5% of preference shares of Rs. 10/- each fully paid

Particulars	As at 31 March 2025		As at 31 March 2024	
	No. of Shares	% Holding	No. of Shares	% Holding
Lok Capital IV LLC	1,45,35,148	75.30%	82,08,334	98.50%
UC Impower Fund I	45,45,455	23.55%	-	-

e. Particulars of increase in Authorised Share capital

During the year, the authorised share capital has increased from Rs.2,100 lakhs to Rs. 3,500 lakhs, divided into Rs. 1,500 lakhs equity share capital and Rs. 2,000 lakhs preference share capital.

f. Particulars of shares issued during the year

During the year 2024-25, the company held Extraordinary General Meetings (EGMs) where special resolutions were approved for issuing shares by way of preferential allotment. In May 2024, 4,76,192 fully paid equity shares with a face value of Rs. 10 each and a premium of Rs. 32 per share were allotted. Subsequently, in June 2024, 33,92,858 preference shares of Rs. 10 face value each, at a premium of Rs. 46 per share, were issued. In November 2024, the company further issued 25,00,000 partly paid equity shares, Re. 1 each having face value of Rs. 10 each with a premium of Rs. 46 per share. In January 2025, 75,75,759 preference shares of Rs. 10 face value each, at a premium of Rs. 56 per share, were issued. In March 2025, 59,000 fully paid equity shares with a face value of Rs. 10 each were allotted as part of ESOS, 2023 Scheme [Refer Note 37]. These issuances were aimed at raising capital and were approved separately at the respective EGMs.

g. Disclosure of shareholding in equity shares of promoters and percentage of change during the year

Promoter Name	As at 31 March 2025	% Holding*	% Change during the year
	No of Shares held		
Mr. Arjun Muralidharan	69,50,339	49.97%	9.04%
	69,50,339		
Promoter Name	As at 31 March 2024	% Holding*	% Change during the year
	No of Shares held		
Mr. Arjun Muralidharan	44,50,339	40.93%	3.69%
	44,50,339		

* includes Partly Paid Shares

h. The Company does not have any outstanding shares issued under options.

i. The Company has not issued any bonus shares or shares for consideration other than cash and has not bought back any shares till March 31, 2025 from the date of incorporation.



Note 4

Particulars	As at 31 March 2025	As at 31 March 2024
Reserves and surplus		
Statutory Reserve (Created pursuant to Section 45-IC of the Reserve Bank of India Act, 1934)	-	-
Balance as at the beginning of the year	-	-
Add : Transferred from surplus in Profit and Loss Account	-	-
Balance as at the end of the year	-	-
Securities Premium		
Balance as at the beginning of the year	2,590.27	276.19
Additions during the Current year through shares issued	5,955.52	2,329.16
Additions during the Current year through ESOS, 2023	15.26	-
Utilized during the Current year [Share issue expenses]	(18.32)	(15.08)
Balance as at the end of the year	8,542.73	2,590.27
Surplus / (deficit) the statement of profit and loss		
Balance at the beginning of the year	(116.70)	(28.14)
Add : Transferred from statement of profit and loss	(614.49)	(88.56)
Less: Transferred to statutory reserve	-	-
Balance as at the end of the year	(731.19)	(116.70)
Share Option Outstanding Account (ESOS, 2023)		
Balance as at the beginning of the year	5.42	-
Add : Compensation Cost recognised during the year	134.89	5.42
Less : Transfer to securities premium on exercise of option	(15.26)	-
Balance as at the end of the year	125.05	5.42
(Refer Note 37)		
Total	7,936.59	2,478.99

Nature of Reserves & Surplus -

1. Securities premium contains amount of premium received on shares issued. The reserves is utilised in accordance with the provision of the Act. During the year, the securities premium has been utilised against share issue expenses.
2. Surplus in statement of Profit and Loss represent companies cumulative earnings/losses since its formation.
3. In pursuant to section 45-IC of Reserve bank of India Act, 1934 the company is required to transfer 20% of its profit after tax to statutory reserve. Since the company did not generate any profit during the year, the corresponding amount was not transferred to statutory reserve.



Notes Forming Part of the Financial Statements for the Year Ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

Note 5

Particulars	As at 31 March 2025	As at 31 March 2024
Long Term Borrowings		
(a) Term loan (Secured)		
From banks	1,771.03	362.18
From Others	6,005.99	489.60
	7,777.02	851.78

* Note - Payable in monthly EMI's with interest rate ranging from 13.40% - 15.00% and secured against book debts. Also refer Note 42

Note 6

Particulars	As at 31 March 2025	As at 31 March 2024
Long term provisions		
Provision for Employee benefits - Gratuity (Refer Note 30b(i))	29.82	5.89
Provision for Employee benefits - Compensated Absences (Refer Note 30b(ii))	28.52	-
Contingent provisions against standard assets	162.86	21.22
Provision for Non-Performing assets	8.30	-
Total	229.50	27.11
Movement in Contingent provisions against standard assets		
Opening Balance	21.22	-
Add: Provision made during the year	141.63	21.22
Closing Balance	162.85	21.22
Movement in Provision for Non-Performing assets		
Opening Balance	-	-
Add: Provision made during the year	8.30	-
Closing Balance	8.30	-

Note 7

Particulars	As at 31 March 2025	As at 31 March 2024
Short Term Borrowings		
Current maturities of long-term debt (Refer Note 42)	988.03	137.82
a) From banks	3,510.33	206.20
b) From others	4,498.36	344.02

* Note- Payable in monthly EMI's with interest rate ranging from 13.40% - 15.00% and secured against book debts. Also refer Note 42



Note 8

Particulars	As at 31 March 2025	As at 31 March 2024
Trade Payables		
(a) Total outstanding dues of micro enterprises and small enterprises (Refer Note 33)	9.61	4.70
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	28.10	3.29
	37.71	7.99

Trade Payables ageing as on 31.03.25 based on date of transaction

Particulars	Outstanding for the following periods from transaction date				
	< 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) MSME	9.61	-	-	-	9.61
(ii) Others	28.10	-	-	-	28.10
(iii) Disputed Dues - MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-

Trade Payables ageing as on 31.03.24 based on date of transaction

Particulars	Outstanding for the following periods from transaction date				
	< 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) MSME	4.70	-	-	-	4.70
(ii) Others	3.29	-	-	-	3.29
(iii) Disputed Dues - MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-

Note 9

Particulars	As at 31 March 2025	As at 31 March 2024
Other current liabilities		
Statutory dues	79.41	21.60
Employee benefits payable	35.94	10.17
Interest accrued but not due on borrowings	73.47	4.68
Insurance Payable	54.28	12.60
Customer Advances and Related Interest	12.17	3.75
Other payable	-	0.71
Total	255.27	53.51

Note 10

Particulars	As at 31 March 2025	As at 31 March 2024
Short term provisions		
Provision for Gratuity (Refer Note 30b(i))	0.16	0.01
Provision for Compensated Absences (Refer Note 30b(ii))	11.81	-
Contingent provisions against standard assets	24.41	5.37
Provision toward Non-Performing Advances	12.21	-
Provision for expenses	44.13	11.34
Total	92.72	16.72



Notes Forming Part of the Financial Statements for the Year Ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

Note 10 (Contd..)

Particulars	As at 31 March 2025	As at 31 March 2024
Movement in Contingent provisions against standard assets		
Opening Balance	5.37	-
Add: Provision made during the year	19.04	5.37
Closing Balance	24.41	5.37
Movement in Provision for Non-Performing assets		
Opening Balance	-	-
Add: Provision made during the year	12.21	-
Closing Balance	12.21	-

Note 11.1 Property, plant and equipment

Particulars	Leasehold Improvement	Furniture and fixtures	Office equipments	Computers and accessories	Electrical Fittings	Vehicles	Total
Cost							
Balance as at 1 April 2023	0.65	1.18	-	0.56	0.17	-	2.56
Additions	4.00	7.97	0.73	4.11	0.76	-	17.57
Adjustments	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Balance as at 31 March 2024	4.65	9.15	0.73	4.67	0.93	-	20.13
Additions	36.15	34.08	38.06	25.99	-	104.50	238.78
Adjustments	-	-	0.93	-	(0.93)	-	-
Disposals	-	-	-	-	-	-	-
Balance as at 31 March 2025	40.80	43.23	39.72	30.66	-	104.50	258.91
Accumulated depreciation							
Balance as at 1 April 2023	0.09	1.04	-	0.33	0.17	-	1.63
Additions	0.54	6.89	0.48	0.51	0.29	-	8.71
Adjustments	-	-	-	-	-	-	-
On disposals	-	-	-	-	-	-	-
Balance as at 31 March 2024	0.63	7.93	0.48	0.84	0.46	-	10.34
Additions	8.03	28.16	6.01	5.79	-	15.42	63.41
Adjustments	-	-	0.46	-	(0.46)	-	-
On disposals	-	-	-	-	-	-	-
Balance as at 31 March 2025	8.66	36.09	6.95	6.64	(0.00)	15.42	73.75



Note 11.1 Property, plant and equipment (Contd..)

