Capital Trust

39TH ANNUAL REPORT

Capital Trust

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Forward-looking statements

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise or should underlying assumptions prove in accurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Empowering enterprises
MSME Sector

The Micro, Small and Medium Enterprises (MSME) sector continues to be the backbone of the Indian economy, contributing significantly to GDP, exports, and employment. In FY 2024–25, the sector experienced a combination of growth opportunities and operational challenges, influenced by macroeconomic conditions, government reforms, and evolving credit markets. The sector contributes nearly 30% to India's GDP and employs more than 110 million people across manufacturing, services, and trade. It also plays a crucial role in external trade, accounting for about 45% of India's merchandise exports during the year, led by engineering goods, textiles, and pharmaceuticals. Credit to MSMEs grew at an annual pace of nearly 15–17%, reflecting rising demand for both working capital and term loans, particularly in semi-urban and rural markets.

The year witnessed several important policy and regulatory developments. The government's simplification of Udyam registration brought more enterprises into the formal fold. With the Emergency Credit Line Guarantee Scheme (ECLGS) winding down, disbursed loans entered the repayment phase, creating stress among certain micro-borrowers. The Reserve Bank of India's framework for digital lending through Loan Service Providers (LSPs) strengthened transparency and customer protection, while the continued emphasis on Priority Sector Lending ensured steady credit availability for MSMEs.

Performance across sub-segments of the MSME sector remained uneven. Manufacturing MSMEs benefitted from strong domestic demand, especially in construction, consumer durables, and automobile ancillary businesses. Services sector MSMEs, led by logistics, healthcare, and IT-enabled services, recorded healthy growth, though discretionary service businesses continued to face cost pressures. In rural and semi-urban areas, MSMEs contended with erratic monsoons, inflation in input costs, and repayment stress in micro-loan portfolios. At the same time, digital adoption gained further ground, with UPI, GST-linked credit scoring, and alternative data enabling wider access to formal finance and more robust credit underwriting.

Despite the progress, several challenges persisted during the year. Many micro and nano enterprises struggled with access to affordable and timely credit. Delayed payments from larger corporates and government agencies placed pressure on working capital cycles. Volatility in commodity and energy prices further squeezed operating margins. Additionally, the transition to formalisation under GST, labour, and environmental regulations posed compliance burdens for very small units.

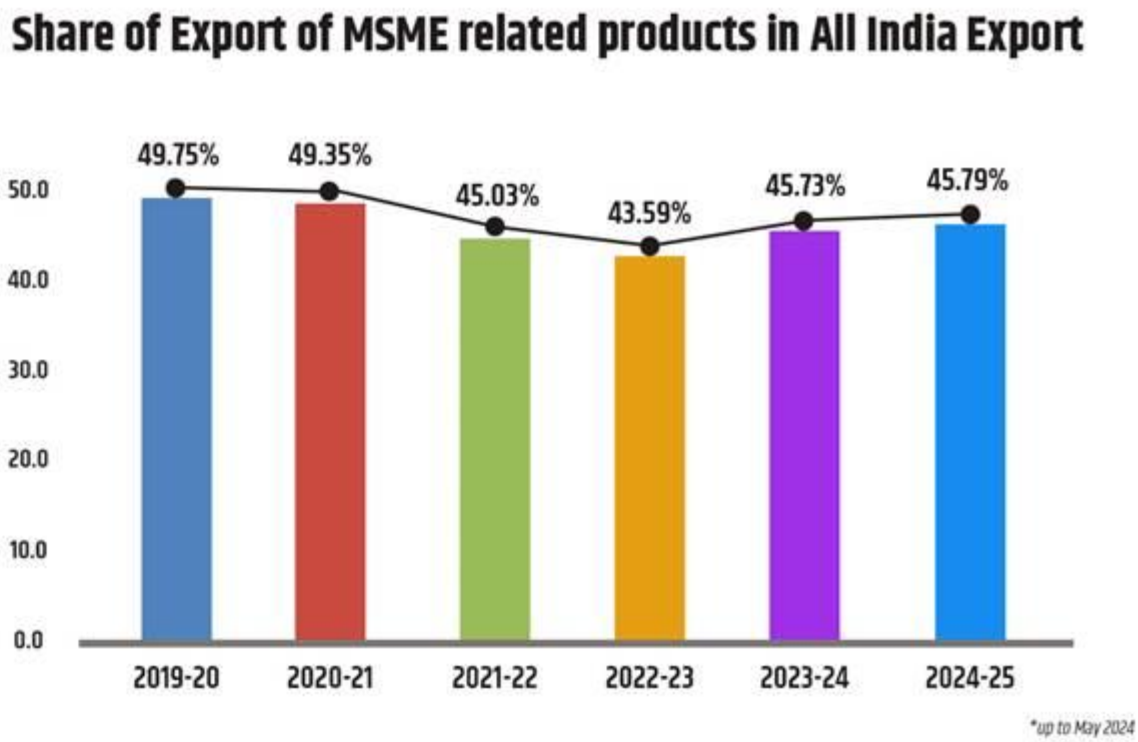
Looking ahead to FY 2025–26, the MSME sector is expected to sustain its growth momentum. Government initiatives such as "Make in India," an expansion of the Production Linked Incentive (PLI) scheme to MSME-intensive industries, and continued tax and compliance reforms will provide policy support. Financial inclusion is likely to deepen through the growing role of NBFCs, fintech platforms, and co-lending models with banks, particularly in under-served geographies. On the global front, supply chain diversification away from China is expected to create new opportunities for Indian MSMEs in textiles, electronics, and renewable energy. Moreover, increasing adoption of digital tools, artificial intelligence, and e-commerce platforms will enhance efficiency, market reach, and competitiveness across the MSME ecosystem.

Growth Momentum

The MSME sector has demonstrated exceptional export growth, tripling from ₹3.95 lakh crore to ₹12.39 lakh crore within just four years. The steep climb in the number of MSMEs engaged in exports—from under 53,000 to over 173,000—reflects both scaling and diversification of exporters.

Deepening Export Integration

Beyond absolute numbers, MSMEs now account for nearly half of India's exports—about 45%—underscoring their central role in enhancing the country's trade footprint and positioning MSMEs as vital drivers of export-led growth.



Rapid Credit Expansion Across Semi-Urban and Rural Geographies

The financial year 2024–25 witnessed a significant acceleration of credit expansion in semi-urban and rural India, driven by increasing demand from micro and small enterprises, self-employed individuals, and households engaged in trade and services. With rising aspirations, deeper penetration of digital infrastructure, and enhanced credit outreach by NBFCs and fintech platforms, semi-urban and rural geographies have emerged as key growth engines for the MSME financing ecosystem.

Banks and non-banking financial institutions reported double-digit growth in loan disbursements across Tier-II, Tier-III towns and rural districts. Much of this expansion was attributed to demand for working capital finance, consumption loans, and credit for small-scale manufacturing, trading, and service activities. Improved access to formal finance was also facilitated by Aadhaar-enabled KYC, UPI-driven transaction history, and GST-linked data, which enhanced lenders' ability to assess creditworthiness of first-time borrowers.

The expansion, however, has not been without challenges. Credit growth in unsecured segments has resulted in higher repayment stress in certain rural pockets, particularly among micro borrowers impacted by fluctuating incomes and weather-driven volatility. In response, lenders have strengthened credit assessment models, increased focus on shopkeeper and small business loans with formal business set-ups, and enhanced their collection infrastructure.

Going forward, the rapid pace of financial inclusion in semi-urban and rural markets is expected to remain a critical driver of MSME sector growth. Policy thrust on digital lending, co-lending arrangements between banks and NBFCs, and targeted credit guarantee schemes are likely to sustain momentum, while improved borrower education and financial discipline will help mitigate risks. This expansion not only supports economic empowerment in under-served regions but also positions rural India as a vital contributor to the country's inclusive growth trajectory.

MSME Disbursement Amount (in Thousand Cr)

All MSME fund-based (WC-TL) Originations considered excluding Renewals | Micro Exposure upto INR 1 cr; Small: Exposure between INR 1 cr and INR 10 crs; Medium Exposure between INR 10 crs and INR 50 crs

Source: TransUnion CIBIL commercial credit database

Employment generated by MSME Sector

The Micro, Small, and Medium Enterprises (MSME) sector continues to be the second-largest source of employment in India after agriculture. In FY 2024–25, the sector has played a pivotal role in providing livelihood opportunities across rural and semi-urban geographies, where large-scale industries are less prevalent.

As per government estimates, the MSME sector employs over 120 million people across nearly 63 million enterprises, contributing nearly 30% to India's GDP and around 45% to manufacturing output. With the formalisation of the economy through initiatives such as UDYAM registration, Digital Public Infrastructure, and the growing adoption of digital lending platforms, the MSME workforce has become increasingly integrated with the formal credit and taxation ecosystem.

Rural and Semi-Urban Employment

A large portion of MSMEs operate in rural and semi-urban regions, focusing on activities such as retail trade, repair services, food processing, textiles, handicrafts, construction, and transportation services. These units have been instrumental in absorbing the workforce migrating from agriculture into non-farm activities, thus creating a diversified employment base.

Women and Youth Participation

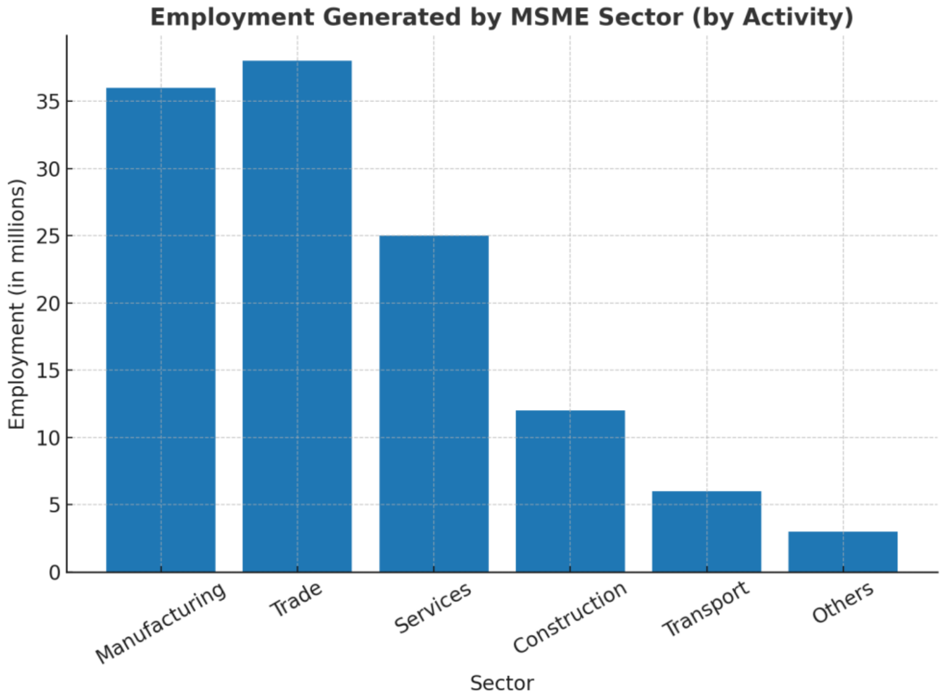
The MSME sector has also been a strong driver of women's entrepreneurship and employment generation, particularly in small-scale enterprises and self-help group-led activities. At the same time, startups and digitally enabled MSMEs have offered greater opportunities for youth, with many venturing into service-based industries such as e-commerce, logistics, and fintech.

Post-Pandemic Recovery and Job Creation

After the disruptions caused by the pandemic, MSMEs have witnessed a resilient recovery. Supported by government schemes like PMEGP, ECLGS, Mudra loans, and cluster development programmes, enterprises have restarted operations and scaled up activities, leading to renewed hiring. The increasing demand in rural consumption, coupled with digital adoption, has further accelerated job creation.

Contribution to Sustainable Employment

MSMEs not only create direct jobs but also contribute significantly to indirect employment through supply chains, distribution networks, and service linkages. Moreover, the sector is a foundation for inclusive growth, offering opportunities to traditionally underrepresented groups, thereby reducing regional employment disparities.



MSME Schemes Launched by the Government

The Government of India has launched several flagship schemes to strengthen the MSME ecosystem, improve access to finance, encourage innovation, and enhance competitiveness. These schemes address challenges faced by MSMEs such as credit gaps, technology upgradation, market access, and skill development.

1. Credit Support and Financing Schemes

Prime Minister's Employment Generation Programme (PMEGP): Provides financial assistance for setting up new micro-enterprises in manufacturing and service sectors, generating self-employment.

MUDRA Yojana (Pradhan Mantri Mudra Yojana – PMMY): Offers collateral-free loans up to ₹10 lakh under Shishu, Kishor, and Tarun categories for small entrepreneurs.

Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE): Facilitates collateral-free credit by providing credit guarantees to banks and financial institutions.

Emergency Credit Line Guarantee Scheme (ECLGS): Introduced during the pandemic to provide guaranteed collateral-free loans to MSMEs for business continuity.

2. Technology and Infrastructure Support

Scheme for Fund for Regeneration of Traditional Industries (SFURTI): Promotes cluster development of traditional industries and handicrafts to enhance competitiveness.

Micro & Small Enterprises – Cluster Development Programme (MSE-CDP): Provides support for the establishment of Common Facility Centres and infrastructure development in industrial clusters.

Design and Incubation Centres: Schemes that promote design support, prototyping, and innovation for MSMEs.

3. Market and Export Promotion

Procurement and Marketing Support (PMS) Scheme: Assists MSMEs in participating in trade fairs, exhibitions, and procurement from government bodies.

Export Promotion Schemes: Provides financial assistance for MSME participation in international exhibitions and trade delegations.

GeM (Government e-Marketplace) Support: Encourages MSMEs to onboard the digital procurement platform for wider market access.

4. Skill Development and Entrepreneurship Support

Entrepreneurship and Skill Development Programme (ESDP): Conducts training programs to promote entrepreneurial culture and skill-building.

Technology Centres (Tool Rooms): Provides skill training, consultancy, and prototyping support to MSMEs.

5. Digital & Formalisation Schemes

UDYAM Registration: A simplified online registration process that provides MSMEs with a unique identity, enabling access to government benefits, credit schemes, and subsidies.

CHAMPIONS Portal: An integrated platform for grievance redressal, handholding, and support to MSMEs.

Scheme	Objective	Key Benefits
PMEGP (Prime Minister's Employment Generation Programme)	Promote self-employment by setting up new micro-enterprises	Subsidy-linked loans for new units in manufacturing & services

Scheme	Objective	Key Benefits
MUDRA Yojana (PMMY)	Provide collateral-free loans to micro and small businesses	Loans up to ₹10 lakh under Shishu, Kishor & Tarun categories
CGTMSE (Credit Guarantee Fund Trust for MSEs)	Encourage banks to lend without collateral	Credit guarantee cover up to 75%–85% of loan amount
ECLGS (Emergency Credit Line Guarantee Scheme)	Support MSMEs during pandemic & recovery	Collateral-free additional working capital loans
SFURTI (Scheme for Fund for Regeneration of Traditional Industries)	Support cluster development of traditional & village industries	Infrastructure support, skill training, technology upgradation
MSE-CDP (Micro & Small Enterprises Cluster Development Programme)	Strengthen competitiveness through cluster approach	Funding for Common Facility Centres & industrial infrastructure
PMS (Procurement & Marketing Support Scheme)	Enhance market access for MSMEs	Assistance for trade fairs, exhibitions, marketing campaigns
Export Promotion Schemes	Promote MSME exports and global linkages	Financial assistance for international exhibitions & trade delegations
GeM (Government e-Marketplace) Support	Provide MSMEs access to govt procurement platform	Wider market access, timely payments, digital procurement
ESDP (Entrepreneurship & Skill Development Programme)	Foster entrepreneurship culture & skill-building	Training programmes for new & existing entrepreneurs
Technology Centres (Tool	Offer technical support	Prototyping,

Scheme	Objective	Key Benefits
Rooms)	and skill development	consultancy, and hands-on training
UDYAM Registration	Simplify registration & formalisation of MSMEs	Access to govt schemes, credit benefits, and subsidies
CHAMPIONS Portal	Integrated digital support platform	Grievance redressal, handholding, financial & market support

MESSAGE FROM CHAIRMAN AND MANAGING DIRECTOR

Dear Shareholders,

I am pleased to present to you the 39th annual report of the company for the year 2024-25.

Global Economic Overview
Growth and Activity

During the year under review, global growth remained modest but steady. As of the latest IMF World Economic Outlook Update (July 2025), the world economy is projected to expand by ~3.0% in 2025 (3.1% in 2026), broadly consistent with the "around 3%" pace seen post-pandemic. Momentum reflects resilient services activity in advanced economies and continued domestic-demand support in several emerging markets, offset by softer trade and tighter financial conditions.

Inflation and Monetary Policy

Headline inflation continued to ease globally, but underlying services inflation remained sticky in many advanced economies. The OECD notes that while goods-price disinflation progressed, services inflation and wage dynamics slowed only gradually, keeping policy rates restrictive even as some central banks began cautious easing. The IMF projects global inflation to fall further, with advanced-economy inflation around 2.5% in 2025, underscoring a gradual return toward targets.
Ministry of Economy and Finance

Financial Markets and Credit Conditions

Risk sentiment improved intermittently, but credit conditions stayed selective, especially for lower-rated borrowers. The IMF Global Financial Stability Report (Apr 2025) highlights vulnerabilities in segments such as private credit and leveraged finance, while rating agencies expect speculative-grade default rates to hover in the ~3–4% range through the next year as refinancing at higher coupons continues. Bank surveys in the U.S. and euro area point to tighter standards for consumer credit even as housing credit eases slightly—a sign of lingering caution toward unsecured lending.

Emerging Markets: Resilience with Divergence

Emerging and developing economies (EMDEs) generally outgrew advanced peers, aided by domestic consumption and ongoing structural reforms. The World Bank's Global Economic Prospects (June 2025) reports continued strength in South Asia, while the OECD notes that capital flows to EMs improved unevenly and remain sensitive to global rates and the dollar. Policy frameworks in many EMs—particularly inflation-targeting regimes—have helped anchor expectations and manage spillovers.

Implications for Unsecured Credit

Against this backdrop, lenders maintained a cautious stance toward unsecured lending. Survey evidence across major jurisdictions shows net tightening in consumer-credit standards, reflecting higher perceived risk and reduced risk tolerance, even as mortgage or corporate credit conditions eased at the margin. This selectivity aligns with the broader theme of quality over quantity in risk taking during the year.

NBFC Sector in 2024–25

The Non-Banking Financial Company (NBFC) sector in India has continued to play a pivotal role in driving financial inclusion and credit access during FY 2024–25. NBFCs, particularly those focused on the micro, small, and medium enterprise (MSME) segment and rural borrowers, have shown resilience despite headwinds from tighter monetary conditions and rising borrowing costs.

The year witnessed steady growth in credit demand across semi-urban and rural markets, with NBFCs emerging as critical enablers for last-mile delivery of financial services. Regulatory oversight by the Reserve Bank of India ensured a stable and transparent operating framework, while increasing adoption of digital lending solutions and Aadhaar-enabled processes significantly reduced turnaround times for customer onboarding and servicing.

At the same time, challenges such as asset quality pressures in the unsecured lending space and higher cost of funds due to elevated interest rates required NBFCs to focus strongly on prudent risk management and responsible lending practices. Nevertheless, the sector is expected to remain a key pillar of India’s financial system, bridging the gap between traditional banking institutions and underserved populations, while contributing meaningfully to inclusive economic growth.

Growth Through Innovation and Human Touch

In FY 2024–25, Capital Trust Limited continued to build on its strengths by introducing new products, strengthening relationships with customers, and expanding its lending portfolio alongside the opening of new branches in underserved markets. While technology remains central to our growth strategy, we recognize that in rural India, personal connect and on-ground presence are equally vital.

Our highly developed technological infrastructure—backed by a team of more than 2,000 committed employees—ensures that customers receive seamless support, particularly during critical situations such as disruptions in National Automated Clearing House (NACH) transactions. This balance of technology with the human touch enables us to deliver a truly customer-centric experience.

Vision of Inclusive Growth

Our vision is to empower rural communities by providing them access to reliable and innovative financial services. We aim to bring the rural population to the forefront of financial empowerment by offering solutions that combine convenience, accessibility, and trust. Through our unique approach, we continue to provide thousands of rural customers with the opportunity to participate on a level playing field, fostering financial independence and long-term growth.

Recognition and Regulatory Milestones

In December 2023, Capital Trust Limited was recognized as a Great Place to Work for the first time, reflecting our commitment to building a culture of trust, inclusivity, and excellence. Further, on December 20, 2023, the Reserve Bank of India granted approval for Aadhaar-based authentication, streamlining our customer onboarding and servicing processes. This regulatory milestone has significantly simplified KYC, digital signing, and NACH authentication, making them faster, smoother, and hassle-free.

Commitment to the Future

Looking ahead, we remain deeply committed to empowering rural India through innovative financial solutions that blend technology with strong personal relationships. Our focus on sustainable financial inclusion ensures that while we expand opportunities for our customers, we also continue to create long-term value for all stakeholders.

Economic Landscape
Global and Indian Economy

The global economy in FY 2024–25 continued to grow at a modest pace, shaped by technological advancements, regulatory reforms, and the evolution of digital finance. While inflationary pressures and geopolitical uncertainties posed challenges, emerging economies, particularly India, demonstrated resilience.

According to the World Bank's latest projections, India remains one of the fastest-growing major economies in the world. Growth for FY 2024–25 is estimated at 7.5%, revised upwards from 6.3% projected earlier, positioning India as the primary driver of regional growth. The economy has benefited from strong performance in services and industry, buoyed by rising investment and government spending.

Outlook and Headwinds

Despite this robust momentum, certain headwinds remain. Higher borrowing costs, tight financial conditions, and persistent inflation are expected to moderate growth in the medium term to around 6.6%. Nonetheless, India's strong fundamentals and demographic advantage continue to provide a favorable environment for long-term economic expansion.

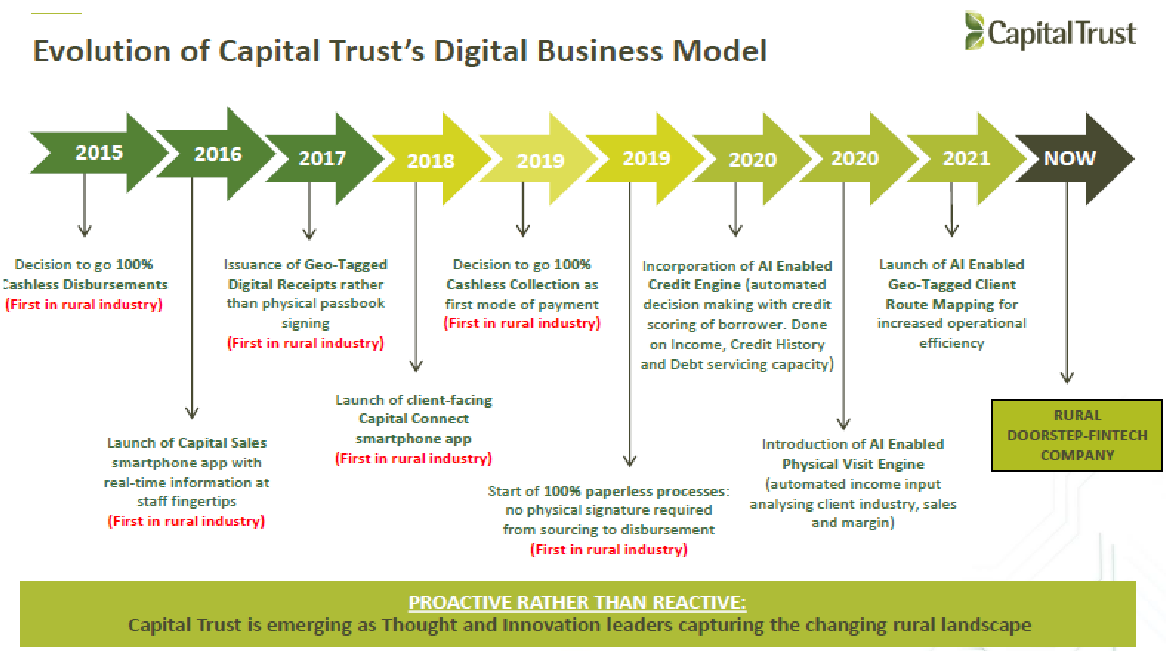
Capital Trust and Digitisation

The finance available to the rural borrower in India has been of the traditional, cash-based lending models. Many in the rural areas have opened bank accounts in the form of Jan Dhan accounts, but they still do not have the "Banking Habit" and prefer dealing more with cash. So how does one lend and collect money digitally from customers who are used to cash in terms of earnings and expenditure?'

Welcome to the Capital Digital Initiative by Capital Trust Limited. The Capital Digital Initiative will change how lending is done in the rural sector, driven by the best in technology, smartphones, and digital payments backbone to be the platform on which retail loans will be originated in rural India. All individual business loans will be disbursed and collected online, making it very convenient and hassle-free for the borrower. In case the mode of payment by the borrower is not online, then an automated cash pick-up facility will be available. Now, the rural client can be treated on par with the urban client for the first time, with the same ease and choices made available for repayment. He can pay through NACH, Wallets, UPI, NEFT, IMPS, or, as a last choice, through cash. The individual app also allows customers to view their loan details and transaction history and to make online repayments.

This is further reinforced by intensive communication strategies that inform and remind clients about the benefits of e-payment. Borrowers under the traditional modes of cash collection have to lose business time to attend to the branches or lose business time that could be otherwise used during centre meeting days. CTL leverages the benefit of e-payments on customers and even gives some incentives for electronic payments. Consequently, a great majority of rural borrowers have resorted to digital payments; nearly 80% of their EMIs for the new Capital Business Loans are currently being paid through digital modes, compared to 0–10% with other lenders. Capital Trust is at the forefront in making this 100%.

This innovative movement provides not only ease of access to customers in rural divides but also assures financial inclusion and digital literacy, hence ensuring rural India is at par with its urban divides in terms of financial services and opportunities



Lending-as-a-Service (LaaS)

Over the past two years, we have made significant progress in transitioning towards an off-balance sheet partnership model, in line with our strategic objective of offering Lending-as-a-Service (LaaS). Central to this journey has been our growing focus on co-lending arrangements and Business Correspondent (BC) disbursements, which have strengthened our ability to deliver credit efficiently while managing risks prudently.

This shift towards LaaS has unlocked multiple benefits for the organization. By leveraging partnerships, we have been able to optimize our capital structure, diversify risk exposure, and build greater scalability in our lending operations. More importantly, it has allowed us to extend our reach to underserved customer segments without disproportionately expanding our balance sheet.

Looking ahead, we remain committed to deepening strategic alliances, innovating lending models, and harnessing technology to further expand the LaaS platform. Our long-term vision is to position Capital Trust Limited as a leading partner of choice in the financial services ecosystem, delivering inclusive, technology-driven, and sustainable credit solutions.

Conclusion

In conclusion, I would like to express my deepest gratitude to all our shareholders for their unwavering support and trust. Your continued belief in our vision and commitment has been instrumental in our success. As we look towards the future, we remain dedicated to serving the undeserved, embracing technological advancements, and creating value for all our stakeholders.

I would also like to extend our deepest gratitude to all employees for their invaluable contributions to the company. Last but not least, special Thanks to our Funders, Shareholders and customers for their continued support and loyalty to our Company.

With Warm Regards,
Yogen Khosla
Chairman and Managing Director

CORPORATE SNAPSHOT

Capital Trust Limited, incorporated in 1985 and headquartered in Delhi, is a Base Layer NBFC registered with the Reserve Bank of India. The Company's equity shares are listed on both the National Stock Exchange of India (NSE) and the Bombay Stock Exchange (BSE).

In its early years, Capital Trust was engaged in providing advisory services to foreign banks and successfully represented over 25 international banks in India, including globally renowned institutions such as the Commonwealth Bank of Australia and the Royal Bank of Canada. Over the years, the Company transitioned into retail lending, with a sharp focus on rural and semi-urban markets.

Capital Trust has provided affordable financing to more than 10 lakh clients through its extensive branch network in a transparent and responsible manner. At present, the Company serves nearly 1 lakh live customers through a robust, digitally enabled infrastructure developed in-house, ensuring efficiency, reliability, and a customer-centric experience.

Despite three decades of economic reforms, India's 48 million MSMEs— the backbone of the nation's entrepreneurial economy—remain underserved by traditional banking institutions. Capital Trust seeks to bridge this gap by extending credit access to shopkeepers, traders, and micro-entrepreneurs in semi-urban and rural India. In doing so, the Company positions itself as a "pillar to the pillars" of India's economy.

With a strong focus on technology, Capital Trust has emerged as India's first "Rural Doorstep-Fintech" company, combining the reach of traditional financing with the agility of fintech innovation. This unique hybrid model enables the Company to deliver meaningful financial inclusion to underserved communities while ensuring responsible lending practices.

The Company's suite of loan products is designed to meet the diverse needs of its target segment, thereby empowering rural entrepreneurs, supporting livelihoods, and contributing to inclusive economic growth.

1. About The Product:

Loan Products

Capital Trust Limited offers a carefully designed suite of credit products aimed at supporting rural and semi-urban borrowers, with a strong focus on micro-entrepreneurs, shopkeepers, and small business owners. These products are developed to address the financing gaps faced by underserved communities, enabling them to sustain and expand their businesses. Our approach emphasizes accessibility, financial inclusion, and responsible lending practices while gradually diversifying into secured products to enhance portfolio resilience and risk management.

1. Unsecured MSME Loans

Unsecured MSME loans form the backbone of our lending operations, catering to small traders, shopkeepers, artisans, and micro-entrepreneurs operating in rural and semi-urban markets.

- **Purpose:** These loans are primarily structured to address short-term working capital requirements such as purchase of inventory, day-to-day operational expenses, and modest business expansion.
- **Ticket Size:** Small, flexible loan amounts aligned with the borrower's repayment capacity.
- **Delivery Model:** Loans are disbursed through doorstep servicing, ensuring last-mile reach to customers who often lack access to formal banking channels.
- **Social Impact:** This product plays a critical role in empowering rural micro-businesses, fostering financial independence, and generating employment at the grassroots level.

2. Micro Loan Against Property (Micro LAP)

To strengthen portfolio quality and reduce concentration in unsecured lending, Capital Trust has introduced Micro LAP as a secured product line.

- **Collateral:** Loans are extended against residential or small commercial properties owned by the borrower, ensuring security and prudent risk management.
- **Purpose:** Designed for slightly higher ticket-size requirements, these loans cater to long-term business expansion, equipment purchase, repayment of high-cost borrowings, or meeting sustained working capital needs.
- **Borrower Profile:** Customers who have graduated from micro-level businesses to more established small enterprises, with a proven repayment track record.
- **Benefits:** Offers borrowers access to larger, more affordable credit while simultaneously enhancing portfolio stability.

2. Co-Lending Partnerships

3.

Capital Trust has adopted the co-lending model under its **Lending-as-a-Service (LaaS)** framework, a strategic initiative to scale up operations and improve efficiency.

- **Partnerships:** By collaborating with banks and larger NBFCs, we combine our grassroots distribution strengths with the financial resources of institutional partners.
- **Capital Efficiency:** Co-lending helps optimize balance sheet usage, enabling growth without disproportionately increasing capital deployment or leverage risks.
- **Customer Advantage:** Borrowers benefit from competitive lending rates made possible through blended funding models, improving affordability and access.
- **Strategic Impact:** This model enables us to expand reach rapidly, particularly in high-demand semi-urban and rural clusters, while diversifying funding sources.

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4. Business Correspondent (BC) Disbursements

Through the **Business Correspondent model**, Capital Trust serves as the last-mile credit delivery partner for banks and financial institutions seeking to extend their footprint into underserved areas.

- **Role:** As a BC, we originate and service loans on behalf of partner institutions, leveraging our deep presence in rural and semi-urban geographies.
- **Income Stream:** This model provides fee-based income, thereby strengthening non-interest revenue streams and diversifying earnings.
- **Reach:** BC arrangements complement our own lending operations, enabling deeper penetration into geographies where formal banking infrastructure is limited.
- **Customer Benefit:** Rural borrowers gain access to formal credit channels through a trusted local intermediary, improving overall financial inclusion.

4. Credit:

The company follows a hybrid dual credit assessment framework, blending the efficiency of automated systems with the prudence of traditional banking safeguards. Automated credit checks—comprising credit bureau validations and rule-based algorithms—are complemented by physical verification of the borrower's residence, business premises, and cash flow assessments conducted at the branch level.

Drawing upon its extensive database of over ₹4500 crore disbursed and more than 10 lakh clients served since inception, Capital Trust has developed a proprietary algorithmic credit rule engine that has greatly strengthened its credit decisioning process. This advanced Credit Engine, powered by Artificial Intelligence (AI) and Machine Learning (ML), evaluates the probability of repayment before sanctioning a loan.

The system provides automated decision-making by generating a credit score for each borrower based on parameters such as income levels, repayment history, and debt-servicing capacity. Moreover, the engine dynamically adjusts for regional variations by leveraging granular pin-code level performance data, ensuring sharper risk calibration and enhanced portfolio quality.

5. Product Details:

Type	:	Unsecured
Loan Size	:	Rs.30,000 to Rs.200,000
Tenure	:	18-30 months
Collateral	:	None
Repayment Frequency	:	Monthly

The Company has also introduced secured loans ranging from ₹3 lakhs to ₹10 lakhs, with a tenure of up to 72 months.

6. Lending-As-A-Service:

With the inherent capability to disburse upwards of ₹75 crore per month through its extensive branch network, Capital Trust Limited is strategically leveraging the Lending-as-a-Service (LaaS) model to drive sustainable growth. Instead of depending solely on debt and traditional on-balance sheet funding, the Company has diversified its approach by forging partnerships with 11 leading financial institutions under Business Correspondent (BC) and Co-Lending arrangements. These collaborations not only enable Capital Trust to optimize capital efficiency and risk-sharing but also help in expanding outreach to underserved semi-urban and rural markets. Through this hybrid model, the Company is well-positioned to achieve the targeted benchmark of monthly disbursements, while ensuring scalability, stronger risk management, and deeper financial inclusion

7. Creating a Competitive Advantage to Increase Stakeholder Value

The processes adopted by the company have created given competitive advantage in the following manner:

➢ **Unique Business Model**

- ✓ With a deep understanding of target customer segments, lean cost structures and differentiated business models we cater to underserved segments of the economy.
- ✓ Our one-of-a-kind business model finds the perfect balance between technology and traditional financing, something not many other companies can do.
- ✓ Having foot on the streets, our model is perfect blend of fintech and the traditional brick and mortal set up.

➢ **Technology Driven Operational Efficiency**

- ✓ By leveraging technology to penetrate underserved segments, we have capitalized on the inability of banks to rapidly scale operations and customize rigid policies in regard to providing business loans in rural India.
- ✓ This transformation is helping us create an agile and scalable business model.

➢ **Prudent Risk Management**

- ✓ Our conservative thought process towards financial engineering has helped us transform underwriting and decision making, thereby, helping drive competitive advantage and robust risk management.
- ✓ Further, our risk management frameworks pro-actively detect, manage and mitigate internal and external risks.

- **Strong Governance**

  ✓ Being a publicly listed NBFC for the last 36 years, we have built a robust governance model to maintain stakeholder trust and improve resilience to survive in testing times.

  ✓ This has enabled us to develop strategic partnerships with key ecosystem players and leverage technology for meeting the demands of new consumers.

8. Geographic Reach

The company follows the hub – and Spoke model of operations through five branches (One in District Level branch and four other block level branches). The maximum distance between the branch and the client is not more than 21Kms. The distance between the location of the customer and the branch is geo tagged and if it is more than 21 Kms, the case is rejected.

The company is presently operating through in 11 states. The company is not presently disbursing any loans in Western UP, Uttarakhand and Delhi as these states were badly affected in demonetization. The company is disbursing in Punjab, Rajasthan, MP, Bihar, Odessa, Jharkhand, Andhra Pradesh and Chatisgarh and are referred as Growth Focused States. The company has started operation in new territories including Eastern UP.

Sectors addressed

The company is providing financial assistance to the customers in Semi Urban Areas. The company has provided loans who are beyond the reach of Microfinance and too small for bank and bigger NBFCs. We call this segment as missing middle.

Company Milestone

1985	Commenced operations by providing consultancy to foreign banks
1992	Forayed to 2-Wheeler financing through a JV with Kinetic Engineering
1995	Forayed to Stock Broking through JV with DBS Bank of Singapore
2008	Started Microfinance
2012	Started Enterprise Loans in MSE sector
2014	Business Correspondent of Yes Bank for Microfinance
2015	Branch Banking Model
2016	Started the disbursements through banking channel only. No cash disbursements made to the clients.
2016	Got first PE Fund investments of US$ 10 Millions
2016	Listed at NSE

2017	Assets size crossed Rs. 500 Crores on consolidated basis and company become Systematically important NBFC.
2017	Started Mobile Application connecting each employees with clients for real time reporting and data entry.
2017	Started issuing digital receipts to clients upon loan repayments, first of its kind in the segment.
2017	Awarded one of the 100 SME companies in India out of 41832 companies by India SME Forum, Axis Bank and Ministry of MSME
2018	Company ranked in top 1000 companies (FT1000 High-Growth Companies) Asia-Pacific ranking Financial Times Newspaper
2018	The company has opened 242 branches
2018	The company has started operating in Eastern India. The company has now presence in 10 states.
2018	Assets under Management size crossed Rs. 800 Crores on consolidated basis
2019	Starting of new digital products as Capital Magic Loan and Micro Business Loan
2019	Lending partnership with IDFC First Bank Limited
2020	Lending Ppartnership with one of the leading NBFCs
2021`	Started the new CBL product where the collection efficiency has been 99.8% in general and about 96% during the lockdowns
2021	Entered into for new partnership arrangements
2022	Capital Business Loan book more than legacy books
2022	Entered into various partnerships for BC and co lending
2023	Great place to work certification
2023	Permission from RBI for EKYC

BOARD OF DIRECTORS AND LEADERSHIP TEAM

Board of Directors

Name	Designation	Brief Profile
Mr. Yogen Khosla	Chairman & Managing Director	Yogen Khosla is Managing Director and CEO of the company. He holds a bachelors degree from Loyola College, Chennai. He forayed the company into MSME lending and was instrumental in leading the company to be amongst the top 100 SME's amongst 41832 nominations by India SME 100 Awards. He was recognized by Insights Success magazine as the 10 most admired financial leaders to watch in 2017. He is also an avid ultra sportsman having done a half Ironman and many half and full marathons. He also regularly participates in long distance cycling events.
Ms. Suman Kukrety	Independent Woman Director	Ms. Suman is a competent professional with 20 years of quality experience in legal consultancy, legal documentation in civil and criminal cases before the Supreme Court of India, High Courts, District Courts, quasi-judicial tribunals, institutional arbitrations before Indian Council of Arbitration (ICA), International Centre for Alternate Dispute Resolution (ICADR).She secured 1st position in Advocate-on-Record examination held by the Supreme Court of India, in June, 2009.
Mr. Govind Saboo	Independent Director	Mr. Govind Saboo is rank holder Chartered accountant with more than 19 years of experience in Finance, Investment, Capital Budgeting and Compliance. Presently he is a Practising Chartered Accountant under firm M/s Govind Saboo & Co. He has been associated with many NBFCs in Advising them in their initial growth phase on capital allocation, governance, corporate finance & investor communication. He was also founding team member of IndiaNivesh Growth & Special Situation Fund, a Venture capital fund investing at early growth stage of the company.
Mr. Pawan Dubey	Independent Director	Mr. Pawan Dubey is a practising Advocate and Fellow Company Secretary having 19 years of experience. He has practiced before the Hon'ble Supreme court of India, Hon'ble Delhi High Court, National Company Law Tribunal (NCLT), National Company Law Appellate Tribunal (NCLAT), District Consumer Forums, State Commission, National Commission and various other District Courts of Delhi. He is a member of SSB working support

		group of ICSI.He was member of Corporate Law Committee, Study Session Committee and Training & Educational Facilities & Library Committee of NIRC of ICSI.
Mr. Vahin Khosla	Joint Managing Director	Mr. Vahin Khosla is the Executive Director of company. He holds a bachelor's degree in Economics-Accounting and a master's degree in Finance from Claremont McKenna College, CA, USA. He graduated as a Roberts Day Scholar from college and a School Prefect from The Doon School. He has been instrumental in the fundraising arm of the company having raised over 1000Cr in the last few years. Prior to working with Capital Trust, Vahin worked with DaVita Healthcare in the Corporate Finance team in Denver, USA. He has represented his football club at an international level and completed the Ironman triathlon in 2022.

Leadership team

Name	Designation	Brief Profile
Mr. Vinod Raina	CFO	Mr. Vinod Raina is the Chief Financial Officer of the company. He has been associated with the Company since 2016. He joined the company as Head of Compliances and later on took the role of CFO in 2019. Vinod is Fellow Member of Institute of Company Secretaries of India and is also a Law Graduate. He has 25 years of experience in Fund Raising, Financial Management, Mergers and Acquisitions, Statutory Compliances, Legal, Treasury Management, Taxation and Listing Compliances. He has been instrumental in managing relationship with Bankers, Investors, Auditors, Statutory authorities like RBI, SEBI, MCA, Income Tax etc. He has successfully created the partnership model for the company. Prior to joining Capital Trust, Vinod has worked in the Manufacturing sector, Software Development , Rating and BFSI sector. Vinod is an avid cricketer and plays the game every weekend.
Mr. Yuv Vir Khosla	Chief Operating Officer	Mr. Yuv Vir Khosla is the Chief Operating Officer of our company. He holds a Bachelor of Arts degree in Economics and History from Williams College, MA, USA. He graduated from The Doon School as the Head Boy. He has experience in the fields of business operations, analytics and risk, and has been with the company since 2017. Prior to

		working at Capital Trust Limited, Yuv has worked at 3i Debt Management in New York and Cantor Fitzgerald in Hong Kong. Yuv also holds a private pilot license and has completed the Ironman Triathlon.
Mr. Mukesh Aggarwal	Deputy Chief Operating Officer	Mr. Mukesh Aggarwal is the Deputy Chief Operating Officer of our Company. He holds a bachelor's degree in Commerce from University of Delhi and is also an associate of the Institute of Chartered Accountants of India ("ICAI") and the Institute of Company Secretaries of India ("ICSI"). He has experience in the field of Risk Management, Underwriting & Finance. He has previously worked at HSBC Bank as AVP - Risk, Dewan Housing Finance Limited as Manager - Credit, CitiFinancial (group company of Citibank) as Associate - Mortgages and Siddharth Petro products as Manager Accounts. He is responsible for various support functions of the company including Credit, Audit, Operations, Information Technology and Service quality. He also plays a key role in managing relationship with Investment Partners.
Mr. Naresh Koul Nazir	Head HR	Mr. Naresh Koul Nazir is the Human Resources Head of our company. He has done his Post-Graduation in Human Resource from Bhartiya Vidyapeeth (Pune University). Before joining Capital Trust he has had an extensive career of more than 21 years in Human Resource Management. His previous stints were with Equitas Small Finance Bank as Deputy Vice President HR, PNB MetLife as Regional Head HR, Mofoi Management (Ranstard Group) as State Head. He was the first employee of Equitas Small Finance Bank in North India and was instrumental in setting up company's operations in North India.
Ms. Tanya Sethi	Company Secretary	Ms. Sethi is a qualified Company Secretary with over 12 years of experience. She has done her graduation in commerce from University of Delhi and has a Master’s in Business Program and Corporate Governance from Indira Gandhi National Open University. Her association with Capital Trust includes taking care of Statutory and Regulatory compliances

CORPORATE INFORMATION

Corporate Identification No. : L65923DL1985PLC195299

Registered & Corporate Office :
205 Centrum Mall
Sultanpur MG Road
New Delhi - 110030
Ph: +91-97168 44571
Email: info@capitaltrust.in
cs@capitaltrust.in

Board of Directors :
- Mr. Yogen Khosla (Chairman and Managing Director)
- Mr. Sanjiv Syal (Independent Director)
- Ms. Suman Kukrety (Independent Woman Director)
- Mr. Govind Saboo (Independent Director)
- Mr. Pawan Dubey (Independent Director)
- Mr. Vahin Khosla (Executive Director)

Board Committees

Audit Committee :
- Mr. Govind Saboo (Chairman)
- Mr. Sanjiv Syal
- Mr. Yogen Khosla
- Mr. Pawan Dubey

Nomination and Remuneration Committee :
- Mr. Govind Sabooo (Chairman)
- Mr. Sanjiv Syal
- Mr. Pawan Dubey
- Ms. Suman Kukrety

Stakeholders' Relationship Committee :
- Mr. Govind Sabooo (Chairman)
- Mr. Yogen Khosla
- Ms. Sanjiv Syal
- Mr. Pawan Dubey
- Ms. Suman Kukrety
- Mr. Vahin Khosla

Risk Management Committee :
- Mr. Govind Saboo (Chairman)
- Mr. Sanjiv Syal
- Mr. Yogen Khosla
- Mr. Pawan Dubey
- Mr. Vahin Khosla
- Chief Risk Officer

Corporate Social Responsibility Committee	:	• Mr.Pawan Dubey (Chairman) • Mr. Sanjiv Syal • Mr. Yogen Khosla • Mr. Vahin Khosla
Company Secretary	:	Ms. Tanya Sethi
Chief Finance Officer	:	Mr. Vinod Raina
Auditors	:	M/s JKVS & Co. Chartered Accountants 209, Hans Bhawan, 1 Bahadur Shah Zafar Marg, New Delhi - 110002
Registrar & Transfer Agent	:	**MAS Services Limited** T-34, IInd Floor Okhla Industrial Area, Phase-II New Delhi 110020 Tel. : 011-26387281 E-mail : info@masserv.com

PARTNERS

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A. Executive Summary

The fiscal year 2024-2025 has been a testament to Capital Trust Limited's (CTL) resilience and strategic agility in navigating an increasingly complex macroeconomic environment. Against the backdrop of persistent inflationary pressures, tightening monetary policies across advanced economies, and evolving regulatory frameworks in the Indian financial sector, CTL has demonstrated remarkable operational robustness. The company's performance has been characterized by prudent risk management practices, technological innovation in credit underwriting, and a disciplined approach to portfolio diversification.

Strategic initiatives during the year included the full integration of our digital lending platform with India's Account Aggregator ecosystem, resulting in a 40% reduction in turnaround time for repeat borrowers. Furthermore, our co-lending partnerships have enabled deeper penetration into tier-3 - tier-4 markets while optimizing capital efficiency through risk-sharing arrangements.

This comprehensive MD&A report provides stakeholders with detailed insights into:

- The global macroeconomic landscape and its implications for emerging markets
- Structural trends reshaping the NBFC sector globally and in India
- CTL's financial and operational performance across key metrics
- Our enhanced risk management framework addressing emerging risks including cybersecurity and contagion

B. World Economy Overview (2024-2025)

The global economy in FY2024-25 has been navigating a precarious path between inflationary containment and growth preservation. According to the International Monetary Fund's (IMF) October 2024 World Economic Outlook, global GDP growth is projected at 2.9%, representing a modest deceleration from the 3.4% recorded in FY2023-24. This slowdown has been particularly pronounced in advanced economies, where tighter monetary conditions have dampened consumption and investment activity.

The United States economy has demonstrated relative resilience, growing at 2.1% in FY25, supported by strong labour markets (unemployment at 3.8%) and robust consumer spending. However, the Federal Reserve's restrictive monetary policy—maintaining the federal funds rate at 5.25%-5.50% for most of the fiscal year—has begun to weigh on interest-sensitive sectors such as housing and durable goods. The Eurozone, by contrast, has verged on stagnation with mere 0.9% growth, as energy market dislocations and weak industrial production, particularly in Germany's manufacturing sector, continue to pose headwinds.

Emerging markets have remained the bright spot in the global growth narrative, expanding collectively at 4.0%. This outperformance has been led by Asia, where India (6.5% growth) and Vietnam (5.2%) have benefited from manufacturing realignment under the China+1 strategy. However, these economies face their own set of challenges, including:

- **Commodity price volatility**: Brent crude has oscillated between 85−85−95/barrel due to geopolitical tensions and OPEC+ supply management.
- **Debt sustainability concerns**: Emerging market debt-to-GDP ratios have surpassed 250% in aggregate (IIF data).
- **Currency volatility**: The U.S. dollar index (DXY) has remained elevated near 105, pressuring EM currencies and complicating monetary policy.

The global inflation trajectory has shown signs of moderation but remains above central bank targets in most jurisdictions. U.S. core PCE inflation has eased to 3.0% (from 4.5% in FY24), while Eurozone HICP inflation stands at 2.5%. This sticky inflation has compelled major central banks to maintain restrictive policies longer than initially anticipated, with the Fed's balance sheet runoff continuing at $95 billion/month and the ECB only commencing rate cuts in Q2 FY25.

C. Structural Challenges in the Global Economy

1. **Debt Overhang and Fiscal Constraints**

The global debt stock reached a record $307 trillion in Q1 2024 (IIF data), representing 336% of world GDP. This debt accumulation has been particularly acute in emerging markets, where dollar-denominated corporate debt has created vulnerability to currency shocks. The U.S. Treasury market has seen prolonged selloffs, with 10-year yields breaching 4.5% multiple times during FY25, tightening financial conditions globally.

2. **Trade Fragmentation and Supply Chain Reconfiguration**

The geopolitical realignment of global trade flows has accelerated in FY25, with "friend-shoring" initiatives redirecting an estimated $1.2 trillion in cross-border investment. The U.S. CHIPS Act and EU's Critical Raw Materials Act have spurred semiconductor and clean technology investments within aligned blocs, while China's dual circulation strategy has deepened its domestic supply chains. This balkanization has increased production costs—McKinsey estimates a 3-5% uplift in manufacturing input costs globally.

3. **Climate Transition Risks**

The physical and transition risks associated with climate change have moved from theoretical to material concerns for financial institutions. The NGFS climate scenarios now inform stress testing at systemic banks, with carbon-intensive portfolios facing higher risk weights. Insurance premiums for climate-exposed assets have risen 40-60% in vulnerable regions, per Swiss Re data.

D. Indian Economy – Performance and Prospects

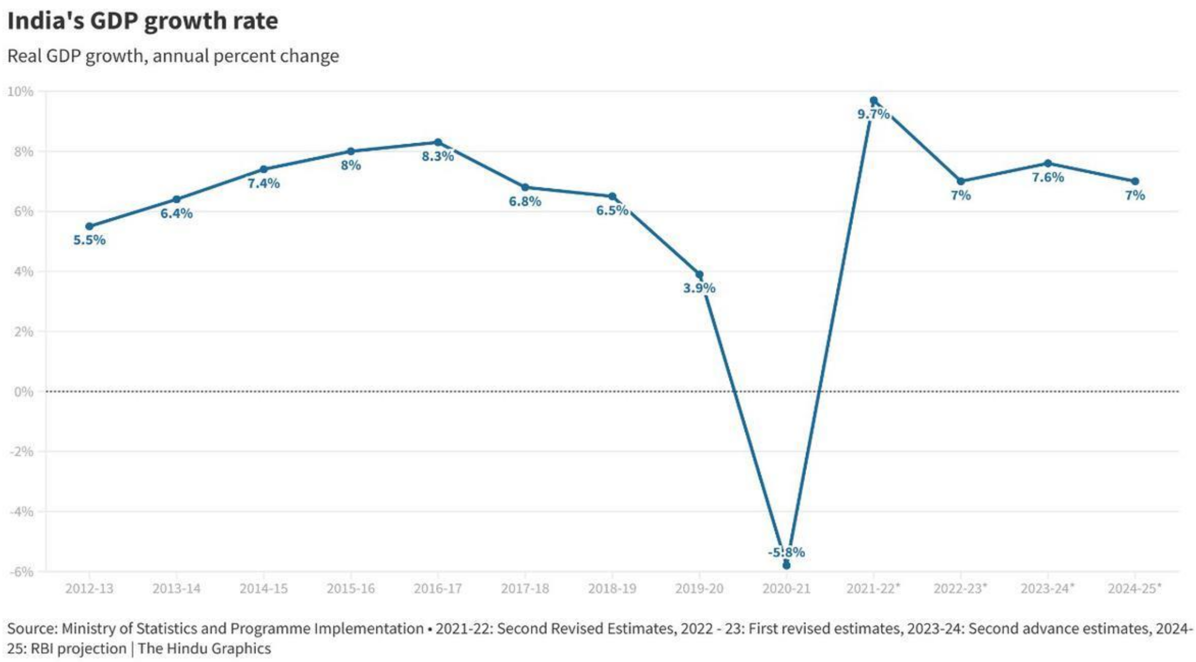
1. **FY2024-25 Macroeconomic Performance**

The Indian economy has demonstrated remarkable resilience, growing at 6.5% in FY25 despite global headwinds. This outperformance has been anchored by:

- **Domestic consumption**: Private final consumption expenditure grew at 7.2%, supported by urban demand recovery and rural consumption revival post-monsoon normalization

- **Investment revival**: Gross fixed capital formation expanded by 8.1%, driven by government infrastructure spending (₹11.1 lakh crore allocation) and private sector capex in PLI scheme sectors

- **Services sector dynamism**: The GVA for services grew at 7.8%, with IT-enabled services and financial services leading the expansion



The inflation trajectory has shown moderation but remains above the RBI's 4% target, with FY25 average CPI at 5.2%. Food inflation volatility—particularly in cereals and pulses—has been the primary driver, while core inflation has eased to 4.8% by March 2025. The RBI maintained a calibrated tightening stance for most of the year, with 50 bps of rate hikes in H1 FY25 followed by status quo, before delivering a 25-bps cut in February 2025 as inflation expectations anchored.

2. Financial Sector Dynamics in India: Regulatory Tightening, Credit Growth, and Digital Acceleration

Introduction

The Indian financial sector has witnessed significant transformation in recent years, characterized by robust credit expansion, regulatory interventions, and rapid digital adoption. While banks and non-banking financial companies (NBFCs) have driven credit growth—particularly in retail and MSME segments—the Reserve Bank of India (RBI) has introduced measures to mitigate systemic risks, especially in unsecured lending. Key developments include:

- **Strong credit growth (15-18% YoY)**, with NBFCs outpacing banks in retail and MSME lending.
- **Regulatory tightening**, including higher risk weights on unsecured loans, moderating personal loan growth.
- **Persistent deposit-credit growth gap (12% vs. 15-18%)**, straining liquidity.
- **Digital acceleration**, with UPI transactions exceeding 20 billion monthly and the Account Aggregator framework covering 85% of systemic deposits.

This article delves into these dynamics, focusing on RBI's regulatory measures—particularly the new **base layer framework for NBFCs, risk weight adjustments, and co-lending guidelines**—while incorporating the latest data and policy updates.

1. Credit Growth and Sectoral Trends

1.1 Robust Credit Expansion

India's credit growth has remained strong, averaging **15-18% YoY** (as of Q1 FY25), driven by retail, MSME, and infrastructure financing. Key trends include:

- **NBFCs outpacing banks**: NBFCs have grown at **~20% YoY**, compared to banks' **~15%**, due to their agility in retail and MSME lending.
- **Retail loans dominate**: Personal loans (including credit cards and consumer durables) grew at **23% YoY** (down from **35% in FY24** after RBI's risk weight hike).
- **MSME credit surge**: The Emergency Credit Line Guarantee Scheme (ECLGS) and digital lending platforms have pushed MSME credit to **~18% YoY**.

1.2 Deposit Growth Lag and Liquidity Pressures

Despite strong credit demand, deposit growth lags at **~12% YoY**, sustaining liquidity pressures:

- **Credit-Deposit Ratio (CD Ratio) at 78%** (up from 75% in FY24), indicating tighter liquidity.
- **RBI's liquidity operations**: The central bank has intermittently injected liquidity via **variable rate repos (VRRs)** to ease short-term deficits.

2. Regulatory Tightening: RBI's Measures to Curb Risks

2.1 Higher Risk Weights on Unsecured Lending (Nov 2023)

In November 2023, the RBI increased risk weights on unsecured loans to **125% for banks and 100% for NBFCs** (from 100% and 75%, respectively). The impact:

- **Personal loan growth slowed to 23% YoY** (from 35% in FY24).
- **Credit card outstanding growth moderated to 28%** (from 34% in FY23).
- **NBFCs' cost of funds rose** as banks reduced lending to them due to higher capital requirements.

2.2 Base Layer Framework for NBFCs (Effective Oct 2024)

The RBI's **new four-tier regulatory framework for NBFCs** (announced in April 2024) categorizes them based on size and risk:

Layer	Criteria	Key Regulations
Base Layer	Assets < ₹1,000 crore	Simplified norms, lower compliance
Middle Layer	Assets ₹1,000-10,000 crore	Stricter governance, liquidity norms
Upper Layer	Top 25-30 NBFCs by size	Near-bank regulations (CRR, SLR)
Top Layer	NBFCs posing systemic risks	Additional capital buffers

2.3 Implications of Regulatory Changes for NBFCs

The regulatory framework introduced by the Reserve Bank of India (RBI) has significant implications for different categories of Non-Banking Financial Companies (NBFCs). Small NBFCs, classified under the Base Layer, benefit from lighter compliance requirements. This regulatory leniency is designed to support the growth of smaller players, including fintech companies and local lenders, by reducing their cost and burden of compliance. This, in turn, helps promote financial inclusion and innovation in underserved markets.

On the other hand, Upper Layer NBFCs, are subject to more stringent regulatory requirements. These entities are now mandated to maintain Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR), similar to banks. While this move aligns larger NBFCs with the prudential norms applicable to traditional banking institutions, it also raises their funding costs. This could affect their lending rates and margins, especially in competitive segments like consumer and SME lending.

2.4 Revised Co-Lending Guidelines (June 2024 Update)

In June 2024, the RBI revised its Co-Lending Model (CLM) to enhance collaboration between banks and NBFCs in financing priority sectors such as agriculture and MSMEs. The updated guidelines are aimed at improving risk alignment and process standardization. One of the key changes is the requirement for banks to retain at least 20% of the loan on their books, up from the earlier 10%. This change ensures that banks maintain a meaningful stake in the co-lent loans, thereby promoting better credit evaluation and monitoring.

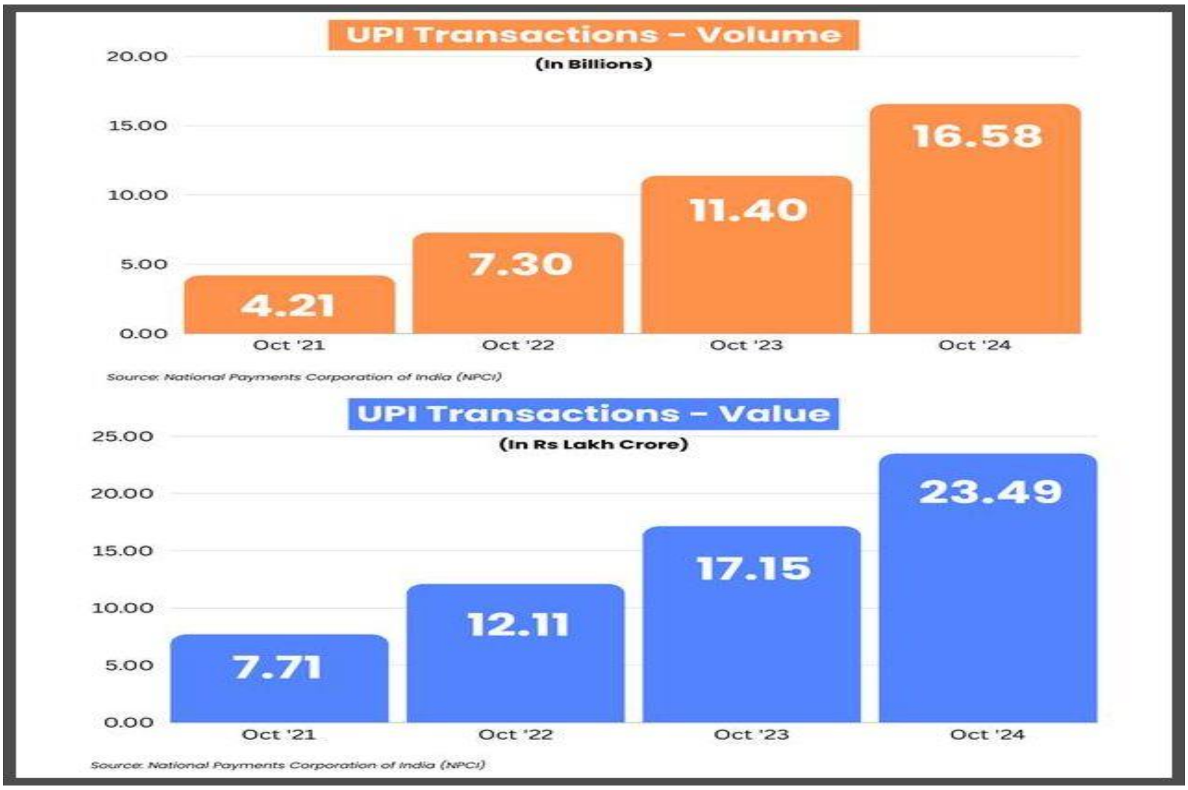
Another major update is the standardization of underwriting processes. The revised framework mandates that both the bank and NBFC use common digital platforms for credit appraisal and due diligence. This ensures transparency, reduces duplication, and enhances the overall efficiency of the lending process. Furthermore, co-lending arrangements targeting agriculture and MSMEs now fully qualify under Priority Sector Lending (PSL) obligations for banks, providing an added incentive for such partnerships.

The impact of these revisions has been substantial. In FY24, MSME co-lending volumes grew by 35% year-on-year, indicating strong demand and increased trust in the co-lending structure. Additionally, the number of NBFC-bank tie-ups has risen, with notable examples like SBI partnering with Five Star Business Finance to provide tailored MSME loans. This trend reflects growing confidence in co-lending as a viable and scalable model for financial inclusion.

3. Digital Finance Acceleration

3.1 UPI Dominance

- **Monthly UPI transactions crossed 20 billion** (May 2024), up from **12 billion in FY23**.
- **RBI's credit line on UPI**: Allows pre-sanctioned credit via UPI, boosting digital lending.



3.2 Account Aggregator (AA) Framework Expansion

The Account Aggregator (AA) framework has witnessed significant progress, with its coverage expanding to nearly 85% of systemic deposits as of FY24, compared to just 60% in FY23. This expansion reflects growing adoption by banks and financial institutions, enabling a broader base of customers to securely share their financial data. As of April 2024, over 1.2 billion data-sharing consents had been processed through the AA ecosystem. This surge in usage highlights the increasing reliance on digital consent-based data sharing to streamline processes such as loan underwriting, credit assessments, and personalized financial services. The AA framework is instrumental in building a data-rich financial infrastructure that ensures transparency, customer control, and faster access to credit.

3.3 Rise of Fintech Lending

India has witnessed a rapid rise in fintech-led lending, with digital lending growing at a compound annual growth rate (CAGR) of 35% between 2020 and 2024. This growth has been spearheaded by platforms such as Paytm, BharatPe, and Lendingkart, which have leveraged technology to offer quick, paperless, and personalized loans to underserved segments, especially small businesses and individual borrowers. However, this fast-paced expansion has also prompted regulatory tightening by the Reserve Bank of India. To curb excessive risk-taking, the RBI has imposed stricter norms, including a cap on the First Loss Default Guarantee (FLDG) at 5%. This cap limits the extent to which fintechs can bear the initial credit loss on loans originated in partnership with regulated lenders, thereby promoting more responsible lending practices and reducing systemic risk in the digital credit ecosystem.

4. Future Outlook and Challenges

4.1 Liquidity Management

- The persistent gap between deposits and credit growth continues to be a concern for the Indian banking system. While credit demand—particularly from retail, MSME, and infrastructure segments—has surged, deposit growth has not kept pace. This widening deposit-credit gap puts pressure on banks' ability to fund loans through traditional low-cost deposits. As a result, banks may be compelled to increase deposit rates to attract more funds from savers, which in turn could raise overall lending rates, affecting borrowers across sectors.

- The market is increasingly factoring in expected rate cuts in the second half of FY25, driven by moderating inflation and a potential global monetary easing cycle. If implemented, these rate cuts by the Reserve Bank of India (RBI) could ease funding costs for banks, NBFCs, and corporates. Lower policy rates would translate into reduced cost of borrowing, enabling lenders to access cheaper capital and pass on the benefit to borrowers in the form of lower interest rates.

- This monetary easing would be especially beneficial for sectors that are highly sensitive to interest rates, such as housing, infrastructure, and MSMEs. For financial institutions, a reduction in funding costs can improve net interest margins and support credit growth. Additionally, lower rates could stimulate consumption and investment, giving a further boost to economic activity. However, the timing and extent of rate cuts will depend on macroeconomic indicators, including inflation trends, global financial conditions, and fiscal dynamics.

4.2 Regulatory Scrutiny on Shadow Banking

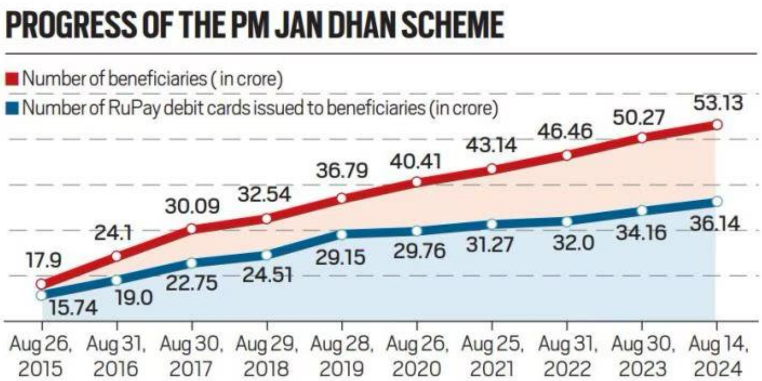
- Upper Layer NBFCs, identified by the RBI based on size, interconnectedness, and systemic importance, are set to face stricter regulatory norms in line with the scale-based regulation framework. These norms include higher capital adequacy requirements, mandatory maintenance of liquidity buffers, and closer supervision akin to that of scheduled commercial banks. While the objective is to strengthen risk management and ensure financial stability, these additional compliance requirements will inevitably lead to higher operational and funding costs.

- With rising compliance costs, tightening regulations, and increasing competition from banks and fintechs, mid-sized NBFCs are expected to pursue consolidation as a strategic response. Mergers and acquisitions will help these players achieve scale, improve operational efficiency, and enhance access to capital. The trend is likely to accelerate as only well-capitalized and digitally agile NBFCs will thrive in the evolving regulatory landscape.

4.3 Digital Lending and Cybersecurity Risks

- The Reserve Bank of India (RBI) has been increasingly monitoring the use of Artificial Intelligence (AI) and Machine Learning (ML) in credit underwriting and risk assessment by financial institutions. While these technologies offer greater efficiency, speed, and data-driven insights, they also pose risks related to algorithmic bias, transparency, and data privacy. As a result, the RBI is expected to issue new guidelines to ensure responsible and ethical use of AI/ML in credit models. These guidelines may focus on model explainability, fairness, auditability, and consumer protection, aiming to strike a balance between innovation and financial stability.

- Fraud prevention: As digital lending and financial transactions grow rapidly, fraud prevention has become a top priority for regulators and institutions. Technologies like biometric KYC—using fingerprint or facial recognition—are increasingly being adopted to ensure robust and tamper-proof identity verification. In parallel, blockchain-based verification systems are gaining traction for their ability to create immutable, transparent, and secure records of customer data and transaction history. Together, these technologies enhance the reliability of onboarding processes, reduce identity theft, and build greater trust in the financial ecosystem.



India's financial sector remains dynamic, balancing **high credit growth with regulatory prudence**. The RBI's tightening on unsecured loans, revised NBFC regulations, and co-lending reforms aim to ensure stability without stifling innovation. Meanwhile, digital finance—led by UPI and AA—continues to redefine lending. Going forward, managing liquidity, enhancing deposit growth, and mitigating fintech risks will be critical for sustained expansion.

Key Takeaways:

• Credit growth at 15-18%, but deposits lag at 12%:

Strong credit demand has pushed loan growth to 15–18%, but slower deposit growth at 12% may strain bank liquidity and force rate hikes or increased reliance on market borrowing.

• RBI's risk weight hikes slowed unsecured loan growth to 23%:

RBI's increased risk weights on unsecured personal loans have cooled growth to 23%, prompting banks and NBFCs to rebalance portfolios and tighten lending norms in the high-risk retail segment.

• New NBFC base layer framework imposes tiered regulations:

RBI's revised NBFC framework introduces a four-layer classification system, imposing tighter governance, disclosure, and capital norms depending on size and systemic importance, aimed at reducing sectoral risks.

• Co-lending gains traction, especially in MSMEs:

Co-lending models between banks and NBFCs are expanding, especially in MSME financing, leveraging NBFC reach and bank capital to improve last-mile credit delivery while sharing risk.

• Digital finance (UPI, AA) is reshaping credit accessibility:

Platforms like UPI and Account Aggregator are revolutionizing credit by enabling seamless, consent-based data sharing, improving credit assessments, and expanding formal financial access in underserved segments.

The RBI's calibrated approach seeks to foster growth while safeguarding financial stability, ensuring India's banking system remains resilient amid global uncertainties.

E. Global Macroeconomic Analysis: Structural Shifts and Implications

The global economic landscape in FY2024-25 has been characterized by three fundamental structural shifts that are reshaping financial markets worldwide. First, the transition from synchronous monetary tightening to asynchronous policy normalization has created divergent growth trajectories across advanced and emerging economies. While the Federal Reserve maintained its hawkish stance through most of the fiscal year, emerging market central banks like the Reserve Bank of India front-loaded rate cuts to support growth, resulting in unprecedented interest rate differentials. Second, the reconfiguration of global supply chains under the China+1 strategy has altered trade patterns, with Southeast Asian economies capturing 42 billion in redirected manufacturing investment (World Bank estimates). Third, the energy transition has accelerated beyond expectations, with renewable energy investments surpassing fossil fuels for the first time in history.

These macroeconomic shifts present both opportunities and challenges for non-bank financial institutions. The interest rate divergence has created attractive arbitrage opportunities in cross-border funding but requires sophisticated currency risk management. Supply chain realignment has generated 120 billion in new financing demand for factory construction and working capital across India, Vietnam and Mexico.

F. Indian Macroeconomic Deep Dive: Growth Drivers and Vulnerabilities

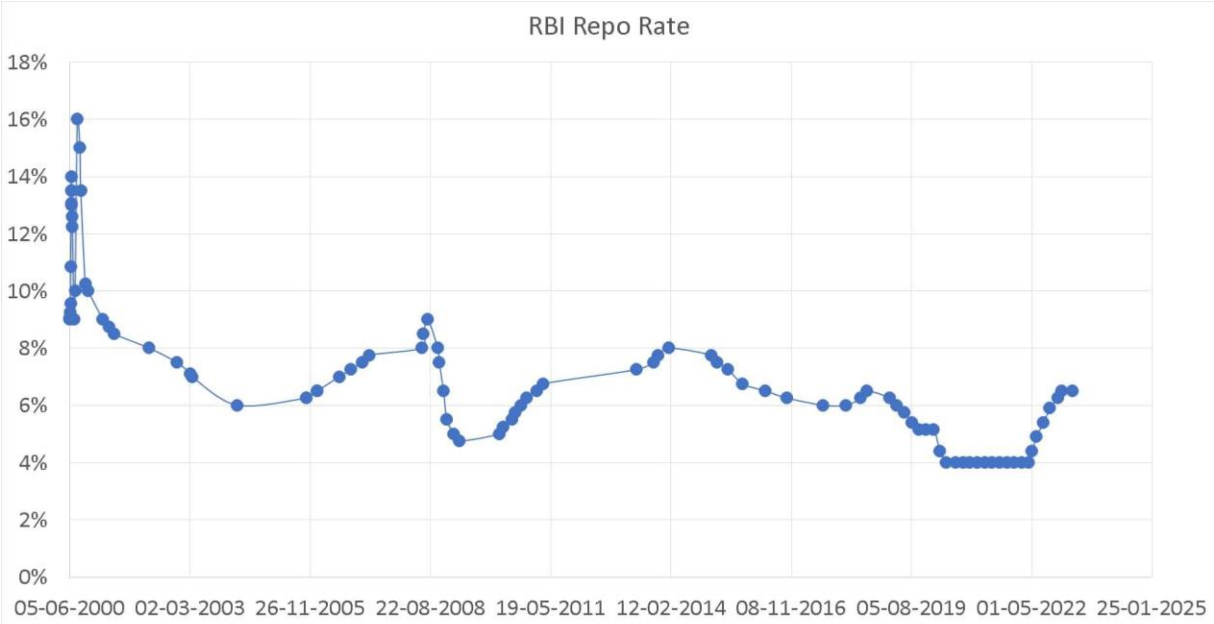
India's economic engine continues to fire on multiple cylinders, with FY2024-25 GDP growth of 6.5% making it the fastest-growing major economy. This performance stems from four powerful structural advantages:

1. **Demographic Dividend**: With 68% of the population in the working-age bracket and urban household formation growing at 5.2% annually, consumption demand remains robust. The expanding middle class (projected to reach 600 million by 2030) is driving premiumization across financial products.

2. **Manufacturing Renaissance**: The Production Linked Incentive (PLI) scheme has catalysed $55 billion in private manufacturing investment, particularly in electronics (32% growth), pharmaceuticals (18%) and renewable energy equipment (41%).

3. **Digital Infrastructure Leap**: India Stack adoption has reached critical mass, with 850 million Aadhaar-linked accounts, 500 million UPI users and 12 billion monthly AA framework API calls - creating an unprecedented data backbone for credit underwriting.

4. **Financial Deepening**: Credit penetration has increased from 56% to 63% of GDP since FY2020, with NBFCs accounting for 35% of incremental credit flow to commercially underserved segments.



However, three vulnerabilities require vigilant monitoring:

- Twin deficit pressure (fiscal deficit at 5.8% of GDP, current account deficit at 2.1%)
- Private sector capex concentration in only 4 sectors
- Uneven monsoon distribution impacting rural demand

G. NBFC Sector – Global and Indian Perspectives

1. Global NBFC Trends

The global non-bank financial intermediation (NBFI) sector has grown to $230 trillion in assets (FSB data), representing 48% of total global financial assets. Key trends include:

- **Digital lending disruption**: Fintech lenders now account for 28% of U.S. personal loan originations (TransUnion data), leveraging AI/ML models that reduce approval times to under 24 hours
- **Regulatory recalibration**: The EU's CRR III implementation has increased capital requirements for non-banks, triggering portfolio rebalancing toward higher-yielding assets
- **Private credit expansion**: Global private debt AUM surpassed $2.1 trillion (Preqin data), filling financing gaps left by retreating banks

2. Indian NBFC Sector Evolution

India's NBFC sector has crossed ₹150 lakh crore in AUM, growing at 18% CAGR over FY20-25. Structural shifts include:

- **Asset class specialization**: Gold loan NBFCs (20% AUM growth), vehicle financiers (17%), and microfinance (22%) have outperformed generic lenders
- **Co-lending proliferation**: 35% of NBFCs now have active co-lending arrangements, improving leverage ratios while maintaining asset ownership

- **Resolution mechanism innovation**: The adoption of Insolvency and Bankruptcy Code (IBC) processes for financial firms has improved recovery rates to 45% (from 32% in FY20)

3. **Deep Dive: Global NBFC Sector Transformation**

The global non-banking financial sector has undergone a fundamental transformation in FY2024-25, reshaping competitive dynamics across all major markets. Three powerful forces have converged to drive this evolution: digital disruption reaching maturity, comprehensive regulatory reforms, and macroeconomic rebalancing in a higher interest rate environment. These structural shifts have created both significant challenges and substantial opportunities for agile financial intermediaries like Capital Trust Limited.

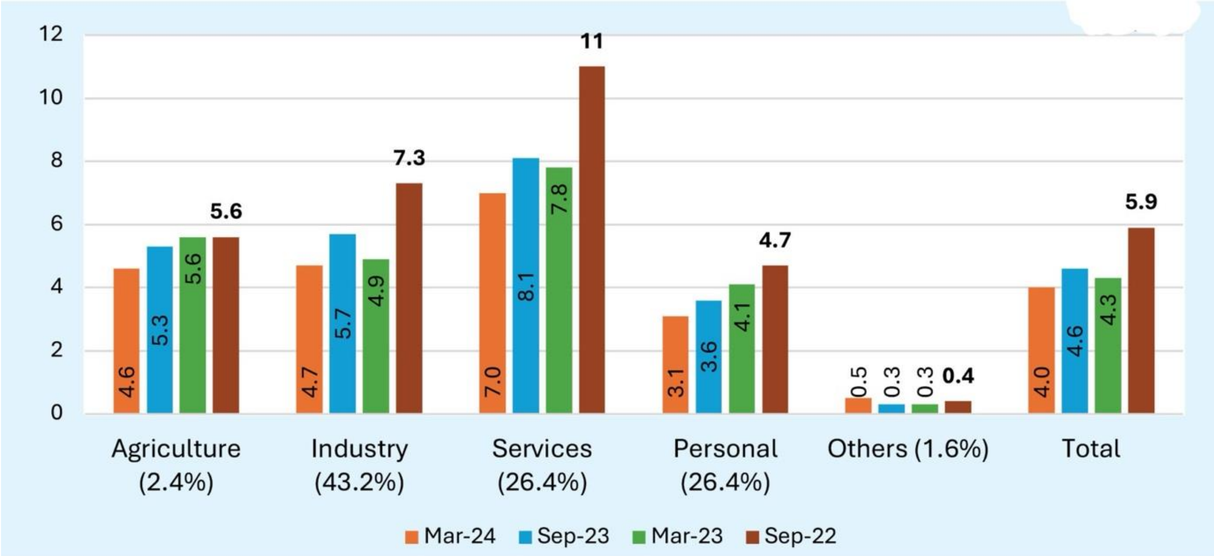
Digital lending platforms have achieved critical mass in advanced economies, fundamentally altering credit distribution channels. In the United States, digitally native lenders now command nearly one-third of the personal loan market, leveraging sophisticated algorithms that incorporate alternative data sources beyond traditional credit scores. These platforms have achieved remarkable efficiencies, reducing loan approval times from days to hours while maintaining robust underwriting standards. The European market has seen parallel developments, with open banking frameworks enabling seamless data sharing between traditional financial institutions and fintech lenders. This convergence has been particularly impactful in the SME lending segment, where real-time access to business banking data has improved credit assessment accuracy.

Regulatory changes have compelled a strategic reorientation across the sector. The implementation of Basel IV standards has significantly increased capital requirements for non-bank lenders globally, prompting portfolio rebalancing toward higher-yielding secured assets. In the European Union, the revised Capital Requirements Directive (CRD VI) now subjects systemic non-banks to the same minimum capital standards as traditional banks. This regulatory tightening has accelerated industry consolidation, with smaller players either merging with larger institutions or exiting capital-intensive business lines. The resulting landscape favours well-capitalized NBFCs with diversified funding sources and sophisticated risk management capabilities.

4. **Indian NBFC Sector: Structural Evolution**

The Indian non-banking financial sector has demonstrated remarkable adaptability in FY2024-25, evolving through several structural transformations that have redefined competitive dynamics. The most significant development has been the rapid specialization across asset classes, marking the end of the era of generic, undifferentiated NBFCs. Gold loan providers have emerged as clear leaders, benefiting from both rising gold prices and innovative loan-to-value optimization strategies. Microfinance institutions have achieved impressive growth through joint liability group model innovations, while digital inspection tools have revolutionized the used vehicle financing segment.

Sectoral GNPA ratio of NBFCs



Note: Figures in bracket represent shares in outstanding loans in Mar-24 Source: Financial Stability Report June 2024, RBI

On the liability side, Indian NBFCs have displayed impressive innovation in funding strategies. Direct assignment structures have gained substantial traction, now accounting for over a quarter of sector-wide funding. Co-lending partnerships with banks have proliferated, creating a symbiotic relationship that combines NBFCs' distribution strength with banks' balance sheet capacity. The retail bond market has witnessed unprecedented activity, with NBFC issuances crossing ₹1.2 lakh crore as investors seek higher yields in a rising rate environment. This diversified funding approach has enhanced sector resilience against liquidity shocks.

Digital transformation has moved from aspiration to implementation across the Indian NBFC landscape. The Reserve Bank of India's Digital Lending Guidelines have provided a clear regulatory framework for technology adoption, resulting in near-universal implementation of e-KYC for customer onboarding. API-based credit decisioning has become mainstream, enabling real-time risk assessment and faster disbursals. Perhaps most significantly, the account aggregator framework has gained critical mass, with two-thirds of NBFCs now participating in this data-sharing ecosystem that promises to reduce information asymmetry in credit markets.

H. Capital Trust Limited: Strategic Positioning

Capital Trust Limited has successfully navigated the evolving financial landscape through a combination of strategic foresight and operational excellence. Our competitive positioning rests on five key pillars that differentiate us in the marketplace. The foundation of our success lies in our diversified funding architecture, which carefully balances multiple liability sources to ensure stability across market cycles. Term loans, comprising 35% of our funding, are meticulously tenor-matched to our asset profile, while our retail bond program has established CTL as a recognized name in the fixed income market.

Our digital lending ecosystem represents a significant competitive advantage in today's technology-driven financial environment. The CTL Digital Platform integrates advanced artificial intelligence capabilities with seamless user experiences, creating a virtuous cycle of efficiency and customer satisfaction. The platform's AI-powered credit scoring system, built on the sophisticated FICO 8.5 model, delivers superior risk assessment while reducing turnaround times. Automated document processing handles 85% of cases without manual intervention, and our real-time fraud detection system achieves 98% accuracy in identifying suspicious applications.

The expansion of our co-lending network has been a strategic priority, resulting in partnerships with six public sector banks, three private banks, and two small finance banks. This network processes an impressive 28,000 loans monthly through standardized APIs, combining the strengths of multiple financial institutions to serve customers better. Our asset quality metrics testify to the effectiveness of our underwriting approach, with vintage analysis showing exceptionally low delinquency rates and collection efficiency exceeding 98%. These results reflect both our credit discipline and our investments in data analytics capabilities.