Particulars	Leasehold Improvement	Furniture and fixtures	Office equipments	Computers and accessories	Electrical Fittings	Vehicles	Total
Net block							
As at 31 March 2024	4.02	1.22	0.25	3.83	0.47	-	9.78
As at 31 March 2025	32.14	7.14	32.78	24.03	(0.00)	89.08	185.16

Note 11.2 Intangible assets

Particulars	Computer Softwares	Total
Cost		
Balance as at 1 April 2023	-	-
Additions	61.21	61.21
Adjustments	-	-
Disposals	-	-
Balance as at 31 March 2024	61.21	-
Additions	3.93	3.93
Adjustments	-	-
Disposals	-	-
Balance as at 31 March 2025	65.14	65.14
Accumulated amortization		
Balance as at 1 April 2023	-	-
Additions	0.11	0.11
Adjustments	-	-
On disposals	-	-
Balance as at 31 March 2024	0.11	0.11
Additions	20.95	20.95
Adjustments	-	-
On disposals	-	-
Balance as at 31 March 2025	21.06	21.06
Net block		
As at 31 March 2024	61.10	61.10
As at 31 March 2025	44.08	44.08



Notes Forming Part of the Financial Statements for the Year Ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

Note 12

Particulars	As at 31 March 2025	As at 31 March 2024
Deferred tax assets (Net)		
Deferred tax assets (Refer Note 38)	240.99	38.23
	240.99	38.23

Note 13

Particulars	As at 31 March 2025	As at 31 March 2024
Long-term loans and advances		
Loan given - Receivables under financing activity		
(A) Secured - considered good	16,202.40	1,690.15
(B) Secured - considered doubtful	40.60	-
(C) Unsecured - considered good	83.30	431.63
(D) Unsecured - considered doubtful	0.88	-
Capital Advance	-	9.50
Total	16,327.18	2,131.28

Note 14

Particulars	As at 31 March 2025	As at 31 March 2024
Other Non Current Assets		
Rental deposits (unsecured, considered good)	72.54	28.91
Total	72.54	28.91

Note 15

Particulars	As at 31 March 2025	As at 31 March 2024
Current investments		
Investment in units of Mutual Funds (Quoted), At Cost	2,000.00	1,700.00
Total	2,000.00	1,700.00

As at 31 March 2025

Scheme Name - Debt	No. of units	Market Value
HSBC Money Market Fund - Reg - Growth	19,34,326.34	501.10
HDFC Money Market Fund - Reg - Growth	8,939.28	501.33
ICICI Pru Money Market Fund - Reg - Growth	1,34,626.62	501.15
Nippon India Money Market Fund - Reg - Growth	12,315.66	501.36
Total (A)	20,90,207.90	2,004.94



Note 15 (Contd..)**As at 31 March 2024**

Scheme Name - Debt	No. of units	Market Value
ABSL Money Manager Fund Gr-Direct	59,767.54	203.68
ICICI Prudential Mutual Fund Liquid Fund-Dp Growth	28,452.14	101.69
ICICI Prudential Mutual Fund Liquid Fund - Growth	28,287.15	100.24
ABSL Liquid Fund - Growth-Regular Plan	51,995.93	200.53
Nippon India Liquid Fund - Direct Plan Growth Plan - Growth Option (LFAGG)	3,425.51	202.41
Nippon India Liquid Fund - Growth Plan - Growth Option (LFAGG)	1,715.45	100.09
Total (A)	1,73,643.72	908.64
Scheme Name - Equity	No. of units	Market Value
ABSL Arbitrage Fund - Gr-Direct	3,86,811.39	100.69
Equity Arbitrage Fund - Drt Growth	3,00,682.58	100.68
HDFC Arbitrage Fund - WS - Growth	5,36,357.95	150.65
Invesco India Arbitrage Fund - Regular Growth	3,43,237.37	100.41
Kotak Equity Arbitrage - Gr	4,39,023.86	150.60
SBI Arbitrage Opportunities Fund - Direct Plan - Growth	3,07,470.68	100.65
SBI Arbitrage Opportunities Fund - Regular Plan - Growth	3,24,133.95	100.44
Total (B)	26,37,717.78	804.12
Grand Total (A + B)	28,11,361.50	1,712.76

Note 16

Particulars	As at 31 March 2025	As at 31 March 2024
Trade Receivables		
Outstanding for a period exceeding six months		
(a) Secured, considered good;	-	-
(b) Unsecured, considered good;	-	-
(c) Doubtful;	-	-
Outstanding for a period not exceeding six months		
(a) Secured, considered good;	3.16	2.46
(b) Unsecured, considered good;	-	-
(c) Doubtful;	-	-
Total	3.16	2.46



Notes Forming Part of the Financial Statements for the Year Ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

Note 16 (Contd..)

Trade Receivables ageing as on 31.03.25 based on due date of payment

Particulars	Outstanding for the following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	3.16	-	-	-	-	3.16
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-

Trade Receivables ageing as on 31.03.24 based on date of transaction

Particulars	Outstanding for the following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	2.46	-	-	-	-	2.46
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-

Note 17

Particulars	As at 31 March 2025	As at 31 March 2024
Cash and Bank Balance		
(A) Cash & Cash Equivalents		
Cash on hand	-	-
Bank balances		
- in current accounts	461.70	153.13
- Fixed deposits (with original maturity of less than 3 months)	501.00	75.05
(B) Other bank balances		
- Fixed deposits (with original maturity of more than 3 months but less than 12 months from reporting date)		
(a) Lien Marked	671.69	512.78
(b) Others	500.10	303.01
Total	2,134.49	1,043.97



Note 18

Particulars	As at 31 March 2025	As at 31 March 2024
Short-term loans and advances		
Loan given - Receivables under financing activity		
(A) Secured - considered good	1,879.45	164.24
(B) Secured - considered doubtful	2.96	-
(C) Unsecured - considered good	561.32	372.58
(D) Unsecured - considered doubtful	24.69	-
Total	2,468.42	536.82

Note 19

Particulars	As at 31 March 2025	As at 31 March 2024
Other current assets		
Accrued Interest on FD	3.63	1.80
TDS receivables	11.13	12.63
Prepaid Expenses	35.65	6.79
Interest accrued on loans given	273.98	33.52
Advance to Employee	0.40	-
Advance to Suppliers	10.96	-
Others	20.53	2.57
Total	356.28	57.31

Note 20

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Revenue from Operations		
Interest Income		
Interest on loans	2,034.01	159.49
Interest income on fixed deposits	93.86	111.62
Other Financial Services		
Processing Fees	417.00	62.92
Documentation Fees	114.03	11.78
Service Income	31.57	26.70
Other Fees	17.16	0.65
Total	2,707.63	373.16



Notes Forming Part of the Financial Statements for the Year Ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

Note 21

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Other Income		
Profit on Sale of Investment	159.68	2.02
Others - Interest on Income tax refund	0.44	0.70
Total	160.12	2.72

Note 22

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Employee Benefit Expenses		
Salaries, Wages and Bonus (Refer Note 29 for related party)	1,542.42	261.57
Contribution to Provident and other funds (Refer Note 30)	154.62	21.20
ESOP Expense (Refer Note 37)	134.89	5.42
Staff welfare expense	16.57	9.78
Total	1848.50	297.97

Note 23

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Finance Cost		
Interest expenses	831.43	14.54
Other Borrowing costs	114.39	9.00
Bank charges	0.39	1.79
Total	946.21	25.33

Note 24

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Provision and Loan Losses		
Provision for Standard Advances	160.68	26.59
Provision for NPA	20.51	-
Total	181.19	26.59



Note 25

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Other Expenses		
Rent (Refer Note 29 for related party)	74.92	21.43
Communication expenses	7.82	1.68
Travelling and conveyance	86.61	17.92
Info Tech expenses	84.71	18.92
Auditor's Remuneration		
- Statutory Audit	10.00	5.00
Internal Audit Fee	-	-
Professional and consultancy fees (Refer Note 29 for related party)	160.69	44.35
Directors' Sitting Fees (Refer Note 29 for related party)	1.95	2.45
Office expenses- EB	8.23	1.95
Office Maintenance	49.92	6.44
Printing and Stationery (including postage & Courier)	34.77	5.10
Business Promotion and Advertisement	24.66	3.15
Rates & Taxes	47.59	10.00
Insurance Expenses	22.34	3.62
Miscellaneous expenses	10.19	1.96
Bad Debts written off	0.34	-
Total	624.74	143.96

Note 26

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Earnings in foreign currency		
Reimbursement of Expenses	1.86	-
Total	1.86	-

Note 27

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Expenditure in foreign currency		
Reimbursement of Expenses	-	-
Total	-	-

Note 28 Derivative contracts

The company has not entered into any derivative transactions during the year.



Notes Forming Part of the Financial Statements for the Year Ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

Note 29 Related Party disclosures

(a) Names of related parties and nature of relationship:

Nature of Relationship	Name of Related Party
Common Directorship held	Paripoorna Software Pvt Limited
Directors (other than Nominee Directors)	Mr. Arjun Muralidharan - Managing Director & CEO
	Mr. Jayaraman Chandrasekaran - Independent Director
	Dr. Sadakkadulla - Independent Director
	Mr. Harathy Kasthury Narasimma Raghavan - Non-Executive Director
	Ms. Mona Kachhwaha - Non Executive Director
Key Management Personnel	Mr. Arjun Muralidharan - Managing Director & CEO
	Mr. Sathish Kumar - Chief Operating Officer
	Mr. Sanjeev Anand - Company Secretary
Entity which has significant influence over the company	LOK Capital IV LLC

Name of Related Party	Year ended 31 March 2025	Year ended 31 March 2024
1. Arjun Muralidharan		
Salary & Allowance*	50.54	16.63
Rent Paid	-	7.60
Reimbursement of Travelling & Conveyance	2.74	0.72
Allotment of shares during the year^ [Refer note 3]	25.00	10.10
Value of shareholding (incl'd share premium) as on date	379.10	354.10
^25,00,000 partly paid equity shares with a face value of Rs. 10 each and paid up value of Re. 1 per share were allotted in FY24-25 [10,10,339 partly paid equity shares with a face value of Rs. 10 each and paid up value of Re. 1 per share were allotted in FY23-24].		
2. Sathish Kumar		
Salary & Allowance*	52.09	14.78
Reimbursement of Travelling & Conveyance	0.31	1.08
Allotment of shares during the year^	2.40	-
Value of shareholding (incl'd share premium) as on date#	92.40	90.00
^24,000 fully paid equity shares with a face value of Rs. 10 each were allotted under ESOS Scheme, 2023 in FY24-25 [Nil - FY 23-24].		
#Company has considered exercise price of Rs. 10 for ESOP allotment.		
3. Sanjeev Anand		
Salary & Allowance*	10.54	-



Note 29 Related Party disclosures (Contd..)