CBL-Unsecured and Secured Loans

Capital Trust Limited (CTL) offers a unique blend of fintech and traditional lending solutions tailored for India's informal micro-enterprises. Their Capital Digital Loans (CBL) include both **unsecured**(₹50,000–₹1,50,000) and **secured** (₹2,00,000–₹15,00,000) business loans, classified under Priority Sector Lending (PSL) by the RBI. These products cater to micro-enterprises often overlooked by mainstream financial institutions due to lack of formal documentation.

Key Features:

- **Hybrid Model:** Combines digital efficiency (leveraging historical data of ₹4,000+ Crore disbursed to 12 lakh clients) with physical cash-flow analysis and feet-on-street repayment collection (NACH/physical).
- **Target Clientele:** Focuses on households with annual incomes of ₹3–5 lakhs, bridging the gap between microfinance and formal MSME lending.
- **Rural Penetration:** Deep reach in Tier 3–6 cities across North and East India, addressing the unmet needs of shopkeepers and informal businesses.

Strengths:

- **Regulatory Edge:** Recognized by RBI as part of the Informal Micro Enterprises Sector, ensuring compliance and scalability.
- **Proven Returns:** Double-digit branch ROA and a 39-year legacy with ₹241 Cr AUM and ₹86 Cr Net Worth reflect a tested, high-yield model.
- **Security Flexibility:** Secured loans (backed by collateral) suit larger needs, while unsecured loans provide quick access to capital for smaller enterprises.

CTL's CBL products stand out for their **tech-touch balance**, combining fintech speed with traditional trust-building, making them a reliable choice for India's underserved micro-entrepreneurs.

I. SWOT Analysis of CTL

Strengths (Internal Positive Factors)

1. **Robust IT System – Ensures Efficient Operations and Risk Management**

   The company has invested in a strong and scalable IT infrastructure that supports seamless operations across its branch network. This system allows for real-time data monitoring, automated underwriting, loan disbursals, and collections, which enhances operational efficiency. Moreover, integrated risk management tools within the IT system help in early detection of defaults and frauds, contributing to overall financial health and compliance.

2. **Foot-on-Street Model – Enables direct customer engagement and collections.**

By deploying field officers and customer relationship executives in local markets, the company maintains strong, personal connections with its borrowers. This direct interaction allows for better customer service, improved understanding of borrower needs, and efficient on-ground collections. It also facilitates trust-building, especially in rural and semi-urban markets where digital adoption may be limited.

3. **35-Year Legacy – Trust and credibility as a listed entity.**

With a proven track record of over three decades, the company has established itself as a credible and reliable player in the financial services sector. Its listing on the stock exchange reflects transparency, adherence to compliance norms, and accountability to investors. This long-standing legacy contributes to customer trust and lender confidence.

4. **Extensive Branch Network – Strong physical presence for wider reach.**

The company operates through a wide network of branches strategically located in rural and semi-urban areas. This physical presence not only strengthens customer outreach but also enhances loan servicing, collections, and community engagement. It supports inclusive growth by ensuring last-mile delivery of financial services.

5. **Diverse Funding Mix – Optimal use of debt, NCDs, term loans (TLS), and co-lending.**

To ensure financial flexibility and cost optimization, the company maintains a balanced funding portfolio comprising debt instruments, Non-Convertible Debentures (NCDs), bank term loans, and co-lending partnerships. This diversification reduces dependence on any single funding source, lowers the cost of capital, and supports business scalability.

6. **Experienced & Trained Staff – Skilled workforce driving business growth.**

The company places strong emphasis on employee training and capacity building. Its team of experienced professionals and well-trained field staff play a critical role in customer acquisition, risk assessment, and portfolio management. Their domain expertise and commitment are key enablers of the company's sustained growth.

7. **Financial Inclusion Focus – Catering to shopkeepers/traders in semi-urban/rural areas.**

The company's business model is centered around promoting financial inclusion by offering credit solutions to underserved segments like small shopkeepers, traders, and micro-entrepreneurs in non-metro regions. This approach supports socio-economic development while tapping into a high-potential, underbanked customer base.

8. **100% MSME (PSL) Loan Book – Aligns with regulatory priority sector lending norms.**

The entire loan portfolio of the company qualifies under the Priority Sector Lending (PSL) category as defined by the Reserve Bank of India. This alignment not only supports national financial inclusion goals but also attracts favorable funding opportunities from banks and financial institutions that seek PSL exposure.

9. **High Employee Satisfaction – Certified "Great Place to Work," boosting retention.**

The company has been officially recognized as a "Great Place to Work," reflecting its commitment to employee well-being, inclusive culture, and professional development. High levels of employee satisfaction contribute to lower attrition rates, stronger institutional knowledge, and better customer service.

Weaknesses (Internal Negative Factors)

1. **BB+ Credit Rating – Higher funding costs due to sub-investment-grade rating.**

The company's current credit rating of BB+, which significantly affects its borrowing terms. This directly impacts profitability and restricts access to large-scale, low-cost funding, especially from conservative institutional investors.

2. **Wholesale Funding Dependency – Heavy reliance on institutional borrowings (banks/NCDs) exposes liquidity risks.**

The company predominantly depends on bulk funding sources like bank loans, Non-Convertible Debentures (NCDs), and term loans from financial institutions. This wholesale funding model creates exposure to liquidity mismatches, especially during periods of market stress when institutional lenders may reduce exposure to NBFCs, potentially impacting business continuity.

3. **Rising Cost of Borrowing – Increased interest rates post-MFI sector downturn (last 3 years) squeeze margins.**

Following industry-wide distress in the Microfinance Institution (MFI) sector, lenders have become risk-averse, demanding higher interest spreads. Consequently, the company has experienced rising borrowing costs over the past three years, which compresses its interest margins and limits its ability to competitively price loans.

4. **Limited Bank Borrowing Access – Post-MFI crises, banks tightened lending to NBFCs, restricting CTL's funding flexibility.**

Due to systemic concerns arising from defaults in the MFI and NBFC sectors, many banks have imposed stricter due diligence and curtailed lending limits to smaller NBFCs like Capital Trust Limited (CTL). This reduction in credit lines limits CTL's ability to quickly scale or manage liquidity during growth or stress cycles.

5. **Regulatory Compliance Burden – Stricter RBI norms (e.g., liquidity coverage, NPA recognition) increase operational costs.**

Recent Reserve Bank of India (RBI) guidelines mandating enhanced liquidity buffers, accelerated recognition of non-performing assets (NPAs), and stricter governance norms have increased the cost and complexity of compliance. These regulatory changes require investments in systems, reporting tools, and staff training, placing additional pressure on operating budgets.

Opportunities (External Positive Factors)

1. **Co-Lending Partnerships – Leveraging RBI guidelines for risk-sharing and growth:**
   NBFCs are increasingly entering co-lending partnerships with banks under RBI guidelines, enabling risk-sharing, improved credit access, and portfolio diversification, particularly in priority sectors like MSMEs and affordable housing.

2. **Expansion of Foot-on-Street Model – Enhances collections and client reach:**
   Expanding field staff presence strengthens local engagement, improves loan recovery, boosts customer onboarding in rural areas, and ensures deeper market penetration, especially where digital access remains limited.

3. **Digital-Assisted Lending – Tech adoption for scalability and efficiency:**
   Adopting digital tools—eKYC, analytics, mobile apps—streamlines onboarding, underwriting, and disbursement, enhancing operational efficiency, reducing turnaround times, and enabling scalable, low-cost growth across semi-urban and rural markets.

4. **Focus on Micro/Small Enterprises (MSEs) – High demand in underserved markets:**
   MSEs face chronic credit gaps; targeted lending to this segment offers high-growth potential, strong margins, and supports financial inclusion in underserved geographies with tailored small-ticket loan products.

5. **Cross-Selling Opportunities – Employee reach enables additional product penetration:**
   With strong customer relationships, frontline staff can cross-sell products like insurance or savings instruments, increasing wallet share, deepening engagement, and enhancing overall unit economics per borrower.

6. **Strategic Partnerships – Collaborations to expand market share:**
   Alliances with fintechs, aggregators, and value-chain players allow NBFCs to expand reach, access new customer bases, and leverage partner tech to enhance underwriting and service delivery.

7. **Lending-as-a-Service (LaaS) – Potential new revenue stream via fintech integrations:**
   By offering lending platforms to fintechs or partners as a service, NBFCs can monetize infrastructure, gain fee income, and participate in digital lending ecosystems without directly originating loans.

Threats (External Negative Factors)

1. Regulatory Policy Changes – Shifts in lending/co-lending norms may impact operations:

Changes in RBI regulations—such as risk weights, co-lending rules, or capital norms—can affect NBFC business models, operational flexibility, and growth plans, requiring constant compliance and strategy adjustments.

2. Risk Parameter Adjustments – Tighter underwriting standards could reduce loan approvals:
To manage asset quality, tightening credit norms may limit borrower eligibility, slow disbursements, and reduce customer acquisition, especially in high-risk segments like unsecured retail or first-time borrowers.

3. Economic Volatility – Macro factors affecting borrower repayment capacity:
Rising inflation, rural distress, or weak demand may hurt borrower cash flows and repayment ability, increasing delinquencies and necessitating more robust risk management and provisioning.

J. Financial Performance: Beyond the Headlines

1. Revenue Performance

The company reported a total income of ₹9,600.03 crore for the financial year 2025, reflecting a robust year-on-year growth of 20.6% compared to ₹7,958.34 crore in FY 2024. This growth was primarily driven by a substantial increase in **interest income**, which rose by ₹1,705.83 crore or 21.95% over the previous year. The surge in interest income indicates an expansion in the lending portfolio or improved yield on assets, highlighting the company's ability to scale its core operations and grow its earning base amid a competitive financial environment.

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2. Expense Analysis

Total expenses increased from ₹7,670.21 crore in FY 2024 to ₹9,437.95 crore in FY 2025, registering a rise of 23%. This rate slightly exceeded the growth in income, which may have contributed to margin compression during the year. Key components of the expense structure showed the following trends:

- **Finance Costs** saw a sharp rise of ₹895.20 crore, marking an 87.63% increase over the previous year. As a share of total revenue, finance costs climbed from 12.84% to 19.97%, indicating a significant uptick in the cost of borrowing or an increased reliance on debt funding. This trend reflects tightening liquidity conditions or a more leveraged growth strategy, potentially impacting profitability.

- **Employee Benefits Expense** increased by 11.57% year-on-year. However, its proportion of total revenue declined from 46.14% in FY 2024 to 42.67% in FY 2025. This suggests improved operational efficiency and the realization of economies of scale, with employee cost growing at a slower pace than income.

- **Other Expenses** rose by 8.5%, but their share in revenue decreased from 35.42% to 31.86%, further underscoring the company's efforts toward cost optimization and better expense control relative to income growth.

3. Profitability

Despite the strong growth in income, the company's **Profit Before Tax (PBT)** declined sharply by 43.75%, falling from ₹288.13 crore in FY 2024 to ₹162.08 crore in FY 2025. The compression in margins is primarily attributed to the disproportionate rise in finance costs and total expenses, which outpaced revenue growth. This suggests that while the top line has expanded, rising funding costs and operational expenses have put pressure on profitability, signaling a need to reassess cost structures or funding strategies going forward.

Fiscal 2025 compared to Fiscal 2024

	Fiscal 2025		Fiscal 2024	
	Amount	**% of Total Revenue**	**Amount**	**% of Total Revenue**
Revenue from operations				
Interest Income	9,474.60	98.69%	7,768.77	97.62%
Other income	125.43	1.31%	189.57	2.38%
Total Income	**9600.03**	**100.00**	**7,958.34**	**100.00**
Expenses				
Finance costs	1,917.31	19.97%	1022.11	12.84%
Fees and commission expense	113.87	1.19%	105.53	1.33%
Impairment / write offs of financial instruments	205.08	2.14%	9.31	0.12%
Net loss on fair value changes	-	-	-	-
Employee benefits expense	4,096.47	42.67%	3671.77	46.14%
Depreciation, amortization and impairment	46.26	0.48%	42.28	0.53%
Other expenses	3,058.96	31.86%	2819.21	35.42%
Total expenses	**9,437.95**	98.31%	**7,670.21**	96.38%
Profit / (Loss) before exceptional items and tax	**162.08**	1.69%	288.13	3.62%
Profit / (Loss) before tax	**162.08**	1.69%	288.13	3.62%
Tax expense				
Current tax related to earlier years	(10.83)	(0.11)%	-	-
Deferred tax	(40.16)	(0.42)%	(73.5)	(0.92%)
Profit / (loss) for the period	**111.09**	1.16%	214.63	2.70%

Risk management

The company has a robust risk management framework in place to identify, which measures, monitors and manages the critical risks. While risk is inherent to every institution, it assumes greater significance in the context of Micro Credit due to the very nature of the business with its absence of collaterals quality and the vulnerable, financially excluded customer segment it serves.

Risks may be avoided through pre-emptive action and hence the need to identify the risks and put in place various mitigation mechanisms.
Capital Trust has identified the following potential risks that could have an adverse impact on the company:

1. Credit Risk
2. Operational Risk
3. Liquidity Risk
4. Portfolio Concentration Risk
5. Compliance Risk

6. Reputation Risk
7. Strategic Risk
8. Contagion Risk

Credit Risk

Credit Risk for Capital Trust Limited is the risk of loss of interest income and the Company's inability to recover of the principal amount of the loan disbursed to its customers.

This risk can result from:

- Information asymmetry and excessive reliance on Credit Bureau check, not backed by soft information or market intelligence on a territory or group of borrowers, leading to adverse selection of borrowers.
- A volatile political presence in a region of exposure
- Exposure to activities with a high probability of variation in earnings
- Default due to over-indebtedness or business failure

Credit Risk also includes Credit Concentration Risk, arising out of concentrated exposure to a particular geographical location/territory or to an activity in which a large group of borrowers are engaged in, vulnerable to external events.

Mitigation

1.1. Location Selection

Before establishing any branch, a detailed survey is conducted which takes into account the factors like credit culture, economic activity and political stability of the area. This mitigates the risk of operating in negative areas.

1.2. Credit Bureau Check

A credit check is done for every customer through an automated system-to-system integration with the Credit Bureau. As part of this check, the parameters like default history, multiple borrowings, Indebtedness and income check are looked at to verify a customer's credit-worthiness and also ensure that they are not overburdened. This mitigates the risk of customer defaults.

1.3. Multi-Step Customer Verification

Capital Trust has established separate customer relationship (acquisition and maintenance) and customer evaluation (credit) personnel in order to ensure the quality of customers acquired as well as eliminate coerced borrowing practices which may lead to genuine customers becoming delinquent. This mitigates the risk of ghost borrowing and ring-leader scenario. Risk along with internal audit will be monitoring that customer verification process is followed properly else action to be recommended which should be accepted by business.

Operational Risk

Operational Risk is the risk of possible losses, resulting from inadequate or failed internal processes, people and systems or from external events, which includes legal risks but excludes strategic and reputation risk. The risk can emanate from:

- Procedural lapses arising due to higher volumes of small-ticket transactions.
- Lapses in compliance with established norms; regulatory as well as internal guidelines
- Misplaced/lost documents, collusion and fraud
- Breakdown or non-availability of core business applications.

Internal Audit team checks the various aspects of operational risk by auditing the various SOPs/ Processes.

Skill gap and sudden attrition of key personnel in the organization, is also an operational risk, which needs to be countered and addressed by the application of appropriate HR strategies.

Mitigation

Process Compliance

Capital Trust has an independent Internal Audit department which carries out surprise checks on field branches and rates them on pre-defined compliance parameters, identifies gaps in process compliance and rolls out initiatives to correct loopholes. This is done primarily to

- Ensure that the designed processes are being followed on the field – including interaction with the customers during various stages of the relationship lifecycle.
- Ensure all branch activities are carried out as per norms/procedures as mentioned in the operational manual.
- Identify any process lapses/deviations and provide guidance to branches/employees to ensure compliance.

This ensures that risks arising out of process lapses are mitigated. Risk should ensure that above mentioned guidelines is being followed up.

Employee Rotation Policy:

Capital Trust Limited has a policy to ensure that no field employee is posted in the same location for over two years as an effort to mitigate any chances of collusion or fraud. All field employees are either transferred to another branch or rotated to another role in a programmed manner so as to mitigate the chances of collusion with other employees or customers. The policy ensures that the employees have the predictability of their movements without putting them into undue hardships.

Document Storage and Retrieval:

Capital Trust recognizes the need for proper storage of documents as also their retrieval for audit and statutory requirements. We have put in place Physical Storage and Scanned Copies.

Portfolio Concentration Risk

Portfolio Concentration Risk is the risk to the company due to a very high credit exposure to a particular business segment, industry, geography, location, etc though in the context of micro finance, it pertains predominantly to geographical concentration.

Mitigation

Capital Trust intends to maintain a diversified exposure in advances across various states to mitigate the risks that could arise due to political or other factors within a particular state. With this in mind, Capital Trust has steadily diversified its presence from 3-4 states to 10 states.

Compliance Risk

Capital Trust is present in an industry where the Company has to ensure compliance with regulatory and statutory requirements. Non-Compliance can result in stringent actions and penalties from the Regulator and/or Statutory Authorities and which also poses a risk to Capital Trust's reputation.

Mitigation

The company has implemented a Compliance Management through its Compliance Committee with in-built work-flows to track, update and monitor compliances. The company has strong compliance team who monitors statutory compliances.

Reputation Risk

Reputation risk is the risk to earnings and capital arising from adverse perception of the image or the company, on the part of customers, counter parties shareholders, investors and regulators. It refers to the potential adverse effects, which can arise from the company's reputation getting tarnished due to factors such as unethical practices, regulatory actions, customer dissatisfaction and complaints leading to negative publicity. Presence in a regulated and socially sensitive industry can result in significant impact on Capital Trust's reputation and brand equity as perceived by multiple entities like the RBI, Central/State/Local authorities, banking industry and last but not least, Capital Trust's customers.

Mitigation

Considering the vulnerability of our customer segment and the potential for negative political activism to affect the reputation of the company, we have in place Strict Adherence to Fair Practices Code, Grievance, Redressal Mechanism, Customer Connect and Delinquency Management. The Company does not resort to any coercive recovery practices and has an approved delinquency management policy including restructuring of loans where necessary.

Strategic Risk

It is the risk to earnings and capital arising from lack of responsiveness to changes in the business environment and/or adverse business decisions, besides adoption of wrong strategies and choices.

Mitigation

This is being addressed and the risk mitigated to a great extent, by referring matters of strategic importance to the Management, consisting of members with diversified experience in the respective fields, for intense deliberations, so as to derive the benefit of collective wisdom.

Contagion Risk

Contagion risk as an enlarged version of systemic risk, refers to the probability of credit default among a large group of borrowers in a particular geographical Territory or State, arising out of external factors or political overtones, spreading to culturally-aligned neighboring Territory or State, resulting in moral hazard, thereby escalating the risk of possible default. Further in the context of micro credit, it could result mostly from ghost-borrowing and ring-leader scenarios.

Mitigation

This is being addressed by customer connect program wherein we pro-actively reach out to each individual customer as well as customers in each center to validate that the customers have genuinely applied for the loan and there has been no incidence of commission, following a relationship based mode of engagement so the customer feels a sense of loyalty to the company and is therefore less likely to be part of a mass default by others and implementing an analytics solution to study the credit bureau data and look for warning signs of increased defaults – upto the pin-code level.

Cybersecurity Risk

Cybersecurity risk refers to the potential harm or damage that can occur due to vulnerabilities, threats, or attacks targeting an organization's digital assets, systems, and networks. These risks arise from various sources, including malicious actors such as hackers, cybercriminals, and state-sponsored entities.

Mitigation:
We regularly assess potential cybersecurity threats and vulnerabilities through thorough risk assessments, enabling us to identify and prioritize areas for improvement. Through continuous security awareness training, we ensure that our employees are well-informed about evolving cyber threats and adhere to best practices in cybersecurity.

At Capital Trust Ltd., we take proactive measures to mitigate cybersecurity risks and ensure the protection of our clients' data. As part of our security protocols, we have implemented a policy of regularly changing passwords for our systems and accounts.
Every 15 days, we enforce a password rotation policy, requiring employees to update their passwords. This practice reduces the likelihood of unauthorized access due to compromised credentials and enhances the overall security posture of our organization.

By regularly refreshing passwords, we minimize the risk of data breaches and cyber threats, as it limits the window of opportunity for potential attackers to exploit weak or compromised passwords. This proactive approach aligns with our commitment to maintaining the confidentiality, integrity, and availability of our clients' sensitive information.

Artificial Intelligence Risk

AI risk, also known as artificial intelligence risk, refers to the potential negative consequences or adverse impacts associated with the development, deployment, or use of artificial intelligence (AI) technologies. These risks can arise from various factors, including technical limitations, ethical concerns, societal implications, and unintended consequences. Some key categories of AI risk include:

Technical Risks:

- Algorithmic Bias: AI systems may perpetuate or amplify biases present in data, leading to discriminatory outcomes or unfair treatment of certain individuals or groups.

- Robustness and Reliability: AI systems may exhibit unexpected behaviors, vulnerabilities, or errors, particularly in complex or unanticipated situations, posing risks to reliability, safety, and security.

- Data Quality and Integrity: AI performance heavily depends on the quality, relevance, and integrity of data. Poor data quality or biased datasets can lead to inaccurate or unreliable AI predictions and decisions.

Security Risks:

- Cybersecurity Threats: AI systems may be vulnerable to cyberattacks, malicious manipulation, or adversarial attacks, compromising data confidentiality, system integrity, and operational resilience.

Mitigation:

- By Conducting regular audits and assessments to identify and mitigate biases, errors, or inconsistencies in training data that could affect AI model performance.
- By maintaining human oversight and intervention mechanisms to complement AI-driven decision-making processes, particularly in high-stakes or sensitive domains
- By establishing ethical guidelines, principles, and codes of conduct governing the development, deployment, and use of AI technologies within the organization.
- By fostering a culture of ethical awareness, accountability, and responsible innovation among employees, stakeholders, and partners involved in AI initiatives.
- By empowering employees with the necessary training, expertise, and tools to interpret, validate, and challenge AI recommendations or decisions when necessary.
- Integrate AI risk assessment and management practices into existing risk management frameworks, governance structures, and compliance programs.
- Conduct comprehensive risk assessments to identify, prioritize, and mitigate AI-related risks, including technical, ethical, legal, and regulatory concerns.

Technology Infrastructure & Digital Transformation

The company has leveraged technology to effectively reach out to micro-borrowers to fulfil their requirements for income generating loans in a transparent manner. With Aadhaar card as the starting point, our software validates identity and credit history instantly. Zxing, an open-source, multi-format barcode image processing library, scans QRs codes on the Aadhaar Card which instantly sends information to the credit bureau for checking the client's credit history, determining whether the person is eligible for a loan. Through the mobile application, a soft approval for a loan can be given to a client within seconds.

The company uses the Technology to its maximum and helped the company in attaining:

- One of the first NBFCs to start cashless disbursement of all loans since 2015.
- Started process of cashless repayment for all loans (expect Microfinance) in 2019.
- Automated closing of company and all branch books at 6PM daily through collation of issued Digital Receipts (SMSs sent to client on collection of any repayment).
- Client application with access to all details regarding the loan to promote transparency and authenticity.
- Staff and client-facing smartphone applications with access to all details regarding the loan to promote transparency and authenticity
- All staff have access to Capital Sales, the company application, that provides real-time information in even the most remote locations.
- All new staff onboarding through paperless, digitalized processes with joining formalities done within hours
- All warehousing of information on cloud.
- Smart credit enabling client on-boarding and in-principle approval from scanning of client's Aadhar card at his doorstep.
- 100% paperless processes. From onboarding to disbursement all processes are digitalized and through the application with no scope of any manual input into system
- No manual entry allowed for any clients

The issuance of digital receipts for the repayments made by the clients, has helped the company is transparency and authenticity in transaction with the clients and reduction of frauds.

Investment in Subsidiaries

As on 31st March, 2025, there are no subsidiray compnies of Capital Trust Limited.

INTERNAL CONTROL SYSTEM

The Company has well documented internal financial controls with risk control matrix for all the critical areas of business and processes. Internal Financial Controls ensure that business is conducted on the set principles efficiently and the company adhere to policies, safeguarding its assets, prevention of errors, accuracy and completeness of the accounting records and the timely preparation of reliable financial information. The internal financial controls of the company are adequate and commensurate with the size of the business.

The Internal Auditors monitor the efficiency and efficacy of the internal control systems in the company, compliance with operating systems/accounting procedures and policies framed by the company. The department is also responsible to review and monitor the risk framework within the company. The department also undertakes audit of its branches covering all aspects of branch operations and credit audit. The department also provides independent assurance on the effectiveness of implementation of risk management framework, including the overall adequacy of the internal control system and the risk control function and compliance with internal policies and procedures.

The Company has adequate systems and procedures to provide assurance of recording transactions in all material respects. During the year, the Internal Auditors reviewed the operating effectiveness of the internal financial controls by undertaking an effectiveness testing of controls covered under the Risk Control Matrices for major processes.

The Internal Audit Department of Capital Trust upholds its departmental Vision of fostering a control environment of the organization, adding value to the organization by continuously improving operational efficiency and safeguarding the interests of the organization. The function will do so by recruiting and retaining the best talent from both internal and external sources in order to raise the profile of the Internal Audit Department within the organization.

The Mission of the Internal Audit Department of Capital Trust is to enable the organization in:

- Focusing on key business activities through motivated, skilled and experienced staff who are responsive to the customers' needs;

- Engaging with different entities to facilitate positive changes to existing processes, practices and systems;

- Adopting continuous improvement initiatives and implementing best practices in developing its plan, policies and methods;

- Creating a dynamic working environment which encourages innovation and maximizes the use of new technology;

- Ensuring that its performance is monitored, measured and reported in satisfying the expectations of the different stakeholders.

The internal audit adopts a risk based audit approach and conducts regular audits of all the branches/offices of the Company and evaluates on a continuous basis, the adequacy and effectiveness of the internal control mechanism, adherence to the policies and procedures of the Company as well as the regulatory and legal requirements. The company has well drafted policies and procedure in the form of manuals.

These policies and procedures are well established and followed meticulously. The company adheres to audit process which encompasses risk identification, risk assessment, risk address and reviewing & reporting risk. The Company has established risk management and audit framework to identify, assess, monitor and manage credit, market, liquidity and operational risks. This is extremely important as many of our borrowers do not have any assets and also do not have adequate literacy skills. The company has three levels of the audit which include surprise branch audit, Pre disbursement audit for client identification and checking of credit worthiness of the clients and post disbursal audit. Under the post disbursal audit, the loan utilization is checked. The internal audit department also tracks the attendance of client in the centre meeting.

The audit recommendations are actively followed up and implemented. As part of the effort to evaluate the effectiveness of the internal control systems, our Company's internal audit department reviews all the control measures on a periodic basis and recommends improvements, wherever appropriate. In addition to in-house internal audit department, the company has engaged independent internal auditor who submits its report to the audit committee.

SEGMENT – WISE OR PRODUCT – WISE PERFORMANCE

The company has only one segment of business i.e "financing" so there is no segment wise or product wise performance available.

HUMAN RESOURCES

Capital Trust Limited is operating in ten states within India and has more than 1700 employees. The company is market-driven, and technology-based, serving customers in ten states in northern, central and eastern part of India with financial products, and services. The company aims to be the first choice of customers, employees and shareholders.

Capital Trust policy offers equal employment opportunity for all persons, without bias or discrimination. It applies to all employment practices including (but not limited to) recruitment, promotion and training. Selection of business partners is also guided by like principles.

The business of the company is directly affected by the wellbeing of all sections of the society where we operate in. It is CTL,'s policy to maintain a working environment free of harassment and intimidation. Any type of harassment (including sexual harassment, verbal or implicit), or intimidation, is a violation of CTL policy, and is dealt with in accordance with corrective action procedures. The company has in place the Sexual Harassment policy, where the company has zero tolerance for any offence.

The human capital is major component in the finance industry besides capital. So having the right people at right place is the major strength of Capital Trust. We believe that the employees working with Capital Trust are realizing their dreams and in return the company achieves it goal.

Capital Trust does not hesitate in recognizing the co-existence of the Company and its Human Capital. Some of the employees in the company have been for more than 30 years with us. The company believes in long term relations with employees and the company has good retention rate.

All the employees of the company are equipped with smart phones. The employees mark their attendance through their mobile, apply for leaves, tours and tour claims through mobile app only. This has smoothened the processes and reduced the time to settle the claims. This is also environmental friendly as a lot of paper is being saved in printing.

The company has hired some senior people from reputed companies who are expert in their area of activity. With professionals at the top and fully motivated team at the field, the company is bound to grow in the future.

CAUTIONARY STATEMENT

The Management Discussion and Analysis report containing statements used for describing the Company's objectives, projections, estimates, expectation or predictions are 'forward looking' in nature. These statements are within the meaning of applicable securities laws and regulations. Though, Company has undertaken necessary assessment and analysis to make assumptions on the future expectations on business development it does not guarantee the fulfillment of same. Various risks and unknown factors could cause differences in the actual developments from our expectations. The key factors that can impact our assumptions include macro-economic developments in the country, state of capital markets, changes in the Governmental regulations, taxes, laws and other statues, and other incidental factors. The Company undertakes no obligation to publicly revise any forward looking statements to reflect future/likely events or circumstances.

Capital Trust

Directors' Report 2024-25

Your directors take pleasure in presenting the 39th Annual Report on the business and operations of your company, along with the standalone and consolidated audited financial statements for the year ended March 31, 2025.

1. FINANCIAL RESULTS

The Company's financial performance for year ended 31st March, 2025 is summarized below:

Particulars	Financials	
	2024-25	2023-24
Total Income from operations	9600.033	7958.23
EBIDTA	2125.65	1352.50
Less:		
Interest	1917.31	1022.10
Depreciation	46.26	42.28
Profit Before Tax	162.08	288.12
Profit/(Loss) after tax	110.09	214.63
Available for appropriation	111.09	214.63
Transfer to Reserve fund u/s 45IC of RBI Act, 1934	22.01	43.23

2. FINANCIAL PERFORMANCE

In FY 2024–25, the company reported a significant increase in operational income and EBIDTA. However, interest expenses nearly doubled, rising from ₹1,022.10 lakhs to ₹1,917.31 lakhs, which substantially impacted profitability. Despite a marginal rise in depreciation, Profit Before Tax declined to ₹162.08 lakhs from ₹288.12 lakhs in the previous year. Consequently, Profit After Tax dropped to ₹110.09 lakhs from ₹214.63 lakhs. The amount available for appropriation also declined, with ₹22.01 lakhs transferred to the Reserve Fund under Section 45IC of the RBI Act, as against ₹43.23 lakhs in FY 2023–24.

Capital Trust enjoys a positive reputation with stakeholders and a proven history of timely repayments. Our credit rating stands at BB+ (SO) by Care Ratings as of 31st March, 2025.

Capital Trust is well-positioned to navigate the evolving NBFC landscape. We are actively exploring opportunities in South India - for example MSME lending, secured lending, etc. Our focus remains on delivering value to our customers through tailored financial solutions, technological advancements, and an unwavering commitment to responsible lending.

3. FUND RAISING

In total, the company has raised Rs.11394 Lakhs during the year in the form of Term loans, PTCs, and Direct Assignments from Banks and NBFCs. Further, the company has disbursed Rs.23465 Lakhs during the year both under own funding and partnership model.

4. SHARE CAPITAL

During the year under review, there has raised capital through preferential allotment of 648287 equity shares. . The paid up capital of the company has changed to 17,00,97,020 divided to 1,70,09,702 equity shares of Rs. 10/- each.,

5. DIVIDEND

Your directors have not recommended any dividend. Your Company has formulated a dividend Policy in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR Regulations') to bring transparency in the matter of the declaration of dividends and to protect the interest of investors. The Dividend Distribution Policy forms part of this Report.

During the year Rs. 812545 out of unclaimed dividend account was to be transferred to Investor Protection and Education Fund. However, there is Rs. 0.05 Crores lying in unpaid paid dividend account of the company pertaining to year 2017-18 and 2018-19.

6. RESERVE FUNDS

During the year, the company has transferred Rs. 22.01 Lakhs to the reserve fund, in accordance with Section 45 IC of the RBI Act, 1934.

7. CREDIT RATING

As of March 31, 2025, the Company's credit rating stood at BB+ (SO)as assessed by Care Ratings.

8. CONSOLIDATED FINANCIAL STATEMENT

In accordance with Section 129(3) of the Companies Act, 2013 and Accounting Standards (AS) - 21, there is no requirement of Consolidated Financial Statements as on 31st March, 2025 as the company does not have any subsidiary.

9. PARTICULARS OF SUBSIDIARY COMPANIES

The Companydoes not have any subsidiary company as on 31st March, 2025..

10. COMPLIANCE WITH RBI GUIDELINES:

Your Company is compliant with all the applicable RBI regulatory norms. The company is complying with all the provisions of the master directions in this regard.

11. CAPITAL ADEQUACY

As of March 31, 2025, the company's consolidated Capital Adequacy Ratio was reported at 29%, signifying robust capital reserves to facilitate future growth initiatives.

12. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments affecting the financial position of the Company that have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report. However, the company is proposing to raise equity through rights allotment for which the board resolution was passed on 12th June, 2025 .

13. CHANGES IN NATURE OF BUSINESS

There has not been any change in the nature of Business and the company continues to do the business as a Non- Banking Finance Company.

14. CORPORATE SOCIAL RESPONSIBILITY

As per the provisions of Section 135(1) of the Companies Act, 2013, the company has a Corporate Social Responsibility Committee comprising of the below members:

Name	Designation	Category
Mr. Pawan Dubey	Chairman	Independent Director
Mr. Yogen Khosla	Member	Managing Director
Mr. Vahin Khosla	Member	Executive Director
Mr. Sanjiv Syal	Member	Independent Director

Section 135 of the Companies Act 2013 provides the threshold limit for applicability of the CSR to a Company:

1. net worth of the company to be Rs 500 crore or more; or
2. turnover of the company to be Rs 1000 crore or more; or
3. net profit of the company to be Rs 5 crore or more.

The company does not meet any of the criteria for the FY 2024-25 and therefore Section 135 does not apply to the company.

However the calculations of the CSR Amount (Rs in Lakhs) for the year 2024-25

Average Profit for preceding 3 years	(A)	(1810.51)

Particular	FY 2023-24	FY 2022-23	FY 2021-22
Net Profit as per Section 198	**214.63**	**(4564.13)**	**(1082.05)**

Minimum amount of CSR	**2% of (A)**	**-**

15. RISK MANAGEMENT FRAMEWORK

The company's risk management committee is pivotal in safeguarding our enterprise. This committee assists the Board in overseeing a comprehensive risk management framework that strategically addresses potential risks across a broad spectrum. This includes market, financial, credit, liquidity, interest rate, equity price, security, IT, legal, regulatory, and reputational risks. We actively identify, assess, monitor, and mitigate these risks to protect our business objectives and ensure long-term success.

Our approach extends beyond mere risk identification. We have implemented a robust risk management infrastructure that enables us to develop and implement effective mitigation strategies proactively. The Committee works with the Board and Audit Committee to ensure transparency and oversight. Major risks and corresponding mitigation measures are thoroughly evaluated for maximum effectiveness. This integrated approach, working in tandem with our management systems, organizational structures, processes, standards, and code of conduct, forms a strong defense against the risks inherent in our industry.

In 2024, we made significant enhancements to our Integrated Enterprise Risk Management, Internal Controls Management, and Assurance Frameworks. These improvements help maintain a holistic view of risks, optimize mitigation strategies, and streamline internal control and assurance activities. Our Risk Management Policy underscores this unwavering commitment to mitigating all current and future material risks. This proactive approach drives business growth, ensures continuity, and bolsters financial stability.

We recognize that effective risk management is not a static process. Our team is dedicated to ongoing evaluation and improvement of our risk management strategies. This forward-thinking approach prepares us to address the evolving risk landscape, fostering a culture of risk awareness, facilitating innovation, and laying the groundwork for sustainable long-term growth.

16. CORPORATE GOVERNANCE

The Company is in compliance with the Corporate Governance requirement of Companies Act, 2013 also those set out by SEBI. The Company has also adhered to the Guidelines on Corporate Governance adopted in accordance with Chapter XI - Corporate Governance of RBI Master Directions. The Company has also implemented several best corporate governance practices as prevalent globally. The report on Corporate Governance as stipulated under Listing Regulations forms an integral part of this Report. The company has also adopted various Social and Environmental policies and the same is placed on the website of the company www.capitaltrust.in.

A certificate from statutory auditors M/s JKVS & Co., Chartered Accountants, confirming compliance with the condition of Corporate Governance as stipulated under the listing Regulation also form part of the Annual Report.

17. CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

All Related Party Transactions are placed before the Audit Committee and also the Board for approval. During the Financial Year under review, your Company had not entered into any arrangements, which constitutes Related Party Transactions covered within the purview of Section 188(1) of the Act. Accordingly, requirement of disclosure of Related Party Transactions in terms of Section 134(3)(h) of the Act is provided in Form AOC-2 is not applicable to the Company.

Further as required by RBI Master Directions, 'Policy on transactions with Related Parties' can be accessed on the website of the Company at www.capitaltrust.in

18. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The provisions of Section 186(4) of the Companies Act, 2013 requiring disclosure in the financial statements of the full particulars of the loans given, investment made or guarantee given or security provided and the purpose for which the loan or guarantee or security is proposed to be utilised by the recipient of the loan or guarantee or security is not applicable to us.

19. PUBLIC DEPOSITS

Being a Non Deposit taking Non-Banking Financial Company, your Company has not accepted any deposits from the public under section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 during the year under review.

20. ANNUAL RETURN

The Annual Return in Form MGT-7, as per provisions of Section 92(3) and 134(3) (a) of Companies Act, 2013 and rules thereto, is available on website of the company at www.capitaltrust.in

21. NUMBER OF MEETINGS OF THE BOARD

The Board met 5 (five) times during the financial year 2024-25 viz., on May 28, 2024, June 20, 2025, August 13, 2024, November 14, 20213 and February 14, 2025.

The maximum interval between any two meetings did not exceed 120 days. The details of these meetings are given in Corporate Governance Report, which forms part of Directors' Report.

22. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, Your Directors state that:

i. in the preparation of the annual accounts for the year ended March 31, 2025, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;

ii. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2025 and of the profit of the Company for the year ended on that date;

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

iv. the Directors have prepared the annual accounts on a 'going concern' basis;

v. the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

vi. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

23. DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has adequate internal controls and processes in place with respect to its operations, which provide reasonable assurance regarding the reliability of the preparation of financial statements and financial reporting as also functioning of other operations. These controls and processes are driven through various policies and procedures. During the year, such controls were tested and no reportable material weakness in the design or operations were observed.

24. DIRECTORS & KEY MANAGERIAL PERSONNEL

A) RETIRE BY ROTATION

During the year under review, Mr. Vahin Khosla (DIN-07656984), Director of the Company, retires by rotation. He being eligible offers himself for reappointment as Executive Director of the Company.

b) APPOINTMENT/ RESIGNATION

During the year, Mr. Sanjiv Syal was appointed as independent director w.e.f 7th May 2024.

BOARD'S INDEPENDENCE

Based on the confirmation/disclosures received from the Directors and on evaluation of the relationships disclosed, the following Non-Executive Directors are Independent in terms of Section 149(6) of the Companies Act, 2013 and the requirements of Listing Regulations :-

1. Mr. Sanjiv Syal (DIN 00271256)
2. Ms. Suman Kukrety (DIN 08730773)
3. Mr. Pawan Dubey (DIN 01767875)
4. Mr. Govind Saboo (DIN 06724172)

Declaration by Independent Directors:
Independent Directors have submitted the declaration of Independence, as required pursuant to Section 149(7) of the Act, stating that they meet the criteria of Independence as provided in section 149(6) of the Companies Act, 2013 and are not disqualified from continuing as Independent Directors.

25. POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND REMUNERATION POLICY

The appointment of the directors of the company is as per the Policy framed for the Selection and Appointment of Directors. The policy is in compliance with the provisions of the

Companies Act, 2013 and SEBI Listing (Obligations and Disclosure Requirements) Regulations. The directors are appointed on the recommendation of the Nomination and Remuneration Committee. The Policy is available on the website of the Company at www.capitaltrust.in

26. NOMINATION AND REMUNERATION POLICY

The Company pursuant to the provisions of Section 178 of the Companies Act, 2013 has formulated and adopted a nomination and remuneration policy which is disclosed on our website.

27. ANNUAL EVALUATION OF BOARD MEMBERS

The Company has devised a Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors which include criteria for performance evaluation of the non-executive directors and executive directors.

Pursuant to the provisions of the Companies Act 2013 and the corporate governance requirements as prescribed by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 ("SEBI Listing Regulations"), the Board is required to carry out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the Audit Committee, Nomination and Remuneration Committee.