Name of Related Party	Year ended 31 March 2025	Year ended 31 March 2024
4. Paripoorna Software P Limited		
Resource Augmentation Charges	-	12.81
Reimbursement of InfoTech Expenses	-	3.30
5. Jayaraman Chandrasekaran		
Director sitting Fee	1.95	2.45
Allotment of shares during the year^	25.00	-
Value of shareholding (incl'd share premium) as on date	25.00	-
^59,524 fully paid equity shares with a face value of Rs. 10 each and a premium of Rs. 32 per share were allotted in FY24-25 [Nil - FY 23-24].		
6. Harathy Kasthury Narasimma Raghavan		
Consultancy Charges	10.00	-
Reimbursement of Travelling & Conveyance	0.16	-
No of Shares held^	12,65,874.00	10,27,778.00
Consultancy Charges payable	2.25	-
Allotment of shares during the year^	100.00	100.00
Value of shareholding (incl'd share premium) as on date	350.00	250.00
^2,38,096 fully paid equity shares with a face value of Rs. 10 each and a premium of Rs. 32 per share were allotted in FY24-25 [2,77,778 fully paid equity shares with a face value of Rs. 10 each and a premium of Rs. 26 per share were allotted in FY23-24].		
7. LOK Capital IV LLC		
Allotment of shares during the year^	3,841.50	2,955.00
Value of shareholding (incl'd share premium) as on date	6,796.50	2,955.00
Reimbursement of expense	1.86	-
^33,41,965 fully paid cumulative compulsory convertible preference shares (CCCPs) with a face value of Rs. 10 each and a premium of Rs. 46 per share were allotted in June 2024; 29,84,849 fully paid cumulative compulsory convertible preference shares (CCCPs) with a face value of Rs. 10 each and a premium of Rs. 56 per share were allotted in Jan 2025 [82,08,334 fully paid cumulative compulsory convertible preference shares (CCCPs) with a face value of Rs. 10 each and a premium of Rs. 26 per share were allotted in FY23-24].		
*The entire CTC for the employee other than the provision for gratuity is considered.		
The provision for gratuity is made on the basis of actuarial valuation for all employees of the company, including managerial personnel. Proportionate amount of gratuity is not included in the above disclosure since the exact amount is not ascertainable.		

Note 30 Disclosure pursuant to Accounting Standard (AS) 15 (Revised) "Employee benefits"**a. Defined Contribution plan**

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund, which is a defined contribution plan. The Company has no obligations other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue. The amount recognized as expense towards contribution to provident fund for the year aggregated to Rs. 83.44 lakhs (March 31, 2024 - Rs. 14.51 lakhs).



Notes Forming Part of the Financial Statements for the Year Ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

Note 30 Disclosure pursuant to Accounting Standard (AS) 15 (Revised) "Employee benefits" (Contd..)

b. Defined Benefit plan (i) Gratuity

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their services in the current and prior periods and the benefit is discounted to determine its present value. Any unrecognised past services and the fair value of any plan assets are deducted. The calculation of the Company's obligation under the plan is performed annually, commencing from FY 2023-24 by a qualified actuary using the projected unit credit method. The gratuity plan entitles an employee, who has rendered at least five years of continuous service, to receive one-half month's salary for each year of completed service at the time of retirement / exit.

I. Assumptions

Particulars	As at 31 March 2025	As at 31 March 2024
Mortality table	IALM (2012-14) ult	IALM (2012-14) ult
Discount rate	6.60%	7.20%
Rate of increase in compensation levels	8.00%	8.00%
Average remaining working life (years)	26.35	26.29
Retirement Age	58 years	58 years
Withdrawal Rate		
Age upto 30 years	25.00%	20.00%
Age 31 - 40 years	25.00%	20.00%
Age 41 - 50 years	25.00%	20.00%
Age above 50 years	25.00%	20.00%

II. Table Showing Changes In Present Value Of Obligations:

Particulars	As at 31 March 2025	As at 31 March 2024
Present value of obligation as at the beginning of the year	5.90	0.79
Acquisition adjustment	-	-
Transfer In / (Out)	-	-
Interest cost	0.44	0.04
Past service cost	7.21	-
Less: Unrecognised past service cost*	(5.77)	-
Current service cost	16.12	0.52
Curtailment Cost / (Credit) & Settlement Cost / (Credit) Benefits paid	-	-
Actuarial (Gain) / Loss on obligations	6.08	4.56
Present value of obligation as at the end of the year	29.98	5.90

*Past service cost to the extent of paragraph 94 of AS 15 is recognised during the year
Information about Plan asset is not applicable as the plan is non funded



III. Actuarial (Gain) / Loss Recognised:

Particulars	As at 31 March 2025	As at 31 March 2024
Actuarial (Gain) / loss for the year – Obligations	6.08	4.56
Actuarial (Gain) / Loss for the year – Plan assets	-	-
Total (Gain) / Loss for the year	6.08	4.56
Actuarial (Gain) / Loss recognised in the year	6.08	4.56
Unrecognised actuarial (Gain) / Loss at the end	-	-

IV. The Amounts To Be Recognised In The Balance Sheet:

Particulars	As at 31 March 2025	As at 31 March 2024
Present value of obligation at the end of year	29.98	5.90
Fair value of the plan assets at the end of year	-	-
Surplus / (Deficit)	(29.98)	(5.90)
Current liability	(0.16)	(0.01)
Non-current liability	(29.82)	(5.89)
Net Asset / (liability) recognised in Balance sheet	(29.98)	(5.90)

V. Expense Recognised In The Statement Of Profit And Loss:

Particulars	As at 31 March 2025	As at 31 March 2024
Current service cost	16.12	0.52
Acquisition (Gain) / Loss	-	-
Past service cost	7.21	-
Less: Unrecognised past service cost	(5.77)	-
Interest cost	0.44	0.04
Expected return on plan assets	-	-
Curtailment or settlement (Gain) / Loss	-	-
Transfer In / (Out)	-	-
Actuarial (Gain) / Loss recognised in the year	-	-
Expenses recognised in the statement of profit & loss at the end of year	6.08	4.56
	24.08	5.12

VI. Sensitivity Analysis:

Particulars	Change in present value of obligation
Impact of change in discount rate when the base assumption is decreased/increased by 100 basis points	1.88
Impact of change in salary increase rate when the base assumption is decreased/increased by 100 basis points	1.53
Impact of change in withdrawal rate when the base assumption is decreased/increased by 100 basis points	0.88

(ii) Compensated Absences

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



Notes Forming Part of the Financial Statements for the Year Ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

I. Assumptions

Particulars	Year ended 31 March 2025
Mortality table	IALM (2012-14) ult
Discount rate	6.60%
Rate of increase in compensation levels	8.00%
Average remaining working life (years)	26.35
Retirement Age	58 years
Withdrawal Rate	
Age upto 30 years	25.00%
Age 31 - 40 years	25.00%
Age 41 - 50 years	25.00%
Age above 50 years	25.00%

Comparative figures for the previous year are not disclosed, as there was no obligation for compensated absences during that period.

II. Summary of Results

Particulars	Year ended 31 March 2025
1. Present value of obligation:	
(a) Current Liability	11.81
(b) Non Current Liability	28.52
2. Fair Value of plan assets	-
3. Expenses recognised in the statement of profit & loss at the end of year	40.33
4. Net asset/ (liability) recognised in balance sheet	(40.33)

Note 31

Earnings Per Share (as per Accounting Standard 20: Earnings per share)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Earnings		
Profit / (Loss) for the year	(614.49)	(88.56)
Less: Dividend on preference shares & tax thereon	-	-
Net profit / (Loss) attributable to equity shareholder for calculation of EPS Outstanding number of shares	(614.49)	(88.56)
Weighted Average number of Equity Shares for Basic EPS calculation	104.74	95.78
Effect of dilution		
Stock options granted under ESOP	6.15	-
Cumulative compulsory convertible preference shares	126.14	-
Earnings Per Share - Basic	(5.87)	(0.92)
Earnings Per Share - Diluted	(5.87)	(0.92)

As the impact of conversion of potential equity shares is anti-dilutive in nature, the same has been restricted to Basic EPS



Note 32**Unhedged Foreign Currency Exposure**

The company does not have any unhedged foreign currency exposure as at the balance sheet date [Mar 31, 2024 - Nil]

Note 33**Micro, Small and Medium entities**

Following are the transaction with Micro, Small and Medium Enterprises:

Particulars	As at 31 March 2025	As at 31 March 2024
(a) the principal amount remaining unpaid to any supplier at the end of each accounting year	9.61	4.70
Interest on the above, remaining unpaid at the end of the accounting year	-	-
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
(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 Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(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 Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Note 34**Commitment and Contingent liability**

Particulars	2024 - 2025	2023 - 2024
Contingent liability	Nil	Nil
Estimated amount of contracts remaining to be executed on capital account	Nil	Nil

Note 35**Segment Reporting**

The Company is a NBFC primarily engaged in the business of lending. Accordingly, the Company has concluded that its operations may be aggregated into one reportable primary segment for disclosure required by the Accounting Standard 17 on "Segment Reporting". The Company is primarily operating in India which is considered as a single geographical segment.

Note 36**Previous year figures**

Previous year figures have been reclassified and regrouped as necessary to meet the current year classifications.



Notes Forming Part of the Financial Statements for the Year Ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

Note 37

Options issued under GrowXCD Employee Stock Option Scheme (ESOS 2023)

The shareholders of the company had approved ESOP pool of 10 lakhs on 15th May, 2023 which was further increased to 15 lakhs on 3rd May, 2024 enabling the board to grant 15,00,000 ESOP of the company (equity settled transaction). The ESOS, 2023 is established to align the interests of employees with those of shareholders by providing an opportunity for employees to share in the company's long-term success and growth.