The executive Directors are evaluated on the basis of

Organizational goals	Persistence	Continuous improvement	Decency
Humility	Integrity	Setting a vision for company's work	Managing execution
External communication and relationship building	Enhancing potability	Understanding of and commitment to the company	Building strong organisation

The Independent Directors are evaluated on the basis of:

- Structure of the Board - Competency, Experience and Qualifications of directors, Diversity in Board under various parameters, Appointment Process
- Meetings of the Board - Regularity of meetings and adequacy, discussions and recording of dissent, if any.
- Recording of minutes, dissemination of information
- Functions of the Board - Role and responsibilities of the Board
- Strategy and performance evaluation
- Management of Conflict of interest
- Stakeholder value and responsibility
- Corporate culture and values
- Facilitation of independent directors
- Evaluation of performance of the management and feedback
- Independence of the management from the Board
- Access of the management to the Board and Board access to the management

The company has also formulated familiarisation of Independent Directors. The details of programmes for familiarisation of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters are put up on the website of the Company www.capitaltrust.in.

A statement on formal evaluation of the Board is mentioned in the Corporate Governance Report which is provided separately in this Annual Report.

Information on Directors Appointment /Re-appointment

A brief resume of the Director proposed for the appointment/re-appointment at the ensuing Annual General Meeting, the nature of his/her experience in specific functional areas and name of Companies in which he hold Directorship and Membership of committees of the Board are provided in the Notice of the Annual General Meeting of the company.

28. COMMITTEES OF THE BOARD

In accordance with the Companies Act, 2013 and Listing Regulations, the Company has following Committees in place:

- Audit Committee
- Stakeholders' Relationship Committee
- Corporate Social Responsibility Committee
- Nomination and Remuneration Committee
- Risk Management Committee

The company also has Asset Liability Committee.

Details of the said Committees along with their charters, composition and meetings held during the financial year, are provided in the "Report on Corporate Governance", as a part of this Annual Report.

29. EMPLOYEE STOCK OPTION SCHEME

Capital Employee Welfare Trust under Capital Trust Employee Stock Option Scheme, 2016 holds 143915 shares. The trust has not granted any shares to employees yet. There has not been any further allotment of shares to the Trust.

30. VIGIL MECHANISM

The company has adopted Vigil Mechanism policy with a view to provide a mechanism for directors and employees of the Company to report to the appropriate authorities concerns about unethical behaviour, actual or suspected, fraud or violation of the Company's code of conduct policy and provides safeguards against victimization of employees who avail the mechanism and also provide for direct access to the Chairman of the Audit Committee. The provisions of this policy are in line with the provisions of the Section 177(9) and (10) of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015. The policy is available on the website of the company www.capitaltrust.in.

31. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT 2013 READ WITH RULES

The Company is in compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and has a prevention of sexual harassment policy in place. The Directors further state that during the year under review, there was no case filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The policy on Sexual Harassment of Women at Workplace is available on the website of the company www.capitaltrust.in.

32. AUDITORS AND AUDITORS' REPORT

a) Statutory Auditors

The Statutory Auditors of the Company M/s JKVS & Co. Chartered Accountants (Firm Registration No. 302049E), were appointed as the statutory auditor of the from Extraordinary General Meeting held on 12th March, 2022 for the period of 5 years on such remunerations may be mutually agreed between the Board of Directors of the Company and the Auditors. The same is being ratified.

b) Secretarial Audit

Section 204 of the Companies Act, 2013 inter-alia requires every listed company to annex with its Board's report, a Secretarial Audit Report given by a Company Secretary in practice, in the prescribed form.

The Board has appointed M/s Shashank Sharma and Associates, firm of Practising Company Secretaries, to conduct Secretarial Audit for the financial year 2024-25. The Secretarial Audit Report for the financial year ended March 31, 2025 forms part of this Report. The Report does not contain any qualification, reservation or adverse remark.

c) Internal Auditor

The Company had appointed Mr. Vijay Malviya as Internal Auditor. The Internal Auditor has submited reports on quarterly basis which is placed before the audit committee of company.

33. EXPLANATIONS ON COMMENTS BY THE BOARD ON ANY QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE

(i) Statutory Auditor's report

There are no disqualifications, reservations, adverse remarks or disclaimers in the auditor's report.

However, the auditors have observed that:

A. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-tax, Sales tax, Service tax, Value Added tax, Cess and other statutory dues, to the extent applicable, with the appropriate authorities. There were no undisputed outstanding statutory dues as at the year end for a period of more than six months from the date they became payable other than Provident Fund amounts to Rs. 4.27

Lakhs, Employees' State Insurance amounts to Rs. 1.06 Lakhs and Professional Tax amounts to Rs. 1.34 Lakhs..

In response to that it is submitted that the there were some employees where there is mismatch between the name in their Adhar and PAN and therefore their UAN is either not generated or not linked. Therefore the amount can not be deposited. The company has separately parked this amount and will deposit once the issue is resolved by employees.

B. Based upon the audit procedures performed and considering the principles of materiality outlined in Standards on Auditing, for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or on the Company noticed or reported during the year nor have we been informed of any such case by the management during the course of audit except frauds discovered by the Company aggregating Rs. 4.09 Lakhs committed by employees by embezzlement of cash against which the full amount has been provided for doubtful in the statement of profit and loss.

In response, it is submitted that the nature of the business involves some clients repaying their loan installments in cash at the branch office. In a few instances, employees did not deposit this cash in the bank and absconded with the money. The company has already recovered a portion of the lost funds and has initiated action against those employees.

(ii) Secretarial Auditor's Report

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark made by Secretarial Auditor.

(iii) Internal Auditors' Report

The Internal Audit Reports does not contain any qualification, reservation or adverse remark made by Internal Auditor.

34. DETAILS OF FRAUDS REPORTED BY THE STATUTORY AUDITORS

Based upon the audit procedures performed and considering the principles of materiality outlined in Standards on Auditing, for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or on the Company noticed or reported during the year nor have we been informed of any such case by the management during the course of audit except frauds discovered by the Company aggregating Rs. 4.09 Lakhs committed by employees by embezzlement of cash against which the full amount has been provided for doubtful in the statement of profit and loss.

In response to that it is submitted that the nature of the business is such that cash is collected from customers and same is to be deposited in the bank account. In some cases the employees take away the cash. The company has zero tolerance towards the frauds and legal action is taken against the fraudulent employees .

35. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

There are no amounts due and outstanding to be credited to Investor Education and Protection Fund as at 31st March, 2025.

36. CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING IN COMPANY'S SECURITIES

Your Company has formulated Code of Conduct for Prevention of Insider Trading in Company's Securities ('Code') in accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended. The objective of this Code is to protect the interest of Shareholders at large, to prevent misuse of any price sensitive information and to prevent any insider trading activity by way of dealing in securities of the Company by its Designated Persons. Ms. Tanya Sethi, Company Secretary and Compliance Officer of the Company is authorized to act as Compliance Officer under the Code.

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

Conservation of Energy/ Technology Absorption

As the Company is not engaged in the manufacturing activity, the prescribed information regarding compliance of rules relating to conservation of Energy and Technology absorption pursuant to Section 134 (3) (m) of the Companies Act, 2013, read with Rule – 8 (3) of the Companies (Accounts)Rules, 2014 is not provided.

Foreign Exchange Earnings and Outgo

The Foreign exchange earnings for the FY 2024-25 were Nil.

Foreign Exchange Inflow: Nil
Foreign Exchange Outflow: Nil

38. EMPLOYEE REMUNERATION

A. The statement containing particulars of employees as required under Section 197 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is given below:

S. No.	Details	Disclosure by the Company
1.	The ratio of the remuneration of each Whole time director to the median remuneration of the employees of the company for the financial year	Managing Director : 105:1 Joint Manging Director : 50:1
2.	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	Managing Director : Nil Joint Manging Director : 20% Chief Financial Officer : 7% Company Secretary: 10%
3.	The percentage increase in the median remuneration of employees in the financial year;	Nil
4.	The number of permanent employees on the rolls of Company	1652
5.	Average percentile increase already made in the	There has been 10% increase

	salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	in remuneration of employees during the year.
6.	Affirmation that the remuneration is as per the remuneration policy of the company	Yes

b. In accordance with the provisions of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the names and particulars of the top ten employees in terms of remuneration drawn are set out below:

a. if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than One Crore Two lakh rupees :

S. No.	**Particulars**	**Details**
1.	Name and Designation	Mr. Yogen Khosla,Managing Director
2.	Remuneration received	Rs. 179.467 Lakhs
3.	Nature of Employment	Permanent
4.	Qualifications	Mr. Yogen Khosla is a commerce and Experience graduate from Loyola College, Chennai. He introduced the company into retail lending of Micro loans in rural and semiurban areas in 2008. He has led the company to being adjudged as to one of the top 100 Small and Medium Enterprises in India by India SME Forum in 2017.
5.	Date of Commencement of Employment	01-04-2003
6.	Age	63
7.	Last Employment	Associated with the company since inception
8.	Percentage of Equity Shares Held	36.91%

b. if employed for a part of the financial year, was in receipt of remuneration for any part of that year, pro rata rate which, in the aggregate, was not less than Eight Lakhs Fifty thousand rupees per month; **NIL**

c. if employed throughout the financial year or part thereof, was in receipt of remuneration in that Year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company. : **NIL**

39. GRIEVANCE REDRESSAL

Your Company has adopted a well-structured customer grievance redressal mechanism and provides customers a reliable and easily accessible interface for timely and fair resolution of enquires & complaints. The helpline Number is printed on each document shared with the customers and a person is dedicated to address the customer grievances. The helpline number is available in each branch with the contact person and the contact details of the Officials of the Reserve Bank of India for escalation of grievances if company is unable to redress the complaints. Grievance Redressal Mechanism is also available on the website of Capital Trust to facilitate easy access.

40. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATIONS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE

There have been no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and company's operations in future.

41. ADDITIONAL DISCLOSURES UNDER COMPANIES (ACCOUNTS) RULES, 2014

a. 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:

During the Financial Year under review, the Company has made neither any application nor any proceeding is pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016), therefore, it is not applicable to the Company.

b. 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.

During the Financial Year under review, it is not applicable to the Company.

42. DIVIDEND DISTRIBUTION POLICY

(i) <u>**Scope and Purpose**</u>

a. **Capital Trust Limited** ("**the Company**") equity shares are listed on the BSE Limited and the National Stock Exchange of India Limited.

b. This Dividend Distribution Policy ("**the Policy**") defines conditions to be considered by the Board for recommending / paying a dividend to the shareholders of the Company. The Board of Directors will recommend any interim / annual dividend based on this Policy, applicable laws, as well as any specific financial or market conditions prevailing at the time.

c. Subject to the factors mentioned in para 1.2 above, the Company has a consistent dividend policy for "distribution of dividend out of profits and the Board may recommend the rate".

d. The Policy set out the broad criteria to be considered for determining the proposed dividend to appropriately reward shareholders through dividends while supporting the future growth of the Company.

(ii) **Dividend Policy**

a. Dividend Distribution Philosophy

i. The Company believes in long term value creation for its shareholders while maintaining the desired liquidity and leverage ratios and protecting the interest of all the stakeholders. Accordingly, the focus will continue to be on sustainable returns in terms of dividend, in consonance with the dynamics of business environment.

b. The circumstances under which shareholders may not expect dividend

i. The Company shall comply with relevant statutory requirements that are applicable to the Company in declaring dividend or retained earnings. Generally, the Board shall determine dividend for a particular period after taking into consideration financial performance of the Company, advice of executive management and other parameters described in the Policy.

c. The financial parameters that shall be considered while declaring dividend

i. As in the past, subject to provisions of applicable law, the Company's dividend pay-out will be determined based on available financial resources, investment requirements and taking into account optimal shareholder return.

ii. Based on above and, subject to factors mentioned in para 2.4 below, the Company will endeavour to maintain steady level of dividend.

d. The internal / external factors that shall be considered for declaration of dividend

i. When recommending / determining the dividend, the company will consider, amongst other matters:

1. actual results for the year and the outlook for business operations
2. providing for anticipated capital expenditures or acquisitions to further enhance shareholder value or meet strategic objectives
3. setting aside cash to meet debt repayments
4. changes in cost and availability of external financing
5. level of dividends paid historically
6. retaining earnings to provide for contingencies or unforeseeable events
7. the overall economic environment including taxation
8. changes in government policy, industry rulings and regulatory provisions

e. Policy on utilization of retained earning

i. The utilization of retained earnings will include:

1. Inorganic / organic growth
2. Diversification opportunities / capital expenditure
3. Fund based requirement of company, its subsidiaries, joint ventures and/or other investee companies
4. General corporate purposes including contingencies
5. Investments in the new/existing business
6. Any other permitted use under the Companies Act, 2013 and applicable laws

f. **Provisions with regard to various classes of shares**

i. The provisions contained in this policy shall apply to all classes of shares of the Company. It may be noted that currently the Company has only one class of shares, *namely*, equity shares.

(iii) **Review and Disclosure**

a. This policy will be reviewed and amended, as and when, required by the Board and/or under applicable laws. Any revisions in the Policy will be communicated to shareholders in a timely manner.

(iv) **Limitation**

a. In the event of any conflict between the Act or the SEBI Regulations or other statutory enactments ("the Regulations") and the provisions of this policy, the Regulations shall prevail over this policy. Any subsequent amendment / modification in the Regulations, in this regard, shall automatically apply to this policy.

(v) **Disclaimer**

a. The Policy does not constitute a commitment regarding future dividends of the Company, but only represents a general guidance regarding payment of dividend.

b. The statement of the policy does not in any way restrict right of the board to use its discretion in the recommendation of the dividend to be distributed considering various factors mentioned in the policy. Further, subject to the provisions of applicable laws, the board reserves the right to depart from the policy as and when circumstances so warrant.

43. REGISTER E-MAIL ADDRESS

To contribute towards a greener environment, the Company again proposes to send documents like general meeting notices/other notices, annual report, audited financial statements, boards' report, auditors' report or any other document, to members in electronic form at the e-mail address provided by them and/or available to the Company by the Depositories. Members who have not yet registered their e-mail address (including those who wishes to change their already registered e-mail address) may get the same registered/updated either with his / her depository participants or by writing to the Company / RTA.

44. ACKNOWLEDGMENTS

The Board of Directors acknowledge and place on record their appreciation for the guidance, co-operation and encouragement extended to the Company by the Government of India, Ministry of Corporate Affairs, Reserve Bank of India, Securities and Exchange Board of India, National Stock Exchange of India Limited, Bombay Stock Exchange Limited and other concerned Government departments/agencies at the Central and State level as well as various domestic financial institutions/banks, agencies etc. Your Directors also convey their gratitude to the shareholders, various Banks/Multilateral agencies/financial Institutions/ credit rating agencies for the continued trust and for the
confidence reposed by them in CTL.

The Company is also thankful to the Statutory Auditors and Secretarial Auditor for their constructive suggestions and co-operation. We would also like to place on record our appreciation for the untiring efforts and contributions made by the employees towards the growth of the Company.

FOR AND ON BEHALF OF THE BOARD
OF CAPITAL TRUST LIMITED

Yogen Khosla
Chairman and Managing Director
DIN-00203165

Dated: 27.05.2025
Place: New Delhi

ANNUAL REPORT ON CSR ACTIVITIES FOR THE YEAR 2024-25

1. Brief outline on CSR Policy of the Company.

We at Capital Trust Limited believe that business enterprises are economic organs of society and draw on social resources. Capital Trust Limited believes in take part its business values and operations to meet the expectations of stakeholders and a company's performance/evaluation must be measured by its Triple Bottom Line contribution to building economic, social and environmental capital towards enhancing social sustainability. Based on the thought process, our focus has always been to advancement of the society and environment for the present & future generations.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Pawan Dubey	Independent Director	01	01
2	Mr. Yogen Khosla	Director	01	01
3.	Mr. Govind Saboo	Director	01	01

2. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

Composition of CSR committee shared above and is available on the Company's website at https://www.capitaltrust.in

3. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).

Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: NIL

6. Average net profit of the company as per section 135(5).

The average net Loss for the last three years is Rs. 1810.51 Lakhs.

7. (a) Two percent of average net profit of the company as per section 135(5)

Being loss, two percent of net profits is zero.

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.

Nil

(c) Amount required to be set off for the financial year, if any

Nil

(d) Total CSR obligation for the financial year (7a+7b-7c). Nil

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
-	-	-	-	-	-

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

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

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

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project (in Rs.).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number.
1.	NA								
2.									
3.									
	Total								

year:

(d) Amount spent in Administrative Overheads - NA

(e) Amount spent on Impact Assessment, if applicable - NA

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) -

(g) Excess amount for set off, if any

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

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

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer.	
1.	-	-	-	-	-	-	-
2.							
3.							
	Total						

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

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

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year

Nil

(asset-wise details).

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

(b) Amount of CSR spent for creation or acquisition of capital asset. NA

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

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

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).

NA

For Capital Trust Limited

Yogen Khosla

Chairman and Managing Director

FORM No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2025

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

To,
The Members,
Capital Trust Limited
205 Centrum Mall, Sultanpur,
M G Road,
New Delhi-110030

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and adherence to good corporate practices by **CAPITAL TRUST LIMITED (L65923DL1985PLC195299)**(hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended **31st March, 2025** complied with the statutory provisions listed hereunder. The Company has proper Board – processes and compliance –mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.
During the year, the company has suffered losses, therefore managerial remuneration paid to Managerial persons exceeds the limits as provided under the schedule V. The company is seeking approval from shareholders in ensuing General meeting.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31st March, 2025 according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made there under;
ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
iii. The Depositories Act, 1996 and the Regulations and Bye- laws Framed there under;
iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings **[Not applicable to the Company during the financial year under review]**;
v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act,1992('SEBI Act') :-

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation, 1992;
c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations,2009**;**

d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines,1999; **[Not applicable to the Company during the financial year under review];**

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

f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client **[Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review]**;

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **[Not applicable to the Company during the financial year under review];**

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **[Not applicable to the company during the financial year under review]**.

vi. Laws specifically applicable to the industry to which the Company belongs, as identified by the management, that is to say

a) Reserve Bank of India Act, 1934 to the extent of provisions applicable to Non-Banking Financial Companies and Regulations made there under.

For the compliances of Labour Laws & other General Laws our examination and reporting is based on the documents, records and files as produced and shown to me and the information and explanations provided by the Company, its officers, agents and authorized representatives,
and to the best of my judgment and understanding of the applicability of the different enactments upon the Company, in my opinion there are adequate systems and processes exist in the Company to monitor and ensure compliance with applicable General laws and Labour Laws.

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

i. Secretarial Standards issued by The Institute of Company Secretaries of India.
ii. The Listing Regulations entered into by the Company with National Stock Exchange of India Limited and BSE Limited.

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

I further report that the Board of directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors and that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the financial year under review:

a. As per the provision of Section 135 sub-section 5 of the Companies Act, 2013, the board shall ensure that the Company spends in every financial year at least 2% of the average net profit of the preceding 3 financial year for undertaking CSR activities. However it is further clarified as per the second proviso of Section 135(5), if the Company fails to spend such amount for its CSR Activities, then the Company shall specify in its Board Report the reason for not spending such amount.

b. The E Forms DPT-3 has not been filed by the Company during the period as the Company is a Non-banking Financial Company which is registered with Reserve Bank of India ('RBI") and as per the provisions of rule 3 of the Companies (Acceptance of Deposits) Rules, 2014, the said rule is not applicable to it.
c. During year Mr. Sanjiv Syal was appointed as Independent Director of the company w.e.f 07.05.2024.
d. During the year the company has issued 648287 equity shares on preferential basis at rate of Rs. 125.38 per share.

SHASHANK SHARMA & ASSOCIATES
Company Secretaries

Shashank Sharma
Company Secretary
ACS 19311
UDIN: A019311G001039913 **CP No. 7221**

CORPORATE GOVERNANCE REPORT

In accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), we hereby present the Corporate Governance Report as part of the Directors' Report for the Financial Year 2024-25.

I. Our Corporate Governance Philosophy

At Capital Trust Limited, effective corporate governance forms the bedrock of long-term business sustainability and value creation. It serves as the foundational framework upon which resilient, ethical, and successful enterprises are built. The Company's governance philosophy is deeply embedded in its business strategy and day-to-day operations, ensuring fiscal prudence, ethical conduct, and fairness to all its stakeholders — including regulators, employees, customers, vendors, investors, and the broader community.

Over the years, Capital Trust has cultivated a strong legacy of transparent, fair, and responsible governance practices. Our leadership remains committed to upholding the highest standards of integrity and accountability, which continue to guide our corporate decisions and stakeholder engagements. Robust corporate governance is not merely a compliance obligation but a core value that reinforces stakeholder trust and organizational efficiency.

In alignment with its governance philosophy, the Company has implemented several key policies and practices:

- A **Code of Conduct for Directors and Senior Management**, which outlines ethical behavior and professional responsibilities.

- A comprehensive **Insider Trading Code**, including the *Code of Conduct for Prevention of Insider Trading* and the *Code of Corporate Disclosure Practices*, to ensure confidentiality and regulatory compliance in handling price-sensitive information.

- An **Information Security Policy** that governs the responsible use and protection of IT infrastructure and data assets, thereby supporting operational integrity and cyber resilience.

The Company remains fully compliant with the corporate governance provisions as laid out under Regulations 17 to 27, along with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

Further, the Company has instituted a **robust grievance redressal system**, details of which are prominently displayed on its website and notice boards at all branch offices, ensuring accessibility and responsiveness to customer and stakeholder concerns. Additionally, the Company has established a **Whistle Blower Mechanism**, allowing employees and stakeholders to confidentially report any unethical or improper conduct. Complaints under this mechanism can be escalated directly to the Chairman via email, ensuring oversight at the highest level.

Details regarding the Company's board structure, including the composition and functioning of various committees that form the core of its governance framework, are elaborated in the subsequent sections of this report.

II. Board of Directors

i. Composition of the Board

As of March 31, 2025, the Company has six Directors. Among them, four (i.e., 67 percent) are Non-Executive Independent Directors. You can find the profiles of the Directors on our website at [Board of Directors] (https://www.capitaltrust.in/board-of-directors/). The Board's composition complies with Regulation 17 of the SEBI Listing Regulations and Section 149 of the Companies Act.

None of the Directors hold directorships in more than ten public companies, and no Independent Director serves as an independent director on more than seven listed entities. All Directors have made the necessary disclosures regarding their committee positions in other public companies as of March 31, 2025.

ii. Independent Directors

The Independent Directors of the Company are non-executive directors as defined under Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Section 149(6) of the Companies Act, 2013, along with the applicable rules prescribed thereunder. In compliance with Regulation 25(8) of the SEBI Listing Regulations, each Independent Director has provided a declaration affirming that they are not aware of any circumstance or situation that could impair their ability to discharge their duties effectively as an Independent Director.

Based on the declarations received and in the opinion of the Board of Directors, all Independent Directors continue to meet the criteria for independence as laid down under Regulation 16(1)(b) of the SEBI Listing Regulations and are independent of the management in terms of judgment, decision-making, and oversight.

iii. Board Meetings

During the year under review, five Board meetings were held, with no interval exceeding one hundred and twenty days between any two meetings. The meetings took place on 28-05-2024, 20-06-2024, 13-08-2024, 14-11-2024 & 14-02-2025. The necessary quorum was present for all the meetings.

iv. Directors' Attendance and Other Directorships

The names and categories of the Directors on the Board, their attendance at Board meetings during the year under review, and at the last Annual General Meeting (AGM), along with the names of other listed entities where the Directors hold directorships, and the number of Directorships and Committee Chairmanships/Memberships held by them in other public limited companies as of March 31, 2025, are detailed below. Other directorships exclude those in private limited companies, foreign companies, and companies registered under Section 8 of the Companies Act.

Name of Director	Category	No. of Board meetings	Whether attended last AGM	No. Of Directorships in other	Number of Committee positions	Directorship in other listed entity

		attended during the year	held on June 29, 2024	public companies	held in other Public Companies	(Category of Directorships)
Mr. Yogen Khosla	Chairman and Managing Director	5	YES	1	Nil	1
Mr. Vahin Khosla	Director	5	YES	Nil	Nil	Nil
Mr. Govind Saboo	Non-Executive-Independent Director	5	YES	Nil	Nil	Nil
Ms. Suman Kukrety	Non-Executive-Independent Director	5	NO	Nil	Nil	Nil
Mr. Pawan Dubey	Non-Executive-Independent Director	5	NO	Nil	Nil	Nil
Mr. Sanjiv Syal*	Non-Executive Independent Director	4	NO	Nil	Nil	Nil

***Mr. Sanjiv Syal, the Non-Executive Independent Director, appointed on May 07, 2024.**

Note-

1. Exclusions in Other Directorships:

The other directorships do not include directorships in:

- Foreign companies
- Private Limited Companies
- Companies registered under Section 8 of the Companies Act, 2013

2. Directors' Relationships:

None of the Directors of the company are related to any other Director except Mr. Yogen Khosla and Mr. Vahin Khosla.

3. Loans or Advances:

None of the Directors received any loans or advances from the company during the year.

4. Profiles of Directors as of March 31, 2025:

The profiles of the Directors as of March 31, 2025, can be found on our [Board of Directors page] (https://www.capitaltrust.in/about#BoardofDirectors).

Name	Designation	Brief Profile
Mr. Yogen Khosla	Chairman & Managing Director	Yogen Khosla is Managing Director and CEO of the company. He holds a bachelors degree from Loyola College, Chennai. He forayed the company into MSME lending and was instrumental in leading the company to be amongst the top 100 SME's amongst 41832 nominations by India SME 100 Awards. He was recognized by Insights Success magazine as the 10 most admired financial leaders to watch in 2017. He is also an avid ultra sportsman having done a half Ironman and many half and full marathons. He also regularly participates in long distance cycling events.
Mr. Vahin Khosla	Executive Director	Mr. Vahin Khosla is the Executive Director of our company. He holds a bachelor's degree in Economics-Accounting and a master's degree in Finance from Claremont McKenna College, CA, USA. He graduated as a Roberts Day Scholar from college and a School Prefect from The Doon School. He has been instrumental in the fundraising arm of the company having raised over 1000Cr in the last few years. Prior to working with Capital Trust, Vahin worked with DaVita Healthcare in the Corporate Finance team in Denver, USA. He has represented his football club at an international level and completed the Ironman triathlon in 2022.
Mr. Sanjiv Syal	Independent Director	Mr. Syal is a practicing Chartered Accountant with an experience spanning over 28 years in consulting and accountancy. He has been a catalyst in startup of many successful projects in the BPO, IT & Financial Services space. Some of the successful startups where he has played a role include Yatra online, RAC, Gulliver Travels, DMI Finance & Cisco Systems Capital.
Mr. Govind Saboo	Independent Director	Mr. Govind Saboo is rank holder Chartered accountant with more than 20 years of experience in Finance, Investment, Capital Budgeting and Compliance. Presently he is a Practising Chartered Accountant under firm M/s Govind Saboo & Co. He has been associated with many NBFCs in Advising them in their initial growth phase on capital allocation, governance, corporate finance & investor communication. He was also founding team member of India Nivesh Growth & Special Situation Fund, a Venture capital fund investing at early growth stage of the company.

Ms. Suman Kukrety	Independent Director	Ms. Suman is a competent professional with 20 years of quality experience in legal consultancy, legal documentation in civil and criminal cases before the Supreme Court of India, High Courts, District Courts, quasi-judicial tribunals, institutional arbitrations be for Indian Council of Arbitration (ICA), International Centre for Alternate Dispute Resolution (ICADR). She secured 1st position in Advocate-on-Record examination held by the Supreme Court of India, inJune,2009.
Mr. Pawan Dubey	Independent Director	Mr. Pawan Dubey is a practising Advocate and Fellow Company Secretary having 18 years of experience. He has practiced before the Hon'ble Supreme court of India, Hon'ble Delhi High Court, National Company Law Tribunal (NCLT), National Company Law Appellate Tribunal (NCLAT), District Consumer Forums, State Commission, National Commission, and various other District Courts of Delhi. He is a member of SSB working support group of ICSI. He was a member of Corporate Law Committee, Study Session Committee and Training & Educational Facilities & Library Committee of NIRC of ICSI.

vi. No individual serves on more than ten committees or chairs more than five committees across all public companies where they hold a Directorship. For determining the limits on Board Committees, chairmanship and membership of the Audit Committee and Stakeholders' Relationship Committee have been considered in accordance with Regulation 26(1)(b) of the SEBI Listing Regulations.

vii. During the fiscal year 2024-25, a meeting of the Independent Directors was held on 28-05-2024

viii. The Board regularly reviews compliance reports for all laws applicable to the Company.

ix. The table below provides details of the equity shares of the Company held by the Directors as of March 31, 2025

Name	Category	No. of Equity Share
Mr. Yogen Khosla	Chairman and Managing Director	5768124
Mr. Vahin Khosla	Executive Director	-
Mr. Govind Saboo	Non-Executive-Independent Director	-
Ms. Suman Kukrety	Non-Executive-Independent	-

	Director	
Mr. Pawan Dubey	Non-Executive-Independent Director	-

The company has not issued any convertible instruments.
Non-executive directors of the company do not hold any shares in the company.
The Board receives regular updates and briefings on various aspects such as business performance, products and processes, the business model, the nature of the industry, and the roles and responsibilities of Board Members under applicable laws. Details of such familiarization programs are accessible at www.capitaltrust.in.
All new Directors joining the Board undergo comprehensive orientation sessions. During these sessions, senior management officers make presentations to provide an overview of the company's operations and acquaint the new Directors with its culture, services, constitution, Board procedures, matters reserved for the Board, and risk management strategy.
The company also supports the ongoing education requirements of its Directors. Independent Directors are encouraged to attend professional educational programs related to Board and corporate governance, and support is provided in this regard.

Effectiveness of Board

The Board has identified the following skills, expertise, and competencies as fundamental for the effective functioning of the Company. The chart below details the specific skills, expertise, and competencies possessed by each Board member:

Skill/Name	Mr. Yogen Khosla	Mr. Vahin Khosla	Mr. Govind Saboo	Mr. Pawan Dubey	Mrs. Suman Kukrety	Mr. Sanjiv Syal
Position held	Chairman and MD	Executive Director	Non Executive ID	Non Executive ID	Non Executive ID	Non-Executive ID
Strategy	✓	✓	✓	✓	✓	✓
Performance of Management	✓	✓	✓	✓	✓	✓
Governance & Compliance	✓	✓	✓	✓	✓	✓
Technology upgradation	✓	✓	✓	✓	✓	✓
Finance	✓	✓	✓	✓	✓	✓

Internal Audit	✓	✓	✓	✓	✓	✓

***Mr. Sanjiv Syal, the Non-Executive Independent Director, appointed on May 07, 2024.**

Information Supplied to the Board

The Board has full access to all pertinent information regarding the Company. The quantity and quality of information provided by management to the Board exceed the minimum requirements set forth in Regulation 17 (7) of SEBI LODR Regulations. All information, except for critical unpublished price-sensitive information (which is circulated with shorter notice in accordance with the Secretarial Standard on Meetings of the Board of Directors), is provided to the Directors well in advance of Board and Committee meetings.

The Board collaborates closely with the Executive Management Team to continuously review the changing operating environment and devise strategies to enhance the Company's performance. It also periodically reviews compliance reports for all applicable laws and the steps taken by the Company to address any instances of non-compliance.

III. Committees of the Board

As of March 31, 2025, the Board has four statutory committees. Details of these committees are as follows:

i. Audit Committee

The primary objective of the Audit Committee is to ensure effective supervision and monitoring of the Company's financial reporting, ensuring the highest levels of transparency, integrity, and quality. The Committee oversees the financial reporting process carried out by the management, internal auditors, and independent auditors.

Key responsibilities of the Audit Committee include:

- Financial Reporting Oversight: Reviewing financial statements with management to ensure accuracy and credibility.
- Auditor Selection and Evaluation: Selecting, evaluating, and, if necessary, replacing independent auditors in accordance with legal requirements.
- Performance Review: Assessing the performance of statutory auditors and internal auditors.
- Internal Control and Whistleblower Mechanism: Reviewing the adequacy of the internal control system and the effectiveness of the whistleblower mechanism.

Category and Composition

Name	Category	No. of meetings held	No. of meetings attended
Yogen Khosla	**Executive Director**	**4**	**4**
Govind Saboo	**Non-Executive-Independent Director**	**4**	**4**
Pawan Dubey	**Non-Executive-Independent Director**	**4**	**4**
Sanjiv Syal	**Non-Executive-Independent Director**	**3**	**3**

- Four meetings were conducted during the year under review, and the intervals between them complied with legal requirements.
- The Committee invites relevant executives, representatives from the statutory auditors and internal auditors, as it deems appropriate, to attend its meetings.
- The Company Secretary serves as the Secretary to the Audit Committee.
- Quarterly Internal Audit Reports are provided to committee members.

Review of Information by the Audit Committee
Terms of Reference of the Audit Committee
The responsibilities of the Audit Committee include the following:
a) Financial Reporting Oversight: Overseeing the Company's financial reporting process and ensuring that financial information disclosed is accurate, sufficient, and credible.
b) Auditor Recommendations: Recommending the appointment, remuneration, and terms of appointment for the Company's auditors.
c) Payment Approval: Approving payments to statutory auditors for any additional services rendered by them.
d) Annual Financial Review: Reviewing the annual financial statements and auditor's report with management before submission to the Board, with special focus on:
i) Inclusion of matters in the director's responsibility statement as per Section 134(3)(c) of the Companies Act, 2013.
ii) Changes in accounting policies and practices and their justifications.
iii) Major accounting entries involving management's judgment.
iv) Significant adjustments from audit findings.
v) Compliance with listing and other legal requirements for financial statements.
vi) Disclosure of related party transactions.
vii) Modified opinions in the draft audit report.
e) Quarterly Financial Review: Reviewing quarterly financial statements with management before submission to the Board for approval.
f) Fund Utilization Review: Reviewing the use/application of funds raised through public, rights, or preferential issues, ensuring funds are used for stated purposes, and making recommendations to the Board as needed.
g) Auditor Independence and Performance: Monitoring auditor independence, performance, and the effectiveness of the audit process.
h) Related Party Transactions: Approving or modifying transactions with related parties.
i) Inter-Corporate Loans and Investments: Scrutinizing inter-corporate loans and investments.
j) Valuation: Valuing undertakings or assets of the Company as necessary.
k) Internal Controls and Risk Management: Evaluating internal financial controls and risk management systems.
l) Performance Review: Reviewing the performance of statutory and internal auditors and the adequacy of internal control systems with management.
m) Internal Audit Function: Reviewing the adequacy of the internal audit function, including its structure, staffing, and seniority, as well as the frequency and coverage of internal audits.
n) Internal Audit Findings: Discussing significant findings with internal auditors and following up on them.
o) Internal Investigations: Reviewing findings of internal investigations into suspected fraud, irregularities, or failures of internal control systems and reporting these to the Board.

p) Audit Discussions: Discussing the nature and scope of the audit with statutory auditors before it commences and having post-audit discussions to address any areas of concern.
q) Default Review: Investigating substantial defaults in payments to depositors, debenture holders, shareholders (for non-payment of declared dividends), and creditors.
r) Whistleblower Mechanism: Reviewing the functioning of the whistleblower mechanism.
s) CFO Appointment: Approving the appointment of the Chief Financial Officer after assessing the candidate's qualifications, experience, and background.
t) Other Functions: Performing any other functions as specified in the terms of reference of the Audit Committee.

2. Mandatory Review of Information by the Audit Committee

a) Management Discussion and Analysis

The Audit Committee shall review the management's discussion and analysis concerning the financial condition and results of operations, ensuring a comprehensive understanding of the company's financial health and operational performance.

b) Significant Related Party Transactions

A detailed statement of significant related party transactions, as defined by the Audit Committee, will be submitted by management for review. This ensures transparency and compliance with regulatory standards.

c) Management Letters/Internal Control Weaknesses

The Audit Committee shall examine management letters and any letters highlighting internal control weaknesses issued by the statutory auditors. This review is crucial for identifying areas requiring improvements in the company's internal control systems.

d) Internal Audit Reports

Internal audit reports related to internal control weaknesses will be scrutinized by the Audit Committee. This ensures that any identified weaknesses are promptly addressed and rectified.

e) Chief Internal Auditor's Appointment and Remuneration

The Audit Committee will review and approve the appointment, removal, and terms of remuneration of the Chief Internal Auditor. This oversight ensures the independence and effectiveness of the internal audit function.

f) Statement of Deviations

Quarterly Statement of Deviations: The Audit Committee will review the quarterly statement of deviations, including the report from the monitoring agency, if applicable, submitted to the stock exchange(s) in accordance with Regulation 32(1) of SEBI (LODR) Regulations, 2015. This ensures that deviations are tracked and appropriately reported.

Annual Statement of Fund Utilization: An annual statement detailing the utilization of funds for purposes other than those stated in the offer document/prospectus/notice will be reviewed by the Audit Committee as per Regulation 32(7) of SEBI (LODR) Regulations, 2015. This review ensures accountability and transparency in the use of company funds.

ii. Stakeholders' Relationship Committee

In accordance with Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (LODR) Regulations, 2015, the Stakeholders' Relationship Committee is firmly established within the company. This committee is dedicated to addressing and resolving grievances from shareholders and other security holders, including issues related to share transfers, non-receipt of annual reports, non-receipt of declared dividends, revalidation of dividend warrants, and other related matters.

Committee Composition and Meetings

Chairman:

Mr. Govind Saboo was appointed as chairman of the committee.

Members and Attendance:

Name	Category	Meetings Held	Meetings Attended
Mr. Yogen Khosla	Managing Director	4	4
Mr. Govind Saboo	Non-Executive Independent Director	4	4
Ms. Suman Kukrety	Non-Executive Independent Director	4	4
Mr. Sanjiv Syal*	Non-Executive Independent Director	3	3
Mr. Pawan Dubey	Non-Executive Independent Director	4	4

Mr. Sanjiv Syal, the Non-Executive Independent Director, appointed on May 07, 2024

- The committee convened four times during the year under review.
- The company secretary, Ms. Tanya Sethi, acts as the secretary of the committee. She can be contacted at the following address:

Name and Designation of Company Secretary & Compliance Officer:
Ms. Tanya Sethi
Company Secretary
Capital Trust Limited
205 Centrum Mall, Sultanpur, M G Road
New Delhi-110030

Shareholder Complaints:
Number of shareholders' complaints received for the year 2024-25: 3
Number of complaints resolved to the satisfaction of shareholders: 3
Number of complaints unresolved: Nil
Number of pending complaints: Nil

iii. Nomination and Remuneration Committee

The Nomination and Remuneration Committee is responsible for overseeing the selection, appointment, and remuneration of Directors and other key managerial personnel. This committee is established in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Members and Attendance:

Name	Category	Meetings Held	Meetings Attended
Mr. Govind Saboo (Chairman)	Non-Executive Independent Director	3	3
Mr. Sanjiv Syal*	Non-Executive Independent Director	2	2
Mr. Pawan Dubey	Non-Executive Independent Director	3	3
Mrs. Suman Kukrety	Non-Executive Independent Director	3	3

Mr. Sanjiv Syal, the Non-Executive Independent Director, appointed on May 07, 2024

- The committee convened Three times during the year under review.
- All members of the Nomination and Remuneration Committee are Non-Executive Independent Directors, ensuring impartial and objective decision-making.

Terms of Reference

I. Establish and recommend to the Board the criteria for determining qualifications, positive attributes, and independence of a director. Develop a policy related to the remuneration of directors, key managerial personnel, and other employees.
II. Formulate criteria for evaluating the performance of independent directors and the Board. Conduct performance evaluations without the participation of the director being evaluated.
III. Devise a policy on the diversity of the Board of Directors.
IV. Identify individuals qualified to become directors and senior management personnel in line with established criteria.
V. Evaluate whether to extend or continue the term of appointment for independent directors based on performance evaluations.

Performance Evaluation Criteria for Independent Directors

The Companies Act, 2013 provides a mechanism for evaluating the performance of Independent Directors. The Board of Directors assesses Independent Directors' performance based on the following criteria:

a) Demonstrates an understanding of the company's nature of business.
b) Clear understanding of the role and responsibilities of an independent director.
c) Awareness of business risks and their implications.
d) Contributes to developing strategies for future growth.
e) Applies expertise to provide valuable advice to management.
f) Shows dedication to role and fiduciary duties as a board member.
g) Regularly attends Board and committee meetings.
h) Engages actively in meetings.
i) Exhibits proactive, strategic, and lateral thinking.
j) Maintains professionalism towards the company and peers.
k) Is accessible when needed.
l) Works effectively with diverse groups.

m) Assists in achieving consensus on key issues.
n) Acts as a facilitator, especially on contentious issues, outside the boardroom.

Meeting of Independent Directors

The meeting of Independent Directors was held on 28 May 2024, in accordance with the provisions of Section 149(8) read with Schedule IV of the Companies Act, 2013, Secretarial Standards-1 issued by The Institute of Company Secretaries of India, and Regulations 25(3) and 25(4) of the SEBI (LODR) Regulations, 2015.

Code of Conduct as per regulation 17(5) of the SEBI LODR

Adoption and Compliance: The company has adopted a Code of Conduct as per Regulation 17(5) of the SEBI (LODR) Regulations, 2015, which is applicable to all Board members and senior management personnel. In accordance with Regulation 26(5) of the SEBI (LODR) Regulations, 2015, all senior management members have confirmed that there is no material, financial, or commercial transactions where they have a personal interest that may conflict with the interests of the company at large.

Affirmation of Compliance: In line with Regulation 26(3) of the SEBI (LODR) Regulations, 2015, all Board members and senior management personnel as of March 31, 2025, have affirmed compliance with their respective codes of conduct.

Remuneration of Directors

In compliance with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the disclosure regarding the remuneration of directors is provided below:

S. No.	Details	Disclosure by the Company
1.	The ratio of the remuneration of each full-time director to the median remuneration of the employees of the company for the financial year	Managing Director: 105:1 Joint Managing Director: 50:1
2.	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary, or Manager, if any, in the financial year	Managing Director: Nil Joint Managing Director: 20% Chief Financial Officer: 8% Company Secretary: 10%
3.	The percentage increase in the median remuneration of employees in the financial year	Nil
4.	The number of permanent employees on the rolls of the Company	1652
5.	The explanation of the relationship between average increase in remuneration and company performance	In the year 2024-25, the company is a recovery phase. Despite this recovery, financial prudence was maintained, leading to an average salary increase of about 10%.
6.	Comparison of the remuneration of the Key Managerial Personnel against the performance of the company	There has been moderate increase in remuneration for Key Managerial Personnel (KMP) to maintain fiscal discipline. Salary of Joint managing director was increased by 26%.

CapitalTrust

7.	Variations in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year	The market capitalization of the company as on 1st April, 2024 was Rs. 154.45 Crores. The market capitalization as on 31st March, 2025 was Rs. 153.15 Crores, indicating (0.64%). The Price Earnings Ratio as on 31st March, 2025 was Rs. 1.34 as compared to Rs. 0.71 as on 31st March, 2025. The market price of the equity shares of the company as on 31st March, 2025 was Rs. 88.47 whereas the share price as on 31st March, 2024 was Rs. 94.40. The percentage increase in market price of shares in comparison with the last public offer was 840%.
8.	Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	There has been about a 10% increase in remuneration of employees during the year.
9.	Comparison of each remuneration of the Key Managerial Personnel against the performance of the company	There was no increase in the salary of the Managing Director and but the salary of Joint Managing Director was increased 26% due to elevation as Joint Managing Director.
10.	Comparison of each remuneration of the Key Managerial Personnel against the performance of the Company	The salary remains fixed with no variable components, ensuring consistency in remuneration amidst the company's ongoing recovery.
11.	The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration more than the highest paid director during the year	There is no employee in the company who is drawing a salary more than the Directors of the company.
12.	Affirmation that the remuneration is as per the remuneration policy of the company	The remuneration is as per the remuneration policy of the company.

IV. Details of the Remuneration for the Year Ended March 31, 2023:

a. Non-Executive Directors

Name	Sitting Fees (in Lakhs)
Mr. Sanjiv Syal*	0.4
Ms. Suman Kukrety	0.4
Mr. Govind Saboo	0.4
Mr. Pawan Dubey	0.4

Mr. Sanjiv Syal, the Non-Executive Independent Director, appointed on May 07, 2024

b. Managing Director and Executive Director

Name	Salary Including Perquisites
Mr. Yogen Khosla	179.31 Lakhs
Mr. Vahin Khosla	78.71 Lakhs

iv. Corporate Social Responsibility Committee

Category and Composition

Name	Category
Mr. Yogen Khosla	Managing Director
Mr. Sanjiv Syal*	Non-Executive-Independent Director
Mr. Govind Saboo	Non-Executive-Independent Director
Mr. Pawan Dubey	Non-Executive-Independent Director

- One meeting on 14 Feb 2025, was held during the year under review.

Key Responsibilities of the CSR Committee:

i. Formulate, monitor, and recommend to the Board CSR Policy and the activities to be undertaken by the Company.

ii. Recommend the amount of expenditure to be incurred on the activities undertaken.

iii. Review the Company's performance in CSR.

iv. Evaluate the social impact of the Company's CSR activities.

v. Review the Company's disclosure of CSR matters, including any annual social responsibility report.

vi. Review the following, with the Management, before submission to the Board for approval.

V. Number of Committee Meetings Held and Attendance Records

Name of Committee	Audit Committee	Stakeholders' Relationship Committee	Nomination and Remuneration Committee	Corporate Social Responsibility Committee
No. of Meetings Held	4	4	3	1
Dates of Meetings	28-05-2024, 13-08-2024, 14-11-2024 14-02-2025	28-05-2024, 13-08-2024, 14-11-2024 14-02-2025	28-05-2024, 14-11-2024 14-02-2025	14-02-2025
No. of Meetings Attended				
Mr. Yogen Khosla	4	4	-	1
Mr. Sanjiv Syal*	3	3	2	0
Mr. Govind Saboo	4	4	3	1
Mr. Pawan Dubey	4	4	3	1
Ms. Suman Kukrety	-	4	3	-

IT Governance & Strategy Committee: In accordance with the provisions of the Reserve Bank of India's Master Direction on the Information Technology Framework for the NBFC Sector, the company has constituted the IT Governance & Strategy Committee ("IT Committee").

The committee met four times during the year, on 28-05-2024, 13-08-2024, 14-11-2024 and 14-02-2025.

Functions of the IT Committee:

- Approval of IT strategies and policy documents
- To ascertain whether the company's management has implemented processes/practices that ensure that IT delivers value to the business
- Ensure that the budgets allocated vis-à-vis IT investments are commensurate
- Monitor the method adopted to ascertain the IT resources needed to achieve the strategic goals of the company
- Provide high-level directions for sourcing and use of IT resources

VI. General Body Meetings

i. General Meeting

a. Annual General Meeting (AGM)

Financial Year	Date	Time	Venue
2024	June 29, 2024	09:00 AM	Video Conferencing
2023	September 20, 2023	09:00 AM	Video Conferencing
2022	September 20, 2022	09:00 AM	Video Conferencing

b. Extraordinary General Meeting

No extraordinary general meeting of the members was held during the financial year 2024-25.

c. Special resolution

Year	Particulars
2024	Raising of funds through various options, including qualified institutional placement/non-convertible debentures up to Rs. 500 crores
	Appointment of Mr. Vahin Khosla as Joint Managing Director
	Appointment of Mr. Yuv Vir Khosla as Executive Director
	Fixation of limit for managerial remuneration in event of inadequate profits
	To issue equity shares on preferential basis in Compliance with section 42 and 62 of the companies act, 2013
	Approve Capital Trust Employee Stock Option Scheme 2024 ("CT ESOS 2024"/ "scheme") for the employees of the company.

2023	- Raising of funds through various options, including qualified institutional placement/non-convertible debentures up to Rs. 1000 crores
2022	- Raising of funds through various options, including qualified institutional placement/non-convertible debentures up to Rs. 1000 crores
	- To re-appoint Mr. Yogen Khosla as Chairman and Managing Director for five years

None of the Directors of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India or the Ministry of Corporate Affairs or any such statutory authority.

VII. Means of Communication

Quarterly Results

Quarterly results are published in Financial Express or any other English newspaper having a wide circulation in substantially the whole of India and in Naya India or any other Hindi vernacular newspaper. The results are also available on the website of the company www.capitaltrust.in and the website of BSE and NSE.

Website Disclosure

The Company is maintaining a functional website containing detailed information about the Company. All the information such as Notices, Annual Reports, Information for Shareholders, Corporate Governance reports, details of the Committee and various policies framed, etc., is timely disseminated on the Website of the Company. The Company has provided a separate section in the name of **"Investor Relation"** on the website where all the information relevant for the stakeholders is available. The Basic information as required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is duly provided on the Company's Website and the same is updated regularly.

Disclosure to NSE Electronic Application Processing Systems (NEAPS) and Bombay Stock Exchange:

In terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company provides necessary disclosures to the National Stock Exchange and Bombay Stock Exchange through their online portal NSE Electronic Application Processing Systems (NEAPS) and www.listing.bseindia.com respectively.

SEBI Compliant Redress System (SCORES):

The company is also registered with the SEBI Compliant Redress System (SCORES), where shareholders can raise their grievances.

Presentation to the Institutional Investor or to the Analyst

Corporate Presentations are timely disseminated to the Institutional Investor and other Analysts for their review. The presentation is also available on the company's website.

VIII. General shareholder information

i. Annual General Meeting for FY 2024-2025

Date: 20-09-2025
Time: 9:00AM
Venue: The Company is conducting a meeting through VC pursuant to the MCA Circular dated May 5, 2020 and as such, there is no requirement to have a venue for the AGM. For details, please refer to the Notice of this AGM.

As required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard 2, particulars of Directors seeking re-appointment at this AGM is given in the annexure to the Notice of this AGM

ii. Date of Book Closure / Record Date

As mentioned in the Notice of this AGM

iii. Listing on Stock Exchanges:

Equity shares are listed at the following exchanges:
The National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex Bandra (East),
Mumbai- 400051

BSE Limited
P. J. Towers,
Dalal Street, Mumbai- 400001

iv. Stock Codes / Symbol

NSE: CAPTRUST
BSE: 511505 (Equity)
Listing Fees as applicable, have been paid.

v. Corporate Identity Number (CIN) of the Company: L65923DL1985PLC195299

vi. Registrars and Transfer Agents Name and Address

MAS Services Private Limited
Address: T-34, II Floor, Okhla Industrial Area,
Phase-2, New Delhi-110020
E-mail: info@masserv.com
Website: www.masserv.com

vii. Place for acceptance of documents:

Documents will be accepted at the above address between 10.00 a.m. and 3.30 p.m. (Monday to Friday except bank holidays).

viii. Share Transfer System

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended, securities can be transferred only in dematerialized form w.e.f. April 1, 2019, except in case of request received for transmission or transposition of securities. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are affected through the depositories with no involvement of the

Company. The Directors and certain Company officials (including the Chief Financial Officer and Company Secretary) are authorized by the Board severally to approve transfers, which are noted at subsequent Board Meetings.

ix. Dematerialization of shares and liquidity:
The Company's shares are compulsorily traded in dematerialized form on NSE and BSE. Equity shares of the Company, representing 96.98 percent of the Company's equity share capital, are dematerialized as on March 31, 2025. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE707C01018.

x. Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity:
The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments in the past and hence, as on March 31, 2025, the Company does not have any outstanding GDRs /ADRs /Warrants or any convertible instruments.

xi Commodity price risk or foreign exchange risk and hedging activities
The Company does not deal in commodities, and hence, the disclosure pursuant to SEBI Circular dated November 15, 2018, is not required to be given.

xii. Address for correspondence
Capital Trust Limited 205 Centrum Mall, Sultanpur, M G Road
New Delhi-110030
Designated e-mail address for Investor Services: cs@capitaltrust.in
Website: www.capitaltrust.in

xiii. Market price date (In Rupees). The monthly high low for the equity shares of the Company at NSE

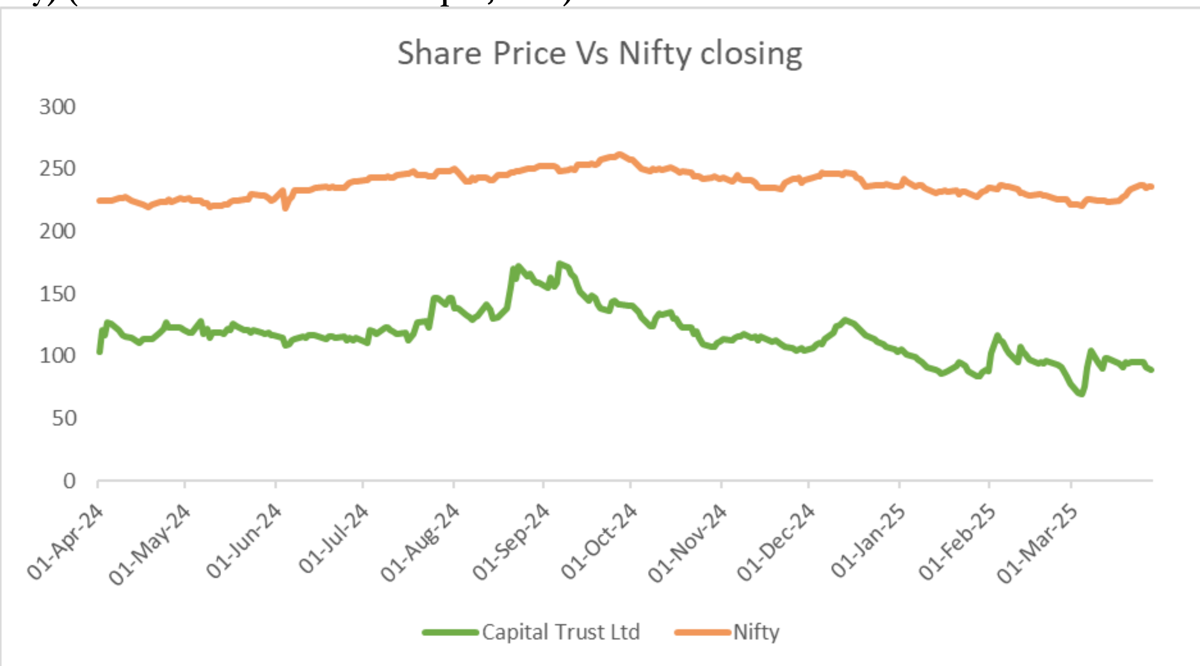
MONTHS	HIGH	LOW	VOLUME
Apr-24	132.00	95.20	10,14,540
May-24	139.95	113.15	7,25,809
Jun-24	120.00	101.60	2,11,877
Jul-24	156.20	110.00	55,18,358
Aug-24	185.00	128.50	33,30,651
Sep-24	179.90	133.05	11,31,705
Oct-24	142.00	104.00	1,24,828
Nov-24	121.07	101.01	70,913
Dec-24	130.00	103.21	1,19,900
Jan-25	105.27	79.94	64,325
Feb-25	119.00	75.35	11,38,678
Mar-25	109.11	67.55	20,66,622

The monthly high low for the equity shares of the Company at BSE.

MONTHS	HIGH	LOW	VOLUME
Apr-24	131.54	95.25	80,294
May-24	138.00	113.10	51,825
Jun-24	121.65	102.45	33,278
Jul-24	156.00	110.10	4,31,148
Aug-24	184.05	127.00	4,19,591
Sep-24	180.50	134.05	1,38,054
Oct-24	145.00	104.50	30,669
Nov-24	120.90	104.00	17,713
Dec-24	130.00	104.95	17,022
Jan-25	104.30	81.50	14,060
Feb-25	118.90	76.15	52,901
Mar-25	106.57	67.97	1,02,927

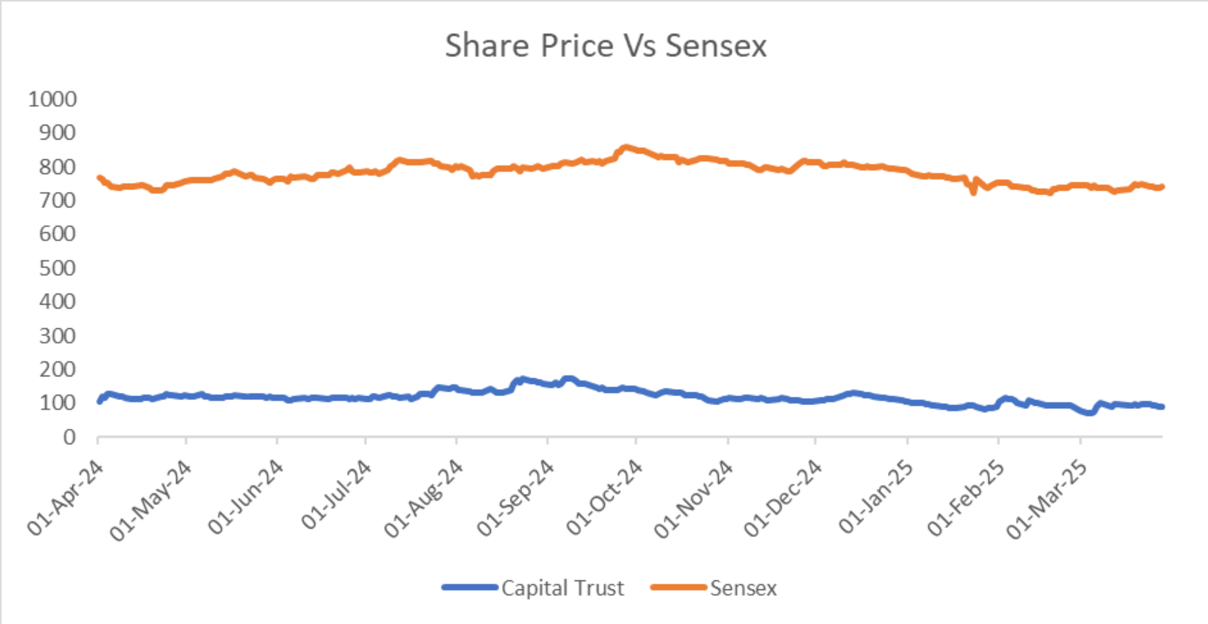
Capital Trust Share performance vis -a - viz NSE Nifty

Performance of shares of Capital Trust Limited in comparison to NSE Nifty (The share price is compared on the basis of closing price of each month v/s Nifty on that day) (Base is taken as 100 at 1st April, 2024)



Performance of shares of Capital Trust Limited in comparison to BSE – Sensex (The share price is compared on the basis of the closing price of each month v/s Sensex on that day) (Base is taken as 100 at April 1, 2024)

Capital Trust Share performance vis -a - viz BSE Sensex



xiv. Shareholding Pattern as on March 31, 2025

Category	Percentage
Promoter	66.17%
Bank/ Financial Institutions/ Mutual Funds	0.00%
NRIS/OCBs	17.34%
Others	16.49%

xv. Distribution of Shareholding as on March 31, 2025
Capital Trust Ltd.
distribution schedule as on 31/03/2025
Nominal value of each share -Rs. 10/-

No. of shareholders	%age of total	Shareholding of nominal value of Rs.	No. of shares	Amount in Rs.	%age to total
10174	93.049	1 TO 5000	1121130	11211300	6.591
460	4.207	5001 TO 10000	347995	3479950	2.046
156	1.427	10001 TO 20000	232779	2327790	1.369
48	0.439	20001 TO 30000	119856	1198560	0.705
26	0.238	30001 TO 40000	91187	911870	0.536
18	0.165	40001 TO 50000	82744	827440	0.486
32	0.293	50001 TO 100000	241489	2414890	1.420
20	0.183	100001 AND	14772522	147725220	86.848

		ABOVE			
10934	100.00	Total	17009702	170097020	100.00

xvi) Dematerialisation of Shares:

As on March 31, 2025: 16497271 of the total number of equities shares 17009702 were held in dematerialized form

xvii) The Company does not have any Global Depository Receipts and American Depository Receipts.

xviii) The company is into NBFC Business and there is no commodity price risk. Further there is no foreign exchange risk involved as there are no foreign exchange transactions in the company. So no hedging is required.

xix) The company is into NBFC Business so there is no plant.

xx) Transfer of unclaimed dividends due for remittance into Investor Protection and Education Fund: There is no amount to be transferred to Investor Protection and Education Fund.

IX. Other Disclosures

a. The Company has not entered any material related party transactions. Other related party transactions were approved by the Audit Committee and the Board.

b. There is no non-compliance by the company and there have been no penalties, strictures imposed on by the stock exchange the board, or any statutory authority, on any matter related to capital markets during the last three years.

c. The Company has complied with Section 177 of the Companies Act, 2013 and Regulation 22 of SEBI (LODR) Regulations 2015 regarding the Whistle Blower policy/ Vigil Mechanism for the directors and employees. As per the mechanism, concerns, or grievances about unethical behaviour, actual or suspected fraud, or violation of the company's Code of Conduct or Ethics Policy are reported. The Audit Committee is open to all employees. The policy is available on our website, www.capitaltrust.in.

d. The company has complied with all the mandatory and non-mandatory requirements as provided.

e. The company had two Wholly Owned Subsidiaries in the name of Capital Trust Microfinance Private Limited and Capital Trust Housing Finance Private Limited. The two companies have now been merged with Capital Trust Limited.

f. Policy on the related party is available on www.capitaltrust.in.

g. The company is not dealing in any commodity, so there is no commodity hedging required.

h. The Company is following the corporate governance requirements specified in Regulations 17 to 27 of SEBI (LODR) Regulations 2015. It has an operational website, www.capital-trust.com, wherein the information required under Regulation 46 of these (LODR) Regulations has been disseminated.

X. Disclosures with respect to demat suspense account / unclaimed suspense account

There are no shares in the Demat suspense account so the disclosure with to demat suspense account/ unclaimed suspense account is not applicable.

XI. Discretionary Requirements

The Company has moved towards the regime of financial statements with unmodified audit opinion. The Internal Auditor of the Company is directly reporting to the Audit Committee.

XII. Declaration Regarding the Compliance with the Code of Conduct of the Board of Directors and Senior Management.

This is to confirm that the Company has adopted a Code of Conduct for its employees, including the Managing Director, Executive Director, and Non-Executive Directors, and Independent Directors. The code is available on the Company's website.capitaltrust.in.

I further confirm that the Company has received applicable to them from the Senior Management Team of the Company and the Members of the Board for the year ended March 31, 2025. To this declaration, Senior Management Team means the Chief Financial Officer and the Company Secretary

For Capital Trust Limited
Yogen Khosla
Chairman and Managing Director

Date: 27/05/2025
Place: New Delhi

Capital Trust

CEO AND CFO CERTIFICATION

To
The Board of Directors
Capital Trust Limited
Subject: Compliance Certificate as required under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We hereby certify that:

We have reviewed financial statements and the cash flow statement of Capital Trust Limited for the 2023-24 and that to the best of their knowledge and belief, we state that:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
2. These statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

3. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

4. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
5. We have indicated to the auditors and the Audit committee:

i. significant changes in internal control over financial reporting during the year;
ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Yogen Khosla	Vinod Raina
Managing Director	CFO
DIN: 00203165	
Date: 27.05.2025	

Independent Auditor's Certificate on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended

The Members of Capital Trust Limited

205, Centrum Mall, MG Road,
Sultanpur-New Delhi-110030

1. The Corporate Governance Report prepared by Capital Trust Limited (hereinafter the "Company"), contains details as required by the provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') with respect to Corporate Governance for the year ended March 31, 2025. This certificate is required by the Company for annual submission to the Stock Exchange and to be sent to the Shareholders of the Company.

MANAGEMENT'S RESPONSIBILITY

2. The preparation of the Corporate Governance Report is the responsibility of the management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.

3. The management along with the Board of Directors of the Company are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

AUDITOR'S RESPONSIBILITY

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion whether the Company has complied with the specific requirements of the Listing Regulations referred to in paragraph 3 above.

5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised) and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes (Revised) requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

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

OPINION

7. Based on the procedures performed by us and according to the information and explanations given to us, we are of the opinion that the Company has complied in all material respect with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended March 31, 2025, referred to in paragraph 1 above.

OTHER MATTERS AND RESTRICTION ON USE

8. This report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

9. This report is addressed to and provided to the Members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For JKVS & Co.
Chartered Accountants
Firm Registration No. 318086E

B. L. Choraria
Partner
Membership No. 022973
UDIN: 25022973BMLNCE4146

Place: Noida
Date: May 27, 2025

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Thirty Eighth Annual General Meeting (AGM) of Capital Trust Limited (the Company) will be held on Saturday, September 20, 2025, at 09:00 a.m. through Video Conferencing (VC) to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements (both standalone and consolidated) of the Company for the financial year ended March 31, 2025, together with the Reports of the Board of Directors and the Auditors thereon.

2. To appoint a Director in place of Mr. Vahin Khosla (DIN-07656894), who retires by rotation and, being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

3. **RAISING OF FUNDS THROUGH VARIOUS OPTIONS INCLUDING QUALIFIED INSTITUTIONAL PLACEMENT, PREFRENTIAL ALLOTMENT/ NON CONVERTIBLE DEBENTURES UPTO RS. 500 CRORES.**

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

"**RESOLVED THAT** pursuant to the provisions of Sections 42 and 62, and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for the time being in force) and the applicable rules thereunder and also including any relevant provisions of the Companies Act, 1956 to the extent that such provisions of the Companies Act, 1956 have not been superseded by the Companies Act, 2013 (the "**Companies Act**"), the provisions of the Memorandum of Association and Articles of Association of the Company, and in accordance with any other applicable law or regulation, in India or outside India, including without limitation, the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "**SEBI ICDR Regulations**"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI LODR Regulations**"), the listing agreements entered into with the respective stock exchanges where the shares of the Company are listed (the "**Stock Exchanges**"), the provisions of the Foreign Exchange Management Act, 1999, as amended ("**FEMA**"), including the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993, as amended (the "**FCCB Scheme**"), the Depository Receipts Scheme, 2014, the Consolidated Foreign Direct Investment Policy issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India from time to time, and in accordance with the rules, regulations, guidelines, notifications, circulars and clarifications issued from time to time by the Government of India ("**GOI**"), the Reserve Bank of India ("**RBI**"), the Securities and Exchange Board of India ("**SEBI**"), the Registrar of Companies (the "**RoC**"), the Stock Exchanges, and/ or any other competent authorities and subject to any required approvals, consents, permissions and/or sanctions from the Ministry of Finance (Department of

Economic Affairs), the Ministry of Commerce and Industry (Foreign Investment Promotion Board / Secretariat for Industrial Assistance), SEBI, the RoC, RBI and any other appropriate statutory, regulatory or other authority and subject to such conditions and modifications as may be prescribed, stipulated or imposed by any of them while granting such approvals, consents, permissions and/or sanctions, the consent of the shareholders of the company be and is hereby accorded to Board of Directors of the Company (hereinafter called the "**Board**" which term shall be deemed to include any committee which the Board has constituted, to create, issue, offer and allot (including with provisions for reservation on firm and /or competitive basis, of such part of issue and for such categories of persons including employees of the Company, as may be permitted under applicable law), either in India or in the course of international offering(s) in one or more foreign markets, equity shares of the Company with a face value of Rs. 10 each (Rupees Ten only) (the "**Equity Shares**"), global depository receipts ("**GDRs**"), American depository receipts ("**ADRs**"), foreign currency convertible bonds ("**FCCBs**") and/or other financial instruments convertible into or exchangeable for Equity Shares (including warrants, or otherwise, in registered or bearer form), fully convertible debentures, partly convertible debentures, non-convertible debentures ("**NCDs**") with warrants and/or any security convertible into Equity Shares with or without voting/special rights and/or securities linked to Equity Shares and/or securities with or without detachable warrants with right exercisable by the warrant holder to convert or subscribe to Equity Shares pursuant to a green shoe option, if any (all of which are hereinafter collectively referred to as the "**Securities**") or any combination of Securities, in one or more tranches, whether Rupee denominated or denominated in foreign currency, through public and/or private offerings, including without limitation through a qualified institutions placement ("**QIP**") (in accordance with Chapter VIII of the SEBI ICDR Regulations), or any combination thereof or by the issue of prospectus and/or placement document and/or other permissible/requisite offer document to any eligible person(s), including but not limited to qualified institutional buyers (as defined in the SEBI ICDR Regulations) ("**QIBs**") in accordance with Chapter VIII of the SEBI ICDR Regulations, or otherwise, foreign/resident investors (whether institutions, incorporated bodies, mutual funds, individuals or otherwise), venture capital funds (foreign or Indian), alternative investment funds, foreign institutional investors, foreign portfolio investors, Indian and/or bilateral and/or multilateral financial institutions, non-resident Indians, stabilizing agents, state industrial development corporations, insurance companies, provident funds, pension funds and/or any other categories of investors whether or not such investors are members of the Company (collectively referred to as the "**Investors**"), as may be decided by the Board at its discretion and permitted under applicable laws and regulations for an aggregate amount not exceeding Rs. 500 Crores (Rupees One Thousand Crores only) (Out of which Rs. 250 Crores (Rupees Five Hundred Crores) shall be for Fully Convertible Debentures/Partly Convertible Debentures/ Non-Convertible Debentures ("NCDS")/Foreign Currency Convertible Bonds ("FCCBS")) or equivalent thereof either in any foreign currency and/or equivalent Indian Rupees, inclusive of such premium as may be fixed on such Securities at such a time or times, in such a manner and on such terms and conditions including security, rate of interest, discount (as permitted under applicable law) etc., as may be deemed appropriate by the Board in its absolute discretion, including the discretion to determine the categories of Investors to whom the offer, issue and allotment shall be made to the exclusion of other categories of Investors at the time of such offer, issue and allotment considering the prevailing market conditions and other relevant factors and wherever necessary in consultation with the lead manager(s) and/or underwriter(s) and/or other advisor(s) for such issue. The number and/or price of Securities shall be appropriately adjusted for corporate actions such as bonus issue, rights issue, stock split, merger, demerger, transfer of undertaking, sale of division or any such capital or corporate restructuring.

RESOLVED FURTHER THAT if any issue of Securities is made by way of a QIP in terms of Chapter VIII of the SEBI ICDR Regulations (hereinafter referred to as "**Eligible Securities**" within the meaning of the SEBI ICDR Regulations), the allotment of the Eligible Securities, or any combination thereof as may be decided by the Board, shall be completed within 12 (twelve) months from the date of approval of the shareholders of the Company by way of a special resolution for approving the QIP or such other time as may be allowed under the SEBI ICDR Regulations, at a price being not less than the price determined in accordance with the pricing formula provided under Chapter VIII of the SEBI ICDR Regulations, provided that the Board may, in accordance with applicable law, offer a discount of not more than 5% (five per cent.) or such percentage as permitted under applicable law, on such price determined in accordance with the pricing formula provided under Chapter VIII of the SEBI ICDR Regulations. The Eligible Securities shall be allotted as fully paid-up (subject to allottees having the option to pay either full or part consideration for warrants, with the balance consideration being payable at or by the time of exercise of such warrants, where the tenure of any convertible or exchangeable Eligible Securities shall not exceed 60 (sixty) months from the date of allotment), and the aggregate of all QIPs made by the Company in the same financial year shall not exceed five times the net worth of the Company as per the audited balance sheet of the previous financial year.

RESOLVED FURTHER THAT in the event that the Equity Shares are issued to QIBs under Chapter VIII of the SEBI ICDR Regulations, the "relevant date" for the purpose of pricing of the Equity Shares shall be the date of the meeting in which the Board decides to open the proposed issue of Equity Shares, and in the event that convertible securities (as defined under the SEBI ICDR Regulations) are issued to QIBs under Chapter VIII of the SEBI ICDR Regulations, the "relevant date" for the purpose of pricing of such convertible securities, shall be the date of the meeting in which the Board decides to open the issue of such convertible securities or the date on which the holders of such convertible securities are entitled to apply for Equity Shares or such other time as may be permitted by the SEBI ICDR Regulations, subject to any relevant provisions of applicable laws, rules, regulations, as amended, from time to time.

RESOLVED FURTHER THAT the relevant date for the determination of the applicable price for the issue of any other Securities shall be as per the regulations/guidelines prescribed by SEBI, the Ministry of Finance, RBI, GoI through their various departments, or any other regulator, as the case may be, and the pricing of any Equity Shares issued upon the conversion of such Securities shall be made subject to and in compliance with the applicable rules and regulations.

RESOLVED FURTHER THAT in pursuance of the aforesaid resolutions:
the Securities to be so offered, issued and allotted shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company; and any Equity Shares that may be created, offered, issued and allotted by the Company shall rank *paripassu* with the existing Equity Shares of the Company in all respects.

RESOLVED FURTHER THAT in addition to all applicable Indian laws, the Securities issued pursuant to this Resolution shall also be governed by all applicable laws of any foreign jurisdiction where such Securities are or are proposed to be marketed or listed, or that may in any other manner apply in this relation.

"**RESOLVED FURTHER THAT** a Securities Committee constituted by the Board be and is hereby authorized to do such acts, deeds and things in its absolute discretion as it deems necessary or expedient in connection with the creation, offer, issue, allotment, dematerialization or listing of the Securities, etc., including, without limitation, the following:

(a) appointing managers, arrangers, underwriters, guarantors, financial and/or legal advisors, depositories, custodians, principal paying/transfer/conversion agents, listing agents, registrars, trustees, escrow banks and all other agencies, intermediaries or advisors, whether in India or abroad, and finalizing the terms of and entering into or execution of all such agreements, arrangements or other documents with any such agencies, intermediaries or advisors, as may be required or expedient;
(b) applying for and obtaining the consent of any relevant regulatory authorities/agencies, the Company's lenders/creditors, or any other parties (including, without limitation, any experts or persons with whom the Company has entered into commercial or other agreements), as may be required or expedient;
(c) finalization and approval, and making arrangements for the submission, of the preliminary and/or draft and/or final placement document/offering circulars/information memoranda/prospectuses/offer documents, and any addenda or corrigenda thereto, with any applicable regulatory authorities or agencies, as may be required;
(d) determining the pricing and terms of the Securities (including, in the case of an issuance of FCCBs/ADRs/GDRs in accordance with the relevant provisions of the FCCB Scheme or the Depository Receipts Scheme, 2014; or in case of a QIP, determining the floor price and the final allotment price in accordance with the SEBI ICDR Regulations and/or any other applicable laws, including any discount of up to 5% (five per cent.) of the floor price or such other discount as may be permitted under applicable law), the date for the opening and closure of the subscription period for the Securities (including the extension of such subscription period, as may be necessary or expedient), and all other related matters (including, without limitation, taking any action or decision in relation to two-way fungibility between FCCBs/ADRs/GDRs and underlying Equity Shares or in relation to payment in calls for the Securities, insofar as may be permitted under applicable law and relevant regulatory approvals);
(e) approval of the letters of allotment, security certificates, listing applications, engagement letters, memoranda of understanding and any other agreements or documents, placement agreement(s), deposit agreement(s), purchase/subscription/underwriting agreement(s), trust deed(s), indenture(s), escrow agreement(s), etc., including amending, varying or modifying the same, as may be necessary or expedient;
(f) opening one or more bank accounts in the name of the Company or otherwise, in Indian currency or foreign currency(ies), with such banks in India and/or such foreign countries, as may be necessary or expedient in connection with the issue and allotment of the Securities;
(g) finalization of the basis of allotment of the Securities on the basis of the subscriptions received (including in the event of over-subscription);
(h) seeking listing of the Securities on any Indian and/or foreign stock exchanges, submitting listing applications to such stock exchanges and taking all actions that may be necessary in connection with obtaining or ensuring such listing;
(i) convening any meetings of the shareholders of the Company either by way of an extraordinary general meeting or passing resolutions through postal ballot;
(j) authorization of any director or officers of the Company, including by the grant of powers of attorney and/or on joint and/or several basis, to do such acts, deeds and things as the authorized persons in his or their absolute discretion may deem necessary or expedient in connection with the offer, issue and allotment of the Securities; and
(k) all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary or expedient, including without limitation to settle any question, difficulty or doubt that may arise in regard to the offer, issue and allotment of the Securities."

4. **RE-APPOINTMENT OF MRS. SUMAN KUKRETY AS INDEPENDENT DIRECTOR**

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') read with the Companies (Appointment and Qualification of Directors) Rules, 2014, the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR Regulations'), including any statutory modification(s) or re-enactment(s) thereof for the time being in force, and based on the recommendation of the Nomination and Remuneration Committee and the approval of the Board of Directors, consent of the members be and is hereby accorded for re-appointment of **Mrs. Suman Kukrety (DIN: 08730773)**, who has completed her first term of five (5) consecutive years as an Independent Director of the Company and is eligible for re-appointment, as an **Independent Director** of the Company, not liable to retire by rotation, to hold office for a second term of **five (5) consecutive years** commencing from 9th August, 2025.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, proper, desirable or expedient to give effect to this resolution, including filing necessary returns with the Registrar of Companies and/or any other authority and to settle any question, difficulty or doubt that may arise in giving effect to this resolution."

5. **CONVERSION OF UNSECURED LOAN(S) FROM PROMOTERS INTO EQUITY SHARES OF THE COMPANY**

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 Sections 42, 62(1)(c), and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), read with the rules made thereunder, the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the applicable provisions of the Memorandum and Articles of Association of the Company, and subject to such approvals, consents, sanctions and permissions as may be required from appropriate authorities, the general consent of the members of the Company be and is hereby accorded to convert the unsecured loan(s) aggregating to granted by the Promoters of the Company from time to time, into fully paid-up equity shares of the Company of face value of ₹10/ each at a price determined in accordance with the applicable laws and regulations.

RESOLVED FURTHER THAT the equity shares so allotted on conversion shall rank pari passu in all respects with the existing equity shares of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to include any committee duly constituted by the Board to exercise its powers), be and is hereby authorized to do all such acts, deeds, matters, and things, and to execute all documents and writings as it may in its absolute discretion deem necessary, proper or desirable, including seeking approvals, filing of forms with regulatory authorities, listing of shares on stock exchange(s), and to settle any questions, difficulties, or doubts that may arise in this regard."

By Order of the Board of Directors
For Capital Trust Limited

Sd/-
Tanya Sethi
Company Secretary

Date: 27th May, 2025
Place: New Delhi

NOTES:

1. Pursuant to General Circular Nos. 14/2020, 17/2020, 20/2020, 02/2021, 19/2021, 21/2021 and 02/2022 dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 08, 2021, December 14, 2021 and May 05, 2022 respectively issued by the Ministry of Corporate Affairs ('MCA') (collectively referred to as 'MCA Circulars') and Circular Nos. SEBI/HO/CFD/ CMD1/CIR/ P/2020/79, SEBI/HO/CFD/CMD2/CIR/P/2021/11 and SEBI/HODDHS/P/CIR/2022/ 006 dated May 12, 2020, January 15, 2021 and May 13,2022, respectively issued by the Securities and Exchange Board of India (collectively referred to as 'SEBI Circulars'), holding of the Annual General Meeting ('AGM') through VC/OAVM, without the physical presence of the Members, is permitted. In compliance with the provisions of the Companies Act, 2013 ('the Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Listing Regulations'), MCA Circulars and SEBI Circulars, the AGM of the Company is being held through VC/ OAVM which does not require physical presence of members at a common venue. The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company which shall be the deemed Venue of the AGM.

2. A statement giving relevant details of the directors seeking appointment/ reappointment under Item No. 2 of the accompanying notice, as required under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 is annexed herewith as Annexure-I.

3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need

not be a Member of the Company. In terms of MCA Circulars, since physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility for appointment of proxies by the Members under Section 105 of the Act, will not be available for the AGM and, hence, the Proxy Form and Attendance Slip are not annexed to this Notice. The Board of Directors has appointed Shri Shashank Sharma, Practicing Company Secretary (ACS19311 & CP No. 7221) as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.

4. Corporate/Institutional members (i.e. other than individuals, HUF, NRI, etc) are required to send scanned copy of its Board or governing body resolution/authorization etc., authorizing its representative to attend AGM through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization be sent to the Scrutinizer by email through its registered email address to shashankcsu@gmail.com with a copy marked to evoting@nsdl.com

5. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

6. Members can login and join the AGM 30 minutes prior to the scheduled time to start the AGM and the window for joining shall be kept open till the expiry of 15 minutes after the scheduled time to start the AGM. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members, on first-come-first-served basis. However, the participation of large members (members holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee and Auditors can attend the AGM without restriction of first-come-first served basis. Instructions and other information for members for attending the AGM through VC/OAVM are given in this Notice.

7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

8. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the aforesaid MCA and SEBI Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL.

9. For ease of conduct, members who would like to ask questions/express their views on the items of the business to be transacted at the meeting can send in their questions/ comments in advance mentioning their name, demat account number/ folio number, email id, mobile number at cs@capitaltrust.in. The same will be replied by the Company suitably.Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

10. The Registers of Members and Share Transfer Books of the Company will remain closed from Sunday 14th September, 2025 to Saturday 20th September, 2025 (both days inclusive) for the purpose of annual closure of books.

11. In accordance with SEBI LODR (Listing Obligations and Disclosure Requirements) (4th amendment) Regulations, 2018 notified on June 07, 2018 and further notification dated 30/11/2018 any request for physical transfer of shares shall not be processed w.e.f. April 01,2019

Further, in compliance with SEBI vide its circular SEBI/HO/ MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January 2022, the following requests received by the Company in physical form will be processed and the shares will be issued in dematerialization form only:-

i. Issue of duplicate share certificate
ii. Claim from unclaimed suspense account
iii. Renewal/Exchange of securities certificate
iv. Endorsement
v. Sub-division / splitting of securities certificate
vi. Consolidation of securities certificates/folios
vii. Transmission
viii. Transposition

For this purpose, the securities holder/claimant shall submit a duly filled up Form ISR-4 which is hosted on the website of the company as well as on the website of MAS Services Ltd, Registrar and share transfer agent (RTA) The aforementioned form shall be furnished in hard copy form.

Members holding shares in physical form are requested to dematerialize their holdings at the earliest.

12. The Securities and Exchange Board of India ('SEBI') vide its circular dated November 03, 2021 read with circular dated December 14, 2021 has made it mandatory for the shareholders holding securities in physical form to furnish PAN, KYC (complete

address with pin-code, bank detail with MICR-CODE & IFS CODE, Email-ID, Mobile Number) and Nomination details to the Registrar and Transfer Agent ('RTA') of the Company. Effective from 1st January 2022. Registrar will not process , any service requests or complaints received from the member until unless above KYC and nomination will not be completed by shareholder and such shareholders holding will be freeze by RTA on or after 1st April 2023.