Vesting Condition: Time based vesting

Vesting Period: The options shall vest over a period of 4 years from the date of the Grant

As at 31 March 2025, the issued options under the GrowXCDESOS, 2023 is as follows:

Plan	Grant date	Number of options	Exercise price in Rs.	Fair value as on grant date	Options exercised
ESOS 2023 - Batch I	15-02-2024	3,50,000	10	35.87	59,000
ESOS 2023 - Batch II	22-04-2024	3,00,000	10	42	-
ESOS 2023 - Batch III	25-07-2024	2,00,000	10	56	-
ESOS 2023 - Batch IV	07-11-2024	1,50,000	10	56	-
ESOS 2023 - Batch V	08-01-2025	1,20,000	10	66	-
ESOS 2023 - Batch VI	25-03-2025	3,20,000	10	66	-

Reconciliation of options under ESOS, 2023:	As at 31 March 2025	As at 31 March 2024
Outstanding at the beginning of the year	3,50,000	-
No. of options granted during the year	10,90,000	3,50,000
No. of options forfeited during the year	-	-
No. of options exercised during the year	59,000	-
No. of options lapsed during the year	-	-
Outstanding at the end of the year	13,81,000	3,50,000
No. of options exercisable at the end of the year	11,000	-

Vesting Schedule:

At end of 1st year from the date of grant - 20%
 At end of 2nd year from the date of grant - 20%
 At end of 3rd year from the date of grant - 30%
 At end of 4th year from the date of grant - 30%

Fair Value Methodology:

The Company has used Income approach - Discounted Cash Flow Method to compute fair value of options on each grant date.



Method of accounting: Intrinsic Value

The company has opted for expensing of the options using the intrinsic value of the options. Hence the difference between the Fair Value and Exercise Price of Rs. 134.89 lakhs [31-Mar-2024 Rs. 5.42 lakhs] is recognised as ESOP Expense under Employee benefit cost (Refer Note 22).

Exercise Schedule:

Vested option should be exercised within 3 years from the date of vesting.

Note 38**Deferred tax**

Particulars	As at 31 March 2025	As at 31 March 2024
Deferred tax liability:		
Written down value (excess of net book value over written down value as per the provisions of the Income Tax Act, 1961)	-	0.04
Subtotal (A)	-	0.04
Deferred tax asset:		
Written down value (Short of net book value over written down value as per the provisions of the Income Tax Act, 1961)	7.85	-
Provision for standard assets, NPA & Loss Assets	54.02	6.91
Provision for Gratuity & Leave Salary	18.28	1.33
Provision for ESOP Expenses	-	1.41
Cumulative Loss for the year as per Income Tax	160.84	28.62
Subtotal (B)	240.99	38.27
Net Deferred Tax Asset/ (Liability) [B-A]	240.99	38.23
Net Deferred Tax Asset/(Liability) recognized in Statement of P/L	202.76	38.23

Note: DTA on unabsorbed depreciation or carry forward of losses is recognised to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Note 39**Other Statutory Information**

- (i) The Company does not have any Benami property. No proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company has not advanced to or loaned to or invested funds in any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that such Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries



Notes Forming Part of the Financial Statements for the Year Ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

- (iii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) 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
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iv) The Company has not entered into any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (v) The Company has not been declared as a wilful defaulter as prescribed by Reserve Bank of India.
- (vi) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (vii) The company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- (viii) There are no title deeds which are not in the name of the company.
- (ix) During the year, the company has not revalued its Property, Plant & Equipments.
- (x) The company has not provided any loans and advances to its Promoter, Director, Key managerial personnel or related parties.

Note 40

Relationship with Struck off Companies

During the year, the Company had not entered into transactions with a company which was struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.

Note 41

Provision for Standard Assets

As per the Reserve Bank of India (RBI) guidelines, NBFCs are required to maintain provisions for standard assets at a minimum of 0.25% of total standard assets. However, the Company has adopted a more conservative approach and maintains provisions for standard assets at 1% of total standard asset.

Provision for Non Performing Assets

As per the Reserve Bank of India (RBI) guidelines, NBFCs are required to maintain provisions for non performing assets at a minimum of 10% of total non performing assets. However, the Company has adopted a more conservative approach and maintains provisions for non performing assets at a minimum of 20% of total non performing asset.

Note 42

Borrowing Disclosures

- (i) The Company has not defaulted in the repayment of dues to its lenders during the year
- (ii) The Company has utilised its borrowed fund for the purpose for which the fund is obtained
- (iii) Borrowings are secured on loans under financing activity and all charges or satisfaction has been created



(iv) Terms of the borrowings outstanding as at March 31, 2025 is as follows:

Name	Last repayment due on	Rate of Interest	Principal Outstanding (Amount in Lacs)
AU Small Finance Bank TL 01	Mar-27	14.50%	140.54
Suryoday Small Finance Bank TL 01	Apr-27	14.50%	221.64
AU Small Finance Bank TL 02	Aug-27	14.40%	691.89
Suryoday Small Finance Bank TL 02	Nov-27	14.25%	204.98
IDFC First Bank Limited TL 01	Mar-28	13.40%	1,500.00
Northern ARC Capital Limited TL 01	Jan-27	14.50%	66.55
Northern ARC Capital Limited TL 02	Mar-27	14.50%	214.73
MAS Financial Services Limited TL 01	Apr-27	15.00%	208.33
InCred Financial Service Private Limited TL 01	Jun-27	14.50%	236.38
Caspian Impact Investment P Ltd TL 01	Jun-27	15.00%	383.33
Vivriti Capital Limited TL 01	Jun-27	14.50%	791.67
Rar Fincare Ltd	Jun-27	15.00%	83.33
Ambit Finvest P Ltd	Jun-27	14.75%	431.16
Ambium Finserve P Ltd	Aug-27	14.50%	402.78
Ambium Finserve P Ltd	Sep-27	14.50%	333.33
Ambium Finserve P Ltd	Dec-27	14.50%	91.67
Northern ARC Capital TL 03	Aug-27	14.40%	690.62
Northern ARC Capital TL 03	Sep-27	14.40%	684.93
MAS Financial Services Limited TL 02	Aug-27	15.00%	416.67
Vivriti Capital Limited TL 02	Sep-27	14.50%	861.11
Profectus Capital Private Limited	Dec-27	14.50%	272.52
Caspian Impact Investment P Ltd TL 02	Aug-27	14.50%	888.89
MAS Financial Services Limited TL 03	Nov-27	14.50%	183.33
MAS Financial Services Limited TL 03	Dec-27	14.50%	275.00
Northern ARC Capital Limited TL 04	Sep-27	14.00%	1,500.00
Oxyzo Financial Services Limited TL 01	Sep-27	14.00%	500.00
Total			12,275.38

(v) The Company has been sanctioned overdraft facilities amounting to Rs. 55.85 crore during the year, secured by fixed deposits under lien with banks. The company has availed overdraft of Rs. 5.95 crore during the year. No quarterly returns or statements are required to be submitted to the banks for these facilities.



Notes Forming Part of the Financial Statements for the Year Ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

Note 43

Analytical Ratios

Ratio	FY 2024 - 25	FY 2023 - 24	% Variance	Formula used	Remarks
Debt-equity ratio	1.12	0.28	304%	Total Debt/ Networth	Infusion of Debt in the capital structure
Debt service coverage ratio	0.08	-3.14	-103%	EBITDA (plus loss on sale of fixed assets)/Debt Service (interest + Lease Payment + Principal Repayment)	Due to expansion in the scale of operations, resulting in higher debt servicing obligations relative to cash flows
Current Ratio	1.43	7.91	-82%	Current Asset / Current liabilities	Due to FY25 saw full-scale operations, leading to increased investments in Loans & Advances & Borrowings as compared to FY24
Return on equity ratio	-8.06%	-6.43%	25%	PAT/Average Shareholder's Equity	Due to increased capital base and reinvestment to fuel business expansion
Net profit ratio	-22.69%	-23.73%	-4%	PAT/Revenue from operations	
Return on capital employed (ROCE)	0.56%	-1.85%	-130%	EBIT / Capital Employed (Tangible Net Worth + Total Debt + Deferred Tax Liability)	The positive movement in ROCE reflects better operational performance and efficient utilization of newly deployed capital during the year
Return on investment	-4.17%	-2.61%	60%	PAT/Avg. Total Assets	Due to FY25 saw full-scale operations, leading to increased investments in Loans & Advances as compared to FY24



Note 44 Asset Liability Management

(a) Maturity pattern of certain items of Assets and Liabilities as at 31 March 2025:

Outflows	Day - 1	2 - 7 Days	8 - 14 Days	15 - 30 Days	31 Days & upto 2 months	Over 2 months upto 3 months	Over 3 months upto 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Capital	-	-	-	-	-	-	-	-	-	-	3,005.13	3,005.13
Reserves & Surplus	-	-	-	-	-	-	-	-	-	-	7,936.59	7,936.59
Borrowings	-	147.61	14.38	185.94	328.85	370.64	1,120.85	2,330.05	7,763.13	13.93	-	12,275.38
Other Liabilities	-	97.16	4.33	237.45	1.91	1.96	6.13	24.58	54.28	73.89	113.51	615.20
Total	-	244.77	18.71	423.39	330.76	372.60	1,126.98	2,354.63	7,817.41	87.82	11,055.23	23,832.30
Inflows												
Cash	-	-	-	-	-	-	-	-	-	-	-	-
Balance with other banks	461.70	-	-	-	-	501.00	500.00	661.69	10.10	-	-	2,134.49
Investments	2,000.00	-	-	-	-	-	-	-	-	-	-	2,000.00
Loans & Advances	-	138.06	41.96	-	191.46	195.50	613.02	1,260.78	5,427.84	6,883.18	4,043.81	18,795.61
Fixed Asset	-	-	-	-	-	-	-	-	-	-	229.24	229.24
Other assets	-	-	-	312.75	0.30	-	11.75	25.28	322.88	-	-	672.96
Total	2,461.70	138.06	41.96	312.75	191.76	696.50	1,124.77	1,947.75	5,760.82	6,883.18	4,273.05	23,832.30
Mismatch	2,461.70	(106.71)	23.25	(110.64)	(139.00)	323.90	(2.21)	(406.88)	(2,056.59)	6,795.36	(6,782.18)	-
Cumulative Mismatch	2,461.70	2,354.99	2,378.24	2,267.60	2,128.60	2,452.50	2,450.29	2,043.41	(13.18)	6,782.18	-	-



Notes Forming Part of the Financial Statements for the Year Ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

(b) Maturity pattern of certain items of Assets and Liabilities as at 31 March 2024:

Outflows	Day - 1	2 - 7 Days	8 - 14 Days	15 - 30 Days	31 Days & upto 2 months	Over 2 months upto 3 months	Over 3 months upto 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Capital	-	-	-	-	-	-	-	-	-	-	1,829.74	1,829.74
Reserves & Surplus	-	-	-	-	-	-	-	-	-	-	2,478.99	2,478.99
Borrowings	-	2.26	-	6.04	29.37	29.83	90.13	186.39	822.35	29.43	-	1,195.80
Other Liabilities	-	13.33	0.15	59.70	0.41	0.42	1.31	2.90	9.04	6.30	11.77	105.33
Total	-	15.59	0.15	65.74	29.78	30.25	91.44	189.29	831.39	35.73	4,320.50	5,609.86
Inflows												
Cash	-	-	-	-	-	-	-	-	-	-	-	-
Balance with other banks	153.11	78.06	-	-	-	11.19	-	801.59	-	-	-	1,043.95
Investments	-	-	-	325.00	1,375.00	-	-	-	-	-	-	1,700.00
Loans & Advances	-	19.57	15.04	-	40.74	41.65	130.88	288.95	903.59	629.70	588.49	2,658.61
Fixed Asset	-	-	-	-	-	-	-	-	-	70.88	-	70.88
Other assets	-	-	-	41.37	1.14	0.97	2.90	13.39	67.15	9.50	-	136.42
Total	153.11	97.63	15.04	366.37	1,416.88	53.81	133.78	1,103.93	970.74	710.08	588.49	5,609.86
Mismatch	153.11	82.04	14.89	300.63	1,387.10	23.56	42.34	914.64	139.35	832.72	(10,342.70)	(0.00)
Cumulative Mismatch	153.11	235.15	250.04	550.67	1,937.77	1,961.32	2,003.67	2,918.30	3,057.65	3,890.37	(6,452.33)	



Note 45 Disclosure of Related party as required by RBI scale based disclosures

Related Party	Parent		Subsidiaries		Associates/ Joint ventures		Key Management Personnel		Relatives of Key Management Personnel		Entity which has significant influence over the company		Others		Total	
	Current year	Previous Year	Current year	Previous Year	Current year	Previous Year	Current year	Previous Year	Current year	Previous Year	Current year	Previous Year	Current year	Previous Year	Current year	Previous Year
Items	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Placement of deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances given during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of fixed/ other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of fixed/ other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Remuneration & Director Sitting Fees Paid	-	-	-	-	-	-	115.11	33.85	-	-	-	-	-	-	115.11	33.85
Consultancy Charges	-	-	-	-	-	-	10.00	-	-	-	-	-	-	-	10.00	-
Rent Paid	-	-	-	-	-	-	-	7.60	-	-	-	-	-	-	-	7.60
Resource Augmentation Charges	-	-	-	-	-	-	-	-	-	-	-	-	12.81	-	-	12.81
Reimbursement of Expenses	-	-	-	-	-	-	3.20	1.80	-	-	1.86	-	3.30	-	5.06	5.10
Issue of Preference Shares	-	-	-	-	-	-	152.40	110.10	-	-	3,841.50	2,955.00	-	-	3,993.90	3,065.10



Notes Forming Part of the Financial Statements for the Year Ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

Note 46

Exposure to real estate sector

The company does not have any direct or indirect exposure to the real estate sector other than residential properties mortgaged as collateral by its customers.

Particulars	As at 31 March 2025	As at 31 March 2024
i) Direct exposure		
a) Residential Mortgages – Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. Exposure would also include non-fund based (NFB) limits.	-	-
b) Commercial Real Estate – Lending secured by mortgages on commercial real estate (office buildings, retail space, multipurpose commercial premises, multifamily residential buildings, multi tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits.	-	-
c) Investments in Mortgage-Backed Securities (MBS) and other securitized exposures – i. Residential ii. Commercial Real Estate	-	-
ii) Indirect Exposure		
Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies.	-	-
Total Exposure to Real Estate Sector	-	-

Note 47

Key Ratios

Particulars	As at 31 March 2025	As at 31 March 2024
Gross Non Performing Assets % (GNPA)	0.37%	0.00%
Gross Non Performing Assets % (GNPA) including Managed book	0.37%	0.00%
Net Non Performing Assets % (NNPA)	0.26%	0.00%
Net Non Performing Assets % (NNPA) including Managed book	0.26%	0.00%
Provision Coverage Ratio (PCR') for Standard assets	1.00%	1.00%
Provision Coverage Ratio (PCR') for Non performing assets	29.67%	0.00%

As per notification RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 LCR is not applicable to the company.



Note 48**Sectoral exposure***

Sectors	Year ended March 31, 2025			Year ended March 31, 2024		
	Total Exposure (₹ Lacs)	Gross NPAs (₹ Lacs)	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (₹ Lacs)	Gross NPAs (₹ Lacs)	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities	6,341.00	19.93	0.31%	778.87	-	0.00%
2. Industry						
2.1 Micro and Small	6,828.56	19.79	0.29%	1,072.20	-	0.00%
2.2 Medium	-	-	0.00%	-	-	0.00%
2.3 Large	-	-	0.00%	-	-	0.00%
2.4 Others, if any, Please specify	-	-	0.00%	-	-	0.00%
3. Services						
3.1 Transport Operators	-	-	0.00%	-	-	0.00%
3.2 Computer Software	-	-	0.00%	-	-	0.00%
3.3 Tourism, Hotel and Restaurants	-	-	0.00%	-	-	0.00%
3.4 Shipping	-	-	0.00%	-	-	0.00%
3.5 Professional Services	-	-	0.00%	-	-	0.00%
3.6 Trade	-	-	0.00%	-	-	0.00%
3.7 Commercial Real Estate	-	-	0.00%	-	-	0.00%
3.8 NBFCs	-	-	0.00%	-	-	0.00%
3.9 Aviation	-	-	0.00%	-	-	0.00%
3.10 Other Services	5,626.05	29.41	0.52%	807.53	-	0.00%
4. Personal Loans						
i...	-	-	0.00%	-	-	0.00%
ii...	-	-	0.00%	-	-	0.00%
Others	-	-	0.00%	-	-	0.00%
5. Others, if any	-	-	0.00%	-	-	0.00%
Total (1+2+3+4+5)	18,795.61	69.13	0.37%	2,658.60	-	0.00%

Note 49**Restructuring of account:**

Disclosure as per format prescribed under RBI circular RBI/2021-22/31 DOR.STR.REC.11/21.04.048/2021-22 dated 5 May 2021 ("RBI Resolution Framework- 2.0") for the year ended 31 March 2025



Notes Forming Part of the Financial Statements for the Year Ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

As on March 31, 2025	
No of accounts restructured	Amount (Rs.)
0	0

As on March 31, 2024	
No of accounts restructured	Amount (Rs.)
0	0

Particulars	Individual Borrowers Personal Loans	Small Businesses
i) Number of requests received for invoking resolution process under Part A of the Resolution Framework- 2.0	NA	NIL
(ii) Number of accounts where resolution plan has been implemented under this window	NA	NIL
(iii) Exposure to accounts mentioned at (ii) before implementation of the plan	NA	NIL
(iv) Of (iii), aggregate amount of debt that was converted into other securities	NA	NIL
(iv) Additional funding sanctioned, if any, including between invocation of the plan and implementation	NA	NIL
(v) Increase in provisions on account of the implementation of the resolution plan	NA	NIL

Note 50

Disclosure of Complaints - Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Complaints received by the NBFC from its customers		
1. Number of complaints pending at beginning of the year	0	0
2. Number of complaints received during the year	1	0
3. Number of complaints disposed during the year	1	0
Of which, number of complaints rejected by the NBFC	0	0
4. Number of complaints pending at the end of the year	0	0
Maintainable complaints received by the NBFC from Office of Ombudsman	0	0



Note 50 Contd..

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
5. Number of maintainable complaints received by the NBFC from Office of Ombudsman	0	0
Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	0	0
Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	0	0
Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	0	0
6. Number of Awards unimplemented within the stipulated time (other than those appealed)	0	0

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
Current Year					
Difficulty in operation of accounts	0	0	0%	0	0
Mis-selling	0	0	0%	0	0
Recovery Agents/ Direct Sales Agents	0	0	0%	0	0
Loans and advances	0	1	100%	0	0
Levy of charges without prior notice/ excessive charges/ foreclosure charges	0	0	0%	0	0
Non-observance of fair practices code	0	0	0%	0	0
Staff behaviour	0	0	0%	0	0
Others	0	0	0%	0	0
Total	0	1		0	0



Notes Forming Part of the Financial Statements for the Year Ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
	Previous Year				
Difficulty in operation of accounts	0	0	0%	0	0
Mis-selling	0	0	0%	0	0
Recovery Agents/ Direct Sales Agents	0	0	0%	0	0
Loans and advances	0	0	0%	0	0
Levy of charges without prior notice/ excessive charges/ foreclosure charges	0	0	0%	0	0
Non-observance of fair practices code	0	0	0%	0	0
Staff behaviour	0	0	0%	0	0
Others	0	0	0%	0	0
Total	0	0		0	0

Note 51

Capital Adequacy ratio*

Particulars	As at March 2025	As at March 2024
Tier 1 Capital	10,495.95	4,197.19
Tier 2 Capital	187.26	26.59
Risk weighted assets	21,365.97	4,447.15
CRAR %	50%	95%

Note 52

Exposure to Capital Market

Particulars	As at March 2025	As at March 2024
(i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt*.	-	800.00
(ii) Advances against shares/bonds/debentures or other securities or on clean basis to individuals for investment in shares (including IPOs/ ESOPs), convertible bonds, convertible debentures, and units of equity oriented mutual funds.	-	-



Note 52**Exposure to Capital Market (Contd..)**

Particulars	As at March 2025	As at March 2024
(iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security.	-	-
(iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances.	-	-
(v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers	-	-
(vi) Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources	-	-
(vii) Bridge loans to companies against expected equity flows / issues Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	-	-
(viii) Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	-	-
(viii) Financing to stockbrokers for margin trading	-	-
(ix) All exposures to Alternative Investment Funds: (i) Category I (ii) Category II (iii) Category III	-	-
Total exposure to capital market	-	800.00

* During the FY 24-25, company has invested in debt-oriented mutual funds or money market mutual funds

Note 53**Intra-group exposures**

The company does not have any intra-group exposures.

Note 54**Restructuring of advances to MSME sector**

Disclosure on restructuring of advances to MSME sector on account of fallout of COVID-19 pandemic as per RBI notification number RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated August 6, 2020 is not applicable as the company is incorporated post covid.



Notes Forming Part of the Financial Statements for the Year Ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

Note 55

Audit Trail

The company uses three softwares for accounting the transactions namely Loan Management System, General Ledger maintenance software and HR software.

Tally, used for general ledger maintenance, includes an audit trail (edit log) feature which was enabled and operated throughout the financial year for all relevant transactions. Tally operates without a traditional database structure, using objects and collections, thereby preventing changes at the database level.

Outsourced vendor manages the Loan Management System to maintain Loan Books, ensuring the availability and continuous operation of an audit trail (edit log) facility for all relevant transactions throughout the year.

Zoho People, the HR software used by the Company, is operated by a third-party service provider. While the SOC 2 report currently does not specifically confirm the enablement or operation of an audit trail feature, the Company has evaluated this and plans to enable and operationalize the audit trail feature from the FY 2025-26.

Note 56

Going Concern Assumption

During the financial year, the Company incurred the loss of Rs. 614.49 lakhs however, the company maintained a robust cash and bank balance & Investments of Rs. 4,134.49 lakhs as at 31st March 2025. In addition, institutional investors and promoters continued their financial support, including a capital infusion of Rs. 7,130.90 lakhs during the year, resulting in shareholders' funds of Rs. 10,941.72 lakhs as at 31st March 2025.

The Company has met all its debt servicing obligations, including timely repayment of principal and interest on borrowings during the financial year. This demonstrates the Company's ability to manage its financial commitments efficiently.

The Company's liquidity position, including unutilized banking facilities, is assessed to be adequate to meet all its financial and operational obligations as they fall due.

Based on the capital raised, business plans approved by the Board of Directors, and future projections, the management is confident of the Company's ability to continue its operations, achieve improved performance, and move towards profitability over the foreseeable future.

Accordingly, these financial statements have been prepared on a going concern basis. No adjustments have been made to the carrying values or classification of assets and liabilities that may be necessary if the Company were unable to continue as a going concern.



Note 57**Additional Disclosures**

In accordance with the RBI notification no. RBI/DoR/2023-24/106 - Master Direction DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2016 & amended from time to time- Master Direction - Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 ("Master Direction"), refer Annexure-I for additional NBFC disclosure.

For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm Registration No. 003990S/S200018

S. Rajeshwari
Partner
Membership No.: 024105

Date : 14th July, 2025
Place : Chennai

For and on behalf of the Board of Directors
GrowXCD Finance Private Ltd.
CIN: U64990TN2022PTC149101

Arjun Muralidharan
Managing Director & CEO
DIN: 02726409

Sanjeev Anand B
Company Secretary
M. No. A55149

HKN Raghavan
Director
DIN: 02736792

Date : 14th July, 2025
Place : Chennai



**Notes Forming Part of the Financial
Statements for the Year Ended 31 March 2025**

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

**Additional disclosures pursuant to Master Directions - Reserve Bank of India
(Non-Banking Financial Company – Scale Based Regulation)
Directions, 2023 (as amended) issued by RBI**

ANNEXURE-I

Schedule to the Balance Sheet as on March 31, 2025

Particulars	(₹ in Lakhs)	
	Amount Outstanding	Amount Overdue

Liabilities side

1. Loans and advances availed by the non-banking financial Company inclusive of interest accrued thereon but not paid

(a) Debentures : Secured	-	-
: Unsecured	-	-
(other than falling within the meaning of public deposits*)		
(b) Deferred credits	-	-
(c) Term loans	12,348.85	-
(d) Inter-corporate loans and borrowing	-	-
(f) Public deposits*	-	-
(g) Other loans	-	-

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	-	-

Particulars	(₹ in Lakhs)
	Amount Outstanding

Assets side

3. Break-up of loans and advances including bills receivables [other than those included in (4) below]:

(a) Secured	18,125.42
(b) Unsecured	670.19

4. Break up of leased assets and stock on hire and other assets counting towards AFC 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 AFC activities
 - (a) Loans where assets have been repossessed
 - (b) Loans other than (a) above



Particulars	(₹ in Lakhs)
	Amount Outstanding
5. Break-up of investments	
Current investments	
1. Quoted	
(i) Shares	
(a) Equity	-
(b) Preference	-
(ii) Debentures and bonds	-
(iii) Units of mutual funds	2,000.00
(iv) Government securities	-
(v) Others (please specify)	-
Asset Side	
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 (please specify)	-



Notes Forming Part of the Financial Statements for the Year Ended 31 March 2025

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

6. Borrower group-wise classification of assets financed as in (3) and (4) above:

Category	Amount Outstanding		
	Secured	Unsecured	Total
Secured unsecured total			
1. Related Parties **			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2. Other than related parties	18,125.42	670.19	18,795.61
Total	18,125.42	670.19	18,795.61

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

Category	Market Value / Break up or fair value or NAV	Book value (Net of Provision)
1. Related Parties **		
(a) Subsidiaries	-	-
(b) Companies in the same group	-	-
(c) Other related parties	-	-
2. Other than related parties	2,004.94	2,000.00
Total	2,004.94	2,000.00

8. Other information

Particulars	Amount
(i) Gross non-performing assets	
(a) Related parties	-
(b) Other than related parties	69.13
(ii) Net non-performing assets	
(a) Related parties	-
(b) Other than related parties	48.62
(iii) Assets acquired in satisfaction of debt	-



AGM Notice

NOTICE is hereby given that the Fourth Annual General Meeting of the Members of **M/s GrowXCD Finance Private Limited** will be held at the Registered Office of the Company located at First Floor G R Complex Annexe (Stag Business Centre), 408, Anna Salai, Nandanam, Chennai - 600035 on Wednesday, 13th August, 2025, 11:00 AM to consider the following businesses:

Ordinary Business:

Item No.1 – Adoption of Financial Statements

To consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2025 and the reports of the Board of Directors ("the Board") and Auditors thereon.

Special Business:

Item No.2 – To appoint Dr. Jainalladeen Sadakkadulla (DIN: 07544406) as Independent Director of the Company

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

"RESOLVED THAT, pursuant to provision of Section 149,150,152 read with Schedule IV to the Companies Act, 2013, and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) **Dr. JAINALLAUDEEN SADAKKADULLA (DIN: 07544406)** who was appointed as an Additional Director (Non-Executive Independent Director) of the Company w.e.f 25th March 2025 in terms of Section 161(1) of the Companies Act, 2013 and Article of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under section 160 of the Act proposing his candidature for the office of the Director and declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company to hold office for five (5) consecutive years for the maximum period up to March 24, 2030 and the provisions of Section 152 in respect of retirement of directors by rotation shall not be applicable to him during his tenure."

Item No.3 - To approve the increase in authorised share capital and alteration of share capital clause of Memorandum of Association of the company

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

RESOLVED THAT pursuant to Section 61 of the Companies Act, 2013 and any other applicable provisions of the Companies Act, 2013, and rules made there under (including any statutory modification or re-enactment thereof for the time being in force), and other applicable provisions and rules framed thereunder, the memorandum of association and articles of association of the Company, the consent and approval of the shareholders of the Company, be and is hereby accorded to increase the Authorised Share Capital of the



Company from existing Rs 35,00,00,000 (Rupees Thirty Five Crores) comprising 1,50,00,000 (One Crore Fifty Lakhs) Equity Shares of Rs. 10/- each and 2,00,00,000 (Two Crores) Preference Shares of Rs 10/- each to Rs. 54,00,00,000 (Rupees Fifty Four Crores) comprising 1,80,00,000 (One Crore Eighty Lakhs) Equity Shares of Rs. 10/- each and 3,60,00,000 (Three Crores Sixty Lakh) Preference Shares of Rs 10/- each by creation of additional 30,00,000 (Thirty Lakh) Equity Shares and 1,60,00,000 (One Crore Sixty Lakh) Preference Shares.

RESOLVED FURTHER THAT pursuant to Section 13 and all other applicable provisions, if any, of the Companies Act, 2013, the consent of the Members be and is hereby accorded, for alteration of Clause V of the Memorandum of Association of the Company by substituting in its place the following:

“V. The authorised Share Capital of the Company is Rs. 54,00,00,000 (Rupees Fifty Four Crores) comprising 1,80,00,000 (One Crore Eighty Lakhs) Equity Shares of Rs. 10/- each and 3,60,00,000 (Three Crore Sixty Lakhs) Preference Shares of Rs 10/- each.”

“RESOLVED FURTHER THAT Mr. Arjun Muralidharan, MD & CEO (DIN: 02726409) be and is hereby authorized to do all the acts, deeds, things & matters as may be necessary & expedient in order to give effect to the foregoing resolution as above on behalf of the Company and such signature(s) shall be sufficient authority to bind the Company.”

Item No. 4 – To approve “GrowXCD Employees Stock Option Plan 2025”

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

“RESOLVED THAT pursuant to the provisions of Section 62 and other applicable provisions, if any, of the Companies Act, 2013 read with rules made thereunder and pursuant to the provisions contained in the Securities and Exchange Board of India (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines (“the Guidelines”) (including any statutory amendment, modification or re-enactment to the Act or the Guidelines, for the time being in force), the Articles of Association of the Company and subject to such other approvals, permissions, sanctions, conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, the consent of the Members be and is hereby accorded to the proposed “GrowXCD Employees Stock Option Plan 2025” (“ESOP”) and to create, offer, issue and allot in one or more tranches under the said ESOP at any time to or for the benefit of employees and Directors (excluding Independent Director) of the Company for such number of stock options /equity shares and / or equity linked instruments including any other instruments or securities which could give rise to the issue of equity shares (hereinafter collectively referred to as “Securities”) of the Company, not exceeding 10,00,000 number of ESOP Options/equity shares in aggregate, at such price and on such terms and conditions as may be fixed or determined by the Board of Directors or the Committee as may be formed by the Board, in accordance with the Guidelines or other applicable provisions of any law as may be prevailing at that time.”