The shareholders holding shares in physical form are requested to note that in case of failure to provide required documents and details as per aforesaid SEBI circular, all folios of such shareholders shall be frozen on or after April 01, 2023 by the RTA. In view of the above, shareholders of the Company holding securities in physical form are requested to provide following documents/details to RTA:

i. PAN; (using ISR-1)
ii. Nomination in Form No.SH-13 or submit declaration to 'Opt-out' in Form ISR-3;
iii. Contact details including Postal address with PIN code, Mobile Number, E-mail address;
iv. Bank Account details including Bank name and branch, Bank account number, IFS code;
v. Specimen signature. (using ISR-2)

Any cancellation or change in nomination shall be provided in Form No.SH-14

All of above required documents/details to be sent at the address of registered office of the RTA. The shareholders can download the forms mentioned in SEBI circular from the website of the Company or RTA website i.e www.masserv.com.

A separate communication has already been sent to the respective shareholders.

13. In compliance with the aforesaid MCA and SEBI Circulars, the Notice of the AGM along with the Annual Report 2024-25 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice calling AGM alongwith the explanatory statement and Annual Report 2024-25 are available on the website of the Company at www.capitaltrust.com and on the website of the Stock Exchange i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and on the website of National Securities Depository Limited (NSDL) i.e. www.evoting.nsdl.com (the Authorised agency for providing voting through electronic means and AGM through VC/OAVM). Company's web-link on the above will also be provided in advertisement being published in Financial Express (English edition) and Jansatta (Hindi edition).

14. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from 1st April, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to

consider converting their holdings to dematerialized form. Members can contact the Company Secretary or Mas Services Limited, Company's Registrar and Share Transfer Agents ("RTA") (Tel. No. 011 26387281/82/83) for assistance in this regard.

15. Members who have not yet registered their e-mail addresses are requested to register the same with their Depository Participants ("DP") in case the shares are held by them in electronic form and with the Company/RTA in case the shares are held by them in physical form.

16. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone / mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, etc., to their DPs if the shares are held by them in electronic form and to the Company/RTA if the shares are held by them in physical form.

17. For receiving all future correspondence (including Annual Report) from the Company electronically–

In case you have not registered your email ID with the Company/ Depositary, please follow below instructions to register your email ID for obtaining Annual Report for FY 2024-25 and login details for e-voting.

Physical Holding

Send a signed request letter to Registrar and Transfer Agents of the Company, MAS Services Limited at investor@masserv.com providing Folio Number, Name of the Shareholder, scanned copy of the Share Certificate (Front and Back), PAN(Self attested scanned copy of PAN Card), AADHAR (Self attested scanned copy of Aadhar Card) with subject line (Register E-mail ID Folio No (Mention Folio No) of Capital Trust Limited.

Demat Holding

Please contact your Depositary Participant (DP) and register your email address as per the process advised by DP.

18. In compliance with the aforesaid MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report 2023-24 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories. Further, those members who have not registered their e-mail addresses and mobile nos. and in consequence could not be served the Notice of the AGM and Annual Report may temporarily get themselves registered with RTA by emailing for obtaining the same. Members are requested to support our commitment to environmental protection by choosing to receive the Company's communications through e-mail going forward. Members may note that the Notice and Annual Report 2024-25 will also be available on the Company's website www.capitaltrust.in, websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and on the website of NSDL https://www.evoting.nsdl.com.

19. In case a person has become a member of the Company after dispatch of the AGM Notice, but on or before the cut-off date for e-voting i.e. **Wednesday, September 17, 2025**, such person may obtain the User ID and Password from RTA by e-mail request on investor@masserv.com

20. With a view to helping us serve the members better, members who hold shares in identical names and in the same order of names in more than one folio are requested to write to the Company to consolidate their holdings in one folio.

21. In terms of Section 72 of the Companies Act, 2013 and the applicable provisions, the shareholders of the Company may nominate a person in whose name the shares held by him/them shall vest in the event of his/their death. Shareholders desirous of availing this facility may submit the requisite nomination form.

22. Shareholders of the Company are informed that pursuant to the provisions of the Act and the relevant rules the amount of dividend which remains unpaid/unclaimed for a period of 7 years is transferred to the 'Investor Education & Protection Fund (IEPF)' constituted by the Central Govt. Accordingly the amount of dividend which remained unpaid/unclaimed for a period of 7 years for the year 2015-16, 2016-17 has already been transferred to IEPF. Shareholders who have not encashed their dividend warrant(s), for the years 2017-18 to 2018-19 are requested to make claim with the Registrar & Share Transfer Agent of the Company immediately.

    Further, pursuant to the provisions of Section 124(6) of the Act read with the relevant Rules made thereunder, shares on which dividend has not been paid or claimed for seven (7) consecutive years or more shall be transferred to the IEPF as notified by the Ministry of Corporate Affairs.

    In accordance with the IEPF Rules, the Company has sent notices to all the Shareholders whose shares are due for transfer to the IEPF and has also published the details thereof in notices published in newspapers.

    The Members whose dividend/shares are transferred to the IEPF may claim the dividend/shares by making an application to the IEPF by following the procedure as detailed in the IEPF Rules and as enumerated on the website of IEPF at http://www.iepf.gov.in/IEPF/refund.html.

23. In terms of SEBI Circular dated 09/12/2020, the depository shall send SMS/email alerts regarding the details of the upcoming AGM to the demat holders atleast 2 days prior to the date of commencement of e-voting. Hence members are requested to update the mobile no./email ID with their respective depository participants.

24. SEBI has made it mandatory for all Companies to use the bank account details furnished by the Depositories and the bank account details maintained by the RTA for payment of dividend to Members electronically. The Company has extended the facility of electronic credit of dividend directly to the respective bank accounts of the

Member(s) through Electronic Clearing Service (ECS)/National Electronic Clearing Service (NECS)/ Real Time Gross Settlement (RTGS)/ Direct Credit/NEFT etc. In the absence of ECS facilities, the Company will print the bank account details if available, on the payment instrument for distribution of dividend.

In order to receive the dividend without loss of time, the Members holding shares in physical form are requested to submit particulars of their bank accounts along with the original cancelled cheque bearing the name of the Member to the RTA, MAS Services Limited/Company to update their bank account details and all the eligible shareholders holding shares in demat mode are requested to update with their respective DPs, their correct Bank Account Number, including 9 Digit MICR Code and 11 digit IFSC Code, e-mail ID and Mobile No(s).

Members holding shares in physical form may communicate these details to the RTA viz. MAS Services Limited having address at RTA i.e. MAS Services Limited, having address at T-34 2nd Floor, Okhla Industrial Area, Phase-II, New Delhi 110020, by quoting the reference folio number and attaching photocopy of the cheque leaf of their active bank account and a self-attested copy of their Permanent Account Number ('PAN') card.

This will facilitate the remittance of the dividend amount as directed by SEBI in the bank account electronically. Updation of e-mail IDs and Mobile No(s) will enable the Company in sending communication relating to credit of dividend, un-encashed dividend, etc.

The Company or RTA cannot act on any request received directly from the Members holding shares in demat form for any change of bank particulars. Such changes are to be intimated only to the DPs of the Members.

25. The documents referred to in the proposed resolutions are available for inspection at its Registered Office of the Company during normal business hours on any working day except Sunday, upto the date of meeting.

26. Instructions for e-voting and joining the AGM are as follows:

In terms of the provisions of section 108 of the Act, read with rule 20 of the Companies (Management and Administration) Rules, 2014, as amended (hereinafter called 'the Rules' for the purpose of this section of the Notice) and regulation 44 of the SEBI Listing Regulations, the Company is providing facility of remote e-voting to exercise votes on the items of business given in the Notice 39th Annual General Meeting (AGM) through electronic voting system, to members holding shares as on Saturday, September 13, 2025 (end of day), being the cut-off date fixed for determining voting rights of members, entitled to participate in the remote e-voting process, through the e-voting platform provided by NSDL or to vote at the e-AGM.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE ASUNDER:-

The remote e-voting period begins on Wednesday, September 17, 2025 at 9:00 A.M. and ends on Friday September 19, 2025 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Saturday, September 13 2025 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being September 13 2025.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.
Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	**Login Method**
Individual Shareholders holding securities in demat mode with NSDL.	1. If you are already registered for **NSDL IDeAS facility**, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the **"Beneficial Owner"** icon under "Login" which is available under **"IDeAS"** section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or **e-Voting service provider –**

	NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS"**Portal or click athttps://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digitdemat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or **e-Voting service provider - NSDL** and you will be redirected to e-Voting website of NSDLfor casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of **e-Voting service provider i.e. NSDL.** Click on **NSDL** to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/Ea

	siRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. **NSDL** where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or **e-Voting service provider-NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	**Helpdesk details**
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	**Your User ID is:**
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 125707 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

(i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:

a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to shashankcsu@gmail,com with a copy marked to evoting@nsdl.com.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Amit Vishal at evoting@nsdl.com

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investor@masserv.com or cs@capitaltrust.in

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to investor@masserv.com or cs@capitaltrust.in. If you are an Individual shareholders holding securities in demat

mode, you are requested to refer to the login method explained at **step 1 (A**) i.e.**Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**.

3. Alternatively shareholder/members may send a request to evoting@nsdl.comfor procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM/AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under **"Join General meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have

forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at cs@capitaltrust.in. The same will be replied by the company suitably.

General Instructions

i. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

ii. Shri Shashank Sharma, Practicing Company Secretary (Membership No. ACS19311 & CP No. 7221), has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

iii. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, for all those members who are present VC / OAVM at the AGM but have not cast their votes by availing the remote e-voting facility.

iv. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

v. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.capitaltrust.in and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing and communicated to the BSE Limited.

CapitalTrust

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No. 3

RAISING OF FUNDS THROUGH VARIOUS OPTIONS INCLUDING QUALIFIED INSTITUTIONAL PLACEMENT, PREFRENTIAL ALLOTMENT/ NON CONVERTIBLE DEBENTURES UPTO RS. 500 CRORES.

Pursuant to the relevant Sections of the Companies Act, including, without limitation, Section 62 of the Companies Act, 2013, any offer or issue of securities in the Company to persons other than members of the Company requires prior approval of the members by way of Special Resolution.

Your Directors draw your attention to the fact that the Company requires additional capital in the future to meet the needs of its growing business and to augment the Company's capital base and financial position. Accordingly, it is proposed that equity or equity-linked debt capital raising be undertaken by the Company, which would involve creating, offering, issuing and allotting securities to eligible investors, as stated in the resolution at such price or prices, at a discount or premium to market price or prices in such manner and on such terms and conditions as may be deemed appropriate by the Board at its discretion, taking into consideration market conditions and other relevant factors and wherever necessary in consultation with lead managers and other advisors, either in one or more foreign currencies or Indian Rupees inclusive of such premium as may be determined by the Board, all in accordance with applicable laws. The Company intends to issue securities for an aggregate amount not exceeding Rs. 500 Crores (Rupees One thousand Crores) (Out of which Rs. 250 Crores (Rupees Two Hundred Fifty Crores) shall be for Fully Convertible Debentures/Partly Convertible Debentures/ Non-Convertible Debentures ("NCDS")/Foreign Currency Convertible Bonds ("FCCBS")) or equivalent thereof or its equivalent in one or more tranches. This is an enabling Resolution and the Company will issue new Securities, subject to applicable law and necessary compliances.

This Special Resolution, among other things, seeks to enable the Board of Directors (including any duly authorized committee thereof) to undertake a Qualified Institutions Placement to Qualified Institutional Buyers in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosures Requirements) Regulations, 2009, amended (the "**SEBI ICDR Regulations**") as prescribed under Chapter VIII of the SEBI ICDR Regulations for the purposes mentioned above, without the need for fresh approval from the shareholders.

Basis or Justification of Price: The pricing of the Securities to be issued to Qualified Institutional Buyers pursuant to Chapter VIII of the SEBI ICDR Regulations shall be determined by the Board in accordance with the regulations on pricing of securities determined in accordance with Chapter VIII the SEBI ICDR Regulations. The "Relevant Date" for this purpose, in case of allotment of Equity Shares, will be the date when the Board decides to open the issue, or, in case of convertible securities, the date of the meeting in which the Board or a committee thereof decides to open the issue of the convertible securities. The resolution enables the Board of Directors to, in accordance with applicable laws, offer a discount of not more than 5% (five per cent.) or such percentage as permitted under applicable law on the price determined pursuant to the SEBI ICDR Regulations.

The Special Resolution also enables the Board to issue Securities in tranches, at such times, at such prices and to such person(s) including institutions, bodies incorporated and/or individuals or otherwise as the Board deems fit. The Company with this resolution intends to retain the right and flexibility to issue securities including but not limited to GDRs, ADRs, FCCBs and Equity Shares.

The detailed terms and conditions for the offer will be determined by the Board in consultation with the lead manager(s) and other advisors appointed in relation to the proposed issue and such other authorities as may be required, taking into consideration market conditions and in accordance with applicable law. The Equity Shares allotted or arising out of conversion of any Securities will be listed and traded on stock exchanges where Equity Shares of the Company are currently listed ("**Stock Exchanges**"), subject to obtaining necessary approvals. The offer/ issue/ allotment/ conversion/ redemption of Securities would be subject to obtaining regulatory approvals, if any by the Company. As and when the Board does take a decision on matters on which it has the discretion, necessary disclosures will be made to the stock exchanges as may be required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and any provisions of the listing agreements entered into with the Stock Exchanges.

The Board of Directors of the Company commends the Resolution as set out at Item No.3

Item No. 4

Re-appointment of Mrs. Suman Kukrety (DIN: 08730773) as an Independent Director of the Company

Pursuant to the provisions of Section 149 of the Companies Act, 2013 ("the Act"), every listed company is required to have at least one-third of its Board of Directors as Independent Directors. Independent Directors are appointed for a term of up to five consecutive years and are eligible for re-appointment by passing a special resolution by the shareholders of the Company.

Mrs. Suman Kukrety was appointed as an Independent Director of the Company for a term of five consecutive years commencing from 9th August, 2020. Based on the recommendation of the Nomination and Remuneration Committee and approval of the Board, it is proposed to re-appoint her for a second term of five consecutive years with effect from 9th August, 2025 to 8th August, 2030.

Mrs. Suman Kukrety has rich experience in the field of law. The Board is of the opinion that her continued association as an Independent Director would be of immense benefit to the Company, given her knowledge, skills, and experience.

In accordance with Section 149(6) of the Act and Regulation 16(1)(b) of SEBI LODR Regulations, 2015, the Company has received a declaration from Mrs. Suman Kukrety confirming that she meets the criteria of independence as prescribed under the Act and SEBI LODR Regulations. She is not debarred or disqualified from being appointed or continuing as a director of companies by SEBI, MCA, or any other statutory authority.

The Board, after evaluating her performance during the first term, considers that the Company will continue to benefit from her expertise and guidance. Accordingly, the Board recommends the resolution as set out in Item No. 4 for approval of the members as an Ordinary Resolution.

Item No. 5

Conversion of unsecured loan(s) from promoters into equity shares of the company

The Promoters of the Company, from time to time, have supported the Company's business and operations by way of extending unsecured loans..

In order to strengthen the balance sheet, improve the Company's debt-equity ratio, and align promoter commitment with the long-term growth of the Company, it is proposed to convert such unsecured loans (or part thereof) into equity shares of the Company.

The conversion price of the equity shares shall be determined in accordance with applicable provisions of the Companies Act, 2013, and the SEBI (ICDR) Regulations, 2018, including valuation by a registered valuer, and shall be subject to necessary regulatory and statutory approvals.

Therefore the general approval is sought from the shareholders of the company.

None of the Directors or Key Managerial Personnel of the Company or their relatives, except to the extent of their respective interest as Promoters/holders of unsecured loans, are concerned or interested in the resolution.

Information pursuant to the Listing Regulations and Secretarial Standards in respect to Appointment/ Re-appointment of Directors

1.	Name of Director	Mrs. Suman Kukrety	Mr. Vahin Khosla
2.	Category	Independent Director	Joint Managing Director
3.	DIN	08730773	07656894
4.	Date of birth	08/01/1976	01/03/1992
5.	Qualification	LL.B	Bachelor's degree in Economics-Accounting and Master's degree in Finance
6.	Nature of Expertise/Experience	Law	More than 8 years of experience in NBFC in finance, Bushiness and field operation.
7.	Brief Resume	Appended at end of this table	Appended at end of this table
8.	Terms & Conditions of Appointment/ re-appointment	Appointment as an Independent Director for 5 years	Re-Appointment as an Executive Director
9.	Last Drawn Remuneration Details along with remuneration sought to be paid	As a Non-Executive Independent Director, he is entitled to sitting fees for attending meetings of the Board/Committee.	As per the resolution passed by members on 29th June 2024
10.	No. of shares held in the company as at March 31, 2025	Not Applicable	Nil
11.	Relationship with	No Relation	He is son of Managing

	other Directors/ Manager/KMP		Director
12.	No. of Board meetings attended out of 5 meetings held during the year	5	5
13.	Directorship details	Nil	1
14.	Committee Positions	1	2

Brief Resume of the Directors proposed to be appointed/reappointed:

Mr. Vahin Khosla

Mr. Vahin Khosla is the Executive Director of our company. He holds a bachelor's degree in Economics-Accounting and a master's degree in Finance from Claremont McKenna College, CA, USA. He graduated as a Roberts Day Scholar from college and a School Prefect from The Doon School. He has been instrumental in the fundraising arm of the company having raised over 1000Cr in the last few years. Prior to working with Capital Trust, Vahin worked with DaVita Healthcare in the Corporate Finance team in Denver, USA. He has represented his football club at an international level and completed the Ironman triathlon in 2022.

Mrs. Suman Kukrety

Mrs. Kukrety is competent professional with 20 years of quality experience in legal consultancy, legal documentation in civil and criminal cases before the Supreme Court of India, High Courts, District Courts, quasi-judicial tribunals, institutional arbitrations before Indian Council of Arbitration (ICA). She has secured 1st position in Advocate-on-Record examination held by the Supreme Court of India, in June, 2009.

By Order of the Board of Directors
For Capital Trust Limited

Tanya Sethi
Company Secretary

Date: May 27, 2025
Place: New Delhi

INDEPENDENT AUDITOR'S REPORT

To the Members of Capital Trust Limited

Report on the audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Capital Trust Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss, including Other Comprehensive Income, the Statement of Changes in Equity and the 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 "the 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 March 31, 2025, its profit including other comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis for opinion

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

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the financial year ended March 31, 2025. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matters	How our audit addressed the key audit matter
Expected Credit Loss (ECL) on Loans	
Company has total gross loans of Rs. 8846.50 Lakhs and allowance of ECL of Rs. 426.36 Lakhs as on March 31, 2025. Impairment of its financial assets is provided using expected credit loss (ECL) approach under Ind AS 109. The ECL is measured at 12-month ECL for Stage 1 loan assets and at lifetime ECL for Stage 2 and Stage 3 loan assets. ECL is the product of the Probability of Default, Exposure at Default and Loss Given Default for each of the stages of loans. Significant judgment and assumption is required by the management in respect of - Classification of financial assets where significant increase in credit risk; - Statistics used to determine credit quality of loans; - Estimation of losses In view of the high degree of management's judgment involved in estimation of ECL, it is considered as a key audit matter.	We assessed areas of significant estimates and management judgement in line with principles under Ind AS; We compared the reasonableness of management assumptions in respect of recognition and measurement of financial instruments, allowance for expected credit losses etc. We tested the ECL model, including assumptions and underlying computation. We tested assumptions used by the management in determining the overlay for macro-economic factors. We assessed the appropriateness and adequacy of the related presentation and disclosures in the accompanying financial statements in accordance with the applicable accounting standards and related RBI circulars and Resolution Framework; and We obtained written representations from management and those charged with governance whether they believe significant assumptions used in calculation of expected credit losses are reasonable.

Other Information

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Management Discussion & Analysis, Board's Report, Business Responsibility and Sustainability Report and Corporate Governance Report, including Annexures, but does not include the financial statements and our auditor's report thereon.

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

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

Responsibilities of management for the financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial 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 is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 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 system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

CapitalTrust

Report on Other Legal and Regulatory Requirements

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

2. A. As required by Section 143(3) of the Act, we report that:

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

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph (i)(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 including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

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

   (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules 2014;

   (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;

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

   (a) The Company did not have any pending litigations which would impact on its financial position;

   (b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

   (c) There was no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Company;

(d) (i) The management has represented that, to the best of it's knowledge and belief, as disclosed in the Note 47(ii) to the financial statements, no funds have been advanced or loaned or invested during the year (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediaries 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;

(ii) The management has represented, that, to the best of it's knowledge and belief, as disclosed in the Note 47(ii) to the financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(iii) Based on such audit procedures, 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 (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above contain any material misstatement;

(e) The Company has not proposed, declared or paid any dividend during the year. Therefore, reporting in this regard is not applicable to the Company.

(f) Based on our examination, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2025 which does not have the feature of recording audit trail (edit log) facility.

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

In our opinion, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

For JKVS & Co.
Chartered Accountants
Firm Registration No. 318086E

B. L. Choraria
Partner
Membership No. 022973
UDIN: 25022973BMLNCC6546

Place: Noida
Date: May 27, 2025

Annexure A referred to in paragraph 1 of our report of even date on the other legal and regulatory requirements (Re: Capital Trust Limited)

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

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

b. The Company physically verify its property, plant and equipment in every alternate year, which in our opinion, is reasonable having regard to the size of the Company and nature of its assets. Accordingly, Company has made physical verification of its Property, Plant and Equipment during the year and no material discrepancies were noticed on such verification.

c. According to the information and explanations given to us and based on the examination of the records provided to us, the Company has no immovable properties other than leased properties. Therefore, the provisions of clause 3(i)(c) of the Order are not applicable to the Company.

d. On the basis of our examination of records of the Company, the Company has not revalued any of its property, plant and equipment or intangible assets during the year. Therefore, the provisions of clause 3(i)(d) of the Order are not applicable to the Company.

e. According to information and explanations given to us, no proceedings have been initiated or is pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions (Prohibition) Act, 1988 and the rules made thereunder. Therefore, provisions of clause 3(i)(e) of the Order are not applicable to the Company.

(ii) a. The Company has no inventory. Therefore, the provisions of clause 3(ii)(a) of the Order are not applicable.

b. As per the information and explanations given to us, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions. Therefore, the provisions of clause 3(ii)(b) of the Order are not applicable.

(iii) a. The Company's principal business is to give loans. Therefore, the provisions of clause 3(iii)(a) of the Order are not applicable to the Company.

b. According to the information and explanations given to us, the Company has not provided any guarantees or given any security or advances in the nature of loan during the year. Further, the investments made and the terms and conditions of the grant of all loans during the year, are not prima facie prejudicial to the interest of the Company.

c. In respect of loans asset, the schedule of repayment of principal and payment of interest has been stipulated. Except for loans where there are delays or defaults in repayment of principal and / or payment of interest as at the balance sheet date, in respect of which the Company has disclosed the accounting policy in note 3(e)(iv) and credit risk in note 39(a) to the Financial Statements in accordance with Ind AS and the guidelines issued by the regulators, the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest, as applicable. Having regard to the nature of the Company's business and the voluminous nature of loan transactions involved, it is not practicable to furnish entity wise list of loan assets where delinquencies in the repayment of principal and interest have been identified.

d. The total amount overdue for more than ninety days, in respect of loans and advances in the nature of loans including interest thereon, as at March 31, 2025 is Rs. 527.93 Lakhs. As per information and explanation given to us, reasonable steps have been taken by the Company for recovery of the principal and interest, though provision for NPA as per applicable guidelines by the regulator and Accounting Standards have been made for these overdue amounts.

e. According to the records of the Company examined by us, the Company is engaged primarily in lending activities. Therefore, the provisions of clause 3(iii)(e) of the Order are not applicable to the Company.

f. According to the records of the Company examined by us, 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 during the year. Therefore, the provisions of clause 3(iii)(f) of the Order are not applicable to the Company.

(iv) According to information and explanations given to us and based on audit procedures performed by us, the Company has no transaction with respect to loan, investment, guarantee and security covered under section 185 and 186 of the Companies Act, 2013 during the year. Therefore, the provisions of clause 3(iv) of the Order are not applicable to the Company.

(v) The Company has not accepted any deposit or amount during the year which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act, 2013. Therefore, provisions of clause 3(v) of the Order are not applicable to the Company.

(vi) In our opinion and according to the information and explanations given to us, the requirement of maintenance of cost records under section 148(1) of the Companies Act, 2013 is not applicable to the Company. Therefore, provisions of clause 3(vi) of the Order are not applicable to the Company.

(vii) a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-tax, Sales tax, Service tax, Value Added tax, Cess and other statutory dues, to the extent applicable, with the appropriate authorities. There were no undisputed outstanding statutory dues as at the year end for a period of more than six months from the date they became payable other than Provident Fund amounts to Rs. 4.27 Lakhs, Employees' State Insurance amounts to Rs. 1.06 Lakhs and Professional Tax amounts to Rs. 1.34 Lakhs.

b. According to the information and explanation given to us and the records of the Company examined by us, there are no statutory dues referred to in sub-clause (a) are pending for deposit on account of any dispute.

(viii) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) a. The Company has not defaulted in repayment of loans or in the payment of interest thereon during the year.

b. According to information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared willful defaulter by any bank or financial institution or Government of any Government authority.

c. Based on the books of account examined by us, term loans were applied for the purpose for which the loans were obtained during the year.

d. According to information and explanations given to us, and overall examination of financial statements of the Company, we report that no funds raised on short term basis during the year have been utilized for long term purpose by the Company.

e. The Company has no subsidiary, joint venture or associates during the year. Therefore, provisions of clause 3(ix)(e) and 3(ix)(f) of the Order are not applicable to the Company.

(x) a. During the year, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments). Therefore, the provisions of clause 3(x)(a) of the Order are not applicable to the Company.

b. In our opinion and according to the information and explanations given to us, the Company has utilized funds raised by way of private placement of equity shares for the purpose of which they were raised.

(xi) a. Based upon the audit procedures performed and considering the principles of materiality outlined in Standards on Auditing, for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or on the Company noticed or reported during the year nor have we been informed of any such case by the management during the course of audit except frauds discovered by the Company aggregating Rs. 6.19 Lakhs committed by employees by embezzlement of cash against which the Company has recovered Rs. 2.10 Lakhs and balance Rs. 4.09 Lakhs has been provided for doubtful in the statement of profit and loss.

b. According to the information and explanations given to us, no report under subsection (12) of section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year.

c. According to the information and explanations given to us, no whistle blower complaints received by the Company during the year.

(xii) In our opinion and according to the information and explanation given to us, the Company is not a Nidhi Company and therefore, the provisions of clause 3(xii) of the Order are not applicable.

(xiii) According to the information and explanation given to us and based on our examination of records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and details for the same have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.

(xiv) a. In our opinion and according to information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business;

b. We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with them as referred to in section 192 of the Companies Act, 2013. Therefore, the provisions of clause 3(xv) of the Order are not applicable to the Company.

(xvi) a. The Company was required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 as NBFC and accordingly the Company has obtained the registration.

b. The Company has conducted the non-banking financial activities with a valid Certificate of Registration ('CoR') from the RBI as per the RBI Act. The Company has not conducted any housing finance activities and is not required to obtain CoR for such activities from the RBI.

c. In our opinion, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Therefore, the provisions of clause 3(xvi)(c) of the Order are not applicable to the Company.

d. According to the representations given by the management, there is no CIC as part of the Group.

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

(xviii) There has been no resignation of statutory auditors during the year. Therefore, the provisions of clause 3(xviii) of the Order are not applicable to the Company.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, expected dates of realization of financial assets and payment of financial liabilities, assets liability maturity (ALM) pattern and 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.

(xx) The Company is not required to spent any amount under section 135 of the Companies Act, 2013 towards Corporate Social Responsibility. Therefore, the provisions of clause 3(xx) of the Order are not applicable to the Company.

For JKVS & Co.
Chartered Accountants
Firm Registration No. 318086E

B. L. Choraria
Partner
Membership No. 022973
UDIN: 25022973BMLNCC6546

Place: Noida
Date: May 27, 2025

Capital Trust Limited
Balance sheet as at March 31, 2025

(Amounts in ₹ in lakhs)

Particulars	Notes	As at March 31, 2025	As at March 31, 2024
ASSETS			
Financial Assets			
Cash and Cash Equivalents	4	1,176.46	1,220.60
Bank Balances other than Cash and Cash Equivalents	5	485.75	1,245.11
Receivables			
- Other Receivables	6	310.36	336.74
Loans	7	8,295.18	8,300.02
Investments	8	1,055.99	55.00
Other Financial Assets	9	3,472.79	1,271.46
Total Financial Assets		**14,796.53**	**12,428.93**
Non Financial Assets			
Current Tax Assets (Net)	10	431.45	405.24
Deferred Tax Assets (Net)	11	4,814.48	4,854.27
Property, Plant and Equipment	12	158.57	136.81
Right of use Asset	13	-	-
Intangible Asset under Development	14	18.89	18.89
Other Intangible Assets	15	-	-
Other Non Financial Assets	16	141.00	92.52
Total Non-Financial Assets		**5,564.39**	**5,507.73**
Total Assets		**20,360.92**	**17,936.66**
LIABILITIES AND EQUITY			
LIABILITIES			
Financial Liabilities			
Payables			
Trade Payables	17		
Total outstanding dues of Micro Enterprises & Small Enterprises		-	-
Total outstanding dues of Creditors other than Micro Enterprises & Small Enterprises		74.34	82.17
Other Payables			
Total outstanding dues of Micro Enterprises & Small Enterprises		-	-
Total outstanding dues of Creditors other than Micro Enterprises & Small Enterprises		-	-
Debt Securities	18	1,374.47	918.26
Borrowings (other than debt securities)	19	8,775.61	7,090.19
Other Financial Liabilities	20	1,184.24	1,547.74
Total Financial Liabilities		**11,408.66**	**9,638.36**
Non-Financial Liabilities			
Provisions	21	159.04	145.77
Other Non-Financial Liabilities	22	200.37	482.53
Total Non-Financial Liabilities		**359.41**	**628.30**
EQUITY			
Equity Share Capital	23	1,686.58	1,621.75
Other Equity		6,906.27	6,048.25
Total Equity		**8,592.85**	**7,670.00**
Total Liabilities And Equity		**20,360.92**	**17,936.66**
Summary of Material Accounting Policies and other notes on Financial Statements	1-55		

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

As per our report of even date attached
For JKVS & Co.
Chartered Accountants
Firm Reg. No. 318086E

For and on behalf of the Board of Directors

B. L. Choraria
Partner
Membership No. 022973

Place: Noida
Date: May 27, 2025

Yogen Khosla
Managing Director
DIN: 00203165

Vahin Khosla
Executive Director
DIN: 07656894

Vinod Raina
Chief Financial Officer

Tanya Sethi
Company Secretary
M. No. A31566

Place: New Delhi
Date: May 27, 2025

Capital Trust Limited

Statement of Profit and Loss for the year ended March 31, 2025

(Amounts in ₹ in lakhs except EPS)

Particulars	Note No.	For the year ended March 31, 2025	For the year ended March 31, 2024
INCOME			
Revenue from operations			
Interest Income	24	6,095.14	3,377.52
Fees and commission income	25	2,423.44	2,434.98
Net gain on fair value changes	26	11.67	-
Net gain on derecognition of financial instruments under amortised cost category	27	44.73	88.74
Other operating income	28	899.62	1,867.52
Total Revenue from operations		**9,474.60**	**7,768.76**
Other income	29	125.43	189.56
Total Income	**(A)**	**9,600.03**	**7,958.32**
EXPENSES			
Finance costs	30	1,917.31	1,022.10
Fees and commission	31	113.87	105.53
Employee benefits	32	4,096.47	3,671.77
Impairment / write offs of financial instruments	33	205.08	9.31
Depreciation, amortization and impairment	34	46.26	42.28
Others	35	3,058.96	2,819.21
Total expenses	**(B)**	**9,437.95**	**7,670.20**
Profit/(Loss) before tax	**(A - B)**	**162.08**	**288.12**
Tax expense			
Current tax	36	10.83	-
Deferred tax charged/(credit)	11	40.16	73.50
Total Tax expense		**50.99**	**73.50**
Profit/(Loss) for the year (A)		**111.09**	**214.62**
Other comprehensive income (OCI)			
1. (i) Items that will not be reclassified to profit or loss			
- Remeasurement of defined benefit liabilities/assets		(1.42)	2.04
(ii) Income tax relating to above		0.36	(0.51)
2. (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to above		-	-
Total other comprehensive income for year (B)		**(1.06)**	**1.53**
Total comprehensive income (A+B)		**110.03**	**216.15**
Earnings per equity share (Face value of ₹ 10 each)	37		
(a) Basic (₹)		0.67	1.32
(b) Diluted (₹)		0.67	1.32
Summary of Material Accounting Policies and other notes on Financial Statements	1-55		

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

As per our report of even date attached

For JKVS & Co.
Chartered Accountants
Firm Reg. No. 318086E

For and on behalf of the Board of Directors

B. L. Choraria
Partner
Membership No. 022973

Yogen Khosla
Managing Director
DIN: 00203165

Vahin Khosla
Executive Director
DIN: 07656894

Place: Noida
Date: May 27, 2025

Vinod Raina
Chief Financial Officer

Tanya Sethi
Company Secretary
M. No. A31566

Place: New Delhi
Date: May 27, 2025

Capital Trust Limited

Statement of Cash flows for the year ended March 31, 2025

(Amounts in ₹ in lakhs)

Particulars		For the year ended March 31, 2025	For the year ended March 31, 2024
Cash flows from operating activities			
Profit/(loss) before tax		162.08	288.12
Adjustments for:			
Depreciation, amortization and impairment		46.26	42.28
Provision for impairment of financial instruments		205.08	8.60
Loans written off		-	0.71
Net (gain)/loss on derecognition of property, plant and equipment		0.23	1.95
Net (gain)/loss on derecognition of right of use assets		-	(0.05)
Gain on sale of investments		(10.68)	-
Unrealised (gain)/loss on fair value changes of investments		(0.99)	-
Gain on sale of loan portfolio through assignment		(44.73)	(88.74)
Unwinding of loss on fair valuation of financial assets		37.59	5.54
Effective interest rate adjustment for financial instruments		(6.93)	(178.59)
Operating profit before working capital changes		**387.91**	**79.82**
(Increase)/ decrease of receivables		26.38	(14.09)
(Increase)/ decrease of loans		(127.66)	(4,192.73)
(Increase)/ decrease of other financial assets		(2,216.53)	158.08
(Increase)/ decrease of other non financial assets		(86.07)	31.55
Movement in fixed deposits		751.23	5,254.02
Increase/ (decrease) of trade payables		(7.83)	3.77
Increase/ (decrease) of other financial liabilities		(355.36)	206.81
Increase/ (decrease) of provisions		11.85	26.98
Increase/ (decrease) of other non-financial liabilities		(282.18)	262.74
Increase/ (decrease) of lease liabilities		-	(0.78)
Cash generated / (used) in operating activities		**(1,898.26)**	**1,816.17**
Income taxes (paid) /refund		(37.04)	196.58
Net cash inflow / (outflow) from operating activities	**A**	**(1,935.30)**	**2,012.75**
Cash flows from investing activities			
Purchase of property, plant & equipment		(68.94)	(52.50)
Proceed from sale of property, plant & equipment		0.69	1.29
Purchase of investments		(2,000.00)	(50.00)
Proceeds from sale of investments		1,010.68	-
Net cash inflow / (outflow) from investing activities	**B**	**(1,057.57)**	**(101.21)**
Cash flows from financing activities			
Proceeds from issue of Equity Share Capital		812.82	-
Proceeds from issue of Non Convertible Debentures		1,900.00	935.00
Repayment of Non Convertible Debentures		(1,448.09)	(3,000.00)
Repayment of Subordinate Debt		-	(4,500.00)
Proceeds from long term borrowings		9,993.13	8,359.46
Repayment of long term borrowings		(8,309.13)	(2,942.78)
Repayment of short term borrowings (Net)		-	(354.83)
Net cash inflow / (outflow) from financing activities	**C**	**2,948.73**	**(1,503.15)**
Net increase/ (decrease) in cash and cash equivalents (A+B+C)		(44.14)	408.39
Cash and cash equivalents at the beginning of the year		1,220.60	812.21
Cash and cash equivalents at the end of the year (refer note 4)		**1,176.46**	**1,220.60**

Note 1: The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Ind AS 7.

Note 2: As per Ind AS 7, the Company is required to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. The Company did not have impact on the Statement of Cash Flows therefore reconciliation has not been given.

As per our report of even date attached
For JKVS & Co.
Chartered Accountants
Firm Reg. No. 318086E

For and on behalf of the Board of Directors

B. L. Choraria
Partner
Membership No. 022973

Place: Noida
Date: May 27, 2025

Yogen Khosla
Managing Director
DIN: 00203165

Vahin Khosla
Executive Director
DIN: 07656894

Vinod Raina
Chief Financial Officer

Tanya Sethi
Company Secretary
M. No. A31566

Place: New Delhi
Date: May 27, 2025

(Amounts in ₹ in lakhs)

(A) Equity Share Capital

Particulars	As at March 31, 2025 No. of Shares	As at March 31, 2025 Amount	As at March 31, 2024 No. of Shares	As at March 31, 2024 Amount
Equity Shares of ₹ 10 each, fully paid up				
Balance at the beginning of the year	16,361,415	1,636.14	16,361,415	1,636.14
Changes in Equity Share Capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the current reporting period	16,361,415	1,636.14	16,361,415	1,636.14
Changes in Equity during the year	648,287	64.83	-	-
	17,009,702	**1,700.97**	**16,361,415**	**1,636.14**
Less: Equity shares held by Capital Welfare Trust	(143,915)	(14.39)	(143,915)	(14.39)
(shares transferred to the trust pursuant to the scheme of Employee Stock Option Scheme("ESOP"))				
Balance at the end of the year	**16,865,787**	**1,686.58**	**16,217,500**	**1,621.75**

(B) Other Equity

Particulars	Reserve & surplus						Total
	Capital Reserve	Capital Redemption Reserve	Securities Premium	General Reserve	Statutory reserve (Reserve u/s. 45-IC of the Reserve Bank of India Act, 1934 (the "RBI Act, 1934"))	Retained Earnings	
Balance as at March 31, 2023	**545.59**	**300.00**	**12,488.26**	**34.57**	**1,714.58**	**(9,250.90)**	**5,832.10**
Profit for the year	-	-	-	-	-	214.62	**214.62**
Other Comprehensive Income (net of tax)	-	-	-	-	-	1.53	**1.53**
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**-**	**216.15**	**216.15**
Transfer to Statutory Reserve	-	-	-	-	43.23	(43.23)	**-**
Balance as at March 31, 2024	**545.59**	**300.00**	**12,488.26**	**34.57**	**1,757.81**	**(9,077.98)**	**6,048.25**
Addition during the year	-	-	747.99	-	-	-	**747.99**
Profit for the year	-	-	-	-	-	111.09	**111.09**
Other Comprehensive Income (net of tax)	-	-	-	-	-	(1.06)	**(1.06)**
Total Comprehensive Income for the year	**-**	**-**	**747.99**	**-**	**-**	**110.03**	**858.02**
Transfer to Statutory Reserve	-	-	-	-	22.01	(22.01)	**-**
Balance as at March 31, 2025	**545.59**	**300.00**	**13,236.25**	**34.57**	**1,779.82**	**(8,989.96)**	**6,906.27**

Nature and purpose of reserve

1. Capital Reserve
This reserve was created on forfeiture of share warrants in the previous years and can be utilized in accordance with the provisions of the Companies Act, 2013.

2. Capital Redemption Reserve
This Reserve was created on account of redemption of preference shares in earlier years and can be utilized in accordance with the provisions of the Companies Act, 2013.

3. Securities Premium
This Reserve represents the premium on issue of shares and can be utilized in accordance with the provisions of the Companies Act, 2013.

4. General Reserve
It represents appropriation of profits by the board of directors and can be utilized in accordance with the provisions of the Companies Act, 2013.

5. Statutory Reserve (Reserve u/s. 45-IC of the Reserve Bank of India Act, 1934 (the "RBI Act, 1934"))
This reserve created as per the provision of the Section 45-IC of the Reserve Bank of India Act, 1934 (the "RBI Act"). Non-Banking Finance Company is required to transfer an amount not less than 20 per cent of its net profit to a Reserve Fund before declaring any dividend. Appropriation from this Statutory reserve is permitted only for the purposes specified by RBI.

6. Retained earnings
Retained earnings are profits earned by the Company after transfer to general reserve, Statutory reserve in terms of section 45-IC(1) of the Reserve Bank of India Act, 1934 and payment of dividend to shareholders.

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

As per our report of even date attached.
For JKVS & Co.
Chartered Accountants
Firm Reg. No. 318086E

B. L. Choraria
Partner
Membership No. 022973

Place: Noida
Date: May 27, 2025

For and on behalf of Board of Directors

Yogen Khosla
Managing Director
DIN: 00203165

Vahin Khosla
Executive Director
DIN: 07656894

Vinod Raina
Chief Financial Officer

Tanya Sethi
Company Secretary
M. No. A31566

Place: New Delhi
Date: May 27, 2025

1. **Company Overview**

Capital Trust Limited is a public Company incorporated in India under the provisions of the erstwhile Companies Act, 1956. The Company is a Non Deposit taking Systemically Important (ND-SI) registered with the Reserve Bank of India ('RBI') and engaged in the business of providing loan to Small and Micro Enterprises. Equity Shares of the Company are listed on BSE Limited (BSE), India and National stock exchange of India limited.