“RESOLVED FURTHER THAT the new Equity Shares to be issued and allotted by the Company in the manner aforesaid shall rank pari passu in all respects with the then existing Equity Shares of the Company.”



“RESOLVED FURTHER THAT any one of the Directors of the Company be and are hereby authorized jointly and/or severally to do all such acts, deeds, matters and things as may be necessary or expedient including filing of necessary documents, intimations including e-forms with regulatory authorities and to settle any questions, difficulties or doubts that may arise in this regard at any stage in connection to ESOP.

“RESOLVED FURTHER THAT a yearly status on the options granted under ESOP and exercised by employees be presented for the information of the Board”.

Place: Chennai
Date : 14th July, 2025

On behalf of the Board of Directors

Arjun Muralidharan
MD & CEO
DIN: 02726409



NOTES

1. A member (other than a body corporate) entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on poll on his/ her behalf and the proxy need not be a member of the company.
2. A person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other member. The instrument of Proxy, to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this notice. Proxies submitted on behalf of limited companies etc., must be supported by an appropriate resolution / authority, as applicable.
3. Where a body corporate is a member, it can attend the General Meetings by appointing individual(s) as its authorised representative(s) by way of passing a resolution through its board of directors or governing body, as the case may be.
4. The Register of Directors and their shareholding, maintained u/s 170 of the Companies Act, 2013 and Register of Contracts or Arrangements in which Directors are interested maintained u/s 189 of the Companies Act, 2013 and all other documents referred to in the notice and explanatory statement, will be available for inspection by the members of the Company at Registered office of the Company during business hours 10:00 A.M. to 06:00 P.M. (except Saturday and Sunday) up to the date of Annual General Meeting and will also be available during the Annual General Meeting.
5. Members/proxies attending the meeting are requested to bring their attendance slip along with their copy of Annual Report of the meeting.
6. The route map showing directions to reach the venue of the Annual General Meeting is annexed.



Explanatory Statement as required under Section 102 of the Companies Act 2013

ITEM NO 2: TO APPOINT DR. JAINALLAUDEEN SADAKKADULLA (DIN: 07544406) AS INDEPENDENT DIRECTOR OF THE COMPANY:

Pursuant to the provisions of Section 149, 150, 152 read with Schedule IV to the Companies Act, 2013, and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Dr. Jainalladeen Sadakkadulla (DIN: 07544406) was appointed as Additional Director of the company by the Board of Directors with effect from March 25, 2025. He holds office up to the date of this AGM but is eligible for appointment as a Director subject to the approval of the members of the company. In view of the same, Dr. Jainalladeen Sadakkadulla (DIN: 07544406) shall be appointed by the members in the ensuing Annual General Meeting.

The Company has received consent to act as a Director of the Company in Form DIR 2 and declaration that he is not disqualified from being appointed as a Director of the Company in Form DIR 8 and received Independent Director declaration as per Section 149(6) of the Companies Act 2013.

Dr. Jainalladeen Sadakkadulla has over 7 years of experience as a director in various public and private limited companies since 2017, and possesses relevant qualifications and expertise in the financial sector.

Dr. Sadakkadulla had earlier served as Regional Director of the RBI in Chennai, Principal of the RBI Staff College, and as a Nominee Director on the Board of State Bank of Travancore. He also had extensive international experience having worked at the UAE Central Bank and has collaborated with renowned economists such as Dr. C. Rangarajan and Dr. Raghuram Rajan.

Post-retirement, he had served as an Independent Director at IDFC First Bharat Limited and continues to serve as the Independent Director at Tamil Nadu Power Finance Corporation, among other honorary roles.

Pursuant to the provisions of Section 152 of the Companies Act, 2013 the director shall be appointed by the members through Ordinary Resolution in the General Meeting of the company. In view of the same, Dr. Jainalladeen Sadakkadulla shall be appointed as an Independent Director by the members in the Annual General Meeting of the company.

None of the Directors or Key Managerial Personnel of the Company, is in any way, concerned or interested, financially or otherwise, in the resolution.

The consent of the members is, therefore, being sought for passing the aforesaid resolution of the notice as an **Ordinary Resolution**.

ITEM 3 – TO APPROVE THE INCREASE IN AUTHORISED SHARE CAPITAL AND ALTERATION OF SHARE CAPITAL CLAUSE OF MEMORANDUM OF ASSOCIATION OF THE COMPANY

The present Authorised Share Capital of the Company is Rs 35,00,00,000 (Rupees Thirty Five Crores) comprising 1,50,00,000 (One Crore Fifty Lakhs) Equity Shares of Rs. 10/- each and 2,00,00,000 (Two Crores) Preference Shares of Rs 10/- each.



Considering the increased fund requirements of the Company, the Board at its Meeting held on 14th July, 2025, had accorded its approval, subject to approval of the Members of the Company, for increasing the Authorised Share Capital from existing Rs 35,00,00,000 (Rupees Thirty Five Crores) comprising 1,50,00,000 (One Crore Fifty Lakhs) Equity Shares of Rs. 10/- each and 2,00,00,000 (Two Crores) Preference Shares of Rs 10/- each to Rs.54,00,00,000 (Rupees Fifty Four Crores Lakhs) comprising 1,80,00,000 (One Crore Eighty Lakhs) Equity Shares of Rs. 10/- each and 3,60,00,000 (Three Crores Sixty Lakh) Preference Shares of Rs 10/- each by creation of additional 30,00,000 (Thirty Lakh) Equity Shares and 1,60,00,000 (One Crore Sixty Lakh) Preference Shares.

Consequently, Clause V of the Memorandum of Association would also require alteration so as to reflect the changed Authorised Share Capital. The proposal for increase in Authorised Share Capital and amendment of Memorandum of Association of the Company require the approval of Members at a General Meeting. A copy of the Memorandum of Association of the Company duly amended will be available for inspection at the Registered Office of the Company.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives, are in any way concerned or interested, financially or otherwise in the said resolution.

The consent of the members is, therefore, being sought for passing the aforesaid resolution of the notice as an **Ordinary Resolution**.

ITEM 4 – TO APPROVE “GROWXCD EMPLOYEES STOCK OPTION PLAN 2025”

With a view to motivate employees and to give them opportunity to participate and gain from the Company's performance, it is proposed to implement GrowXCD Employees Stock Option Plan 2025.

The Board of Directors (“**Board**”) of the Company at its meeting held on 14th July, 2025 approved implementation of the 'GrowXCD Employees Stock Option Plan' (“ESOP”) for the benefit of the present and future employees of the Company, subject to the approval of the Members.

Approval of the members by way of Special Resolution is being sought for the GrowXCD Employees Stock Option Plan 2025.

The disclosures as required by the Regulations are as follows:

a. Brief description of the scheme(s):

This Plan may be called the “GrowXCD Employees Stock Option Plan 2025”. The Board or as and when delegated, the Nomination & Remuneration Committee (“Board”) shall administer and superintend the Plan in accordance with the Companies Act 2013 and the rules made thereunder.

b. the total number of options, to be offered and granted:

10,00,000 (Ten Lakhs)

c. identification of classes of employees entitled to participate and be beneficiaries in the scheme(s):

Employees present as well as future employees working in India or outside India, subject to the applicable regulatory requirements and guidelines, who qualify for the issue of Options under the Scheme and who fulfill the conditions as decided in the appraisal process by the Board or as and when delegated, by the Nomination & Remuneration Committee.



d. requirements of vesting and period of vesting;

There would be a minimum Vesting Period of one year from the Grant Date. Subject to Option Holder's continued employment with the Company the Unvested Options shall vest with the Option Holders as per the Vesting Criteria to be specified to the Eligible Employee in the Letter of Grant.

e. maximum period within which the options shall be vested:

The Board or as and when delegated, the Nomination & Remuneration Committee shall determine the Vesting Criteria/Period, Exercise Price and Exercise Period of the Options granted under the Plan.

f. exercise price, purchase price or pricing formula:

The Board or as and when delegated, the Nomination & Remuneration Committee shall determine the Vesting Criteria/Period, Exercise Price and Exercise Period of the Options granted under the Plan.

g. exercise period/offer period and process of exercise/acceptance of offer:

The Vested Options shall be Exercised within the Exercise Period and on such terms and conditions as are elaborated under the Letter of Grant / Intimation. If the Option Holder or the Nominee or the former Employee, as the case may be, contravenes any condition of the Intimation among others, for instance the Vested Options are not Exercised within the Exercise Period or the Vested Options which are required to be Exercised are not Exercised, then all the Vested Options underlying the Intimation shall lapse and revert to the plan pool. The Company shall not have any obligations towards the Option Holder towards such lapsed Options. Provided that if the Exercise is pursuant to an IPO, the Option Holder shall be entitled to Exercise all his Vested Options.

h. the appraisal process for determining the eligibility of employees for the scheme(s);

The Board or as and when delegated, the Nomination & Remuneration Committee shall determine the Grant in its absolute discretion in consultation with the team leaders/seniors/supervisors of the Eligible Employee.

i. maximum number of options to be offered and issued per employee and in aggregate, if any;

The Board or as and when delegated, the Nomination & Remuneration Committee shall determine the maximum number of options to be granted per employee on case-to-case basis

j. maximum quantum of benefits to be provided per employee under a scheme(s);

The Board or as and when delegated, the Nomination & Remuneration Committee shall determine the maximum number of options to be granted per employee on case-to-case basis.

k. whether the scheme(s) is to be implemented and administered directly by the company or through a trust;

Directly administered by the Company

l. whether the scheme(s) involves new issue of shares by the company or secondary acquisition by the trust or both:

By way of new issue of shares

m. the company shall conform to the accounting policies specified in regulation 15:

Yes



n. the method which the company shall use to value its options:

The Board or as and when delegated, the Nomination & Remuneration Committee shall determine the Vesting Criteria/Period, Exercise Price and Exercise Period of the Options granted under the Plan.

o. period of lock-in: Nil

p. Terms & conditions for buyback, if any, of specified securities covered under these regulations: Nil

q. Accounting and Disclosure Policies: The Company shall follow relevant Accounting Standards prescribed by the Institute of Chartered Accountants of India from time to time, including the disclosure requirements.