2. **Basis of Preparation**

(i) Statement of compliance with Indian Accounting Standards (Ind AS)

These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013, (the 'Act') and other relevant provisions of the Act, as amended from time to time and other accounting principles generally accepted in India along with other relevant provisions of the Act and the Master Direction – Non-Banking Financial Company– Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 ('the NBFC Master Directions') issued by RBI.

These financial statements were authorised for issue by the Board of Directors on their meeting held on May 27, 2025.

The Company presents its balance sheet in order of liquidity. An analysis regarding recovery or settlement within 12 months after the reporting date and more than 12 months after the reporting date is presented in Note 41.

(ii) Basis of Measurement

These financial statements have been prepared on a historical cost basis except for following assets and liabilities which have been measured at fair value

i) financial instruments - fair value through profit and loss (FVTPL);

ii) defined benefit liabilities/(assets): present value of defined benefit obligation less fair value of plan assets.

Fair value is the price that would be received to sell of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company take into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in the financial statements is determined on such a basis, except measurements that have some similarities to fair value but are not fair value, such as value in use in Impairment of Assets.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

− Level 1 inputs are quoted prices /net asset value (unadjusted) in active markets for identical assets or liabilities that the company can access at the measurement date;

− Level 2 inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

− Level 3 inputs are unobservable inputs for the asset or liability.

(iii) Significant accounting Judgements and Estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Judgements

Information about the judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements have been given below:

- assessing the lease term (including anticipated renewals) and the applicable discount rate.
- Classification of financial assets: assessment of business model within which the assets are held and assessment of whether the contractual terms of the financial assets are solely payments of principal and interest on the principal amount outstanding.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the financial statements for every period ended is included below:

- Measurement of defined benefit obligations: key actuarial assumptions;
- Recognition of deferred tax assets: availability of future taxable profit against which carry-forward tax losses can be used;
- Impairment test: key assumptions underlying recoverable amounts.
- Useful life and residual value of property, plant and equipment, other intangible assets and Right of Use assets;
- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources
- Impairment of financial assets: key assumptions used in estimating recoverable cash flows
- Measurement of expected credit losses.
- Uncertainty relating to the global health pandemic

(iv) Functional and presentation currency

Indian Rupee (₹) is the Company's functional currency and the currency of the primary economic environment in which the Company operates. Accordingly, the management has determined that financial statements are presented in Indian Rupees (₹). All amounts have been rounded-off to the nearest lakhs upto two decimal places, unless otherwise indicated.

3. Material Accounting Policies

a **Property, plant and equipment**

Recognition and measurement

Property, plant and equipment ('PPE') are stated at acquisition or construction cost less accumulated depreciation and impairment loss. Cost comprises the purchase price and any attributable cost of bringing the asset to its location and working condition for its intended use, including relevant borrowing costs.

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

The cost of an item of PPE is recognised as an asset if, and only if, it is probable that the economic benefits associated with the item will flow to the Company in future periods and the cost of the item can be measured reliably.

Expenditure incurred after the PPE have been put into operations, such as repair and maintenance expenses are charged to the Statement of Profit and Loss during the period in which they are incurred.

Capital work in progress includes cost of assets at sites, construction expenditure and interest on the funds deployed less any impairment loss, if any.

The estimated useful lives and residual values of the PPE are reviewed at the end of each financial year.

PPE, individually costing less than Rupees five thousand, are fully depreciated in the year of purchase.

Gains or losses arising from the retirement or disposal of PPE are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.

Subsequent Measurement

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Depreciation

Depreciation on property, plant and equipment is provided on Straight Line Method using the rates arrived at based on the useful lives as specified in the Schedule II of the Companies Act, 2013. Depreciation on the Property Plant and Equipment added/disposed off/discarded during the year is provided from/upto the date when added/disposed off/discarded.

b **Other Intangible Assets**

Recognition and measurement

Intangible assets, representing softwares are initially recognised at cost and subsequently carried at cost less accumulated amortisation and accumulated impairment. The cost of assets comprises of purchase price and directly attributable cost of bringing the assets to working condition for its intended use.

Subsequent Measurement

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the company.

Amortisation

The intangible assets are amortised using the straight line method over a period of three years [which is the management's estimate of its useful life] from the date when the asset is available for use or license period which ever is lower. Amortisation on the intangible asset disposed off during the year is provided on pro-rata basis with reference to the date of disposal. The useful lives of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

c **Impairment of non-financial assets**

At the end of each reporting period, the Company reviews the carrying amounts of non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

d **Revenue recognition**

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

Interest and allied Income

Interest income on a financial asset at amortised cost is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate ('EIR'). The EIR is the rate that exactly discounts estimated future cash flows of the financial asset through the expected life of the financial asset or, where appropriate, a shorter period, to the net carrying amount of the financial instrument. The internal rate of return on financial asset after netting off the fees received and cost incurred approximates the effective interest rate of return for the financial asset. The future cash flows are estimated taking into account all the contractual terms of the instrument.

The interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets the interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for ECLs).

Late payment charges, prepayment charges etc. are recognised on a point-in-time basis, and are recorded when realised since the probability of collecting is uncertain and these receipts are reported under "Fees and commission income".

Net Gain/ Loss on Fair Value Changes

Any differences between the fair values of the investment in debt oriented mutual funds classified as fair value through the profit or loss, held by the Company on the balance sheet date is recognised as an unrealised gain/loss in the statement of profit and loss. In cases there is a net gain in aggregate, the same is recognised in "Net gains or fair value changes" under revenue from operations and if there is a net loss the same is disclosed "Expenses", in the statement of profit and loss.

Assignor's Yield on Direct Assignments

Gains arising out of direct assignment transactions comprise the difference between the interest on the loan portfolio and the applicable rate at which the direct assignment is entered into with the assignee, also known as the right of excess interest spread (EIS). The future EIS basis the scheduled cash flows on execution of the transaction, discounted at the applicable rate entered into with the assignee is recorded upfront in the statement of profit and loss. EIS evaluated and adjusted for ECL and expected prepayment.

Business Correspondent Operations

Income from business correspondent services is recognized as and when the services are rendered as per agreed terms and conditions of the contract.

e **Financial Instruments**

A Financial Instrument is any contract that gives rise to a financial asset of an entity and a financial liability or equity instrument of another entity.

(i) Initial recognition and measurement

All financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability which is not recognised at Fair Value Through Profit and Loss, is initially measured at fair value plus transaction costs that are directly attributable to its acquisition or issue.

(ii) Subsequent recognition

(A) Financial Assets

On initial recognition, a financial asset is classified and measured at
- Amortised Cost;
- Fair Value Through Other Comprehensive Income (FVOCI); or
- Fair Value Through Profit and Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not recognised as at FVTPL:

− the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
− the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in Other Comprehensive Income (OCI) (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified and measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI or at FVTPL, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Assessment whether contractual cash flows are solely payments of principal and interest (SPPI)

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:
− contingent events that would change the amount or timing of cash flows;
− terms that may adjust the contractual coupon rate, including variable interest rate features;
− prepayment and extension features; and
− terms that limit the Company's claim to cash flows from specified assets.

Business model assessment

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective. The Company's business model is not assessed on an instrument by instrument basis, but at a higher level of aggregated portfolios. If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated financial assets going forward.

Financial assets: Subsequent measurement and gains and losses

Financial assets measured at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in the Statement of Profit and Loss.
Financial assets measured at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in the Statement of Profit and Loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.
Financial assets measured at Amortised Cost	These assets are subsequently measured at amortised cost using the effective interest rate method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in the Statement of Profit and Loss. Any gain or loss on derecognition is recognised in the Statement of Profit and Loss.
Investment in subsidiaries (Others)	These assets are recognised at cost and are not adjusted to fair value at the end of each reporting period. Cost of investment represents amount paid for acquisition of the said investment. The Company assesses at the end of each reporting period, if there are any indications that the said investment may be impaired. If so, the Company estimates the recoverable value/amount of the investment and provides for impairment, if any i.e. the deficit in the recoverable value over cost.

(B) Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in the Statement of Profit and Loss. Any gain or loss on derecognition is also recognised as profit or loss respectively.

(iii) Derecognition

Financial Assets
The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.
If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial Liabilities
The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

(iv) Impairment of Financial Assets

The Company assesses at each date of Balance Sheet whether a Financial asset or a group of Financial assets is impaired. Ind AS – 109 requires expected credit losses to be measured through a loss allowance.

The Company follows a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:

Particulars	Criteria
Stage 1 (1-30 Days)	includes loan assets that have not had a significant increase in credit risk since initial recognition or that have low credit risk at the reporting date.
Stage 2 (31-90 Days)	includes loan assets that have had a significant increase in credit risk since initial recognition but that do not have objective evidence of impairment.
Stage 3 (More than 90 Days)	includes loan assets that have objective evidence of impairment at the reporting date.

The Expected Credit Loss (ECL) is measured at 12-month ECL for Stage 1 loan assets and at lifetime ECL for Stage 2 and Stage 3 loan assets. ECL is the product of the Probability of Default, Exposure at Default and Loss Given Default, defined as follows:

Probability of Default (PD): The PD represents the likelihood of a borrower defaulting on its financial obligation, either over the next 12 months (12 months PD), or over the remaining lifetime (Lifetime PD) of the obligation.

Loss Given Default (LGD): LGD represents the Company's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and preference of claim and availability of collateral or other credit support.

Exposure at Default (ED): EAD is based on the amounts the Company expects to be owed at the time of default.

Forward-looking economic information (including management overlay) is included in determining the 12-month and lifetime PD, EAD and LGD. The assumptions underlying the expected credit loss are monitored and reviewed on an ongoing basis.

(v) Offsetting Financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

f **Borrowing costs**
Borrowing cost attributable to acquisition and construction of qualifying assets are capitalised as a part of the cost of such assets up to the date when such assets are ready for its intended use. Ancillary costs incurred in connection with the arrangement of borrowings are adjusted with the proceeds of the borrowings and recognised using the Effective Interest Rate (EIR) method. Other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

g **Employee benefits**

(i) Short term employee benefits

Short-term employee benefits are expensed in the year in which the related services are provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) Define Contribution Plan

Employee benefits in the form of Provident Fund are defined as contribution plan and charged as expenses during the period in which the employees perform the services.

(iii) Define Benefit Plan

For defined benefit retirement, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yields available on government bonds.

The effect of the remeasurement changes (comprising actuarial gains and losses) to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in other equity and will not be reclassified to the Statement of Profit & Loss. Past service cost is recognised in the Statement of Profit & Loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

• service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
• net interest expense or income; and
• remeasurement

The Company presents the first two components of defined benefit costs in the Statement of Profit & Loss in the line item employee benefits expense.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

(iv) Other employee benefits

The Company has other employment benefit plans i.e. accumulated leave. As per Company's policy, unutilised leaves lapse at each year end.

h **Provisions, contingent liabilities and contingent assets**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

A present obligation that arises from past events, where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Claims against the Company, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

i **Income Tax**

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to items recognised directly in Other Comprehensive Income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax assets and liabilities are offset only if, the Company:

a) has a legally enforceable right to set off the recognised amounts; and
b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

ii. Deferred tax

Deferred tax is provided using the liability method on temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is determined using tax rates that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

j **Cash and cash equivalent**

Cash and cash equivalents comprise cash on hand, cash at bank and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

k **Leases**

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company assesses if a contract is or contains a lease at inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period time in exchange for consideration.

The Company recognizes a right-of-use asset and a lease liability at the commencement date, except for short-term leases of twelve months or less and leases for which the underlying asset is of low value, which are expensed in the statement of operations on a straight-line basis over the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or, if not readily determinable, the incremental borrowing rate specific to the country, term and currency of the contract.

Lease payments can include fixed payments, variable payments that depend on an index or rate known at the commencement date, as well as any extension or purchase options, if the Company is reasonably certain to exercise these options. The lease liability is subsequently measured at amortized cost using the effective interest method and remeasured with a corresponding adjustment to the related right-of-use asset when there is a change in future lease payments in case of renegotiation, changes of an index or rate or in case of reassessments of options.

The right-of-use asset comprises, at inception, the initial lease liability, any initial direct costs and, when applicable, the obligations to refurbish the asset, less any incentives granted by the lessors. The right-of-use asset is subsequently depreciated, on a straight-line basis, over the lease term, if the lease transfers the ownership of the underlying asset to the Company at the end of the lease term or, if the cost of the right-of-use asset reflects that the lessee will exercise a purchase option, over the estimated useful life of the underlying asset. Right-of-use assets are also subject to testing for impairment if there is an indicator for impairment. Variable lease payments not included in the measurement of the lease liabilities are expensed to the statement of operations in the period in which the events or conditions which trigger those payments occur. In the statement of financial position right-of-use assets and lease liabilities are classified on the face of the Balance Sheet.

l **Segment Reporting**

According to Ind AS 108, identification of operating segments is based on Chief Operating Decision Maker (CODM) approach for making decisions about allocating resources to the segment and assessing its performance. The business activity of the company falls within one business segment viz. "Financing Activities".

m **Earning per equity share**

The basic EPS is computed by dividing the profit after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted EPS, profit after tax for the year attributable to the equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

n **Upfront servicers fees booked on direct assignment**

Servicer fees payable for servicing loan contracts under direct assignment are discounted at the applicable rate entered into with the assignee and recognised upfront in the balance sheet and amortised on a straight line basis over the remaining contractual maturity of the underlying loans.

(Amounts in ₹ in lakhs)

	Particulars	As at March 31, 2025	As at March 31, 2024
4	**Cash and cash equivalents**		
	Cash on hand	100.72	81.65
	Balances with banks in current accounts	1,040.74	1,138.95
	Bank deposits with maturity of less than 3 months	35.00	-
		1,176.46	**1,220.60**
5	**Bank balances other than Cash and cash equivalents**		
	Bank deposits$$	480.55	1,231.78
	Earmarked balances with banks		
	On dividend accounts	5.20	13.33
		485.75	**1,245.11**

$$ Includes deposits amounts to Rs. 480.55 Lakhs (Previous Year Rs. 931.78 Lakhs) placed as margin money to avail term loans from banks and financial institutions.

	Particulars	As at March 31, 2025	As at March 31, 2024
6	**Other Receivables (Unsecured - considered good)***		
	At Amortised Cost		
	Service fee from business correspondents receivables	310.36	336.74
		310.36	**336.74**

* No debts are due from directors or other officers or any of them either severally or jointly with any other person, from firms, Limited Liability Partnerships or private companies in which any director is a partner or a director or a member.

	Particulars	As at March 31, 2025	As at March 31, 2024
7	**Loans**		
	At Amortised Cost		
a)	Portfolio Loans	8,837.28	8,692.11
b)	Minimum Retention on Direct Assignments of Portfolio Loans	6.44	-
c)	Loan to employees	2.78	1.43
	Gross Loans	**8,846.50**	**8,693.54**
	Less: Unamortization of processing fees	(124.96)	(112.31)
	Less: Impairment loss allowance	(426.36)	(281.21)
	Net Loans	**8,295.18**	**8,300.02**
7.1	**Breakup of total loans**		
	Secured by tangible assets	-	-
	Unsecured	8,846.50	8,693.54
	Gross Loans	**8,846.50**	**8,693.54**
	Less: Unamortization of processing fees	(124.96)	(112.31)
	Less: Impairment loss allowance	(426.36)	(281.21)
	Net Loans	**8,295.18**	**8,300.02**
7.2	**Loans in India**		
	Public Sector	-	-
	Others	8,846.50	8,693.54
	Gross Loans	**8,846.50**	**8,693.54**
	Less: Unamortization of processing fees	(124.96)	(112.31)
	Less: Impairment loss allowance	(426.36)	(281.21)
	Net Loans	**8,295.18**	**8,300.02**

7.3 There are no loans and advances to Promoters/Directors/KMP/Related Parties as on March 31, 2025 and March 31, 2024.

7.4 Additional disclosure under RBI circular RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020

A comparison between provisions required under Income Recognition, Asset Classification and Provisioning (IRACP) and impairment allowances made under Ind AS 109 is given in Note 55.

(Amounts in ₹ in lakhs)

	Particulars	As at March 31, 2025	As at March 31, 2024
8	**Investments**		
	Fair Value through Profit and Loss		
	In equity instruments (Unquoted)		
	2,400 Equity Shares (March 31, 2023: 2,400 Equity Shares) of Rs. 10 each/- fully paid up of Indo Duch Proteins Limited ^	-	-
	3,600 Equity Shares (March 31, 2023: 3,600 Equity Shares) of Rs. 10 each/- fully paid of Tina Electronics Limited ^	-	-
	2,000 Equity Shares (March 31, 2023: 2,000 Equity Shares) of Rs. 10 each/- fully paid of Parasrampuria Industries Limited ^	-	-
	14,800 Equity Shares (March 31, 2023: 14,800 Equity Shares) of Rs. 10 each/- fully paid of Naina Semiconductors Limited ^	-	-
	In mutual funds (Unquoted)		
	18,42,743.47 (March 31, 2024: Nil) units in ICICI Prudential Ultra Short Term Fund - Regular Plan - Growth	500.78	-
	8,50,291.83 (March 31, 2024: Nil) units in ICICI Prudential Short Term Fund - Growth	500.21	-
	Total	**1,000.99**	**-**
	^ Carrying value is ₹ 1 each		
	At Amortized Cost		
	In Debentures (Unquoted)		
	5 (March 31, 2024: 5) 8% Optionally Covertible Debentures of Arthmatetech Private Limited having Face Value of Rs. 100,000 each	5.00	5.00
	In Others (Unquoted)		
	Investment Portfolio of Transactree Technologies Private Limited	50.00	50.00
		1,055.99	**55.00**
	Breakup of total investments		
	In India	1,055.99	55.00
	Outside India	-	-
		1,055.99	**55.00**
9	**Other Financial Assets**		
	(Unsecured, considered good)		
	Interest accrued	21.45	70.87
	Security deposits @	786.36	460.72
	Recoverable against employee embazzlement	4.09	6.94
	Recoverable against assigned portfolios	3,034.32	1,005.46
	Other recoverables	112.44	158.99
	Total Gross (a)	**3,958.66**	**1,702.98**
	Less: Impairment loss allowance (b)	481.78	424.58
	Less: Provision for recoverable against employee embazzlement	4.09	6.94
	Total Net (a - b)	**3,472.79**	**1,271.46**
	@ Represents deposits placed as margin money to avail loans from financial institutions and direct assignment.		
10	**Current Tax Assets (Net)**		
	Advance Income Tax (Net of Provision)	431.45	405.24
		431.45	**405.24**

(Amounts in ₹ in lakhs)

	Particulars	As at March 31, 2025	As at March 31, 2024
11	**Deferred Tax Assets (Net)**		
	Deferred tax assets		
	Property, plant and equipment	9.16	9.91
	Origination and reversal of temporary differences	40.03	36.69
	Impairment loss allowance	229.59	179.38
	Financial assets measured at amortized cost	31.45	28.27
	Business losses	4,513.52	4,610.80
	Others	-	-
	Total deferred tax assets	**4,823.75**	**4,865.05**
	Deferred tax liabilities		
	Fair Valuation of Financial Instruments	-	-
	Others	9.27	10.78
	Total deferred tax liability	**9.27**	**10.78**
	Deferred tax assets (net)	**4,814.48**	**4,854.27**

11.1 Change in Deferred tax assets (net)

Particulars	As at March 31, 2024	(Charged)/ credit to P&L	(Charged)/ credit to OCI	As at March 31, 2025
Deferred tax assets				
Property, plant and equipment	9.91	(0.75)	-	9.16
Origination and reversal of temporary differences	36.69	2.98	0.36	40.03
Impairment loss allowance	179.38	50.21	-	229.59
Financial assets measured at amortized cost	28.27	3.18	-	31.45
Business losses	4,610.80	(97.29)	-	4,513.52
Others	-	-	-	-
Total deferred tax assets	**4,865.05**	**(41.67)**	**0.36**	**4,823.75**
Deferred tax liabilities				
Others	10.78	(1.51)	-	9.27
Total deferred tax liability	**10.78**	**(1.51)**	**-**	**9.27**
Deferred tax assets (net)	**4,854.27**	**(40.16)**	**0.36**	**4,814.48**

11.2 The Company has unutilized business losses under the Income Tax Act, 1961 due to substantial portfolio written off in previous years. The Company has concluded that the deferred tax assets recognized on business losses will be recoverable basis the estimated future taxable income based on the approved business plans. The Company is expected to generate taxable income in near future. The business losses can be carried forward and adjusted against future taxable profit within the period as specified in the Income Tax Act, 1961 and the Company expects to recover the same within the specified period.

(Amounts in ₹ in lakhs)

12 Property, plant and equipment

For the financial year 2024-25

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at March 31, 2024	Additions	Disposals	As at March 31, 2025	As at March 31, 2024	Charged during the year	Disposals	As at March 31, 2025	As at March 31, 2025	As at March 31, 2024
Land and Building	-	-	-	-	-	-	-	-	-	-
Plant and equipment	0.45	-	-	0.45	0.36	-	-	0.36	0.09	0.09
Computer	64.30	10.63	-	74.93	45.27	13.72	-	58.99	15.94	19.03
Furniture and fixtures	92.86	25.80	2.78	115.88	40.11	11.30	1.86	49.55	66.33	52.75
Vehicles	120.82	31.77	-	152.59	65.04	17.32	-	82.36	70.23	55.78
Office equipment	50.83	0.74	-	51.57	41.67	3.92	-	45.59	5.98	9.16
Total	**329.26**	**68.94**	**2.78**	**395.42**	**192.45**	**46.26**	**1.86**	**236.85**	**158.57**	**136.81**

For the financial year 2023-24

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at March 31, 2023	Additions	Disposals	As at March 31, 2024	As at March 31, 2023	Charged during the year	Disposals	As at March 31, 2024	As at March 31, 2024	As at March 31, 2023
Land and Building	-	-	-	-	-	-	-	-	-	-
Plant and equipment	0.45	-	-	0.45	0.36	-	-	0.36	0.09	0.09
Computer	53.94	10.36	-	64.30	31.60	13.67	-	45.27	19.03	22.34
Furniture and fixtures	73.93	29.82	10.89	92.86	39.37	8.41	7.67	40.11	52.75	34.56
Vehicles	110.69	10.13	-	120.82	50.99	14.05	-	65.04	55.78	59.70
Office equipment	48.64	2.19	-	50.83	36.18	5.49	-	41.67	9.16	12.46
Total	**287.65**	**52.50**	**10.89**	**329.26**	**158.50**	**41.62**	**7.67**	**192.45**	**136.81**	**129.15**

(Amounts in ₹ in lakhs)

13 Right of use Asset (Refer Note 45)
For the financial year 2024-25

PARTICULARS	GROSS BLOCK				AMORTISATION				NET BLOCK	
	As at March 31, 2024	Additions	Disposals	As at March 31, 2025	As at March 31, 2024	Charged during the year	Disposals	As at March 31, 2025	As at March 31, 2025	As at March 31, 2024
Leasehold Buildings	-	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

For the financial year 2023-24

PARTICULARS	GROSS BLOCK				AMORTISATION				NET BLOCK	
	As at March 31, 2023	Additions	Disposals	As at March 31, 2024	As at March 31, 2023	Charged during the year	Disposals	As at March 31, 2024	As at March 31, 2024	As at March 31, 2023
Leasehold Buildings	8.46	-	8.46	-	7.58	0.66	8.24	-	-	0.88
Total	**8.46**	**-**	**8.46**	**-**	**7.58**	**0.66**	**8.24**	**-**	**-**	**0.88**

14 Intangible assets under development
Intangible assets under development ageing

Particulars	As at March 31, 2025				
	Amount in Intangible asset under development for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended*	-	-	-	18.89	18.89

Particulars	As at March 31, 2024				
	Amount in Intangible asset under development for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended*	-	-	5.06	13.83	18.89

* During the year 2023-24, Project was temporarily suspended due to upgradation of software with latest techonologies by Vendor.

(Amounts in ₹ in lakhs)

15 Other Intangible Assets

For the financial year 2024-25

PARTICULARS	GROSS BLOCK				AMORTISATION				NET BLOCK	
	As at March 31, 2024	Additions	Disposals	As at March 31, 2025	As at March 31, 2024	Charged during the year	Disposals	As at March 31, 2025	As at March 31, 2025	As at March 31, 2024
Software	29.58	-	-	29.58	29.58	-	-	29.58	-	-
Total	**29.58**	**-**	**-**	**29.58**	**29.58**	**-**	**-**	**29.58**	**-**	**-**

For the financial year 2023-24

PARTICULARS	GROSS BLOCK				AMORTISATION				NET BLOCK	
	As at March 31, 2023	Additions	Disposals	As at March 31, 2024	As at March 31, 2023	Charged during the year	Disposals	As at March 31, 2024	As at March 31, 2024	As at March 31, 2023
Software	29.58	-	-	29.58	29.58	-	-	29.58	-	-
Total	**29.58**	**-**	**-**	**29.58**	**29.58**	**-**	**-**	**29.58**	**-**	**-**

(Amounts in ₹ in lakhs)

	Particulars	As at March 31, 2025	As at March 31, 2024
16	**Other Non Financial Assets**		
	(Unsecured, considered good)		
	Prepaid expenses	35.68	5.31
	Input tax credit	105.32	87.21
		141.00	**92.52**
17	**Trade Payables**		
	Total outstanding dues of Micro Enterprises & Small Enterprises**	-	-
	Total outstanding dues of Creditors other than Micro Enterprises & Small Enterprises	74.34	82.17
		74.34	**82.17**

** Based on the information available and as identified by the management, there is no vendor registered under the Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, disclosures relating to dues of Micro and Small enterprises are not given.

17.1 Trade Payables ageing

Particulars	Outstanding for following periods from due date of payment				
	As at March 31, 2025				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
MSME	-	-	-	-	-
Others	74.34	-	-	-	74.34
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
Unbilled dues	-	-	-	-	-

Particulars	Outstanding for following periods from due date of payment				
	As at March 31, 2024				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
MSME	-	-	-	-	-
Others	82.17	-	-	-	82.17
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
Unbilled dues	-	-	-	-	-

	Particulars	As at March 31, 2025	As at March 31, 2024
18	**Debt Securities**		
	Valued at Amortised Cost		
	Debentures (Secured)		
	600, 18.00% Non Convertible Debentures of Rs. 100,000 each (refer note 18.1)	370.00	435.00
	600, 18.00% Non Convertible Debentures of Rs. 100,000 each (refer note 18.1)	329.41	500.00
	1000, 17.00% Non Convertible Debentures of Rs. 100,000 each (refer note 18.1)	687.50	-
	Less: Unamortised Ancillary cost of arranging the borrowings	(12.44)	(16.74)
		1,374.47	**918.26**

18.1 Secured by way of exclusive charge on book debts and guaranteed by promoter director of the Company in his personal capacity.

Breakup of Debt securities		
In India	1,374.47	918.26
Outside India	-	-
	1,374.47	**918.26**

(Amounts in ₹ in lakhs)

	Particulars	As at March 31, 2025	As at March 31, 2024
19	**Borrowings (other than debt securities)**		
	Measured at Amortised Cost		
	Term loan		
	Secured		
	from banks	548.61	1,139.20
	from financial institutions	7,358.24	5,820.18
	Unsecured		
	from a Director (Related Party)	324.00	-
	from Corporate entities	598.00	200.00
	Vehicle loan		
	Secured		
	from banks	30.20	15.67
	Less: Unamortised Ancillary cost of arranging the borrowings	(83.44)	(84.86)
		8,775.61	**7,090.19**
	Breakup of Borrowings		
	In India	8,775.61	7,090.19
	Outside India	-	-
		8,775.61	**7,090.19**

19.1 Borrowings are secured by way of hypothecation of portfolio loans arising out of its business operation, cash collateral in the form of fixed deposits and mutual funds.

19.2 Vehicles are hypothecated for respective borrowings.

19.3 Following loans have also been guaranteed by promoter director of the Company in his personal capacity and corporate guarantee of Moonlight Equity Private Limited (Shareholders and related parties):

	As at March 31, 2025	As at March 31, 2024
Term Loan		
from banks	-	197.83
from financial institutions	7,358.24	5,752.02
	7,358.24	**5,949.85**

		As at March 31, 2025	As at March 31, 2024
20	**Other Financial Liabilities**		
	Interest accrued	56.50	37.09
	Employees emoluments	376.16	402.13
	Recovered premium payable to insurance company	22.78	71.63
	Unpaid dividend	5.19	13.33
	EMI collection payable on business correspondence arrangements	704.25	1,011.49
	Other liabilities	19.36	12.07
		1,184.24	**1,547.74**
21	**Provisions**		
	Provision for employee benefits (Refer note 46)	159.04	145.77
		159.04	**145.77**
22	**Other non-financial liabilities**		
	Advance EMI received	69.89	338.16
	Statutory dues payable	130.48	144.37
		200.37	**482.53**

Term of repayment of debt securities and other borrowings as at March 31, 2025

(Amounts in ₹ in lakhs)

Particulars	Repayment	Interest rate range	Due within 1 year		Due within 1 to 2 years		Due within 2 to 3 years		More than 3 years		Total
			No. of Installments	Amount	No. of Installments	Amount	No. of Installments	Amount	No. of Installments	Amount	Amount
Debt Securities	Bullet Payment	17.00% -18.00%	51	1,369.26	1	17.65	-	-	-	-	1,386.91
			51	**1,369.26**	**1**	**17.65**	**-**	**-**	**-**	**-**	**1,386.91**
	Less: Unamortised Ancillary cost of arranging the borrowings										(12.44)
											1,374.47
Borrowings other than Debt Securities	Monthly	7.00% to 10.00%	25	330.62	24	7.23	24	7.20	19	9.15	354.20
	Monthly	10.50% to 12.50%	-	-	-	-	-	-	-	-	-
	Monthly	12.70% to 16.00%	87	3,447.66	23	856.53	2	27.77	-	-	4,331.96
	Monthly	Above 16%	188	3,001.40	76	1,171.49	-	-	-	-	4,172.89
			300	**6,779.68**	**123**	**2,035.25**	**26**	**34.97**	**19**	**9.15**	**8,859.05**
	Less: Unamortised Ancillary cost of arranging the borrowings										(83.44)
											8,775.61

Term of repayment of debt securities, other borrowings and subordinated liabilities as at March 31, 2024

Particulars	Repayment	Interest rate range	Due within 1 year		Due within 1 to 2 years		Due within 2 to 3 years		More than 3 years		Total
			No. of Installments	Amount	No. of Installments	Amount	No. of Installments	Amount	No. of Installments	Amount	Amount
Debt Securities	Bullet Payment	11.50%	39	815.00	7	120	-	-	-	-	935.00
			39	**815.00**	**7**	**120.00**	**-**	**-**	**-**	**-**	**935.00**
	Less: Unamortised Ancillary cost of arranging the borrowings										(16.74)
											918.26
Borrowings other than Debt Securities	Monthly	7.00% to 10.00%	28	12.69	12	2.31	12	2.52	9	2.06	19.58
	Monthly	10.50% to 12.50%	9	197.83	-	-	-	-	-	-	197.83
	Monthly	12.70% to 16.00%	71	3,143.44	29	1,052.96	-	-	-	-	4,196.40
	Monthly	Above 16.00%	118	2,448.47	12	312.77	-	-	-	-	2,761.24
			226	**5,802.43**	**53**	**1,368.04**	**12**	**2.52**	**9**	**2.06**	**7,175.05**
	Less: Unamortised Ancillary cost of arranging the borrowings										(84.86)
											7,090.19

(Amounts in ₹ in lakhs)

	Particulars	As at March 31, 2025		As at March 31, 2024	
		Number	**Amount**	**Number**	**Amount**
23	**Equity Share capital**				
(a)	**Authorised**				
	Equity shares of ₹10 each	67,010,000	6,701.00	67,010,000	6,701.00
			6,701.00		**6,701.00**
(b)	**Issued, subscribed and fully paid-up**				
	Equity shares of ₹10 each	17,009,702	1,700.97	16,361,415	1,636.14
	Less: Equity shares held by Capital Welfare Trust	(143,915)	(14.39)	(143,915)	(14.39)
	(Shares transferred to the trust pursuant to the scheme of Employee Stock Option Scheme("ESOP")) (Refer note (e) below)				
			1,686.58		**1,621.75**

(c) **Reconciliation of the Equity share capital**

	Number	Amount	Number	Amount
Balance at the beginning of the year	16,361,415	1,636.14	16,361,415	1,636.14
Add: Shares issued during the year	648,287	64.83	-	-
Balance at the end of the year	**17,009,702**	**1,700.97**	**16,361,415**	**1,636.14**

(d) **Terms, rights and restrictions attached to equity shares:**

The Company has only one class of equity shares having a par value of ₹ 10 per share (previous year ₹ 10 per share). All issued shares rank pari-passu and have same voting rights per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the general meeting. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(e) **Trust Shares**

The Company has created a Employee Benefit Trust ('EBT'). EBT holds equity shares of the Company for the benefit of the employees of the Company. Considering conservative interpretation of Ind AS 32, number of equity shares held by the EBT are reduced from total number of issued equity shares. Equity shares that are held by the trust is deducted from Equity / Other Equity. No gain or loss is recognised in statement of profit and loss on the sale or cancellation of the Company's own equity instruments.

(f) **Details of shareholders holding more than 5% shares in the Company**

	As at March 31, 2025		As at March 31, 2024	
Name of Shareholder	**Number**	**%**	**Number**	**%**
Yogen Khosla	5,768,124	33.91%	6,038,917	36.91%
Moonlight Equity Private Limited	5,234,484	30.77%	4,914,695	30.04%
India 2020 II Investors Limited	2,421,519	14.24%	2,421,519	14.80%

(g) **Details of equity shareholding of Promoter**

	As at March 31, 2025		
Name of Promoter	**Number of shares**	**% of total shares**	**% Change during the year ***
Yogen Khosla	5,768,124	33.91%	-3.00%
Moonlight Equity Private Limited	5,234,484	30.77%	0.74%

* Change includes effect of issue of fresh share capital

	As at March 31, 2024		
Name of Promoter	**Number of shares**	**% of total shares**	**% Change during the year**
Yogen Khosla	6,038,917	36.91%	-
Moonlight Equity Private Limited	4,914,695	30.04%	-

(Amounts in ₹ in lakhs except EPS)

	Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
24	**Interest Income**		
	(On financial assets measured at Amortised cost)		
	Interest income on loan portfolio	5,976.39	3,308.10
	Interest income on security deposits	43.81	8.47
	Interest income on investments	5.03	4.03
	Interest income on fixed deposits	69.91	56.92
		6,095.14	**3,377.52**
25	**Fees and commission Income**		
	Service fee & facilitation charges	1.24	3.35
	Service fee from business correspondents	2,422.20	2,431.63
		2,423.44	**2,434.98**
26	**Net gain on fair value changes**		
	Net gain on financial instruments measured at fair value through profit or loss	11.67	-
		11.67	**-**
	Fair value change:		
	Realised	10.68	-
	Unrealised	0.99	-
		11.67	**-**
27	**Net gain on derecognition of financial instruments under amortised cost category**		
	Gain on sale of loan portfolio through assignment	44.73	88.74
		44.73	**88.74**
28	**Other Operating Income**		
	Assignor's Yield on Direct Assignments of Portfolio	1.50	16.12
	Recovered against portfolio written off in earlier years	898.12	1,851.40
		899.62	**1,867.52**
29	**Other income**		
	Cheque Bouncing Charges Received	39.26	78.08
	Gain on derecognition of right of use assets	-	0.05
	Interest on income tax refund	13.64	19.19
	Liabilities no longer required written back	57.72	83.51
	Profit on sale of property, plant and equipment	-	0.30
	Miscellaneous income	14.81	8.43
		125.43	**189.56**
30	**Finance costs (on financial liabilities measured at amortised cost)**		
	Interest expenses:		
	- on Debt Securities	251.11	72.66
	- on Borrowings (other than debt securities)	1,433.81	783.77
	- on Subordinate Debts	-	64.93
	- on Unwinding of loss on fair valuation of financial assets	37.59	5.54
	- on Lease Liability	-	0.03
	- on Others	2.38	11.35
	Other borrowing costs	192.42	83.82
		1,917.31	**1,022.10**
31	**Fee and Commission Expense**		
	Professional Fee and consultancy	17.64	16.12
	Commission	96.23	89.41
		113.87	**105.53**

(Amounts in ₹ in lakhs except EPS)

	Particulars		For the year ended March 31, 2025		For the year ended March 31, 2024
32	**Employee benefit expense**				
	Salaries, wages and bonus		3,599.31		3,101.10
	Gratuity		16.89		27.50
	Contribution to provident and other funds		266.93		235.35
	Staff welfare expenses		213.34		307.82
			4,096.47		**3,671.77**
33	**Impairment / written off of financial instruments (On financial assets measured at amortised cost)**				
	Impairment / (reversal) on Loans portfolio		145.15		(27.90)
	Loan Portfolio written off	-		0.71	
	Less: Impairment loss allowance created in earlier years	-	-	-	0.71
	Impairment on Other Financial Assets		59.93		36.50
	Financial Assets written off	2.72		-	
	Less: Impairment loss allowance created in earlier years	2.72	-	-	-
			205.08		**9.31**
34	**Depreciation, amortization and impairment**				
	On property, plant and equipment		46.26		41.62
	On right of use assets		-		0.66
	On other intangible assets		-		-
			46.26		**42.28**
35	**Other expenses**				
	Rates & Taxes		21.81		14.24
	Electricity		18.73		14.32
	Rent		376.28		318.64
	Reversal of input GST Credit		48.91		70.66
	Repairs and maintenance - Others		13.83		22.91
	Insurance		1.01		0.88
	Advertisement expenses		0.43		89.20
	Directors sitting fee		1.60		1.50
	Travelling and conveyance		1,793.22		1,402.45
	Other Professional Charges		164.11		234.79
	Communication costs		33.12		38.69
	Cloud service charges		54.66		49.88
	Printing and stationery		15.94		19.41
	Payment to auditors (Refer note (i) below)		14.08		16.37
	Bank charges		27.15		23.19
	Loss on sale of Property, plant and equipment		0.23		2.25
	Writen off of recoverable against employee embazzlement	6.94		111.63	
	Less: Provision created in earlier years	6.94	-	108.37	3.26
	Provision against employee embazzlement		4.09		-
	Waiver of loan instalments		413.90		472.59
	Rebate and Claim		0.40		0.40
	Sundry Balances written off	-	-	5.64	-
	Less: Provision created in earlier years	-	-	5.64	-
	Miscellaneous Expenses		55.46		23.58
			3,058.96		**2,819.21**
	(i) **Payment to auditors**				
	As auditors				
	Statutory audit		8.00		8.00
	Tax audit		1.50		1.35
	Limited Review certification		3.75		3.00
	Certification fee		0.55		3.75
	Reimbursement of Expenses		0.28		0.27
			14.08		**16.37**

(ii) **Corporate Social Responsibility expense (CSR)**

The Company is not required to makes CSR Expenditure as specified under section 135 of the Companies Act, 2013.

(Amounts in ₹ in lakhs except EPS)

	Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
36	**Tax Expense**		
	Current Tax		
	Current Tax for the year	-	-
	Current Tax adjustments for earlier year (Net)	10.83	-
		10.83	**-**
36.1	**Components of Income Tax Expense:**		
	Amounts recognised in the Statement of Profit and Loss		
	Current tax	10.83	-
	Deferred tax charged/(credit)	40.16	73.50
	Amounts recognised in the Other Comprehensive Income		
	Income tax relating to items that will not be reclassified to profit or loss	(0.36)	0.51
	Income Tax expense for the year	**50.63**	**74.01**
36.2	**Reconciliation of effective tax :**		
	Income before Income Tax	162.08	288.12
	Income Tax Rate	25.168%	25.168%
	Expected Income Tax Expense	40.79	72.51
	Tax effect of adjustments:		
	Impact of allowable and disallowed income and expenses	(0.99)	1.50
	Taxes adjustments related to earlier years	10.83	-
	Total Tax expense	**50.63**	**74.01**
37	**Earning Per Share**		
	Net Profit for the year	111.09	214.62
	Face value per share (₹)	10.00	10.00
	Equity shares outstanding at the beginning of the year	16,217,500	16,217,500
	Equity shares allotted during the year	648,287	-
	Equity shares outstanding at the end of the year	16,865,787	16,217,500
	Weighted Avg. No. of Equity Shares	16,636,666	16,217,500
	Basic EPS (₹)	0.67	1.32
	Diluted EPS (₹)	0.67	1.32

(Amounts in ₹ in lakhs)

38 Fair value of Financial assets & Financial liabilities

(i) The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Particulars	As at March 31, 2025		As at March 31, 2024	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Measured at fair value through profit and loss				
Investments	1,000.99	1,000.99	-	-
	1,000.99	**1,000.99**	**-**	**-**
Measured at amortized cost				
Financial Assets				
Investments	55.00	55.00	55.00	55.00
Cash and Cash Equivalents	1,176.46	1,176.46	1,220.60	1,220.60
Bank Balances other than Cash and Cash Equivalents	485.75	485.75	1,245.11	1,245.11
Receivables - Others	310.36	310.36	336.74	336.74
Loans	8,295.18	8,295.18	8,300.02	8,300.02
Other Financial Assets	3,472.79	3,472.79	1,271.46	1,271.46
	13,795.54	**13,795.54**	**12,428.93**	**12,428.93**
Financial Liabilities				
Trade Payables	74.34	74.34	82.17	82.17
Debt Securities	1,374.47	1,374.47	918.26	918.26
Borrowings (other than debt securities)	8,775.61	8,775.61	7,090.19	7,090.19
Other Financial Liabilities	1,184.24	1,184.24	1,547.74	1,547.74
	11,408.66	**11,408.66**	**9,638.36**	**9,638.36**

Fair value of cash and bank, loans, other receivables, other financial assets, trade payables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

(ii) Fair value hierarchy

The fair value of financial instruments as referred (i) above has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities [Level 1 measurements] and lowest priority to unobservable inputs [Level 3 measurements].