The Board or as and when delegated, the Nomination & Remuneration Committee shall have all the powers to take necessary decisions for effective implementation of the ESOP.

The ESOP is required to be approved by the members by passing of special resolution.

None of the Directors or Key Managerial Personnel of the Company including their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution(s) except to the extent of the stock options that may be granted to them as Employees of the Company.

The Board recommends passing of the resolutions as set out under Item No. 4 of the Notice for approval of the members as a special resolution.



Pursuant to Secretarial Standards on General Meeting (SS-2) issued by The Institute of Company Secretaries of India (ICSI), the details of Director seeking appointment / re-appointment at the Extra ordinary General Meeting are given below:

(i) Dr.Jainalladeen Sadakkadulla (DIN: 07544406)

S.No.	Category	Details
1.	Name of the Director	Dr.Jainalladeen Sadakkadulla
2.	Age	69 years
3.	Nationality	India
4.	Qualification	<ul style="list-style-type: none"> ▶ Ph.D in Economics (University of Pune) ▶ MS (Mgmt), Arthur D Little (HULT International) B School, Boston, USA, Boston, USA ▶ Masters in Ag Sciences, Indian Agricultural Research Institute (Pusa) Delhi ▶ B.Sc (Ag) from TN Agricultural University, Coimbatore.
5.	Expertise in specific functional areas	Financial Services
6.	Date of first appointment to the Board	25/03/2025
7.	Terms and conditions appointment	To re-appoint as a Non Executive Director and Independent Director
8.	Revised Remuneration sought to be paid	Sitting fees
9.	Remuneration for FY 2024-25	Nil
10.	Shareholding in this Company	Nil
11.	Relationship	Independent Director
12.	No of Board meetings attended during the year	Nil
13.	Name(s) of other entities in which holding of directorship	<ul style="list-style-type: none"> ▶ Tamilnadu Power Finance and Infrastructure Development Corporation Limited ▶ UEF Chamber of Commerce ▶ Ajwa Fintech Private Limited
14.	Chairpersonship/ Membership in committees of other Entities	Tamilnadu Power Finance And Infrastructure Development Corporation Limited: <ul style="list-style-type: none"> ▶ Chairman: IT strategy committee & Stakeholder relationship committee ▶ Member: Audit committee, CSR committee, Asset liability management committee and NRC committee.



ATTENDANCE SLIP

Venue of the meeting : First Floor, GR Complex Annexe, 408 Anna Salai, Nandanam, Chennai – 600 035, Tamil Nadu, India

Date and Time: Wednesday, 13th August, 2025, 11:00 AM

PLEASE FILL THE ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING VENUE

Name	
Address	
Folio No.	
DP ID No.	
No. of shares held	

I certify that, I am the registered shareholder/proxy of the Company.

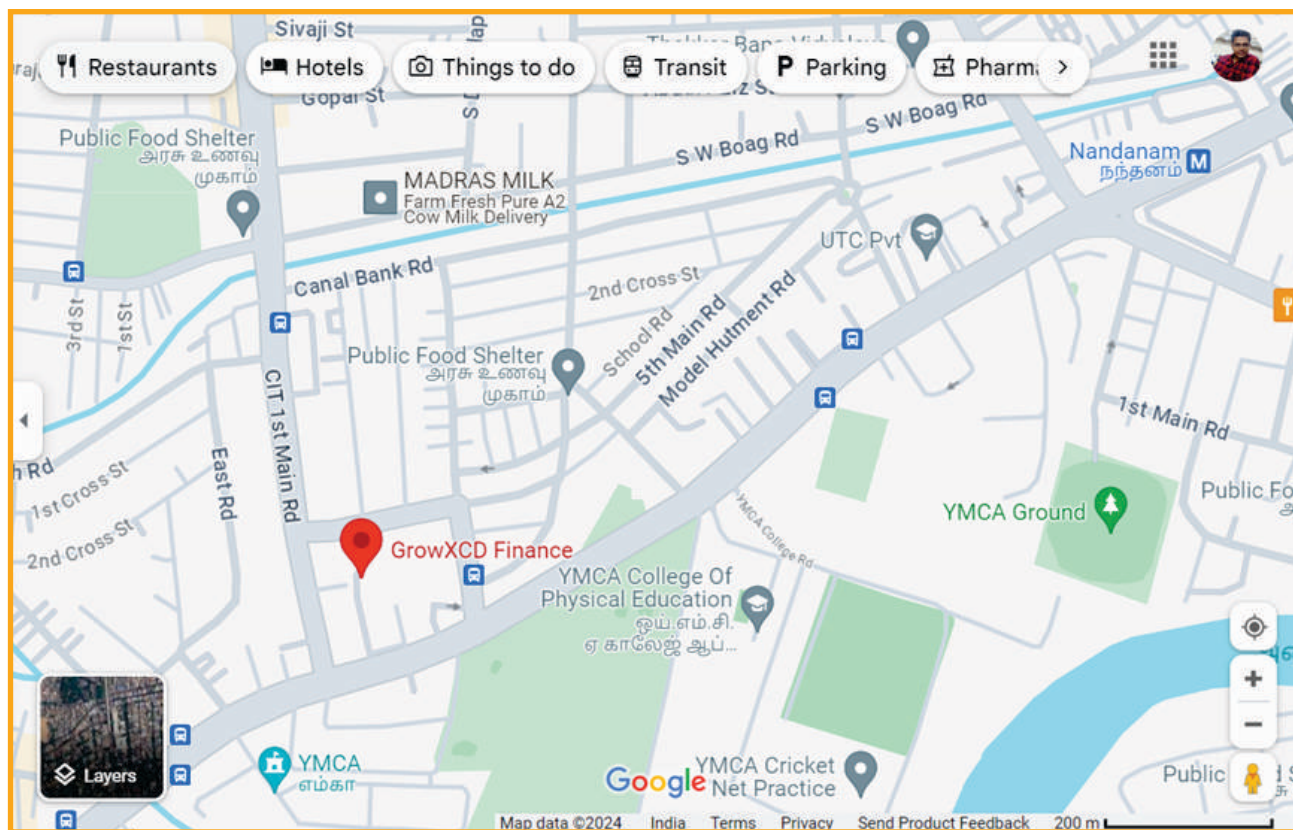
I hereby record my presence at the AGM of the Company held on Wednesday, 13th August, 2025, 11:00 AM at First Floor, GR Complex Annexe (Stag Business Centre), 408, Anna Salai, Nandanam, Chennai – 600035.

Signature of Member / Proxy

1. Only Member / Proxy holder / Authorised Representative can attend the Meeting.
2. Member / Proxy holder / Authorised Representative are encouraged to bring his / her copy of the Annual Report for reference at the Meeting.



ROUTE MAP TO THE AGM VENUE



Form No. MGT-11
Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : U64990TN2022PTC149101
Name of the company : GROWXCD FINANCE PRIVATE LIMITED
Registered office : First Floor, GR Complex Annexe, 408 Anna Salai, Nandanam, Chennai – 600 035, Tamil Nadu, India.

Name of the member	
Registered address	
E-mail Id	
Folio No. / Client Id	

I being the member of shares of the above named company, hereby appoint –

Name :
 E-mail Id :
 Signature of shareholder :

as my proxy to attend and vote (on a poll) on my behalf at the Annual General Meeting of the company to be held on Wednesday, 13th August, 2025, 11:00 AM at First Floor, GR Complex Annexe, 408 Anna Salai, Nandanam, Chennai – 600 035, Tamil Nadu, India and at any adjournment thereof in respect of such resolutions as are indicated below:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements of the Company i.e., the Balance Sheet as at 31st March, 2025, Statement of Profit and Loss and Cash Flow Statement for the year ended 31st March, 2025 together with notes and schedules, along with Directors' Report and Auditors' Report thereon.

SPECIAL BUSINESS:

2. To Regularise the appointment of Dr. Jainallaudeen Sadakkadulla who was appointed as an Additional Director of the company as on 25th March 2025, by appointing him as an Independent Director of the company who has fulfilled the criteria of independence as specified under section 149 (6) of the Companies Act 2013 and Rule 5 of Companies (Appointment and Qualification of Directors) Rules, 2014 and shall hold the office for the term of 5 consecutive years
3. To increase the authorised share capital of the company from Rs. 35,00,00,000 (Thirty Five Crores Only) to Rs 54,00,00,000 (Rupees Fifty Four Crores Lakhs) comprising 1,80,00,000 (One Crore Eighty Lakhs) Equity Shares of Rs. 10/- each and 3,60,00,000 (Three Crores Sixty Lakh) Preference Shares of Rs. 10 each.



4. To approve “GROWXCDEMPLOYEES STOCK OPTION PLAN 2025”

Signed this

Signature of shareholder.....

Signature of Proxy holder

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.





Thank You

LOOKING AHEAD: ACCELERATING OUR GROWTH

As we step into another exciting year, GrowXCD Finance Pvt Ltd celebrates a journey marked by strong growth, innovation, and impact. With an expanding network of branches across Tamil Nadu, Puducherry, Karnataka, and Andhra Pradesh, we have continued to empower MSMEs and low-income households by enabling access to essential capital and strengthening credit infrastructure.

The progress we have made has built a powerful platform for future achievements. In the year ahead, we are focused on scaling our operations, exploring new opportunities, and deepening our engagement with the communities we serve. Our heartfelt appreciation goes to our shareholders, directors, clients, and team members whose trust and commitment make our success possible.

Together, we will embrace new challenges, seize emerging opportunities, and create lasting value — driving growth that benefits all. Here's to another year of shared success..

THANK YOU FOR BEING PART OF OUR JOURNEY!





GrowXCD Finance Private Limited

First Floor, G.R Complex (Stag Business Centre),
408, Anna Salai, Nandanam, Chennai - 600035.
P: +91-44-48136918 | E: hello@growxcd.com
W: www.growxcd.com