The categories used are as follows:-

Level 1: Quoted prices / net assets value for identical instruments in an active market;

Level 2: Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and

Level 3: Inputs which are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a net asset value or valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

(a) Financial Assets and liabilities measured at fair value – recurring fair value measurements

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are:
(a) recognised and measured at fair value and
(b) measured at amortised cost.
To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Investments at fair value through profit and loss

Particulars	Level 1	Level 2	Level 3	Total
Investments				
As at March 31, 2025	1,000.99	-	-	1,000.99
As at March 31, 2024	-	-	-	-

Valuation technique used to determine fair value

During the year ended March 31, 2025 and March 31, 2024, there were no transfers between Level 1, Level 2 and Level 3 fair value measurements, and no transfer into and out of Level 3 fair value measurements.

(b) Fair value of instruments measured at amortised cost

For the purpose of disclosing fair values of financial instruments measured at amortised cost, the management assessed that fair values of short term financial assets and liabilities approximate their respective carrying amounts largely due to the short-term maturities of these instruments. Further, the fair value of long term financial assets and financial liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

39 Financial Risk Management

The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The financial risks are managed in accordance with the Company's risk management policy. The Company's Board of Directors has overall responsibility for managing the risk profile of the Company. The purpose of risk management is to identify potential problems before they occur, so that risk-handling activities may be planned and invoked as needed to manage adverse impacts on achieving objectives.
The Audit Committee of the Company reviews the development and implementation of the risk management policy of the Company on periodic basis. The Audit Committee provides guidance on the risk management activities, review the results of the risk management process and reports to the Board of Directors on the status of the risk management initiatives. The Company has exposure to the following risks arising from Financial Instruments:

Risk	Exposure from
Credit Risk	Cash and cash equivalents, loans, investments and other financial assets
Liquidity Risk	Borrowings, debt securities, subordinated liabilities, trade payables and other financial liabilities
Market Risk - Interest Rate	Change in interest rate of variable rates borrowings, debt securities and subordinated liabilities
Market Risk - Price	Investment in Debt Securities

In order to avoid excessive concentration of risk, the Company's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

a Credit Risk

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

Cash and Cash Equivalents

The Company holds cash and cash equivalents and other bank balances as per note 4 and 5. The credit worthiness of such bank is evaluated by the management on an ongoing basis and is considered to be high.

(Amounts in ₹ in lakhs)

Loans

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each client. However, management also considers the factors that may influence the credit risk of its client base, including the default risk of the industry and locations in which clients operate. The Company Management has established a credit policy under which each new client is analysed individually for creditworthiness through internal systems and appraisal process to assess the credit risk. The Company's review includes client's income and indebtness levels including economic activity which ensures regular and assured income. The Company establishes an allowance for impairment that represents its expected credit losses in respect of trade and other receivables. The management uses a three stage model approach for the purpose of computation of expected credit loss for Loan portfolio.

Forward-looking economic information (including management overlay) is included in determining the 12-month and lifetime expected credit loss (ECL). The assumptions underlying the ECL are monitored and reviewed on an ongoing basis. Gross carrying value and associated allowances for ECL stage wise for loan portfolio is as follows :

Loans - Staging Analysis:

Analysis of change in gross carrying amount of loans is as follows:

Particulars	**As at March 31, 2025**			
	Stage ^1	**Stage ^2**	**Stage ^3**	**Total**
Opening gross carrying amount	8,491.64	160.88	41.02	8,693.54
Increase in EAD - new asset originated	9,016.89	-	-	9,016.89
Asset acquired	343.91	-	-	343.91
Asset paid in part or full (excluding write off) (net)	(8,748.80)	(90.39)	(19.94)	(8,859.13)
Asset derecognised/co-lending	(348.71)	-	-	(348.71)
Asset written off	-	-	-	-
Transfer to stage 1	9.62	(8.43)	(1.19)	-
Transfer to stage 2	(967.09)	967.09	-	-
Transfer to stage 3	(479.92)	(28.12)	508.04	-
Closing gross carrying amount	**7,317.54**	**1,001.03**	**527.93**	**8,846.50**

Particulars	**As at March 31, 2024**			
	Stage ^1	**Stage ^2**	**Stage ^3**	**Total**
Opening gross carrying amount	4,330.12	12.92	1.12	4,344.16
Increase in EAD - new asset originated	8,358.85	-	-	8,358.85
Asset paid in part or full (excluding write off) (net)	(3,096.76)	(10.42)	(0.47)	(3,107.65)
Asset derecognised/co-lending	(901.82)	-	-	(901.82)
Asset written off	-	-	(0.71)	(0.71)
Transfer to stage 1	-	-	-	-
Transfer to stage 2	(160.88)	160.88	-	-
Transfer to stage 3	(37.87)	(2.50)	41.08	0.71
Closing gross carrying amount	**8,491.64**	**160.88**	**41.02**	**8,693.54**

ECL - staging analysis

Particulars	**As at March 31, 2025**			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Gross carrying value	7,317.54	1,001.03	527.93	**8,846.50**
Allowance of ECL	120.15	105.16	201.06	**426.36**

Particulars	**As at March 31, 2024**			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Gross carrying value	8,491.64	160.88	41.02	**8,693.54**
Allowance of ECL	166.09	97.85	17.27	**281.21**

(Amounts in ₹ in lakhs)

Loans secured against collateral

The Company's secured portfolio pertains to Secured Enterprise loans (SEL), which are secured against tangible assets. The Company does not physically possesses properties or other assets in its normal course of business but makes efforts toward recovery of outstanding amounts on delinquent loans. Once contractual loan repayments are overdue, the Company initiate the legal proceedings against the defaulted customers. The exposure to credit risk is Nil as on March 31, 2025 (March 31, 2024 ₹ Nil).

Other financial assets measured at amortised cost

Other financial assets measured at amortised cost includes loans and advances to employees, security deposits and other recoverables. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

b Liquidity Risk

Liquidity risk is defined as the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Company might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances. Such scenarios could occur when funding needed for illiquid asset positions is not available to the Company on acceptable terms. To limit this risk, management has adopted a policy of managing assets with liquidity in mind and monitoring future cash flows and liquidity on a regular basis. The Company has developed internal control processes for managing liquidity risk.

The Company maintains a portfolio of highly marketable and diverse assets that are assumed to be easily liquidated in the event of an unforeseen interruption in cash flow. The Company assesses the liquidity position under a variety of scenarios, giving due consideration to stress factors relating to both the market in general and specifically to the Company.

The table below analyse the Company financial liabilities into relevant maturity grouping based on their contractual maturities.

As at March 31, 2025

Particulars	Less than 1 year	1 -2 years	2 - 3 years	More than 3 years	Total
Financial Liabilities					
Trade Payables	74.34	-	-	-	74.34
Debt Securities	1,356.82	17.65	-	-	1,374.47
Borrowings (other than debt securities)	6,696.24	2,035.25	34.97	9.15	8,775.61
Other Financial Liabilities	1,184.24	-	-	-	1,184.24
Total	**9,311.64**	**2,052.90**	**34.97**	**9.15**	**11,408.66**

As at March 31, 2024

Particulars	Less than 1 year	1 -2 years	2 - 3 years	More than 3 years	Total
Financial Liabilities					
Trade Payables	82.17	-	-	-	82.17
Debt Securities	798.26	120.00	-	-	918.26
Borrowings (other than debt securities)	5,717.57	1,368.04	2.52	2.06	7,090.19
Lease Liabilities	-	-	-	-	-
Other Financial Liabilities	1,547.74	-	-	-	1,547.74
Total	**8,145.74**	**1,488.04**	**2.52**	**2.06**	**9,638.36**

c Market Risk

Market risk is the risk of loss of future earnings, fair values or future cash flows related to financial instrument that may result from adverse changes in market rates and prices (such as interest rates, other prices). The Company is exposed to market risk primarily related to interest rate risk and price risk.

(Amounts in ₹ in lakhs)

(i) Interest Rate Risk

The company's main interest rate risk arises from borrowings with variable rates, which expose the Company to cash flow and interest rate risk. Below is the exposure of the Company to interest rate risk:

Particulars	As at March 31, 2025	As at March 31, 2024
Liabilities		
Borrowings (other than debt securities)	-	197.83
Total	**-**	**197.83**

Sensitivity Analysis

Particulars	As at March 31, 2025	As at March 31, 2024
Interest rates - increase by 0.50%	-	0.99
Interest rates - decrease by 0.50%	-	(0.99)

(ii) Price Risk

Price risk is the risk that the value of the financial instrument will fluctuate as a result of changes in market prices and related market variables including interest rate change whether caused by factors specific to an individual investment, its issuer or the market. The Company's exposure to price risk arises from investments in debts securities are as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Investments		
Maximum exposure to price risk	1,055.99	55.00
Total	**1,055.99**	**55.00**

Sensitivity Analysis

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Investments at FVTPL - increase by 1%	10.56	0.55
Investments at FVTPL - decrease by 1%	(10.56)	(0.55)

40 Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, lender and market confidence and to sustain future development of the business. The Company's objective to manage its capital is to ensure continuity of business while at the same time provide reasonable returns to its various stakeholders but keep associated costs under control. In order to achieve this, requirement of capital is reviewed periodically with reference to operating and business plans that take into account of portfolio and strategic Investments. Management monitors the return on capital as well as the level of dividends to ordinary shareholders. Sourcing of capital is done through judicious combination of equity/internal accruals and borrowings. The following table summarises the capital of the Company.

Particulars	As at March 31, 2025	As at March 31, 2024
Debt Securities	1,374.47	918.26
Borrowings (Other than Debt Securities)	8,775.61	7,090.19
Interest Accrued	56.50	37.09
Less: Cash and Cash Equivalents	(1,176.46)	(1,220.60)
Less: Bank Balances other than Cash and Cash Equivalents	(485.75)	(1,245.11)
Net Debt	**8,544.37**	**5,579.83**
Equity	1,686.58	1,621.75
Other Equity	6,906.27	6,048.25
Total Capital	**8,592.85**	**7,670.00**
Net debt to equity ratio	**0.99**	**0.73**

(Amounts in ₹ in lakhs)

41 Maturity analysis of Assets and Liabilities

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

Particulars	As at March 31, 2025		As at March 31, 2024	
	within 12 months	after 12 months	within 12 months	after 12 months
ASSETS				
Financial Assets				
Cash and Cash Equivalents	1,176.46	-	1,220.60	-
Bank Balances other than Cash and Cash Equivalents	408.25	77.50	1,225.11	20.00
Receivables - Others	310.36	-	336.74	-
Loans	5,292.68	3,002.50	6,074.66	2,225.36
Investments	1,055.99	-	55.00	-
Other Financial Assets	3,470.60	2.19	1,271.16	0.30
Total	**11,714.34**	**3,082.19**	**10,183.27**	**2,245.66**
Non Financial Assets				
Current Tax Assets (Net)	431.45	-	405.24	-
Deferred Tax Assets (Net)	-	4,814.48	-	4,854.27
Property, Plant and Equipment	-	158.57	-	136.81
Right of use Asset	-	-	-	-
Intangible Assets	-	-	-	-
Intangible Asset under Development	-	18.89	-	18.89
Other Non Financial Assets	141.00	-	92.52	-
Total	**572.45**	**4,991.94**	**497.76**	**5,009.97**
Total Assets	**12,286.79**	**8,074.13**	**10,681.03**	**7,255.63**
LIABILITIES AND EQUITY				
LIABILITIES				
Financial Liabilities				
Trade Payables	74.34	-	82.17	-
Debt Securities	1,356.82	17.65	798.26	120.00
Borrowings (Other than Debt Securities)	6,696.24	2,079.37	5,717.57	1,372.62
Other Financial Liabilities	1,184.24	-	1,547.74	-
Total	**9,311.64**	**2,097.02**	**8,145.74**	**1,492.62**
Non-Financial Liabilities				
Provisions	19.80	139.24	16.31	129.46
Other Non-Financial Liabilities	200.37	-	482.53	-
Total	**220.17**	**139.24**	**498.84**	**129.46**
Total Liabilities	**9,531.81**	**2,236.26**	**8,644.58**	**1,622.08**
Net Equity	**2,754.98**	**5,837.87**	**2,036.45**	**5,633.55**

42 Movement of Impairment Loss Allowance

	As at March 31, 2025		As at March 31, 2024	
	on Loans	on Other financial assets	on Loans	on Other financial assets
Opening Allowance	281.21	424.58	309.11	393.72
Created/(reversed) during the year	145.15	59.93	(27.90)	36.50
Adjusted against written off	-	(2.72)	-	(5.64)
Closing Allowance	**426.36**	**481.78**	**281.21**	**424.58**

(Amounts in ₹ in lakhs)

	Particulars	As at March 31, 2025	As at March 31, 2024
43	**Contingent liabilities not provided for**		
	Claims against the Company not acknowledged as debts	-	-

44 **Segment Information**

According to Ind AS 108, identification of operating segments is based on Chief Operating Decision Maker (CODM) approach for making decisions about allocating resources to the segment and assessing its performance. The business activity of the company falls within one business segment viz. "financing activities". Hence, the disclosure requirement of Ind AS 108 of 'Segment Reporting' is not considered applicable.

45 **Leases disclosures**

As a Lessee

a) The Company incurred ₹ 376.28 Lakhs for the year ended March 31, 2025 (Previous year ₹ 318.64 Lakhs) towards expenses relating to short-term leases and leases of low-value assets.

b) There are no subleasing of right-of-use assets during the year ended March 31, 2025 and March 31, 2024.

c) There are no variable lease payments for the year ended March 31, 2025 and March 31, 2024.

d) Total cash outflow on right to use assets for the year ended March 31, 2025 of Rs. ₹ Nil and March 31, 2024 ₹ 0.81 Lakhs.

46 **Employee Benefits**

a) **Defined Contribution Plan :**

The Company makes contributions towards provident fund to a defined contribution retirement benefit plan for qualifying employees. Under the plan, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit plan to fund the benefits. The company has been recognized following amounts in statement of Profit & Loss for the year:

	For the year ended March 31, 2025	For the year ended March 31, 2024
Contribution to employees Provident fund	189.74	155.97

b) **Defined benefit plan**

The Company made provision for gratuity as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is employee's last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. Gratuity liability is being contributed to the gratuity fund formed by the company.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at 31 March 2025. The present value of the defined benefit obligations and the related current service cost and past service cost, was measured using the Projected Unit Credit Method.

(i) Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date:

Particulars	As at March 31, 2025	As at March 31, 2024
Present value of defined benefit obligation	165.54	153.59
Fair value of plan assets	6.50	7.82
Net defined benefit liability	**159.04**	**145.77**

(Amounts in ₹ in lakhs)

(ii) Movement in net defined benefit (asset) liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Amount recognised in the statement of Profit & Loss		
Current service cost	8.82	18.24
Interest cost	8.07	7.64
Interest income on plan assets	-	-
	16.89	**25.88**

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Amount recognised in the other comprehensive income		
Actuarial (gain)/loss unrecognised during the year	1.42	(2.04)
	1.42	**(2.04)**
Movement in defined benefit obligation (DBO)		
Present value of DBO as at the beginning of the year	153.59	127.72
Current service cost	8.82	18.24
Interest cost	8.07	7.64
Remeasurements (gain)/loss	(1.42)	2.04
Benefit paid out of the fund	(3.52)	(2.05)
Present value of DBO as at the end of the year	**165.54**	**153.59**
Movement in the plan assets recognised in the balance sheet		
Fair Value of Plan Assets at the beginning of the year	7.82	5.36
Actual Return on Plan Assets	0.47	0.41
Contributions by the employer	1.73	4.10
Benefits Paid	(3.52)	(2.05)
Actuarial gain /(loss) on Plan Assets	-	-
Fair Value of Plan Assets at the end of the year	**6.50**	**7.82**

(iii) Maturity profile of defined benefit obligation (based on discounted basis):	**As at March 31, 2025**	**As at March 31, 2024**
Within next twelve months	72.27	78.67
Between one to five years	74.63	62.20
Beyond five years	18.64	12.72
Total	**165.54**	**153.59**

(iv) Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

Discount rate (in %)	6.55%	7.15%
Expected rate of future salary increase (in %)	5.00%	5.00%
Expected average remaining working lives of employees (in years)	29.63	28.47

(v) Category of plan assets

Insurer managed funds	100%	100%

In the absence of detailed information regarding plan assets which is funded with Insurance Company, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets has not been disclosed.

(Amounts in ₹ in lakhs)

(vi) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Particulars	Discount Rate		Average salary escalation rate	
	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024
- Impact due to increase of 1%	(3.72)	(2.70)	2.71	2.26
- Impact due to decrease of 1%	3.95	2.83	(3.00)	(2.26)

Sensitivities due to mortality and withdrawals are insignificant, hence ignored. Sensitivities as to rate of inflation and life expectancy are not applicable being a lump sum benefit on retirement.

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

(vii) Description of Risk Exposure:

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Company is exposed to various risks as follow -

Salary Increases - Higher than expected increase in salary will increase the defined benefit obligation.

Investment Risk - Assets / liabilities mismatch and actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability / Assets.

Discount Rate - Reduction in discount rate in subsequent valuations can increase the plan's liability.

Demographic risk : This is the risk of variability of results due to unsystematic nature of decrements that includes mortality, withdrawals, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends on the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the employee benefit of a short career employee typically costs less per year as compared to a long service employee.

(viii) The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 on November 13, 2020. The Company will assess the impact and its evaluation once the subject rules are notified. The Company will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

(Amounts in ₹ in lakhs)

47 Other Disclosures

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(ii) The Company has not advanced or loaned or invested funds during the year to any other person(s) or entity(is), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (a) directly or indirectly lendor 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.

The Company has not received any fund during the year from any person(s) or entity(is), 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.

(iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period except following charges which are appearing on the website of the MCA against which the Company has no loan outstanding as at reporting date. The Company is taking with MCA to remove these charges from its website:

Lender Name	Charge ID	Date of Creation	Amount (Rs. in Lakhs)	Registrar
1. AU Financiers (India) Limited	10547168	17-12-2014	500.00	New Delhi
2. Bank Of India	100093930	24-03-2017	2,500.00	New Delhi
3. Incred Financial Services Limited	100781113	28-08-2023	300.00	New Delhi
4. Prodigee Finance Limited	100772329	10-08-2023	500.00	New Delhi
5. Usha Financial Services Limited	100694096	28-02-2023	500.00	New Delhi
6. Maxemo Capital Services Private Limited	100747602	27-06-2023	200.00	New Delhi
7. Uco Bank	100331627	20-03-2020	1,000.00	New Delhi
8. Prodigee Finance Limited	100761726	20-07-2023	500.00	New Delhi

(iv) The Company has not been declared willful defaulter by any Banks/Financial Institutions.

(v) The Company has not traded or invested in Crypto currency or Virtual currency during the year.

(vi) There is no income which is required to be 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.

(vii) There are no transaction with struck off companies during the current and previous year.

(viii) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

48 Ratios for the year ended:

Particulars	March 31, 2025	March 31, 2024	Variance (%)	Reason for Variance exceeding 25%
Capital to risk-weighted assets ratio (CRAR)	29.44%	28.82%	2.17%	
Tier I CRAR	29.21%	28.51%	2.46%	
Tier II CRAR	0.23%	0.31%	-24.61%	
Liquidity Coverage Ratio	Not Applicable	Not Applicable	Not Applicable	

CRAR = Adjusted net worth divided by Risk weighted assets, calculated as per RBI guidelines.

	Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
49	a) Expenditure in foreign currency	-	-
	b) Earning in foreign currency	-	-
	c) Exposure to unhedged foreign currency	-	-
	d) Exposure to unhedged other derivatives	-	-

50 Pursuant to the master direction DNBR.PD. 088/03.10.119/2016-17 dated September 01, 2016 as amended from time to time (the NBFC Master Direction 2016), the Company is a Systemically Important Non-Deposit taking Non-Banking Financial Company.

(Amounts in ₹ in lakhs)

51 Related party as identified by the Company

1 Name & Relationship of the related parties:

Key Management Personnel (KMP)	Mr. Yogen Khosla (Managing Director) Mr. Vahin Khosla (Executive Director) (Son of Managing Director) Mr. Sanjiv Syal (Independent Director) ceased to with effect from 13th February, 2024 and later on re-appointed w.e.f 7th May, 2024 Ms. Suman Kukretty (Independent Director) Mr. Govind Saboo (Independent Director) Mr. Pawan Dubey (Independent Director) Mr. Vinod Raina (Chief Financial Officer) Mrs. Tanya Sethi (Company Secretary)
Relatives of Key Management Personnel	Mr. Yuv Vir Khosla (Chief Operating Officer) (Son of Managing director) Mrs. Anju Khosla (Wife of Managing director)
Enterprise over which KMP and their relatives is having significant influence	Lendonline Private Limited (Formerly known as Capital Trust Infotech Private Limited) Moonlight Equity Private Limited

2 Transactions with related parties during the year

Particulars	Subsidiary	Key Management Personnel (KMP)	Relatives of Key Management Personnel	Enterprise over which KMP and their relatives can exercise significant influence
Loan taken				
Moonlight Equity Private Limited	- -	- -	- -	1,135.00 (1,631.17)
Lendonline Private Limited (Formerly known as Capital Trust Infotech Private Limited)	- -	- -	- -	60.00 (279.00)
Mr. Yogen Khosla	- -	538.00 (602.68)	- -	- -
Loan repaid				
Moonlight Equity Private Limited	- -	- -	- -	1,135.00 (1,631.17)
Lendonline Private Limited (Formerly known as Capital Trust Infotech Private Limited)	- -	- -	- -	60.00 (279.00)
Mr. Yogen Khosla	- -	214.00 (681.68)	- -	- -
Interest Paid				
Moonlight Equity Private Limited	- -	- -	- -	31.01 (49.45)
Lendonline Private Limited (Formerly known as Capital Trust Infotech Private Limited)	- -	- -	- -	1.43 (24.68)
Mr. Yogen Khosla	- -	21.16 (29.73)	- -	- -
Remuneration and other perquisites to Company's KMPs and their relatives*				
Short term employee benefit	- -	287.05 (266.32)	137.31 (121.97)	- -
Defined Contribution Plan	- -	25.61 (23.82)	14.93 (13.18)	- -
Directors Sitting Fees	-	1.60	-	-
	-	(1.50)	-	-

* The above remuneration is excluding provision for Gratuity based on acturial valuation done at year end.

3 Outstanding balance as at year end	As at March 31, 2025	As at March 31, 2024
Unsecured Loans:		
Mr. Yogen Khosla	324.00	-
Remuneration and other perquisites to Company's KMPs and their relatives		
Short term employee benefit	18.12	16.76

Apart from above Managing director of the company and Moonlight Equity Private Limited has given corporate guarantees to the bankers to secure loan availed by the company. (Refer Note 19.3)

52 Additional disclosures pursuant to the RBI guidelines and notification:

1) Capital

Items	**As at March 31, 2025**	**As at March 31, 2024**
Capital to risk / weighted assets ratio (CRAR) (%)	29.44%	28.82%
CRAR-Tier I capital (%)	29.21%	28.51%
CRAR-Tier II capital (%)	0.23%	0.31%
Amount of Subordinate debt raised as Tier-II capital	-	-
Amount raised by issue of perpetual debt instruments	-	-

2) Investments

Particulars	**As at March 31, 2025**	**As at March 31, 2024**
(1) Value of investments		
i) Gross value of investments		
(a) In india	1,055.99	55.00
(a) Outside india	-	-
ii) Allowances for impairment		
(a) In india	-	-
(b) Outside india	-	-
iii) Net value of Investments		
(a) In india	1,055.99	55.00
(a) Outside india	-	-
(2) Movement of provisions held towards depreciation on investments		
i) Opening balance	-	-
ii) Add: Provisions made during the year	-	-
iii) Less: Write-off/ (write-back) of excess provisions during the year	-	-
iv) Closing balance	-	-

3) Derivatives

The Company does not have any derivatives exposure in the current and previous year.

4) Disclosure relating to Securitisation

A) The Company has entered into various agreements for the securitisation of loans by way of direct assignment with assignees, wherein it has securitised a part of its loan portfolio amounting to Rs. 348.71 Lakhs during the year ended March 31, 2025 (March 31, 2024: Rs. 901.82 Lakhs), being the principal value outstanding as on the date of the deals. The Company is responsible for collection and getting servicing of this loan portfolio on behalf of investors/buyers. In terms of the said securitisation agreements, the Company pays to investor/buyers on agreed date basis the prorata collection amount as per individual agreement terms.

B) Details of Financial assets sold to securitisation / reconstruction company for assets reconstruction

The Company has not sold any financial assets to Securitisation / Reconstruction company for assets reconstruction during the current and previous year.

C) Details of Assignment transactions undertaken by applicable NBFCs

	For the year ended March 31, 2025	**For the year ended March 31, 2024**
(i) No. of accounts	1,293	4,393
(ii) Aggregate value (net of provisions) of accounts sold	348.71	901.82
(iii) Aggregate consideration	348.71	901.82
(iv) Additional consideration realized in respect of accounts transferred in earlier years	-	-
(v) Aggregate (gain) / loss over net book value	-	-

D) Details of non performing financials assets purchased / sold

The Company has not purchased / sold any non-performing financial assets (relating to securitisation) during the current and previous year

52 **Additional disclosures pursuant to the RBI guidelines and notification:**

5) Asset liability management

Maturity pattern of certain items of assets and liabilities as at year end

	As at March 31, 2025			As at March 31, 2024		
	Advances*	Investments*	Borrowings #	Advances	Investments	Borrowings #
Upto 30/ 31 days	849.70	-	876.80	606.80	-	595.59
Over 1 month upto 2 months	801.20	-	868.00	646.31	-	617.09
Over 2 months upto 3 months	759.10	1,000.99	811.30	645.85	-	621.06
Over 3 months and upto 6 months	1,676.20	-	1,750.00	1,846.94	-	1,801.44
Over 6 months and upto 1 year	1,757.80	55.00	2,920.80	2,722.29	55.00	2,978.30
Over 1 year and upto 3 years	2,971.70	-	3,009.90	1,629.01	-	1,494.53
Over 3 years and upto 5 years	30.80	-	9.16	596.35	-	2.04
Over 5 years	-	-	-	-	-	-
Total	**8,846.50**	**1,055.99**	**10,245.96**	**8,693.54**	**55.00**	**8,110.05**

excluding interest accured thereon

*In addition to above, as on March 31, 2025, the Company has fixed deposits of Rs. 480.55 Lakhs and cash & cash equivalents of Rs. 1,176.46 Lakhs for the meeting its obligation under the borrowings.

6) Exposure

(a) Exposure to real estate sector

The Company does not have any real estate exposure in the current and previous year.

(b) Exposure to capital market	**As at March 31, 2025**	**As at March 31, 2024**
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; (Refer Note 8)	-	-
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;	-	-
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;	-	-
Advances for any other purposes to the extent secured by the collateral security of shares of 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;	-	-
Secured and unsecured advances to stockholders and guarantees issued in behalf of stockbrokers and market makers;	-	-
Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
Bridge loans to companies against expected equity flows / issues.	-	-
All exposures to Venture Capital Funds (both registered and unregistered)	-	-

(c) Details of financing of parent company products

The company does not have a parent company and accordingly no disclosure required.

(d) Details of single borrower limit (SGL) / group borrower limit (GBL) exceeded by the applicable NBFC

The company does not exceed any limit related to SGL and GBL in the current and previous year.

(e) Unsecured advances

All advances given by the company are unsecured advances to its customers except mentioned in note 7.

(Amounts in ₹ in lakhs)

52 **Additional disclosures pursuant to the RBI guidelines and notification:**

7) Miscellaneous

(a) Registration obtained from other financial sector regulators

The Company is registered with following other financial sector regulators (Financial regulators as described by Ministry of Finance):

(i) Ministry of Corporate Affairs
(ii) Ministry of Finance (Financial Inteligence Unit)
(iii) Securities and Exchange Board of India (SEBI)
(iv) Central Registry of Securitisation Asset Reconstruction and Security Inerest of India (CERSAI)

(b) Disclosures of penalties imposed by RBI and other regulators

No penalties imposed by RBI or other financial sector regulators during the current and previous year.

(c) Related party transactions

Details of all material related party transactions are disclosed in note 51 to the financial statements.

(d) Ratings assigned by credit rating agencies and migration of ratings during the year

The details of ratings

Particulars	Amount in ₹	Credit Rating Agency	Current Rating	Previous Rating	Rating Date
Long-term Bank facilities	50 Crores	CareEdge	BB+ (Outlook Stable)	BB+ (Outlook Stable)	26-12-2024
Non Convertible Debentures	10 Crores	CareEdge	BB+ (Outlook Stable)	-	26-12-2024

(e) Remuneration of Directors

Particulars	Remuneration		Provident Fund and Others		Sitting Fees	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Mr. Yogen Khosla	163.55	162.66	15.76	15.76	-	-
Mr. Vahin Khosla	70.55	56.34	7.62	6.05	-	-
Mr. Sanjiv Syal	-	-	-	-	0.40	0.30
Ms. Suman Kukretty	-	-	-	-	0.40	0.40
Mr. Govind Saboo	-	-	-	-	0.40	0.40
Mr. Pawan Dubey	-	-	-	-	0.40	0.40

8) Additional Disclosures

(a) Provisions and contingencies

Break up of 'provisions and contingencies' shown under the head expenditure in statement of Profit and Loss

	Current Year	Previous Year
Impairment / (reversal) on Loans Portfolio	145.15	(27.90)
Provision made towards income tax	-	-
Provision made/write off towards employees fraud (including for earlier years)	4.09	3.26
Provision for other advances/assets	59.93	36.50
Other provision and contingencies (employee benefits)	16.89	25.88
	226.06	37.74

(b) Draw down from reserves

There have been no instances of draw down from reserves by the company during the current and previous year.

(c) Concentration of advances, exposures and NPAs

(to the extent identified by the management)

a. Concentration of advances		
Total advances to twenty largest borrowers	25.86	27.28
Percentage of exposure to twenty largest borrowers as total exposure	0.29%	0.31%
@ Advances have been taken as Gross Carrying Amount		
b. Concentration of exposure		
Total exposure to twenty largest borrowers	25.86	27.28
Percentage of exposure to twenty largest borrowers as total exposure	0.29%	0.31%
@ Exposures have been taken as Gross Carrying Amount		
c. Concentration of non-performing assets		
Total Exposure to top four non-performing accounts	1.93	4.61
@ Exposures have been taken as Gross Carrying Amount	0.02%	0.05%

(Amounts in ₹ in lakhs)

d. Sector-wise non-performing assets

	Current Year %	Previous Year %
Agriculture & allied activities	1.63%	0.12%
Micro Small and Medium Enterprises *	0.66%	0.04%
Services	1.34%	0.09%
Other loans	0.06%	0.02%
Auto loans	0.00%	0.00%

* Determination based on the information related to the nature and size of activity of the borrower and excluding loans to related parties as certified by the management.

e. Movement of non-performing assets

		Current Year	Previous Year
	Net NPA to net Advances (%)	3.69%	0.27%
(i)	Movement of non-performing assets (Gross)		
	(a) Opening balance	41.02	1.12
	(b) Additions during the year	506.85	41.08
	(c) Reductions during the year #	19.94	1.18
	(d) Closing balance	**527.93**	**41.02**
(ii)	Movement of net non-performing assets		
	(a) Opening balance	23.75	0.59
	(b) Additions during the year	323.06	24.34
	(c) Reductions during the year #	19.94	1.18
	(d) Closing balance	**326.87**	**23.75**
(iii)	Movement of provisions for non-performing assets (excluding provisions on standard assets)		
	(a) Opening balance	17.27	0.53
	(b) Provisions made during the year	183.79	16.74
	(c) Write-off/ write-back of excess provisions	-	-
	(d) Closing balance	**201.06**	**17.27**

Reduction includes write-offs and recoveries.

f. Overseas assets (for those with joint ventures and subsidiaries aboard)

The company did not have any overseas assets during the current and previous year.

g. Off-balance sheet SPVs sponsored (which are required to be consolidated as per accounting norms)

The company did not sponsor any SPVs during the current and previous year.

9) Disclosure of customer complaints
(as identified by the management)

	Current Year	Previous Year
a) No. of complaints pending at the beginning of the year	-	-
b) No. of complaints received during the year	404	215
c) No. of complaints redressed during the year	404	215
d) No. of complaints pending at the end of the year	-	-

10) Information on instances of fraud identified during the year
(as identified by the management)

	Current Year	Previous Year
cash embezzlement and snatching		
No. of cases	50	34
Amount of fraud	6.19	5.40
Recovery	2.10	2.14
Amount provided for/written off	4.09	3.26
Loans given against fictitious documents		
No. of cases	-	-
Amount of fraud	-	-
Recovery	-	-
Amount provided for	-	-

RBI has been reported each fraud which are of the value of more than Rs. 1 Lakh. In Current year there is no fraud identified for more than Rs. 1 Lakh.

(Amounts in ₹ in lakhs)

53 Additional disclosure pursuant to Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016 issued by RBI

	Particulars		Current Year		Previous Year	
	Liabilities Side:		**Outstanding**	**Overdue**	**Outstanding**	**Overdue**
1	**Loans and advances availed by the NBFCs**					
	(a) Debentures	:Secured	1,386.91	-	935.00	-
		:Unsecured	-	-	-	-
	(other than falling within the Meaning of public deposits)					
	(b) Deferred credits		-	-	-	-
	(c) Term loans		7,906.85	-	6,959.38	-
	(d) Inter-corporate loans and borrowing		922.00	-	200.00	-
	(e) Commercial paper		-	-	-	-
	(f) Public deposits		-	-	-	-
	(g) Subordinate loans		-	-	-	-
	(h) Vehicle loans		30.20		15.67	
	(i) Loans repayable on demand		-	-	-	-
	(h) Liabilities against securitised 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.		-	-	-	-
	(c) Other public deposits		-	-	-	-
	Assets side:					
3	**Break-up of loans and advances including bills receivables (other than those included in (4) below:**					
	(a) Secured		-	-	-	-
	(b) Unsecured - receivable under financing activity		8,846.50	-	8,693.54	-
4	**Break-up of leased assets and stock on hire and hypothecation loans counting towards EL / HP 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) Repossed Assets		-	-	-	-
	(iii) Hypothecation loans counting towards EL/HP activities					
	(a) Loans where assets have been repossessed		-	-	-	-
	(b) Loans other than (a) above		-	-	-	-
5	**Break-up of investments:**					
	Current investments:					
	1. Quoted:					
	(i) Shares:	(a) Equity	-	-	-	-
		(b) Preference	-	-	-	-
	(ii) Debentures and bonds		-	-	-	-
	(iii) Units of mutual funds		1,000.99	-	-	-
	(iv) Government securities		-	-	-	-
	(v) Others (please specify)		-	-	-	-
	(2) Unquoted:					
	(i) Shares:	(a) Equity	-	-	-	-
		(b) Preference	-	-	-	-
	(ii) Debentures and bonds		55.00	-	55.00	-
	(iii) Units of mutual funds		-	-	-	-
	(iv) Government securities		-	-	-	-
	(v) Others (please specify)		-	-	-	-
	Non Current investments:					
	1. Quoted:					
	(i) Shares:	(a) Equity	-	-	-	-
		(b) Preference	-	-	-	-
	(ii) Debentures and bonds		-	-	-	-
	(iii) Units of mutual funds		-	-	-	-
	(iv) Government securities		-	-	-	-
	(v) Others (please specify)		-	-	-	-
	(2) Unquoted:					
	(i) Shares:	(a) Equity	-	-	-	-
		(b) Preference	-	-	-	-
	(ii) Debentures and bonds			-	-	-
	(iii) Units of mutual funds		-	-	-	-
	(iv) Government securities		-	-	-	-
	(v) Others (please specify)		-	-	-	-

53 Additional disclosure pursuant to Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016(updated as on 09 March, 2017) issued by RBI

SN	Particulars	Current Year		Previous Year	
		Secured	Unsecured	Secured	Unsecured
6	**Borrower group-wise classification of assets financed as in (3) and (4) above:**				
	1. Related parties				
	(a) Subsidiaries	-	-	-	-
	(b) Companies in the same group	-	-	-	-
	(c) Other related parties	-	-	-	-
	2. Other than related parties	-	8,846.50	-	8,693.54
	Total	**-**	**8,846.50**	**-**	**8,693.54**

SN	Particulars	Current Year		Previous Year	
		Market value / Break-up or fair value or NAV	Book value (net of provisions)	Market value / Break-up or fair value or NAV	Book value (net of provisions)
7	**Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :**				
	1. Related Parties				
	(a) Subsidiaries	-	-	-	-
	(b) Companies in the same group	-	-	-	-
	(c) Other related parties	-	-	-	-
	2. Other than related parties				
	Shares	-	-	-	-
	Mutual fund	1,000.99	1,000.99	-	-
	Total	**1,000.99**	**1,000.99**	**-**	**-**

SN	Particulars		Current Year	Previous Year
8	**Other information**			
	(i)	**Gross non-performing assets**		
		(a) Related parties	-	-
		(b) Other than related parties	527.93	41.02
	(ii)	**Net Non-performing Assets**		
		(a) Related parties	-	-
		(b) Other than related parties	326.87	23.75
	(iii)	**Assets acquired in satisfaction of debt**	**-**	**-**

SN	Particulars		Current Year	Previous Year
9	**Asset Classification**			
	(i)	Standard	8,318.57	8,652.52
	(ii)	Sub-Standard & doubtful	527.93	41.02

54 Disclosure pursuant to RBI Notification dated September 24, 2021 on "Transfer of Loan Exposures" are given below:

(a) Details of loans transferred through direct assignment during the year ended March 31, 2025.

Particulars	Amount
Total amount of loans transferred through direct assignment (Rs. in Lakhs)	348.71
Weighted average residual maturity (in months)	11
Weighted average holding period (in months)	5
Retention of beneficial economic interest	10%
Coverage of tangible security coverage	Nil
Rating wise distribution of rated loans	No Rating

(b) Details of loans acquired which are not in default during the year ended March 31, 2025.

Particulars	Amount
Total amount of loans transferred through direct assignment (Rs. in Lakhs)	343.91
Weighted average residual maturity (in months)	6
Weighted average holding period (in months)	9
Retention of beneficial economic interest	0%
Coverage of tangible security coverage	Nil
Rating wise distribution of rated loans	No Rating

(c) The Company has not transferred or acquired, any stressed loans during the year ended March 31, 2025.

(Amounts in ₹ in lakhs)

55 Additional disclosure under RBI circular RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March (Certified by management)

A comparison between provisions required under Income Recognition, Asset Classification and Provisioning (IRACP) and impairment allowances made under Ind AS 109 is as follows:

As at March 31, 2025

Asset classification as per RBI norms	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7)=(4)-(6)
Perfoming Assets						
Standard	Stage 1	7,317.54	120.15	7,197.40	33.27	
	Stage 2	1,001.03	105.16	895.87		
Subtotal		**8,318.57**	**225.30**	**8,093.27**	**33.27**	**192.03**
Non-Perfoming Assets (NPA)						
Substandard	Stage 3	527.93	201.06	326.87	49.77	
Doubtful - upto 1 year	Stage 3				30.18	
1 to 3 years	Stage 3					
more than 3 years	Stage 3					
Subtotal for doubtful						
Loss	Stage 3				-	
Subtotal for NPA		**527.93**	**201.06**	**326.87**	**79.95**	**121.10**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current IRACP norms	Stage 1	-	-	-	-	
	Stage 2	-	-	-	-	
	Stage 3	-	-	-	-	
Subtotal		-	-	-	-	-
Total	Stage 1	7,317.54	120.15	7,197.40	33.27	
	Stage 2	1,001.03	105.16	895.87		
	Stage 3	527.93	201.06	326.87	79.95	
	Total	**8,846.50**	**426.36**	**8,420.14**	**113.23**	**313.13**

As per our report of even date attached
For JKVS & Co.
Chartered Accountants
Firm Reg. No. 318086E

For and on behalf of the Board of Directors

B. L. Choraria
Partner
Membership No. 022973

Yogen Khosla
Managing Director
DIN: 00203165

Vahin Khosla
Executive Director
DIN: 07656894

Place: Noida
Date: May 27, 2025

Vinod Raina
Chief Financial Officer

Tanya Sethi
Company Secretary
M. No. A31566

Place: New Delhi
Date: May 27, 2025

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